



**CHINA ENVIRONMENT LTD.**  
(Registration No.: 200301902W)

**COMPANY ANNOUNCEMENT – STATUS UPDATE**

The Board of Directors (the “**Board**”) of China Environment Ltd. (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) would like to update the shareholders about the current affairs of the Company:

A status update including but not limited to the followings:

**1) Business operation of PRC subsidiaries:**

The Group has ceased business operations in its PRC subsidiaries. The Group is awaiting for the Court Auctions with regard to the properties secured under the Bank of China Longyan loan and Zhongxin Bank loan for which PRC Court judgements were announced on 31 May 2017 and 10 October 2017 respectively to be completed before finalising any further decision for the PRC subsidiaries; liquidation or disposal etc;

**2) Legal proceedings and other actions by or against the Group:**

All material legal proceedings which the Company is aware of has been disclosed on SGXNET.

To the best of the Company’s knowledge, the following enforcement orders have been taken out against the Group PRC subsidiaries in the People’s Republic of China as at April 2018:

<b>Fujian Dongyuan Environmental Protection Co; Ltd Case No.</b>	<b>RMB</b>	
2017 闽 8 执 330	40,781,888	
2017 闽 802 执 4864 号	53,000	
2017 闽 802 执 4654 号	300,885	
2017 闽 8 执 225 号	61,264,128	#
2017 闽 981 执 1068 号	88,352	
2017 闽 802 执 2999 号	23,104,220	*
2017 闽 802 执 1780 号	5,000,000	
2017 闽 3 执 20 号	20,547,128	

<b>Anhui Dongyuan Environmental Protection Co; Ltd Case No.</b>	<b>RMB</b>	
2017 闽 8 执 225 号	61,264,128	#
2017 闽 802 执 2999 号	23,104,220	*

<b>Xiamen Gongyuan Environmental Protection Technology Co; Ltd Case No.</b>	<b>RMB</b>	
2017 闽 802 执 2999 号	23,104,220	*

As the PRC subsidiaries are limited liability entities, the Company does not plan to pay off the Civil Suit liabilities as the Company’s long-term plan is to either liquidate or dispose the PRC subsidiaries.

**3) financial statements for FY 2013 & 2014 that are to be restated as well as financial statements (“FS”) for FY2015, FY2016 & FY2017; and**

Restated FS for FY2013 & FY2014 & FS for FY2015:

- The Company and its auditors are in the midst of finalising the Financial Statements for FY2013, FY2014, FY2015, expected to be complete by the end of April 2018.

FS for FY2016 & FY2017:

- The Commencement of audit from RT LLP already started, the Company is still in the process of constructing the Group accounts for FY2016 & FY2017, expected to be complete by the end of May 2018.

**4) A concrete timeline for the Company to hold AGMs for the relevant financial years.**

The Company expects to hold the AGM for FY2013, 2014, 2015 together with the AGM for FY2016 & 2017 by the end of June 2018 barring unforeseen circumstances. The Company is still in the process of constructing the Group accounts for FY2016 & FY2017.

**BY ORDER OF THE BOARD**

China Environment Ltd.

Norman Winata  
Executive Chairman  
20 April 2018