



CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

UPDATE ON CITIC BANK LOAN

The Board refers to the announcements released by the Company on 9 October 2015, 23 October 2015, 02 November 2015, 27 November 2015, 07 December 2015 and 09 December 2015 in relation to the above matter (all defined terms in the said announcements shall continue to have the same meanings herein), the Board wishes to announce that Fujian Dongyuan Environmental Protection Co., Ltd (“FJDY”), a wholly-owned subsidiary of the Company, had repaid Citic Bank Gu Fen Co Ltd Long Yan Branch (中信银行股份有限公司龙岩分行) (“CITIC”) an amount approximately RMB8 million and converted the balance of RMB36 million bank loans from unencumbered to a new mortgage loan (“the Loan”) offered by CITIC.

With the successful completion of these banking transactions, the credit record of FJDY in the China Credit Bureau System has been re-instated to normal status. FJDY continue to explore more banking facilities from both on-shore and off-shore banks for future business developments.

By Order of the Board

Huang Min
Executive Chairman
30 December 2015