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China Environmental Energy Investment Limited

中國環保能源投資有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 986)

DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES

The Group disposed on-market of a total of 145,000,000 WLS Shares in a series of transactions conducted on 2 March 2016 and 4 March 2016, at the price between HK\$0.315 and HK\$0.325 per WLS Share for an aggregate gross sale proceeds of HK\$46,488,450 (excluding transaction costs).

The Disposal constitutes a discloseable transaction of the Company as one of the applicable percentage ratios exceeds 5% but is less than 25%.

THE DISPOSAL

The Group disposed on-market of a total of 145,000,000 WLS Shares in a series of transactions conducted on 2 March 2016 and 4 March 2016, at the price between HK\$0.315 and HK\$0.325 per WLS Share for an aggregate gross sale proceeds of HK\$46,488,450 (excluding transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers of the WLS Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the WLS Shares and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets disposed of

The Group disposed of a total of 145,000,000 WLS Shares, representing approximately 1.14% of the issued share capital of WLS (based on the 12,767,101,072 WLS Shares as at 29 February 2016 according to the monthly return of WLS dated 1 March 2016).

Consideration

The aggregate gross sale proceeds of the Disposal is HK\$46,488,450 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the Disposal represented the market price of the WLS Shares at the time of the Disposal.

INFORMATION OF WLS

WLS is a company incorporated in the Cayman Islands and continued in Bermuda with limited liability whose shares are listed on the Growth Enterprises Market of the Stock Exchange (stock code: 8021). WLS is principally engaged in the provision of scaffolding and fitting out services, management contracting services, and other services for construction and buildings work and money lending business.

The following information is extracted from the 2015 annual report of WLS:

| | For the year ended 30 April 2015 | For the year ended 30 April 2014 |
|----------------------|---------------------------------------------|---------------------------------------------|
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Revenue | 136,641 | 111,961 |
| Loss before taxation | (7,528) | (69,041) |
| Loss after taxation | (7,734) | (61,469) |
| Net asset value | 298,226 | 93,169 |

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in the businesses of waste paper, scrap metal and consumable wastes recycling, trading of petrochemical products, online products sales, provision of web maintenance services and marketing services, trading of gold and diamond industry and money lending.

The purpose of the Disposal is to realize investment gain and obtain additional cash flow. As a result of the Disposal, the Group is expected to recognize a gain of approximately HK\$41,045,000 which is calculated on the basis of the difference between the acquisition price and the disposal price (exclusive of transaction costs). The Company intends to use the proceeds of the Disposal (i) as general working capital of the Company, (ii) as working capital for the Group's money lending business through the Company's subsidiary, Great Luck Finance Limited and/or (iii) for future acquisition to enhance the value of the Company and the shareholders as a whole.

The Disposal was made at market price and the Board is of the view that the Disposal will enhance the liquidity of the Company and was fair and reasonable and is on normal commercial terms and is in the interests of the Company and the Shareholders as a whole.

IMPLICATION UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

| | |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Board” | the board of Directors |
| “Company” | China Environmental Energy Investment Limited (Stock code: 986), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange |
| “connected person(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Disposal” | the disposal by the Company of a total of 145,000,000 WLS Shares on the market on 2 March 2016 and 4 March 2016 for a total consideration of HK\$46,488,450 |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |

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|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “RMB” | Renminbi, the lawful currency of the People’s Republic of China |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “WLS” | WLS Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability whose shares are listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8021) |
| “WLS Share(s)” | ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of WLS |
| “%” | per cent. |

By Order of the Board
China Environmental Energy Investment Limited
Chen Tong
Chairman

Hong Kong, 4 March 2016

As at the date of this announcement, the Board comprises two executive Directors, namely Ms. Chen Tong (Chairman) and Mr. Xiang Liang; and three independent non-executive Directors, namely Ms. Zhang Ruisi, Mr. Tse Kwong Chan and Ms. Zhou Jue.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.

* *For identification purposes only*