

ASIA ENVIRONMENT HOLDINGS LTD.
(Company Registration No. 200004778C)
(Incorporated in Singapore)

- (1) **APPLICATION OF THE SCRIP DIVIDEND SCHEME TO THE FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007**
 - (2) **BOOKS CLOSURE DATE FOR FINAL DIVIDEND**
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- (1) **APPLICATION OF THE SCRIP DIVIDEND SCHEME TO THE FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007**

The Board of Directors (the “**Board**”) of Asia Environment Holdings Ltd (the “**Company**”) is pleased to announce the application of the Scrip Dividend Scheme (the “**Scheme**”) to the final dividend of S\$0.02 per ordinary share (“**Share**”) for the financial year ended 31 December 2007 (the “**FY07 Dividend**”). The payment of the FY07 Dividend was approved at the Annual General Meeting held on 28 April 2008.

The Scheme will provide shareholders of the Company (“**Shareholders**”) with the option to elect to receive new Shares in the capital of the Company (“**New Shares**”) in lieu of the cash amount of the FY07 Dividend declared on the Shares held by them as at 5.00 p.m. on 16 May 2008 (the “**Books Closure Date**”), being the books closure date in respect of the FY07 Dividend.

Shareholders who wish to receive the FY07 Dividend in cash need not take any action.

Who is eligible to participate in the Scheme

All Shareholders entitled to the FY07 Dividend will be eligible to participate in the Scheme in respect of the FY07 Dividend, subject to the restrictions on Overseas Shareholders (defined below) and those with small holdings of Shares, as described below.

Shareholders with registered addresses outside Singapore (“**Overseas Shareholders**”), and who have not provided to the Company or (as the case may be) The Central Depository (Pte) Limited (“**CDP**”) with addresses in Singapore for the service of notices and documents latest by 5.00 p.m. on 8 May 2008 (being not later than five market days prior to Books Closure Date) will not be eligible to participate in the Scheme.

How to participate in the Scheme

Notices of election (“**Election Notices**”) will be despatched to eligible Shareholders as soon as practicable after the Books Closure Date (on or about 29 May 2008).

Eligible Shareholders can elect to participate in the Scheme for the purpose of the FY07 Dividend only, or they can make a permanent election to participate in the Scheme in respect of the FY07 Dividend and all future dividends. These options will be provided for in the Election Notices.

Eligible Shareholders who elect to participate in the Scheme may receive New Shares in odd lots. Fractional entitlements to the New Shares shall be rounded up or otherwise dealt with in such manner as the Board may deem fit in the interest of the Company and as may be acceptable to the Singapore Exchange Securities Trading Limited.

Non-participation in the Scheme

Eligible Shareholders who do not elect to participate in the Scheme will receive the FY07 Dividend in cash.

Shareholders whose small holdings of Shares would result in their receiving zero (0) New Shares under the Scheme and Overseas Shareholders will be paid the FY07 Dividend in cash.

Issue Price

For the purposes of the application of the Scheme to the FY07 Dividend, the price at which each New Share is to be issued ("**Issue Price**") will be determined in accordance with the terms and conditions of the Scheme. The Company will announce the Issue Price on or about 16 May 2008.

(2) BOOKS CLOSURE DATE FOR FINAL DIVIDEND

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed at 5.00 p.m. on 16 May 2008 for the purpose of determining Shareholders' entitlements to the FY07 Dividend, as referred to above.

Duly completed registrable transfers received by the Company's Share Registrar, M & C Services Private Limited at 138 Robinson Road #17-00 The Corporate Office Singapore 068906 or, in the case of an Overseas Member, CDP at CDP at 4 Shenton Way #02-01, SGX Centre 2, Singapore 068807 up to 5.00 p.m. on the Books Closure Date will be registered before entitlements to the FY07 Dividend are determined.

Fully paid New Shares to be issued pursuant to elections by eligible Shareholders to receive the FY07 Dividend in scrip will be allotted on or about 7 July 2008. The FY07 Dividend will be paid on or about 7 July 2008.

By Order of the Board
Wang Hongchun
Chief Executive Officer