The board (the “Board”) of Directors (the “Directors”) of Sino-Environment Technology Group Limited (the “Company”) wishes to announce that it had applied (the “Application”) to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for:

(a) a waiver (the “Waiver”) from compliance with the requirement under Rule 705(2)(b) (“Rule 705(2)(b)”) of the Listing Manual of the SGX-ST (the “Listing Manual”), pursuant to which the Company is required to announce its financial statements for the first quarter ended 31 March 2009 (the “Quarterly Results”) not later than 45 days after 31 March 2009 (the “45-Days Period”), being 15 May 2009 (the “Reporting Deadline”); and

(b) an extension of time (the “Extension”) to announce the Quarterly Results beyond the 45-Days Period until 30 June 2009 (the “Extension Date”).

The Waiver was sought by the Company for the following reasons:

(a) A meeting of the Board was scheduled to be held on 6 May 2009 (the “Board Meeting”) to discuss inter alia, the approval of the Quarterly Results and the release of the Quarterly Results by way of an announcement over the SGXNET. Whilst the required quorum of two Directors was present at the Board Meeting on 6 May 2009, the following Directors were absent from the Board Meeting:

(i) Mr Sun Jiangrong, Mr You Shengquan and Professor Li Shouxin, who had been members of the key management of the Company (the “Key Management Directors”); and

(ii) Mr Pan Jinquan, an Independent Director of the Company (the “Independent Director”),

(the “Absent Directors”).

(b) Accordingly, the Board Meeting had to be adjourned as the Directors who were present at the Board Meeting would be unable to conduct substantive discussions on, in particular, the performance and results of the Company without the participation and inputs of the Key Management Directors. As a result, the necessary Board approval for the Quarterly Results and for the release of the Quarterly Results by way of an announcement over the SGXNET was not obtained as scheduled, in order for the Quarterly Results to be announced by the Reporting Deadline.

(c) As announced by the Company on 6 May 2009, the Company had engaged PricewaterhouseCoopers LLP (the “Auditors”) to conduct a review (the “Review”) of the significant cash transactions for the three months period ended 31 March 2009, so as to
provide added clarity to the Audit Committee of the Company (the “Audit Committee”) on the governance surrounding these cash transactions. For the purposes of conducting such Review, representatives from the Company and the Auditors would be travelling to the offices of the relevant subsidiaries of the Company in the People’s Republic of China as currently scheduled on 18 May 2009.

In addition to the above, the Company has taken initiatives with a view to implementing the following:

(i) To intensify the internal review of bank transactions. This will be carried out by an Acting Chief Financial Officer to be appointed, who will report the results of the review to the Audit Committee.

(ii) To seek further recommendations from the Auditors, subsequent to their above review, with a view to enhance the control of the Company’s cash.

The results of the Review (to the extent such results are apparent from the extent of such Review conducted by the relevant time) by the Auditors would be made available, if relevant, for the Board’s consideration in its approval of the Quarterly Results.

Accordingly, the Extension was sought for the following reasons:

(a) to provide sufficient time for another Board meeting (the “Subsequent Board Meeting”) with the presence of the Key Management Directors to be arranged and held to discuss inter alia, the approval of the Quarterly Results and the release of the Quarterly Results by way of an announcement over the SGXNET; and

(b) to provide more time for the Auditors to conduct their Review in order for the results of such Review (to the extent such results are apparent from the extent of such Review conducted by the relevant time) to be made available, if relevant, for the Board’s consideration in its approval of the Quarterly Results.

The Directors (other than the Absent Directors) have expressed that, as the Key Management Directors are members of the Key Management, their respective participation and input are essential and would be required for the approval of inter alia the Quarterly Results. Subject to the completion of the Review which is anticipated to be completed prior to the Extension Date, it is intended that the Subsequent Board Meeting with the presence of the Key Management Directors would be convened as soon as practicable after the completion of the Review and prior to the Extension Date to approve inter alia the Quarterly Results.

The Board wishes to announce that the SGX-ST has agreed to grant the Company the Extension up to the Extension Date (being 30 June 2009) to announce its Quarterly Results, subject to the Company announcing the following via SGXNET:

(a) that an extension of up to the Extension Date has been granted to the Company to announce its Quarterly Results stating the conditions attached to the extension given, and reasons for the Company’s application as required under Rule 107 of the Listing Manual; and
(b) disclosure by the Board on whether it is aware of any information that will have a material bearing on investor decision which has yet to be announced by the Company.

In view of the Waiver and the Extension granted by the SGX-ST in relation to the Application, the Company will announce the Quarterly Results by the Extension Date, being 30 June 2009.

Save as disclosed in this announcement and the announcement dated 15 May 2009 entitled “Board Advisory to Shareholders”, the Board is not aware of any information that will have a material bearing on investor decision which has yet to be announced by the Company.

In the meantime, the Board would advise shareholders of the Company and the investing public to exercise extreme caution in the dealing of the shares of the Company.

The Company will continue to make further announcements as and when appropriate on a timely basis.

BY ORDER OF THE BOARD