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*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*



**新疆天業節水灌溉股份有限公司**

**XINJIANG TIANYE WATER SAVING IRRIGATION SYSTEM COMPANY LIMITED\***

*(a joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 8280)**

**RESULTS OF THE EXTRAORDINARY GENERAL MEETING,  
DOMESTIC SHARES CLASS MEETING AND H SHARES CLASS MEETING  
HELD ON 15 OCTOBER 2007**

The Board is pleased to announce that all the resolutions set out in the respective notices of the EGM, Domestic Shares Class Meeting and H Shares Class Meeting were duly passed at the respective meetings held on 15 October 2007.

Reference is made to the circular published and despatched by the Company dated 30 August 2007 (the “**Circular**”). Unless defined otherwise, terms in this announcement shall have the same meanings as those defined in the Circular.

## **SPECIAL RESOLUTIONS PASSED AT THE EGM, DOMESTIC SHARES CLASS MEETING AND H SHARES CLASS MEETING**

The Board is pleased to announce that the EGM, Domestic Shares Class Meeting and H Shares Class Meeting was held on Monday, 15 October 2007 at No.36 Bei San Dong Road, Shihezi Economic and Technological Development Zone, Shihezi, Xinjiang, the PRC and at the meeting, the following special resolutions set out in the respective notices of the EGM, Domestic Shares Class Meeting and H Shares Class Meeting were duly passed on a show of hands by the Shareholders:

1. Subject to the conditions of (1) the Listing Committee of the Stock Exchange granting approval of the Proposed Introduction; (2) the CSRC granting approval of the listing of the H Shares in issue on the Main Board; (3) the publication by the Company of a notice in respect of the Proposed Withdrawal which shall be published at least five clear business days from the date on which the Shareholders shall have approved the Proposed Withdrawal; (4) the GEM Listing Committee of the Stock Exchange granting a waiver for the reduction of the notice period required under Rule 9.19(3) to at least five clear business days from the date on which the Shareholders shall have approved the Proposed Withdrawal and the fulfilment of such waiver by the Company; and (5) the obtaining of all other relevant consents (if any) which are required in connection with the implementation of the Proposed Withdrawal and the Proposed Introduction and the fulfilment of all conditions which may be attached to such consents, the Proposed Introduction was approved and confirmed; the listing of the H Shares on GEM shall cease with effect from such date and time as the Directors may designate and any Director or the company secretary of the Company was authorised generally to do all such acts for and on behalf of the Company as he/she may deem necessary, desirable or expedient to effect and implement the foregoing; and the notice period required under Rule 9.19(3) of the GEM Listing Rules in connection with the Proposed Withdrawal be reduced to at least five clear business days from the date on which the Shareholders shall have approved the Proposed Withdrawal.
2. Subject to the condition of the listing of the H Shares on the Main Board:
  - (1) The Board was granted a general mandate to issue, allot and deal with additional shares in the capital of the Company and to make or grant offers or agreements in respect thereof, subject to the following conditions:
    - (a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers or agreements which might require the exercise of such powers after the end of the Relevant Period;
    - (b) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board otherwise than pursuant to any scrip dividends or similar arrangement providing for the allotment of such shares in lieu of the whole or part of a dividend on such shares or any share option scheme adopted by the Company and in accordance with the Articles of Association, shall not exceed:
      - i. 20 per cent of the aggregate nominal amount of Domestic Shares of the Company in issue; and

- ii. 20 per cent of the aggregate nominal amount of H Shares of the Company in issue, in each case as at the date of passing of this resolution; and
    - (c) the Board will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Listing Rules and only if all necessary approvals from the CSRC and/or other relevant PRC government authorities are obtained;
  - (2) contingent on the Board resolving to issue shares pursuant to paragraph (1) of this resolution, the Board was authorised:
    - (a) to approve, execute and do, or procure to be executed and done all such documents and matters which it may consider necessary in connection with the issue of such new shares, including but not limited to the time, quantity and place for such issue, to make all necessary applications to the relevant authorities, and to enter into underwriting agreement(s) or any other agreement(s);
    - (b) to determine the use of proceeds and to make necessary filings and registration with the relevant authorities in the PRC, and/or Hong Kong and any other places and jurisdictions (as appropriate);
    - (c) to increase the registered capital of the Company and make any amendments to the Articles of Association in accordance with such increase and to register the increased capital with the relevant authorities in the PRC and/or Hong Kong and any other places and jurisdictions (as appropriate) so as to reflect the new capital and/or share capital structure of the Company resulting from the intended allotment and issue of the shares of the Company pursuant to paragraph (1) of this resolution.
  - (3) the general mandate to issue H Shares granted to the Directors as set out in the notice of the annual general meeting of the Company held on 10 May 2007 was revoked.
3. Subject to the conditional of the listing of the H Shares on the Main Board of the Stock Exchange, amendments made to the Existing Articles of Association was approved, with effect from the date on which dealings in the H Shares on the Main Board of the Stock Exchange commences and the amendments to the Existing Articles are approved by the Ministry of Commerce (whichever is later). The details of the amendments are as follows:

Paragraph 1 of Article 10.01 of the Existing Articles:

by deleting the words “the board of directors shall consist of 7 directors” and insert the words “the board of directors shall consist of at least 7 directors” afterward the words “the Company shall set up a board of directors,”.

The Directors were authorised to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to amend the Existing Articles further, as the Directors may deem appropriate and necessary, and file or register the amended Existing Articles (subject to further amendments (if any) being made to the same by the Directors) with the relevant authorities of the PRC and Hong Kong, if required.

## **ORDINARY RESOLUTIONS PASSED AT THE EGM**

The Board is also pleased to announce that the following ordinary resolution was duly passed on a show of hands by the Shareholders at the EGM held on 15 October 2007:

1. The appointment of Mr. Mak King Sau as an independent non-executive Director was approved.

By Order of the Board  
**Xinjiang Tianye Water Saving Irrigation System Company Limited\***  
**Guo Qing Ren**  
*Chairman*

Xinjiang, the PRC, 16 October 2007

*As at the date of this announcement, the Board comprises four executive Directors namely Guo Qing Ren, Shi Xiang Shen, Li Shuang Quan and Mr. Zhu Jia Ji, and four independent non-executive Directors namely He Lin Wang, Xia Jun Min, Gu Lie Feng and Mak King Sau.*

*This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least 7 days from the days of its posting.*

\* *For identification purpose only*