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Shenzhen Dongjiang Environmental Company Limited*

深圳市東江環保股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8230)

**NOTICE OF THE ANNUAL GENERAL MEETING AND
CLOSURE OF REGISTERS OF MEMBERS**

NOTICE IS HEREBY GIVEN that the annual general meeting (the "AGM") of Shenzhen Dongjiang Environmental Company Limited (the "Company") will be held at 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the People's Republic of China (the "PRC") on 31 May 2010 at 2:00 p.m. for the purpose of considering, and if thought fit, passing the following:

ORDINARY RESOLUTIONS

1. To consider and approve the report of the board of directors of the Company (the "Board") for the year ended 31 December 2009;
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2009;
3. To consider and approve the audited consolidated financial statements of the Company and its subsidiaries and the report of the auditor of the Company for the year ended 31 December 2009;
4. To consider and approve the re-appointment of SHINEWING CERTIFIED PUBLIC ACCOUNTANTS as the Company's the PRC auditor and SHINEWING (HK) CPA Limited as the Company's international auditor for the year 2010, and to authorise the Board to determine the auditors' remuneration.
5. To consider and approve any proposal put forward by any shareholder of the Company holding 5% or more of the shares with voting rights at such meeting.

* *For identification purpose only*

SPECIAL RESOLUTIONS

6. To approve the proposed grant of the following mandate to the Board:
- (1) an unconditional general mandate to allot, issue and deal with additional shares in the capital of the Company, whether Domestic Shares or H Shares (the “Issue Mandate”). The Issue Mandate can be exercised once or more than once during the Relevant Period (as hereinafter defined), subject to the following conditions:
 - (a) The Issue Mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the Relevant Period;
 - (b) the aggregate nominal amount of shares, whether Domestic Shares or H Shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with by the Board pursuant to Issue Mandate, shall not exceed:
 - (i) 20 per cent of the aggregate nominal amount of Domestic Shares in issue; and
 - (ii) 20 per cent of the aggregate nominal amount of H Shares in issue,in each case as of the date of this resolution; and
 - (c) the Board shall only exercise its power under the Issue Mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC governmental authorities are obtained; and
 - (2) contingent on the Board resolving to issue shares pursuant to sub-paragraph (1) of this resolution, the Board be authorised to:
 - (a) approve, execute, and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including (without limitation):
 - (i) determine the class and number of shares to be issued;
 - (ii) determine the issue price of the new shares;
 - (iii) determine the opening and closing dates of the new issue;

- (iv) determine the use of proceeds of the new issue;
 - (v) determine the class and number of new shares (if any) to be issued to the existing shareholders;
 - (vi) make or grant such offers, agreements and options as may be necessary in the exercise of such powers; and
 - (vii) in the case of an offer or allotment of shares to the shareholders of the Company, exclude shareholders of the Company who are resident outside the PRC or the Hong Kong Special Administrative Region of the PRC on account of prohibitions or requirements under overseas laws or regulations or for some other reason(s) which the Board considers expedient;
- (b) increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this resolution, register the increased capital with the relevant authorities in the PRC and make such amendments to the articles of associations of the Company as it thinks fit so as to reflect the increase in the registered capital of the Company; and
- (c) make all necessary filings and registrations with the relevant PRC, Hong Kong and/or other authorities.

(d) For the purpose of this resolution:

“Board” means the board of directors of the Company;

“Domestic Shares” means domestic shares of nominal value of RMB0.10 each in the issued share capital of the Company, which are subscribed for in Renminbi;

“H Shares” means the overseas listed foreign shares of the Company with a nominal value of RMB0.10 each;

“Relevant Period” means the period from the passing of this resolution until the earliest of:

- (i) the conclusion of the next AGM of the Company following the passing of this resolution; or
- (ii) the expiration of the 12-month period following the passing of this resolution; or
- (iii) the date on which the authority set out this resolution is revoked or varied by a special resolution in a general meeting.

7. **“THAT:**

The proposed dividend of RMB0.05 to the shareholders of the Company whose names appear on the registers of members of the Company as at 30 April 2010 for every existing issued share (including tax) or a total of RMB31,369,093.60 (including tax) in cash from the Company’s audited distributable retained profits as at 31 December 2007 under the generally accepted accounting policies in China (the “PRC GAAP”) (the “Distributable Retained Profits”), on the basis of a total of 627,381,872 shares in issue as at the date of the resolution be approved.

The bonus shares be issued to the shareholders of the Company whose names appear on the registers of members of the Company as at 30 April 2010 on the basis of one bonus share (including tax, in which 0.5 share through capitalization of the capital reserve fund and 0.5 share through capitalization of Distributable Retained Profits) for each existing issued share held by them by capitalizing RMB31,369,093.60 in the capital reserve fund of the Company and RMB31,369,093.60 of Distributable Retained Profits, on the basis of a total of 627,381,872 shares in issue as at the date of the resolution be approved and that the Board be authorized to take any necessary actions required under the applicable laws and regulations in connection hereto. The balances of the Distributable Retained Profits and the Company’s capital reserve fund under PRC GAAP were RMB245,512,844.44 and RMB35,476,560.53 respectively before the completion of above proposed dividends and capitalization and were RMB182,774,657.24 and RMB4,107,466.93 respectively after the completion of above proposed dividends and capitalization.”

8. **“THAT** upon the passing of a special resolution at each of the AGM and separate class meetings for holders of domestic shares and H shares to approve the seventh motion in this notice, the directors of the Company be authorized to make amendments to the articles of association of the Company based on the number of bonus shares that may be issued under the seventh motion:

(a) the sentence “Upon the completion of the capitalization of capital reserve fund and distributable retained profits into share capital of the Company as approved at the annual general meeting of the Company held on 31 May 2010, the shareholding structure of the Company is as follows: the total number of issued ordinary shares is 1,254,763,744, comprising 898,963,744 domestic shares, representing approximately 71.6% of the total number of issued ordinary shares of the Company, and 355,800,000 overseas listed foreign shares, representing approximately 28.4% of the total number of issued ordinary shares of the Company.” shall be inserted after paragraph 1 of Article 16;

(b) Article 19 “The registered capital of the Company is RMB62,738,187.2.” shall be deleted in its entirety and replaced by “The registered capital of the Company is RMB125,476,374.4.”.

CLOSURE OF REGISTERS OF MEMBERS

The registers of members of the Company will be closed from Friday, 30 April 2010 to Monday, 31 May 2010 (both days inclusive), during which period no transfer of shares will be registered.

In order to be entitled to attend and vote at the AGM and to qualify for the proposed final dividend and bonus shares, holders of H Shares must lodge all share transfer documents (including the duly stamped instruments of transfer and the relevant share certificate(s)) to the H Share share registrar of the Company, Tricor Tengis Limited, for completion of the registration of the relevant share transfers no later than 4:00 p.m. on Thursday, 29 April 2010.

The address of the Company's H Share share registrar is as follows:

Tricor Tengis Limited
26th Floor
Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

By order of the Board
Shenzhen Dongjiang Environmental Company Limited*
Zhang Wei Yang
Chairman

Shenzhen, the PRC, 15 April 2010

Notes:

- (i) The registers of members of the Company will be closed from Friday, 30 April 2010 to Monday, 31 May 2010 (both days inclusive) during which period no transfer of shares can be effected. For the identification of shareholders of the Company who are qualified to attend and vote at the AGM, all transfer document accompanied by the relevant share certificates must be lodged with the H Shares share registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) and with the Company's address at 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the PRC (for holders of Domestic Shares) not later than 4:00 p.m. on Thursday, 29 April 2010.
- (ii) Holders of Domestic Shares and H Shares whose names appear on the registers of members of the Company at 4:00 p.m. on Friday, 30 April 2010 are entitled to attend and vote at the AGM. Holders of Domestic Shares and H Shares who intend to attend the AGM should complete the reply slip and return it to the Company's H Shares share registrar (for H Shares) or to the address of the Company (for Domestic Shares) on or before 4:00 p.m. on Monday, 10 May 2010.
- (iii) Holders of Domestic Shares and H Shares may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves. A proxy needs not be a member of the Company.

- (iv) A form of proxy for use at the meeting is enclosed herewith. In the case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the meeting, whether in person or by proxy, that one of the joint holders whose name stands first on the registers of members of the Company in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.
- (v) In order to be valid, the proxy form must be deposited by hand or post, for holders of H Shares, to the Company's H Shares share registrar of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong and, for holders of Domestic Shares, to the address of the Company at 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the PRC not less than 24 hours before the time for holding the AGM. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
- (vi) Shareholders and their proxies should produce identity proof when attending the AGM.
- (vii) The AGM is not expected to last for more than half a day. Shareholders and their proxies shall be responsible for their own traveling and accommodation expenses for attending the meeting.

As at the date of this notice, the Board comprises three executive Directors, being Mr. Zhang Wei Yang, Mr. Chen Shu Sheng and Mr. Li Yong Peng; three non-executive Directors, being Mr. Feng Tao, Mr. Wu Shui Qing and Ms. Sun Ji Ping; and three independent non-executive Directors, being Mr. Ye Ru Tang, Mr. Hao Ji Ming and Mr. Liu Xue Sheng.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM 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: (1) the information contained in this notice is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this notice misleading; and (3) all opinions expressed in this notice have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This notice will remain on the GEM website <http://www.hkgem.com> on the "Latest Company Announcements" page for 7 days from the date of its posting and on the Company's website at <http://www.dongjiang.com.cn> from the date of publication.

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