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新疆天業(集團)有限公司
XINJIANG TIANYE (GROUP) LIMITED*
(a state-owned enterprise established in the PRC)

LONG THRIVE HOLDINGS LIMITED
長茂控股有限公司
(a company incorporated in the BVI with limited liability)



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 PRC)
(Stock Code: 840)

JOINT ANNOUNCEMENT

CLOSE OF MANDATORY UNCONDITIONAL CASH OFFER BY



高銀(證券)有限公司
GOLDIN EQUITIES LIMITED

ON BEHALF OF
LONG THRIVE HOLDINGS LIMITED
FOR ALL THE ISSUED H SHARES IN
XINJIANG TIANYE WATER SAVING IRRIGATION SYSTEM
COMPANY LIMITED*
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY
XINJIANG TIANYE (GROUP) LIMITED*,
LONG THRIVE HOLDINGS LIMITED
AND PARTIES ACTING IN CONCERT WITH THEM)

AND

RESULTS OF THE H SHARE OFFER

Financial adviser to Long Thrive Holdings Limited



高銀融資有限公司
GOLDIN FINANCIAL LIMITED

CLOSE OF THE H SHARE OFFER

The H Share Offer made by Goldin Equities, on behalf of Long Thrive, was closed at 4:00 p.m. on Thursday, 16 June 2011.

RESULTS OF THE H SHARE OFFER

As at 4:00 p.m. on Thursday, 16 June 2011, being the latest time for acceptance of the H Share Offer, Long Thrive had received valid acceptances in respect of a total of 16,475,000 H Shares under the H Share Offer, representing approximately 3.17% of the existing issued share capital of the Company as at the date of this joint announcement. The H Share Offer has not been revised or extended.

SHAREHOLDING OF THE COMPANY

Immediately before the commencement of the Offer Period on 7 March 2011, Tianye Holdings, Long Thrive and parties acting in concert with them held an aggregate of 202,164,995 Domestic Shares, representing approximately 38.91% of the entire issued share capital of the Company. Immediately after the Share Transfer Agreements becoming effective, Tianye Holdings, Long Thrive and parties acting in concert with them held an aggregate of 313,886,921 Domestic Shares, representing approximately 60.42% of the entire issued share capital of the Company. Save as disclosed above, Tianye Holdings, Long Thrive and parties acting in concert with them did not hold, control, or direct any rights over the Shares.

During the Offer Period, there were valid acceptances in respect of a total of 16,475,000 H Shares, representing approximately 3.17% of the existing issued share capital of the Company, received under the H Share Offer. Immediately upon close of the H Share Offer, Tianye Holdings, Long Thrive and parties acting in concert with them held an aggregate of 330,361,921 Shares (comprising 202,164,995 Domestic Shares held by Tianye Company, 111,721,926 Domestic Shares held by Tianye Holdings and 16,475,000 H Shares transferred to Long Thrive under the H Share Offer), representing approximately 63.59% of the entire issued share capital of the Company as at the date of this joint announcement.

Reference is made to the joint announcement dated 9 May 2011 (the “Joint Announcement”) and the composite offer and response document dated 26 May 2011 (the “Composite Document”) both jointly issued by Xinjiang Tianye (Group) Limited, Long Thrive Holdings Limited and Xinjiang Tianye Water Saving Irrigation System Company Limited. Capitalised terms used in this joint announcement shall have the same meanings as those defined in the Joint Announcement and the Composite Document unless the context requires otherwise.

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Save for the acquisition of the Sale Shares and the 16,475,000 H Shares under the H Share Offer, none of Tianye Holdings, Long Thrive or any parties acting in concert with either of them had acquired or agreed to acquire any other securities of the Company or rights over the Shares during the Offer Period. Tianye Holdings, Long Thrive and parties acting in concert with them had not borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period.

Set out below is the shareholding structure of the Company (i) immediately prior to commencement of the Offer Period; (ii) immediately prior to the commencement of the H Share Offer; and (iii) upon close of the H Share Offer.

Name of Shareholder	Immediately prior to the commencement of the Offer Period		Immediately prior to the commencement of the H Share Offer		Upon close of the H Share Offer	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Tianye Holdings, Long Thrive and parties acting in concert with them						
Domestic Shares						
— Tianye Company	202,164,995	38.91	202,164,995	38.91	202,164,995	38.91
— Tianye Holdings	—	—	111,721,926	21.51	111,721,926	21.51
H Shares						
— Long Thrive	—	—	—	—	16,475,000	3.17
Sub-total	202,164,995	38.91	313,886,921	60.42	330,361,921	63.59
Remaining Domestic Shares						
— Mr. Guo	61,386,798	11.82	—	—	—	—
— Mr. Wong	50,335,128	9.69	—	—	—	—
— 機械科學研究總院 (China Academy of Machinery Science and Technology*)	2,410,123	0.46	2,410,123	0.46	2,410,123	0.46
— 西北農林科技大學 (Northwest A&F University*)	824,516	0.16	824,516	0.16	824,516	0.16
Remaining H Shares						
Public Shareholders	<u>202,400,000</u>	<u>38.96</u>	<u>202,400,000</u>	<u>38.96</u>	<u>185,925,000</u>	<u>35.79</u>
Total	<u><u>519,521,560</u></u>	<u><u>100.00</u></u>	<u><u>519,521,560</u></u>	<u><u>100.00</u></u>	<u><u>519,521,560</u></u>	<u><u>100.00</u></u>

PUBLIC FLOAT OF THE SHARES

Upon close of the H Share Offer and as at the date of this joint announcement, there are 185,925,000 Shares, representing approximately 35.79% of the issued share capital of the Company, remains to be held by the public. Accordingly, the Company complies with the minimum public float requirements under Rule 8.08(1)(a) of the Listing Rules.

SETTLEMENT OF THE H SHARE OFFER

A cheque for the amount representing the cash consideration due to the accepting Independent Shareholders in respect of the relevant H Shares tendered by them under the H Share Offer, less seller's ad valorem stamp duty payable by them, will be despatched to the accepting Independent Shareholders to the addresses specified on the Form of Acceptance by ordinary post at their own risk as soon as possible but in any event within 10 days of the date on which all the relevant documents which render such acceptance complete and valid are received by the Registrar.

For and on behalf of
Xinjiang Tianye (Group) Limited
Guo Qingren
Chairman

For and on behalf of
Long Thrive Holdings Limited
Chow Yuk Lan
Sole Director

By order of the Board
**Xinjiang Tianye Water Saving
Irrigation System Company Limited***
Hou Guo Jun
Chairman

Xinjiang, the PRC, 16 June 2011

As at the date of this joint announcement, the Board comprises six executive Directors namely Mr. Hou Guo Jun (Chairman), Mr. Shi Xiang Shen, Mr. Yin Xiu Fa, Mr. Li Shuang Quan, Mr. Zhu Jia Ji and Mr. Chen Lin, and five independent non-executive Directors namely Mr. He Lin Wang, Mr. Gu Lie Feng, Mr. Xia Jun Ming, Mr. Wang Yun and Mr. Mak King Sau.

As at the date of this joint announcement, the directors of Tianye Holdings are Mr. Guo Qingren (Chairman), Mr. Zhang Xinli, Mr. Huang Yaoxin, Mr. Wu Bin, Ms. Song Xiaoling, Mr. An Zhiming, Mr. Wang Zheng and Mr. Hong Xianzhang.

As at the date of this joint announcement, the sole director of Long Thrive is Ms. Chow Yuk Lan.

All Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than the information in relation to Tianye Holdings and Long Thrive) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by Tianye Holdings and Long Thrive) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

All directors of Tianye Holdings jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than those relating to the Company and Long Thrive) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Company and Long Thrive) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

The sole director of Long Thrive accepts full responsibility for the accuracy of information contained in this joint announcement (other than those relating to the Company and Tianye Holdings) and confirms, having made all reasonable inquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than those expressed by the Company and Tianye Holdings) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

* for identification purpose only