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新疆天业节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: 840)

- (1) RESIGNATION OF EXECUTIVE DIRECTORS;**
- (2) RESIGNATION OF SUPERVISOR;**
- (3) PROPOSED APPOINTMENT OF EXECUTIVE DIRECTORS;**
- (4) CHANGE IN MEMBERS OF BOARD COMMITTEES**
- (5) PROPOSED ELECTION OF EMPLOYEE REPRESENTATIVE SUPERVISOR; AND**
- (6) CHANGE OF AUDITORS**

RESIGNATION OF EXECUTIVE DIRECTORS

The board (the “**Board**”) of directors (the “**Directors**”) of Xinjiang Tianye Water Saving Irrigation System Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that Mr. Li He (“**Mr. Li**”) has tendered his resignation as executive Director and chairman of the Board, as well as his position as a member of the nomination committee of the Company, due to change in work arrangements, which will take effect from the date of the appointment of a new executive Director at the general meeting to be held by the Company.

Mr. Li has confirmed to the Company that as of the date of this announcement, there is no disagreement between him and the Board and the management, nor are there other matters relating to his resignation of the aforesaid positions that need to be brought to the attention of the shareholders (the “**Shareholders**”) of the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board further announces that Ms. Yang Ling (“**Ms. Yang**”) has tendered her resignation as executive Director, as well as her position as a member of the remuneration committee of the Company, due to change in work arrangements, which will take effect from the date of the appointment of a new executive Director at the general meeting to be held by the Company.

The Board would like to take this opportunity to express its gratitude and appreciation to Mr. Li and Ms. Yang for their valuable contribution to the Company during their term of office.

RESIGNATION OF SUPERVISOR

The Board announces that Mr. Wang Zhigang (“**Mr. Wang**”) has tendered his resignation as employee representative supervisor of supervisory committee (the “**Supervisory Committee**” or the “**Supervisors**”) of the Company and chairman of the Supervisory Committee, due to change in work arrangements, which will take effect from the date of the appointment of a new employee representative Supervisor at the employees’ election meeting to be held by the Company by means of democratic election.

Mr. Wang has confirmed that as of the date of this announcement, there is no disagreement between him and the Board and the management, nor are there other matters relating to his resignation that need to be brought to the attention of the Shareholders and the Stock Exchange.

The Board would like to take this opportunity to express its gratitude and appreciation to Mr. Wang for his valuable contribution to the Company during his term of office.

PROPOSED APPOINTMENT OF EXECUTIVE DIRECTORS; AND CHANGE IN MEMBERS OF BOARD COMMITTEES

The Board is pleased to announce that, upon nomination by the nomination committee of the Company and consideration of the Board, the Board proposes to appoint (i) Mr. Zhou Gang as an executive Director and chairman of the Board; and (ii) Mr. Han Gen as an executive Director. Such proposed appointments are subject to consideration and approval at the forthcoming extraordinary general meeting (the “**EGM**”) of the Company. If such proposed appointments are approved by the Shareholders by means of ordinary resolutions, their appointments shall take effect from the same date of the EGM until the expiration of the term of office of the current Board.

The biographical details of Mr. Zhou Gang are set out as follows:

Mr. Zhou Gang, aged 52, holds a bachelor’s degree in Chemical Engineering from Xinjiang Institute of Engineering. Mr. Zhou worked at Shihezi Chemical Plant (石河子化工廠) from 1995 to 1998, where he served in various roles such as worker, technician, and deputy director. In 2011, he assumed the role of responsible person at Xinjiang Tianye Zhonghua Mining Co., Ltd.* (新疆天業仲華礦業有限公司) and served as the Secretary of

the Party Branch of Xinjiang Tianye Zhonghua Mining Co., Ltd.* (新疆天業仲華礦業有限公司) from 2015 to 2019. In 2020, he served as a member of the Party Committee in the cement industry of Xinjiang Tianye (Group) Limited* (新疆天業(集團)有限公司) (“**Tianye Group**”), the controlling Shareholder of the Company, and the General Manager of Shihezi Development Zone Western Resources Logistics Co., Ltd. (石河子開發區西部資源物流有限公司). From 2021 to 2023, Mr. Zhou Gang served as the Secretary of the Party Committee in the cement industry of Tianye Group, as well as the chairman of Tianchen Cement Co., Ltd.* (天辰水泥有限責任公司), Tianneng Cement Co., Ltd.* (天能水泥有限公司), and Tianwei Cement Co., Ltd.* (天偉水泥有限公司), respectively, all of which are under the control of Tianye Group.

The biographical details of Mr. Han Gen are set out as follows:

Mr. Han Gen, aged 44, holds a bachelor’s degree in Agriculture from Shihezi University. Mr. Han Gen joined the 128th Corps of the Seventh Agricultural Division as the Deputy Company Commander of the 4th Company in 2006, and then served as the Deputy Company Commander of the 1st Company of the 129th Corps of the Seventh Agricultural Division in 2007. In 2012, he became the Agricultural Department Director (農業科科長) and Office Director (科辦主任) in the 129th Corps of the Seventh Agricultural Division. From 2016 to 2018, he served as a member of the Standing Committee of the Party Committee and a deputy head of the 129th Corps of the Seventh Agricultural Division. He then held the positions of a member of the Standing Committee of the Party Committee and a deputy head of the 125th Corps of the Seventh Agricultural Division from 2018 to 2019. Prior to joining our Company, Mr. Han Gen served as the Secretary of the Party Committee and Political Commissar in the 133rd Regiment of the Eighth Division. Since 2023, he has been serving as the Director of Agriculture in Tianye Group and the Secretary of the Party Committee in our Company.

Save as disclosed above, each of Mr. Zhou Gang and Mr. Han Gen confirmed that (i) he has not held any position within the Group nor any directorship in other listed companies in the last three years; (ii) he does not have any relationship with any Directors, Supervisors, senior management, substantial or controlling Shareholders of the Company or any of its subsidiaries; and (iii) he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Subject to the approval of the appointment of Mr. Zhou Gang and Mr. Han Gen by the Shareholders at the EGM, each of them will enter into a service agreement with the Company, and no director’s remuneration will be payable by the Company to Mr. Han Gen, but Mr. Zhou Gang is entitled to a remuneration amounting to RMB250,000 per annum as the chairman of the Company, which is determined by the Company by reference to his duties and responsibilities with the Company and the market rate for the position.

Save as disclosed above, each of Mr. Zhou Gang and Mr. Han Gen respectively confirmed that there are no other matters relating to his appointment that are required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange and there are no other matters that need to be brought to the attention of the Shareholders.

Subject to the approval of the appointment of Mr. Zhou Gang and Mr. Han Gen by the Shareholders at the EGM, (i) Mr. Zhou Gang will be also appointed as a member of the nomination committee of the Company; and (ii) Mr. Han Gang will be also appointed as a member of the remuneration committee of the Company.

ELECTION OF EMPLOYEE REPRESENTATIVE SUPERVISOR

The supervisory committee (the “**Supervisory Committee**” or the “**Supervisors**”) of the Company is pleased to announce that, following its deliberation, the Supervisory Committee recommends that Ms. Chen Ming be appointed as the employee representative Supervisor. In accordance with the Company Law of the People’s Republic of China and the articles of association of the Company, the employees of the Company will elect Ms. Chen Ming as the employee representative Supervisor by means of democratic election at the employees’ election meeting, which shall be submitted to the EGM for consideration and approval. If the proposed appointment is approved by the Shareholders by means of ordinary resolution, the term of office for the employee representative Supervisor will commence on the same date of the EGM and will continue until the expiration of the current term of the Supervisory Committee.

The biographical details of Ms. Chen Ming are set out as follows:

Ms. Chen Ming, aged 39, holds a master’s degree in business administration from Shihezi University. Ms. Chen is currently the deputy secretary of the party committee, the secretary of the disciplinary committee and the chairlady of the labor union of the Company. She has served as an officer of the labor union, office secretary, and deputy director of the party committee office of Tianye Group, and deputy secretary of the party committee, secretary of the disciplinary committee and chairlady of the labor union of Shihezi Tianyu Xinshi Chemical Co., Ltd.* (石河子天域新實化工有限公司), which is under the control of Tianye Group.

Subject to the approval of the appointment of Ms. Chen Ming by the Shareholders at the EGM, she will at the same time serve as the chairlady of the Supervisory Committee of the Company.

Upon the election of Ms. Chen Ming at the employees’ election meeting, Ms. Chen Ming will be entitled to receive annual supervisor’s remuneration amounting to RMB200,000 per annum for 2023 as determined by the remuneration committee of the Board.

Save as disclosed above, Ms. Chen Ming confirmed that (i) she has not held any position within the Group nor any directorship or supervisorship in other listed companies in the last three years; (ii) she does not have any relationship with any Directors, Supervisors, senior management, substantial or controlling Shareholders of the Company or any of its subsidiaries; and (iii) she does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, Ms. Chen Ming confirmed that there are no other matters relating to her appointment that are required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange and there are no other matters that need to be brought to the attention of the Shareholders.

CHANGE OF AUDITORS

This section is made by the Board pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on the Stock Exchange.

The Board announces that in accordance with the relevant requirements of the Administrative Measures for Selection and Appointment of Accounting Firms by State-owned Enterprises and Listed Companies (《國有企業、上市公司選聘會計師事務所管理辦法》) (the “**Administrative Measures**”) jointly issued by the Ministry of Finance of the People’s Republic of China, the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council and China Securities Regulatory Commission (CSRC), a state-owned enterprise shall not, in principle, continuously appoint the same accounting firm for more than 8 years. Pan-China Certified Public Accountants LLP (“**Pan-China**”) has provided audit services to the Company for 12 years, which does not meet the requirement of the Administrative Measures on the tenure of service. In order to maintain the independence of the audit work, the Board has resolved to adhere to an open tender process and, based on the recommendation of the audit committee, appoint BDO China SHU LUN PAN Certified Public Accountants LLP (“**BDO**”) as the auditors of the Company.

Pan-China has confirmed that there are no matters in relating to its retirement which it considered should be brought to the attention of the shareholders and the creditors of the Company.

The Board is pleased to announce that, upon nomination by the audit committee of the Company and consideration of the Board, the Board proposes to appoint BDO as the auditors of the Group to fill the casual vacancy arising from the retirement of Pan-China. The appointment of BDO as the auditors of the Group will be subject to the approval by the Shareholders of the Company by an ordinary resolution at the general meeting to be held by the Company.

Pan-China has not yet commenced any audit work on the accounts of the Group for the year ending 31 December 2023. The Board believes that the change of auditors will not affect the audit of financial statements and the release of annual results of the Company for the financial year ending 31 December 2023 provided that the required Shareholders' approval for the change of auditors is duly given.

EGM

The EGM will be convened by the Company to seek Shareholders' approval of, among other things, (i) the appointment of Mr. Zhou Gang as an executive Director of the Company; (ii) the appointment of Mr. Han Gen as an executive Director of the Company; (iii) the appointment of Ms. Chen Ming as an employee representative Supervisor and the chairlady of the Supervisory Committee; and (iv) the appointment of BDO China SHU LUN PAN Certified Public Accountants LLP as auditors of the Group.

An employees' election meeting will be convened by the Company to elect Ms. Chen Ming as an employee representative Supervisor by means of democratic election. Such resolution will be proposed separately at the employees' election meeting.

A circular containing, among other things, details of (i) the proposed appointment of Mr. Zhou Gang as an executive Director of the Company; (ii) the proposed appointment of Mr. Han Gen as an executive Director of the Company; (iii) the biographical details of Mr. Zhou Gang and Mr. Han Gen and other relevant information; (iv) the proposed appointment of Ms. Chen Ming as an employee representative Supervisor; (v) the biographical details of Ms. Chen Ming and other relevant information (who will be subject to the election by the employees' election meeting and appointment by means of the EGM); (vi) the proposed appointment of BDO China SHU LUN PAN Certified Public Accountants LLP as auditors of the Group; and (vii) the notice of the EGM will be despatched to the Shareholders as soon as practicable.

By Order of the Board
Xinjiang Tianye Water Saving Irrigation System Company Limited*
Li He
Chairman

Xinjiang, PRC, 6 September 2023

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Li He (Chairman), Ms. Yang Ling and Mr. Jiang Dayong, and four independent non-executive Directors, namely Mr. Li Lianjun, Ms. Gu Li, Mr. Hung Ee Tek and Mr. He Xinlin.

* For identification purpose only