

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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: 840)

POSITIVE PROFIT ALERT

This announcement is made by Xinjiang Tianye Water Saving Irrigation System Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that after the preliminary review of the unaudited consolidated management accounts of the Group, the Group is expected to record an estimated net profit of RMB3,000,000 to RMB5,000,000 for the year ended 31 December 2023 (the “**Reporting Year**”), as compared to the net loss of approximately RMB81,410,000 for the financial year ended 31 December 2022.

Based on information currently available to the Group, the above turnaround was mainly due to (i) the increase in sales volume of the Company’s products and engineering business during the Reporting Year; (ii) the increase in gross profit margin of products as a result of the increase in capacity utilization which reduced the overall production costs; and (iii) the stable average selling price of products and the reduced average price of raw materials during the Reporting Year, resulting in an increase in gross profit of the Company’s products.

The information contained in this announcement is only a preliminary estimate by the directors of the Company based on currently available information and such information has not been audited or reviewed by the Company's auditor and audit committee. The results of the Group for the year ended 31 December 2023 is expected to be announced on 22 March 2024.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Xinjiang Tianye Water Saving Irrigation System Company Limited*
Zhou Gang
Chairman

Xinjiang, the PRC, 8 March 2024

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Zhou Gang (Chairman), Mr. Han Gen 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*