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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)

**ANNUAL GENERAL MEETING RESULTS IN RELATION
TO DIVIDEND PAYMENT**

The AGM was held on 10 May 2007.

Resolutions as set out in the notice of the AGM were duly passed at the AGM, inter alia, the proposal of the payment of final dividend for the year ended 31 December 2006 which shall be distributed to the shareholders of the Company on or before 29 June 2007.

Further to the notice of the annual general meeting (the "AGM") of 新疆天業節水灌溉股份有限公司 Xinjiang Tianye Water Saving Irrigation System Company Limited* (the "Company") dated 26 March 2007, the board (the "Board") of directors of the Company wishes to announce that the resolutions as set out in the notice of the AGM, inter alia, a proposal for a final dividend of RMB0.036 per share (the "Share") of the Company in cash is to be paid for the year ended 31 December 2006 recommended by the Board were duly passed at the AGM held on 10 May 2007.

The method of payment of the dividend by the Company will be as follows:

1. In accordance with the relevant regulations and the articles of association of the Company, dividend payable to the holders of H Shares shall be calculated in Renminbi ("RMB") and paid in Hong Kong dollars. The following conversion formula shall apply:

$$\text{Dividend in Hong Kong Dollar} = \frac{\text{Dividend in RMB}}{\text{Average RMB and Hong Kong dollar exchange rate as announced by The People's Bank of China for one calendar week prior to the declaration of the final dividend.}}$$

For the purpose of the abovementioned final dividend distribution, the date of declaration of the final dividend was 10 May 2007. The average RMB and Hong Kong dollar exchange rate as announced by The People's Bank of China for one

calendar week prior to the declaration of the final dividend is approximately RMB0.985. Applying that average to the above formula, the final dividend for each H Share is HK\$0.0365.

2. Pursuant to the articles of association of the Company, the Company has appointed The Bank of China (Hong Kong) Trustees Limited as the receiving agent (the “Receiving Agent”), which is registered as a trustee company under the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong), to receive the H Share final dividend distributed by the Company on behalf of the holders of H Shares. It is expected that the Receiving Agent will issue cheques for the H Share final dividend on or before 29 June 2007 and will dispatch by ordinary mail to the holders of the H Share at their own risk.

By order of the Board of
Xinjiang Tianye Water Saving Irrigation System Company Limited*
Wong Hon Kei Anthony
Company Secretary

Xinjiang, the People’s Republic of China, 18 June 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 Zhu Jia Ji, and three independent non-executive Directors namely He Lin Wang, Xia Jun Min and Gu Lie Feng.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 announcement 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 announcement misleading; and (3) 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.

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