



西安海天天綫科技股份有限公司
XI'AN HAITIAN ANTENNA TECHNOLOGIES CO., LTD.*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8227)

**LEGAL PROCEEDINGS CONCERNING A CONTROLLING
SHAREHOLDER AND EXECUTIVE DIRECTORS**

The board (the “**Board**”) of directors (the “**Directors**”) of Xi’an Haitian Antenna Technologies Co., Ltd.* (the “**Company**”) hereby announces that, as a result of family disputes, legal proceedings have been commenced in 陝西省高級人民法院 (the People’s High Court of Shaanxi Province*), in which three persons including the chairman of the Board and the president of the Company, Mr. Xiao Bing, his brother and sister are the plaintiffs (the “**Plaintiffs**”) and their father, Professor Xiao Liangyong (“**Professor Xiao**”, an executive Director) is the defendant, for the purpose of splitting the 180,000,000 domestic shares of the Company, representing approximately 27.8% of issued share capital of the Company, into their respective proportions which are presently held under the name of Professor Xiao.

Considering that Professor Xiao is the largest shareholder of the Company and both the two sides of the legal proceedings involve executive Directors and therefore it may directly or indirectly affect (i) the Company’s operation and development to an extent which the Board currently does not have information to ascertain and (ii) the identification of the Company’s controlling shareholder, the Board makes this announcement pursuant to Rule 17.10 of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited in relation to the legal proceedings. Investors are reminded the risk of their investment in the Company.

By order of the Board of
Xi’an Haitian Antenna Technologies Co., Ltd.*
Xiao Bing
Chairman of the Board

Xi’an, the PRC, 4th November, 2004

As at the date of this announcement, the Board comprises 肖兵先生 (Mr. Xiao Bing), 肖良勇教授 (Professor Xiao Liangyong), and 郭渭盛教授 (Professor Guo Weisheng) being executive Directors; 王科先生 (Mr. Wang Ke), 王全福先生 (Mr. Wang Quanfu), 劉永強先生 (Mr. Liu Yongqiang), 王京女士 (Ms. Wang Jing), and 李文琦先生 (Mr. Li Wenqi) being non-executive Directors; and 周天游先生 (Mr. Zhou Tianyou), 龔書喜先生 (Mr. Gong Shuxi) and 王鵬程先生 (Mr. Wang Pengcheng) being independent non-executive Directors.

* For identification purposes only

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.

This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least 7 days from the day of its posting.