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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)

CLARIFICATION ANNOUNCEMENT

The Board hereby makes this clarification announcement in response to the newspaper articles on 1 April 2005 that (i) the Board has not been informed that there is any change in the shareholding of 180,000,000 domestic Shares which are registered under the name of Professor Xiao in comparing with the corporate structure of the Company as disclosed in the annual report of the Company dated 29 March 2005; and (ii) no sale and purchase or transfer of Shares has been involved in the Settlement. The Board does not expect any change in the control, management and daily operation of the Company as a result of the Proceedings and/or the Settlement.

Based on a verbal conversation between Mr. Xiao Bing and the Board, the Board confirms that Mr. Xiao Bing has a preliminary idea to transfer 180,000,000 domestic Shares under the joint control of Mr. Xiao Bing and Professor Xiao, as parties acting in concert, and registered under the name of Professor Xiao to Mr. Xiao Bing and/or other family members as Professor Xiao has reached the age of retirement. However, as at the date of this announcement, no such transfer has been taken place. The Board will make further announcement once the Board receives further information.

Shareholders of the Company and potential investors should exercise caution in dealing in the Shares.

CORPORATE STRUCTURE OF THE COMPANY

The board (the “**Board**”) of directors (the “**Directors**”) of Xi’an Haitian Antenna Technologies Co., Ltd.* (the “**Company**”) hereby makes this clarification announcement in response to the newspaper articles on 1 April 2005 concerning about 180,000,000 domestic shares (the “**Shares**”) of the Company registered under the name of 肖良勇教授 (Professor Xiao Liangyong, “**Professor Xiao**”) has been transferred to 肖兵先生 (“**Mr. Xiao Bing**”, one of the sons of Professor Xiao, the president of the Company, an executive Director and the chairman of the Board). As at the date of this announcement, the Board has not been informed that there is any change in the shareholding of 180,000,000 domestic Shares which are registered under the name of Professor Xiao in comparing with the corporate structure of the Company as disclosed in the annual report of the Company dated 29 March 2005.

Based on a verbal conversation between Mr. Xiao Bing and the Board, the Board confirms that Mr. Xiao Bing has a preliminary idea to transfer 180,000,000 domestic Shares under the joint control of Mr. Xiao Bing and Professor Xiao, as parties acting in concert, and registered under the name of Professor Xiao to Mr. Xiao Bing and/or other family members as Professor Xiao has reached the age of retirement. However, as at the date of this announcement, no such transfer has been taken place. The Board will make further announcement once the Board receives further information.

THE PROCEEDINGS AND THE SETTLEMENT

Reference is made to an announcement of the Company dated 4 November 2004 in relation to the legal proceedings (the “**Proceedings**”) which had been commenced in 陝西省高級人民法院 (the People’s High Court of Shaanxi Province*) of the People’s Republic of China (the “**PRC**”) between Mr. Xiao Bing, his brother and sister, being the plaintiffs (the “**Plaintiffs**”), and their father, Professor Xiao, being the defendant (the “**Defendant**”). Further reference is made to an announcement of the Company dated 8 March 2005 that the Proceedings have been discontinued as the Plaintiffs and the Defendant have reached a settlement (the “**Settlement**”). To the best information made available to the Company as at the date of this announcement, no sale and purchase or transfer of Shares has been involved in the Settlement.

In addition, in response to the newspaper articles on 1 April 2005 stating that the Proceedings were due to the dispute in the shareholding of the Company held by Professor Xiao, the Directors would like to clarify that the commencement of the Proceedings were due to family dispute as notified by the Defendant and the Plaintiffs. As the Proceedings only involved a family dispute among family members of Mr. Xiao Bing and Professor Xiao, and given that Mr. Xiao Bing and Professor Xiao are parties acting in concert, the Board does not expect any change in the Company’s control, management and daily operation as a result of the Proceedings and/or the Settlement.

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

Xi’an, the PRC, 1 April 2005

As at the date of this announcement, the Board comprises 肖兵先生 (Mr. Xiao Bing) being executive Director; 王科先生 (Mr. Wang Ke), 劉永強先生 (Mr. Liu Yongqiang), 王全福先生 (Mr. Wang Quanfu), 李文琦先生 (Mr. Li Wenqi) and 王京女士 (Ms. Wang Jing) 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.

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited 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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* For identification purposes only