



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)

**FIRST QUARTERLY RESULT ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2007**

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to GEM website in order to obtain up-to-date information on GEM-listed issuers.

The Stock Exchange takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors (the “Directors”) of Xi’an Haitian Antenna Technologies Co., Ltd. (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the requirements of the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) of the Stock Exchange 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 the bases and assumptions that are fair and reasonable.*

* For identification purposes only

HIGHLIGHTS

- During the three months ended 31 March 2007, the Group recorded an unaudited net loss of approximately RMB12.1 million, representing an increase by approximately RMB3.1 million as compared to the net loss of approximately RMB9.0 million for the corresponding period in the year 2006.
- The Board does not recommend the payment of a dividend for the three months ended 31 March 2007 (2006: nil).

CONSOLIDATED RESULT FOR THE THREE MONTHS ENDED 31 MARCH 2007

The Board hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months ended 31 March 2007, together with the unaudited comparative figures for the corresponding period in the year 2006 as follows:

		(Unaudited)	
		For the three months	
		ended 31 March	
		2007	2006
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Turnover	3	18,549	27,859
Cost of sales		(14,936)	(18,218)
Gross profit		3,613	9,641
Other operating income		913	293
Distribution costs		(4,113)	(8,291)
Administrative expenses		(7,218)	(7,101)
Other operating expenses		(4,206)	(3,775)
Loss from operations		(11,011)	(9,233)
Finance costs		(2,439)	(1,235)
Loss before taxation		(13,450)	(10,468)
Income tax credit	4	256	525
Net loss for the period		(13,194)	(9,943)
Attributable to:			
Equity holders of the Company		(12,071)	(9,016)
Minority interests		(1,123)	(927)
		(13,194)	(9,943)
Basic loss per share (in RMB cents)	6	(1.9)	(1.4)

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS

For the three months ended 31 March 2007

1. BASIS OF PREPARATION

The Company is a foreign investment joint stock limited company and its overseas listed foreign shares were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The Company and its subsidiaries (the “Group”) are principally engaged in research and development, manufacture and sale of base station antenna and related products.

This unaudited consolidated financial information has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The Group’s books and records are maintained in Renminbi (“RMB”), the currency in which the majority of the Group’s transactions is denominated.

2. ACCOUNTING POLICIES

The accounting policies used in the unaudited consolidated financial results are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2006.

3. TURNOVER

Turnover represents the amounts received and receivable for goods sold to outside customers exclusive of value added taxes, less returns and allowances, and income received and receivable from provision of services.

Turnover breakdown by nature of revenue:

	(Unaudited)	
	For the three months	
	ended 31 March	
	2007	2006
	RMB’000	RMB’000
Sales of goods	17,505	24,423
Service income	1,044	3,436
	18,549	27,859

Turnover breakdown by geographical locations:

	(Unaudited)	
	For the three months	
	ended 31 March	
	2007	2006
	RMB’000	RMB’000
The People’s Republic of China (the “PRC”)	15,249	17,747
Overseas	3,300	10,112
	18,549	27,859

4. INCOME TAX CREDIT

Currently, the Company and its subsidiaries established in mainland China are recognised by the Xi'an Municipal Bureau of Science and Technology as a high technology enterprise located in the Xi'an National High-tech Industrial Development Zone. In accordance with the applicable enterprise income tax of mainland China, they are subject to mainland China enterprise income tax ("EIT") at a rate of 24%. The Company was exempted from EIT for two years starting from 2005 and is entitled to a 50% reduction, which is 12%, on the EIT for the following three years (i.e. commencing from 1 January 2007) in accordance with Article 8 of Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprises.

The amount represents over provision for EIT of the Company on the estimated assessable profit for the year 2006.

5. DIVIDEND

The Board does not recommend the payment of a dividend for the three months ended 31 March 2007 (2006: nil).

6. BASIC LOSS PER SHARE

The calculation of the basic loss per share is based on the unaudited net loss for the three months ended 31 March 2007 of approximately RMB12,071,000 (unaudited net loss for the three months ended 31 March 2006: approximately RMB9,016,000) divided by the number of 647,058,824 shares in issue (2006: 647,058,824 shares).

No diluted loss per share has been presented because there is no potential ordinary share outstanding during either period.

7. RESERVES

	Share capital <i>RMB'000</i> (unaudited)	Statutory Share premium <i>RMB'000</i> (unaudited)	Statutory surplus reserve <i>RMB'000</i> (unaudited)	Public welfare fund <i>RMB'000</i> (unaudited)	Retained profits <i>RMB'000</i> (unaudited)	Total <i>RMB'000</i> (unaudited)	Minority interests <i>RMB'000</i> (unaudited)	Total <i>RMB'000</i> (unaudited)
At 1 January 2006	64,706	71,229	10,213	5,529	86,785	238,462	130	238,592
Minority interests	-	-	-	-	-	-	28,000	28,000
Net loss for the period	-	-	-	-	(9,016)	(9,016)	(927)	(9,943)
At 31 March 2006	<u>64,706</u>	<u>71,229</u>	<u>10,213</u>	<u>5,529</u>	<u>77,769</u>	<u>229,446</u>	<u>27,203</u>	<u>256,649</u>
At 1 January 2007	64,706	71,229	10,624	5,529	18,265	170,353	40,604	210,957
Net loss for the period	-	-	-	-	(12,071)	(12,071)	(1,123)	(13,194)
At 31 March 2007	<u>64,706</u>	<u>71,229</u>	<u>10,624</u>	<u>5,529</u>	<u>6,194</u>	<u>158,282</u>	<u>39,481</u>	<u>197,763</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Turnover

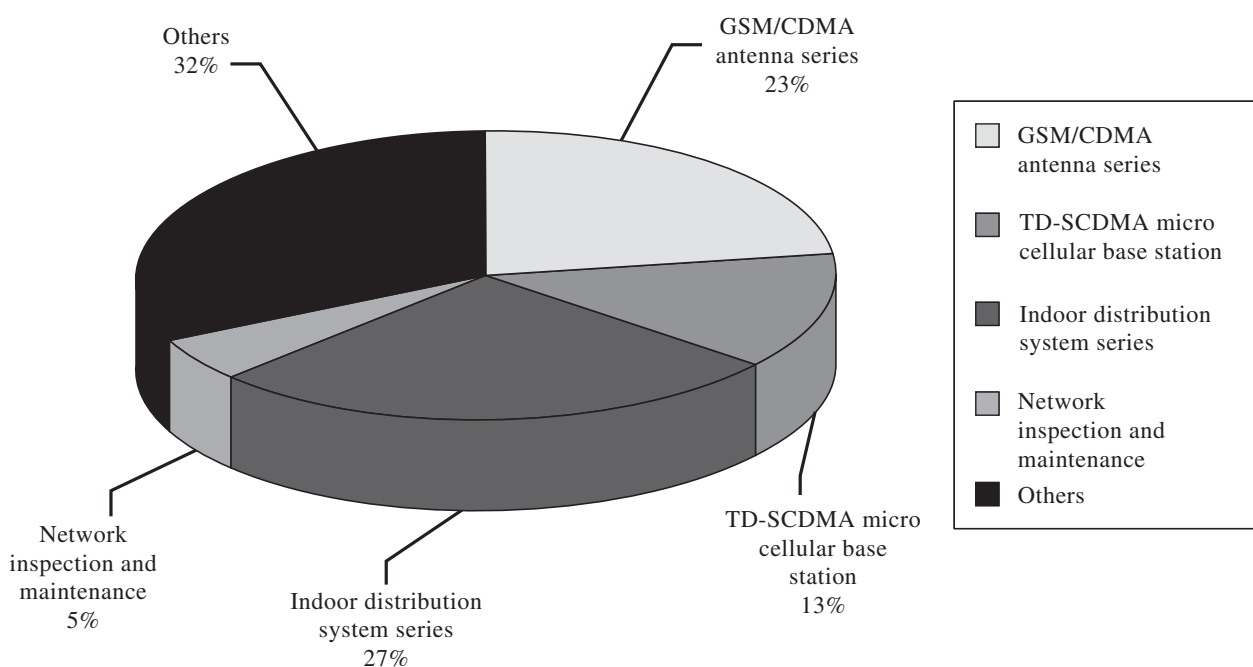
The Group recorded an unaudited turnover of approximately RMB18.5 million for the three months ended 31 March 2007, representing a decrease of approximately 33.4% as compared with the unaudited turnover for the corresponding period in the year 2006. The decrease was mainly attributable to (a) continued intense competition in the maturing domestic 2G mobile communications market and price pressure from the central procurement strategy exercised by China Mobile which lead to a drop in sales to China Mobile in current period; and (b) seasonal fluctuation in overseas sales and major overseas orders were received starting from second quarter in 2007.

Percentage of total sales of GSM/CDMA antenna series product decreased from approximately 53% for the corresponding period in the year 2006 to approximately 23% in current period; while revenue generated from other antenna series and indoor distribution system series grew by 16.3% and 76.0% respectively and accounted for approximately 32% and 27% of the Group's revenue for the three months ended 31 March 2007 respectively.

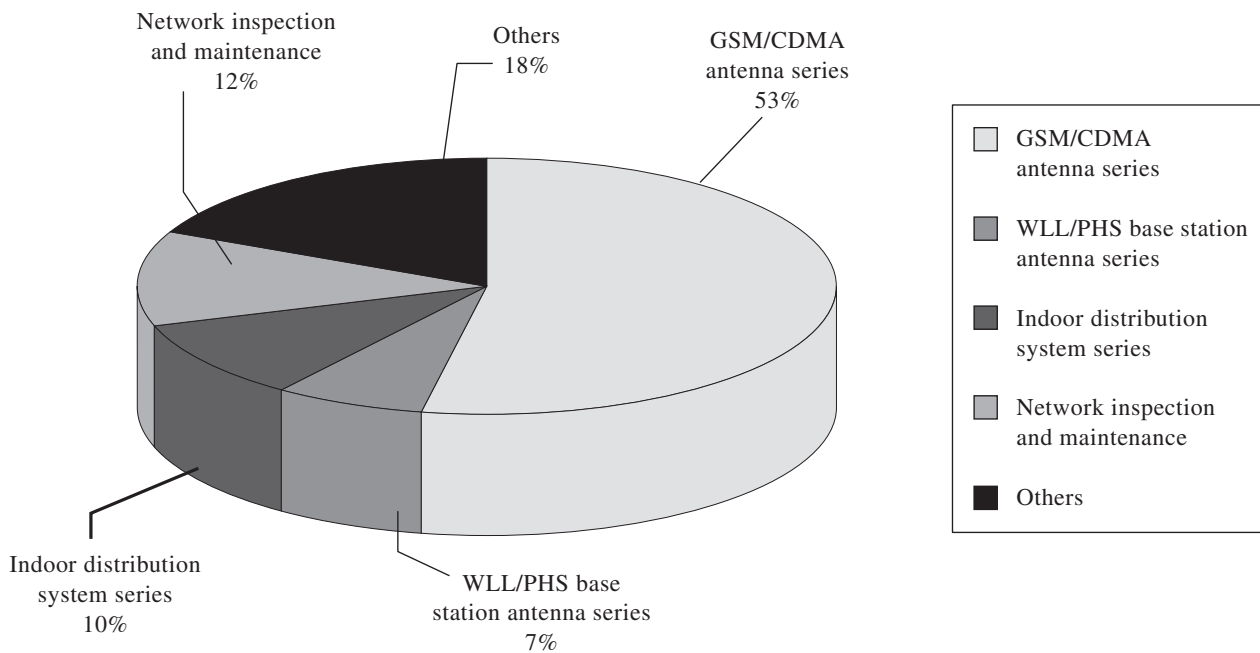
On the other hand, the Group's sales of TD-SCDMA micro cellular base station to Datang Mobile Communications Equipment Company Limited were recorded during first quarter of 2007 and already accounted for 13% of the Group's turnover within a short period.

Composite of sales by product lines for the three months ended 31 March 2007, together with the comparative figures for the corresponding period in the year 2006, are provided as follows:

For the three months ended 31 March 2007 (by product line)

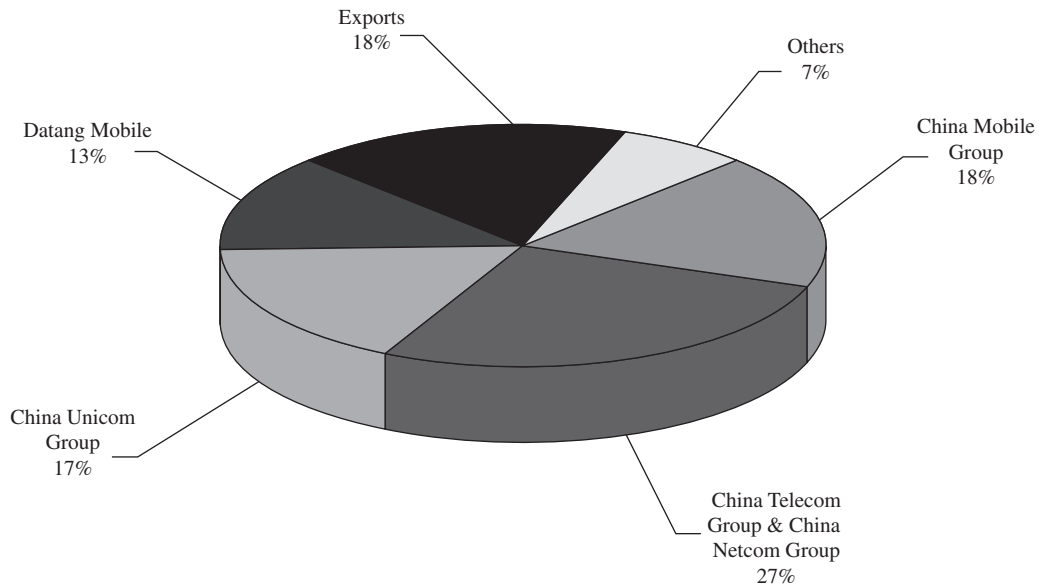


For the three months ended 31 March 2006 (by product line)

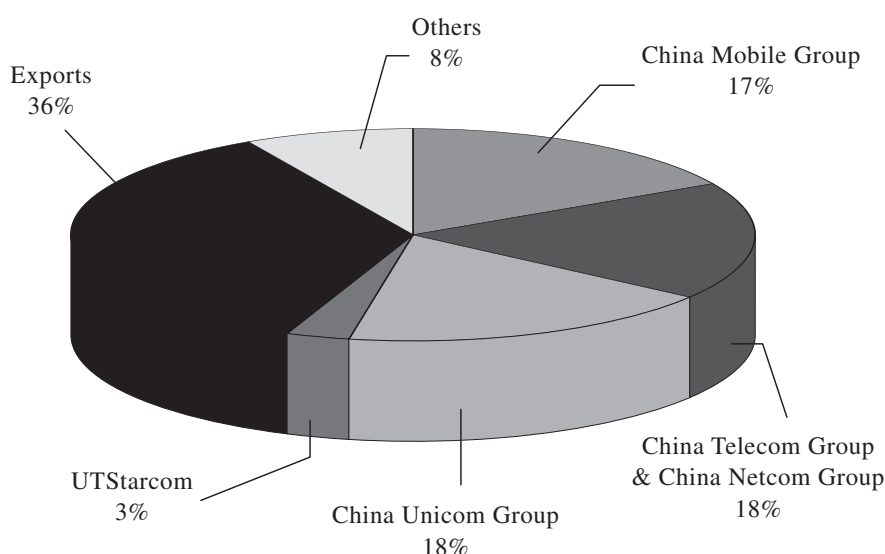


Composite of turnover by major customers for the three months ended 31 March 2007, together with the comparative figures for the corresponding period in the year 2006, is provided as follows:

For the three months ended 31 March 2007 (by major customers)



For the three months ended 31 March 2006 (by major customers)



Legend:

UTStarcom: UT斯達康通訊有限公司 (UTStarcom Telecom Co., Ltd.) (“UTStarcom”)

China Telecom Group & China Netcom Group: 中國電信集團公司 (China Telecommunications Corporation) and its subsidiaries and branch companies (collectively “China Telecom Group”) and 中國網絡通信有限公司 (China Netcom Corporation Limited) and its subsidiaries and branch companies (collectively “China Netcom Group”)

China Unicom Group: 中國聯合通信有限公司 (China United Telecommunications Corporation) and its subsidiaries and branch companies (collectively “China Unicom Group”)

China Mobile Group: 中國移動通信集團公司 (China Mobile Communications Corporation) and its subsidiaries and branch companies (collectively “China Mobile Group”)

Datang Mobile: 大唐移動通訊設備有限公司 (Datang Mobile Communications Equipment Company Limited) (“Datang Mobile”)

Gross Profit

During the three months ended 31 March 2007, the Group’s recorded unaudited gross profit amounted to approximately RMB3.6 million, gross profit margin was 19.5%, represented a material decrease when compared to the gross profit margin of 34.6% for the corresponding period in the year 2006. The decrease was mainly due to (a) intensified price competition within the market and central procurement strategy exercised by our major customer which adversely affected the profit margin; and (b) continued rising material prices during the period.

Operating Costs and Expenses

Distribution costs of the Group amounted to approximately RMB4.1 million for the three months ended 31 March 2007, representing a decrease of approximately RMB4.2 million or approximately 50.4% comparing with the corresponding period in the year 2006. The decrease was mainly due to cost control measures exercised by the Group which lead to a general decrease in distribution costs including general office expenses, staff salary, entertainment expenses and agency fee.

Administrative expenses were approximately RMB7.2 million for the three months ended 31 March 2007, which remained more or less the same level as comparing with the corresponding period in the year 2006. Major administrative expenses represented depreciation on property, plant and equipment, staff salary and legal and professional fee. Although the Group is expanding its operating scale, effective cost control measures help mitigating the impact on administrative expenses.

Other operating expenses amounted to approximately RMB4.2 million, representing an increase of approximately RMB0.4 million when comparing with the corresponding period in last year. The amount mainly represented research and development cost, amortization of capitalized research and development cost and amortization of intangible assets.

Finance costs amounted to approximately RMB2.4 million for the three months ended 31 March 2007, mainly represented interest expenses, increased by approximately RMB1.2 million, comparing with the corresponding period in the year 2006. The increase was mainly due to increase in average monthly bank loan balance during the current period and rising interest rates when compared with that in year 2006.

Consequently, during the three months ended 31 March 2007, the Group recorded an unaudited net loss of approximately RMB12.1 million, representing an increase by RMB3.1 million as compared to the net loss of approximately RMB9.0 million for the corresponding period in the year 2006.

PROSPECTS

Regarding 3G opportunities, China Mobile will carry out new round of TD-SCDMA network testing in six Olympic cities including Beijing, Shanghai, Tianjin, Shenyang, Qinhuangdao, Qingdao and also other cities like Guangzhou, Shenzhen and Xiamen. Their procurement of TD-SCDMA system equipment and terminals for the purpose of network construction and optimization already started in March 2007.

During the three months ended 31 March 2007, 3G related products of the Group, TD-SCDMA micro cellular base station, were launched and sold exclusively to Datang Mobile which participated actively in the open tender organized by China Mobile. The Directors remain optimistic about the 3G market and believe that commencement of TD-SCDMA network construction and investment in PRC will bring tremendous opportunities and growth to the Group in the coming future.

Besides, the Group will continue its focus on developing international markets in order to broaden customer base and improve profit margin. Subsequent to 31 March 2007, the Group received new orders from India market amounting to approximately RMB50 million and the whole contract will be completed in July 2007. The Directors believe that export sales will continue to be another major income source to the Group.

Facing with price pressure and decreasing profit margin, the Group will continue its focus on exercising more stringent cost control and implementing more cost effective production method in order to improve gross profit margin under the competitive environment.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND THE ASSOCIATED CORPORATIONS

As at 31 March 2007, the interests and short positions of the Directors, Supervisors (as if the requirements applicable to the Directors under the Securities and Futures Ordinance (“SFO”) (Chapter 571 of the Laws of Hong Kong) had applied to the Supervisors) and chief executives of the Company, including their respective associates, in the shares (the “Shares”), underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required, pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in Domestic Shares of the Company

Name of Director	Type of interest	Capacity	Number of Domestic Shares held in the Company	Approximate percentage in the total issued Domestic Shares of the Company	Approximate percentage in the total issued share capital of the Company
Mr. Xiao Bing (肖兵先生)	Personal	Held by controlled corporation (Note 1)	180,000,000	37.09%	27.81%

Note 1: The Domestic Shares were held by 西安天安投資有限公司 (Xi'an Tian An Investment Company Limited*, “Tian An Investment”), which is beneficially owned as to 60% by Mr. Xiao Bing and 40% by Ms. Yao Wenli. By virtue of the SFO, Mr. Xiao Bing was deemed to be interested in the same 180,000,000 Domestic Shares held by Tian An Investment.

Other than as disclosed above, none of the Directors, Supervisors and chief executive of the Company nor their respective associates had any interests or short positions in any Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 March 2007 as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required, pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' RIGHTS TO ACQUIRE H SHARES

As at 31 March 2007, so far as is known to the Directors, Supervisors and chief executives of the Company, none of the Directors, Supervisors or chief executives of the Company or any of their respective associates including spouses and children under 18 years of age had any interest in, or has been granted, or exercised, any rights to subscribe for H Shares (or warrants or debentures, if applicable) or to acquire H Shares.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2007, the following persons or entities (other than the Directors, Supervisors and chief executives of the Company) had interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

(A) Substantial shareholders of the Company

Long positions in Domestic Shares of the Company

Name of shareholder	Type of interest	Capacity	Number of Domestic Shares held in the Company	Approximate percentage in the total issued Domestic Shares of the Company	Approximate percentage in the total issued share capital of the Company
Tian An Investment	Corporate	Beneficial owner	180,000,000 (Note 1)	37.09%	27.81%
Ms. Yao Wenli (姚文俐女士)	Personal	Held by controlled corporation	180,000,000 (Note 1)	37.09%	27.81%
Professor Xiao Liangyong (肖良勇教授)	Personal	Parties acting in concert	180,000,000 (Note 2)	37.09%	27.81%
西安解放集團股份有限公司 (Xi'an Jiefang Group Joint Stock Co., Ltd.*)	Corporate	Beneficial owner	100,000,000	20.60%	15.45%
西安國際信託投資有限公司 (Xi'an International Trust & Investment Co., Ltd.*, "XITIC")	Corporate	Beneficial owner	70,151,471 (Note 3)	14.45%	10.84%
西安市財政局 (Xi'an Finance Bureau*)	Corporate	Held by controlled corporation	70,151,471 (Note 3)	14.45%	10.84%
陝西保升國際投資有限責任公司 (Shaanxi Baosheng International Investment Company Limited*)	Corporate	Held by controlled corporation	70,151,471 (Note 3)	14.45%	10.84%

Notes:

1. The Domestic Shares were held by Tian An Investment, which is beneficially owned as to 60% by Mr. Xiao Bing and 40% by Ms. Yao Wenli. By virtue of the SFO, Ms. Yao Wenli was deemed to be interested in the same 180,000,000 Domestic Shares held by Tian An Investment.
2. Professor Xiao Liangyong is the father of Mr. Xiao Bing and a person acting in concert with Mr. Xiao Bing. By virtue of the SFO, he was deemed to be interested in the same 180,000,000 Domestic Shares held by Tian An Investment.
3. The Domestic Shares were held by XITIC. By virtue of the SFO, Xi'an Finance Bureau and Shaanxi Baosheng International Investment Company Limited, which respectively holds more than one third of voting rights of XITIC, were deemed to be interested in the same 70,151,471 Domestic Shares held by XITIC.

(B) Other persons who are required to disclose their interests pursuant to Divisions 2 and 3 of Part XV of the SFO

Long positions in Domestic Shares of the Company

Name of shareholder	Type of interest	Capacity	Number of Domestic Shares held in the Company	Approximate percentage in the total issued Domestic Shares of the Company	Approximate percentage in the total issued share capital of the Company
北京京泰投資 管理 中心 (Beijing Holdings Investment Management Co., Ltd.*, “Beijing Holdings”)	Corporate	Beneficial owner	54,077,941 (Note 1)	11.14%	8.35%
京泰實業(集團) 有限公司 (Beijing Holdings (Group) Limited*)	Corporate	Held by controlled corporation	54,077,941 (Note 1)	11.14%	8.35%
陝西省絲綢進 出口公司 (Shaanxi Silk Import & Export Corporation*, “Shaanxi Silk”)	Corporate	Beneficial owner	45,064,706 (Note 2)	9.28%	6.96%
陝西省財政廳 (Shaanxi Finance Bureau*)	Corporate	Held by controlled corporation	45,064,706 (Note 2)	9.28%	6.96%

* for identification purpose only

Long positions in H Shares of the Company

Name of shareholder	Type of interest	Capacity	Number of H Shares held in the Company	Approximate percentage in the total issued H Shares of the Company	Approximate percentage in the total issued share capital of the Company
Taicom Capital Ltd.	Corporate	Investment manager	13,004,000 (Note 3)	8.03%	2.00%
Carlson Fund Equity Asian Small Cap	Corporate	Investment manager	10,520,000 (Note 3)	6.50%	1.62%
Ms. Song Ying	Personal	Beneficial owner	8,800,000	5.43%	1.35%

Notes:

1. The Domestic Shares were held by Beijing Holdings. By virtue of the SFO, Beijing Holdings (Group) Limited, which holds more than one third of voting rights of Beijing Holdings, was deemed to be interested in the same 54,077,941 Domestic Shares held by Beijing Holdings.
2. The Domestic Shares were held by Shaanxi Silk. By virtue of the SFO, Shaanxi Finance Bureau, which holds more than one third of voting rights of Shaanxi Silk, was deemed to be interested in the same 45,064,706 Domestic Shares held by Shaanxi Silk.
3. The details of these shareholders of the Company were based on information as set out in the website of the Stock Exchange. The Company has not been notified by the relevant shareholders and has not received any Corporate Substantial Shareholder Notice from the relevant shareholders.

The Company has been informed by Shaanxi Silk that it has entered into an agreement to transfer all its domestic shares to 深圳市匯泰投資發展有限公司 (Shenzhen Huitai Investment Development Company Limited), and such transfer has been approved by 中國國務院國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of the State Council of the PRC) on 29 November 2006. As advised by the PRC legal adviser of the Company, the transfer will be effective upon approval by the Ministry of Commerce of the PRC and completion of the registration procedures with the Shaanxi Provincial Administration of Industry and Commerce.

Save as disclosed above, as at 31 March 2007, the Directors, Supervisors and chief executives of the Company were not aware of any person (other than the Directors, Supervisors and chief executives of the Company) who had an interest or a short position in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

COMPETING INTERESTS

None of the Directors or the management shareholders (as defined in the GEM Listing Rules) of the Company have any interest in any business which competes or may compete, directly or indirectly, with the business of the Group nor any conflicts of interest which has or may have with the Group.

AUDIT COMMITTEE

An audit committee of the Company (the “Audit Committee”) was established on 4 April 2003 with terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control systems of the Group. As at 31 March 2007, the Audit Committee comprised of Mr. Wang Pengcheng and Professor Gong Shuxi, independent non-executive Directors, and Mr. Li Wenqi, a non-executive Director. The Group’s unaudited consolidated results for the three months ended 31 March 2007 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

CODE ON CORPORATE GOVERNANCE PRACTICES

For the three months ended 31 March 2007, the Company has complied with the requirements of the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules except that the roles of chairman and chief executive officer of the Company were performed by Mr. Xiao Bing following the resignation of Mr. Zhou Tianyou from the post of chief executive officer on 14 December 2006. The Board is still searching for suitable candidates to fill the role of chief executive officer.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the three months ended 31 March 2007, the Company has adopted a code of conduct for securities transactions by Directors (the “Code”), which is no less exacting than the required terms for dealings of Shares by Directors as set out in Rule 5.48 to 5.67 of the GEM Listing Rules. In addition, the Company has made specific inquiry with all the Directors, and has not been notified of any noncompliance with the standard for dealings of securities by Directors and the Code.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the three months ended 31 March 2007.

By order of the Board

Xiao Bing
Chairman

Xi’an, the PRC, 30 April 2007

As at the date of this announcement, the Board comprises 肖兵先生 (Mr. Xiao Bing), 梁志軍先生 (Mr. Liang Zhijun) and 周天游先生 (Mr. Zhou Tianyou) being executive Directors; 王科先生 (Mr. Wang Ke), 劉永強先生 (Mr. Liu Yongqiang), 孫文國先生 (Mr. Sun Wenguo), 王京女士 (Ms. Wang Jing) and 李文琦先生 (Mr. Li Wenqi) being non-executive Directors; and 龔書喜教授 (Professor Gong Shuxi), 王鵬程先生 (Mr. Wang Pengcheng) and 強文郁先生 (Mr. Qiang Wenyu) being independent non-executive Directors.

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.