

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Xi'an Haitian Antenna Technologies Co., Ltd. (the "Company"), you should at once hand this circular to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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西安海天天线科技股份有限公司

**XI'AN HAITIAN ANTENNA TECHNOLOGIES CO., LTD.\***

*(A joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 8227)**

**PROPOSED APPOINTMENT OF DIRECTOR  
AND  
PROPOSED AMENDMENT OF ARTICLES OF ASSOCIATION**

A notice convening the extraordinary general meeting of the Company to be held on Friday, 30 November 2007 at 1:00 p.m. at the conference room of the Company at No. 66 Jinye Road, Xi'an National Hi-tech Industrial Development Zone, Xi'an, Shaanxi Province, the People's Republic of China, together with the reply slip and form of proxy are enclosed herein.

Whether or not you are able to attend the meeting, you are requested to complete the enclosed reply slip and form of proxy in accordance with the instructions printed thereon and return them to the head office of the Company at No. 66 Jinye Road, Xi'an National Hi-tech Industrial Development Zone, Xi'an, Shaanxi Province, the PRC (for holders of domestic shares), or the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares), as soon as possible and in any event, for the reply slip, no later than Saturday, 10 November 2007, and for the form of proxy, no later than 24 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be).

Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting (as the case may be) should you wish to do so.

\* For identification purposes only

15 October 2007

## CHARACTERISTICS OF GEM

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 of the Stock Exchange 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 the GEM website in order to obtain up-to-date information on GEM-listed issuers.

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	3
<b>Notice of Extraordinary General Meeting</b> .....	8

## DEFINITIONS

*In this circular, the following expressions have the following meanings, unless the context otherwise requires:*

“Articles of Association”	the articles of associations of the Company
“Board”	the board of Directors
“Company”	西安海天天綫科技股份有限公司 (Xi’an Haitian Antenna Technologies Co., Ltd.*), a joint stock company incorporated in the PRC and whose H Shares are listed on GEM
“Directors”	the directors of the Company
“Domestic Shares”	the domestic invested shares of nominal value of RMB0.10 each in the share capital of the Company, which are subscribed for in RMB
“EGM”	the extraordinary general meeting of the Company to be held on Friday, 30 November 2007 at 1:00 p.m. (or any adjourned meeting) at the conference room of the Company at No. 66 Jinye Road, Xi’an National Hi-tech Industrial Development Zone, Xi’an, Shaanxi Province, the PRC
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administration Region of the PRC
“H Shares”	the overseas listed foreign invested shares of nominal value of RMB0.10 each in the share capital of the Company, which are listed on GEM and subscribed for and traded in HK\$
“Latest Practicable Date”	12 October 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

\* For identification purposes only

## DEFINITIONS

“PRC”	the People’s Republic of China, but for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Professor Xiao”	Professor Xiao Liangyong (肖良勇教授)
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	Holder(s) of the Domestic Shares and the H Shares
“Shares”	Domestic Shares and H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

## LETTER FROM THE BOARD



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)**

*Executive Directors:*

Mr. Xiao Bing  
Mr. Zuo Hong

*Non-executive Director:*

Mr. Xing Changling  
Mr. Luo Maosheng  
Mr. Sun Wenguo  
Ms. Wang Jing  
Mr. Li Wenqi

*Independent Non-executive Directors:*

Professor. Gong Shuxi  
Mr. Lei Huafeng  
Mr. Qiang Wenyu

*Registered office:*

No. 36 Gao Xin Liu Road  
Xi'an National Hi-tech Industrial  
Development Zone  
Xi'an, Shaanxi Province  
The People's Republic of China

*Head office in the PRC:*

No. 66 Jinye Road  
Xi'an National Hi-tech Industrial  
Development Zone  
Xi'an, Shaanxi Province  
The People's Republic of China

*Principal place of business*

*in Hong Kong:*  
Rooms 2708-11, West Tower  
Shun Tak Centre  
168-200 Connaught Road Central  
Hong Kong

15 October 2007

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED APPOINTMENT OF DIRECTOR  
AND  
PROPOSED AMENDMENT OF ARTICLES OF ASSOCIATION**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 27 September 2007.

\* For identification purposes only

## LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the EGM for the purpose of, among other things, approving the appointment of Professor Xiao Liangyong as executive Director and the amendment of the Articles of Association.

### PROPOSED APPOINTMENT OF DIRECTOR

The Board proposes to appoint Professor Xiao Liangyong (肖良勇教授) as executive Director. Subject to appointment of Professor Xiao as executive Director being approved at the EGM, the Board proposes to appoint Professor Xiao as the Chairman of the Company in place of Mr. Xiao Bing with effect from the conclusion of the EGM. Mr. Xiao Bing will remain as executive Director of the Company.

The biographical details of Professor Xiao are as follows:

Professor Xiao, aged 72, graduated from Zhangjiakou PLA Communication Engineering College (張家口解放軍通訊工程學院) (now known as Xidian University (西安電子科技大學)) in 1957 with a degree in radio engineering. He took positions as the tutor, lecturer, associate professor, professor and dean of the sixth department (currently the electronic engineering college) and antenna development centre of Xidian University from January 1957 to January 1998. Professor Xiao was an executive director and the general manager of Xi'an Haitian Communications Equipment Company Limited (西安海天通訊設備有限公司), the predecessor of the Company, from January 2000 to October 2000. Besides, Professor Xiao was the Chairman of the Company from October 2000 to Aug 2004 and was an executive Director from the date of listing of the Company in November 2003 to March 2005. Professor Xiao is the father of and a person acting in concert with Mr. Xiao Bing. By virtue of the SFO, Professor Xiao is deemed to be interested in the 180,000,000 Domestic Shares held by Xi'an Tian An Investment Company Limited, a company owned as to 60% by Mr. Xiao Bing.

Save as disclosed herein, to the best of the Directors' knowledge, information and belief having made reasonable enquiry, as at the date of this circular (i) Professor Xiao has no relationship with any directors, supervisors and senior management or substantial shareholders or controlling shareholders of the Company; (ii) Professor Xiao has no interest in the shares of the Company within the meaning of Part XV of the SFO; and (iii) Professor Xiao does not hold any position with the Company or its subsidiaries and does not have any other directorship held in listed public companies in the last three years.

Save as disclosed herein, the Company considers that in relation to the appointment of Professor Xiao as an executive Director, there is no information which is discloseable nor is/was Professor Xiao involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

## LETTER FROM THE BOARD

The proposed appointment of Professor Xiao as executive Director is subject to (a) the approval by the Shareholders by way of an ordinary resolution at the EGM; and (b) the compliance of Rule 17.50(2) of the GEM Listing Rules.

Subject to (a) and (b) above, the Company is proposed to enter into a service agreement with Professor Xiao for an initial term of three years commencing on the date of signing of the service agreement. Professor Xiao will not have any emolument as executive Director. However, the Company proposes to enter into a labour contract with Professor Xiao, pursuant to which he is entitled to receive a salary in the amount of RMB676,000 per annum. The proposed salary of Professor Xiao was determined on the basis of the prevailing market rate and taking into account of his experience. Professor Xiao is also entitled to a bonus payment from the Company which will be determined by the Board at its sole discretion based on the performance of Professor Xiao.

Resolutions will be proposed at the EGM to authorize the Board to enter into service agreement with Professor Xiao and to fix his remuneration.

### PROPOSED AMENDMENT OF ARTICLES OF ASSOCIATION

The Board also proposes to amend the Articles of Association in view of (i) the proposed change of registered office of the Company to No. 66 Jinye Road, Xi'an National Hi-tech Industrial Development Zone (西安國家高新技術產業開發區錦業路66號); and (ii) the change of shareholding structure of the Company, details of which were disclosed in the announcement of the Company dated 4 June 2007.

Details of the proposed amendments to the Articles of Association are set out below:

1. Article 3 of the Articles of Association provides that:

“Address of the Company: No. 36 Gao Xin Liu Road, Xi'an National Hi-tech Industrial Development Zone, Xi'an, Shaanxi Province, the People's Republic of China; postal code: 710075; telephone number: (029) 8766 0000; facsimile number: (029) 8766 0188.”

This Article is proposed to be amended to read as follows:

“Address of the Company: No. 66 Jinye Road, Xi'an National Hi-tech Industrial Development Zone; postal code: 710075; telephone number: (029) 8766 0000; facsimile number: (029) 8766 0188.”

2. Two new paragraphs, reading as follows, are proposed to be added to Article 21 of the Articles of Association as the second and the third paragraph of that Article:

“A promoter of the Company, Mr. Xiao Liangyong, had transferred 180,000,000 shares to Xi'an Tian An Investment Company Limited in compliance with law.”



## LETTER FROM THE BOARD

“Promoters of the Company, Xi’an Zhengheng Investment & Advisory Co., Ltd. had transferred 15,000,000 shares, Wu Chi Yan had transferred 10,000,000 shares, Shaanxi Silk Import and Export Corporation had transferred 45,064,706 shares, Shaanxi Mengde Intellectual Property Industry Development Co., Ltd. had transferred 5,000,000 shares to Shenzhen Huitai Investment Development Company Limited.”

### SHAREHOLDERS’ MEETINGS

Resolutions will be proposed at the EGM for the purpose of approving, among other things, the appointment of Professor Xiao Liangyong as executive Director and the amendment of the Articles of Association.

Notices of the EGM to be held on Friday, 30 November 2007 at 1:00 p.m. at the conference room of the Company at No. 66 Jinye Road, Xi’an National Hi-tech Industrial Development Zone, Xi’an, Shaanxi Province, the PRC, are set out on pages 8 to 9 of this circular.

The reply slip and form of proxy for use at the EGM are enclosed. Whether or not you are able to attend the EGM, you are requested to complete the enclosed reply slip and form of proxy in accordance with the instructions printed thereon and return them to the head office of the Company at No. 66 Jinye Road, Xi’an National Hi-tech Industrial Development Zone, Xi’an, Shaanxi Province, the PRC (for holders of Domestic Shares), or the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for holders of H Shares), as soon as possible and in any event, for the reply slip, no later than Saturday, 10 November 2007, and for the form of proxy, no later than 24 hours before the time appointed for holding the EGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting (as the case may be) should you so wish.

### CLOSURE OF REGISTER OF MEMBERS

The Company’s register of H Share members will be closed from 31 October 2007 to 30 November 2007 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of H Shares whose names appear on the register of members of the Company at the close of business on 30 October 2007 will be entitled to attend and vote at the EGM. In order to qualify to attend and vote at the EGM, all instruments of transfer must be delivered to the Company’s registrar of H Share, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 30 October 2007.

## LETTER FROM THE BOARD

### PROCEDURES TO DEMAND A POLL BY SHAREHOLDERS

Pursuant to the Articles of Association, a resolution put to the vote of the general meeting shall be decided on a show of hands unless a poll is (before or after any vote by show of hands) demanded:

- (i) by the chairman of the meeting;
- (ii) by at least two Shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders (including proxy) who, alone or together, representing one-tenth or more of the total voting rights of all Shareholders having the right to vote at the meeting.

### GENERAL

This circular, 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 reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This circular has been prepared in both English and Chinese. In the case of any discrepancy, the English text prevails.

### RECOMMENDATION

The Directors consider that the proposed resolutions referred to in this circular are in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions set out in the notice of the EGM.

Yours faithfully,  
By order of the Board  
**Xi'an Haitian Antenna Technologies Co., Ltd.\***  
**Xiao Bing**  
*Chairman*

\* For identification purposes only

# NOTICE OF EXTRAORDINARY GENERAL MEETING



西安海天天线科技股份有限公司

**XI'AN HAITIAN ANTENNA TECHNOLOGIES CO., LTD.\***

*(A joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 8227)**

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the "EGM") of Xi'an Haitian Antenna Technology Company Limited (the "Company") will be held at 1:00 p.m. on Friday, 30 November 2007 at the conference room of the Company at No. 66 Jinye Road, Xi'an National Hi-tech Industrial Development Zone, Xi'an, Shaanxi Province, the People's Republic of China ("PRC") to consider and, if thought fit, pass with or without modifications, the following resolutions:

## **ORDINARY RESOLUTION**

1. **"THAT** the appointment of Professor Xiao Liangyong as executive director of the Company be and is hereby approved and the board of directors of the Company is hereby authorized fix the remuneration of the aforesaid person and to enter into service agreement and/or labour contract with the aforesaid person with the terms and conditions which it, in its absolute discretion, may deem appropriate, and to do or authorize doing all such acts, matters and things as it may in its absolute discretion consider necessary, expedient or desirable in connection with the appointment."

## **SPECIAL RESOLUTION**

2. **"THAT**
  - (a) Article 3 of the Articles of Association of the Company be and is amended to read as follows:

"Address of the Company: No. 66 Jinye Road, Xi'an National Hi-tech Industrial Development Zone; postal code: 710075; telephone number: (029) 8766 0000; facsimile number: (029) 8766 0188."; and
  - (b) two new paragraphs, reading as follows, be and are added to Article 21 of the Articles of Association of the Company as the second and the third paragraph of that Article:

"A promoter of the Company, Mr. Xiao Liangyong, had transferred 180,000,000 shares to Xi'an Tian An Investment Company Limited in compliance with law."

\* For identification purposes only

## NOTICE OF EXTRAORDINARY GENERAL MEETING

“Promoters of the Company, Xi’an Zhengheng Investment & Advisory Co., Ltd. had transferred 15,000,000 shares, Wu Chi Yan had transferred 10,000,000 shares, Shaanxi Silk Import and Export Corporation had transferred 45,064,706 shares, Shaanxi Mengde Intellectual Property Industry Development Co., Ltd. had transferred 5,000,000 shares to Shenzhen Huitai Investment Development Company Limited.”; and

- (c) the board of directors of the Company be and is hereby authorized to make such adjustments or other amendments to the Articles of Association as it considers necessary or otherwise appropriate in connection with the amendments or as may be required by the relevant regulatory authorities, and to file the amended Articles of Association with the relevant PRC authorities for approval, endorsement and/or registration as appropriate, and to do or authorise doing all such acts, matters and things as it may in its absolute discretion consider necessary, expedient or desirable to give effect to and implement the amendments.”

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

Xi’an, the PRC, 15 October 2007

*As at the date of this notice, the Board comprises 肖兵先生 (Mr. Xiao Bing), and 左宏先生 (Mr. Zuo Hong) being executive Directors; 杏昌靈先生 (Mr. Xing Changling), 羅茂生先生 (Mr. Luo Maosheng), 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), 雷華鋒先生 (Mr. Lei Huafeng) and 強文郁先生 (Mr. Qiang Wenyu) being independent non-executive Directors.*

Notes:

1. The register of members of the Company shall be closed from 31 October 2007 to 30 November 2007 (both days inclusive), during which period no transfer of shares of the Company can be registered.
2. Holders of domestic shares and H shares whose names appear on the register of members of the Company at the close of business on 30 October 2007 shall be entitled to attend and vote at the EGM convened by the above notice and may appoint one or more proxies in writing to attend and, in the event of a poll, vote on their behalves. A proxy need not be a member of the Company.
3. A proxy form for the EGM is herewith enclosed. In order to be valid, the proxy form must be deposited by hand or by post, for holders of H shares, to the H shares registrar of the Company at Computershare Hong Kong Investor Services Limited and, for holders of domestic shares, to the Company’s head office no later than 24 hours before the time for holding the EGM. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
4. Shareholders or their proxies shall produce their identity documents when attending the EGM.

\* For identification purposes only

## NOTICE OF EXTRAORDINARY GENERAL MEETING

5. Shareholders who intend to attend the EGM should complete and return the enclosed reply slip by hand or by post, for holders of H shares, to the H share registrar of the Company and, for holders of domestic shares, to the Company's head office no later than Saturday, 10 November 2007.
6. Shareholders or proxies attending the EGM should state clearly, in respect of each resolution requiring a vote, whether they are voting for or against a resolution. Abstention votes will not be regarded by the Company as having voting rights for the purpose of vote counts.
7. The EGM is expected to take half a day. Shareholders or proxies attending the EGM shall be responsible for their own transportation, meal and accommodation expenses.
8. The address of the Company's head office is as follows:

No. 66 Jinye Road  
Xi'an National Hi-tech Industrial Development Zone  
Xi'an, Shaanxi Province  
The PRC  
Post Code: 710075

Contact person: Mr. Dang Changshui  
Tel: 86-29-87660182  
Fax: 86-29-87660012

The address of the Company's H share registrar is as follows:

Rooms 1806-1807, 18th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong