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 with limited liability)

(Stock Code: 8227)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2013

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. 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.

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 Rules Governing the Listing of Securities on the GEM of the Stock Exchange (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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

* *For identification purposes only*

HIGHLIGHTS

- During the six months ended 30 June 2013, unaudited gross profit amounted to RMB2.0 million and gross profit margin was 23.0% which represented a decrease when compared to the gross profit margin of 26.9% for the corresponding period in 2012.

- The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2013.

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

The board of Directors of the Company (the "Board") hereby submits the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the "Group") for the three months and six months ended 30 June 2013, together with the unaudited comparative figures for the corresponding period in the year 2012 as follows:

Condensed Consolidated Statement of Comprehensive Income

		(Unaudited) For the three months ended 30 June		(Unaudited) For the six months ended 30 June	
		2013	2012	**2013**	2012
	Notes	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Revenue	*3*	**2,752**	5,789	**8,812**	13,026
Cost of sales		**(2,287)**	(4,621)	**(6,784)**	(9,524)
Gross profit		**465**	1,168	**2,028**	3,502
Other revenue		**139**	1,585	**378**	4,774
Distribution costs		**(194)**	(624)	**(838)**	(1,243)
Administrative expenses		**(2,122)**	(3,562)	**(4,535)**	(7,110)
Share of result of an associate	*9*	**(1,027)**	(589)	**(1,932)**	(589)
Finance costs		**(545)**	(4)	**(742)**	(9)
Loss before tax	*4*	**(3,284)**	(2,026)	**(5,641)**	(675)
Income tax expense		**–**	–	**–**	–
Loss and total comprehensive expense for the period	*5*	**(3,284)**	(2,026)	**(5,641)**	(675)
Loss per share	*7*				
– Basic and diluted (in RMB cents)		**(0.51)**	(0.31)	**(0.87)**	(0.10)

Condensed Consolidated Statement of Financial Position

	Notes	**(Unaudited) As at 30 June 2013** *RMB'000*	(Audited) As at 31 December 2012 *RMB'000*
Non-current assets			
Property, plant and equipment	*8*	**62,113**	63,473
Intangible assets		**4,442**	5,046
Interest in an associate	*9*	**6,732**	8,664
Pledged bank deposits		**91**	91
Deferred tax assets		**2,715**	2,715
		76,093	79,989
Current assets			
Inventories		**25,814**	25,876
Trade receivables	*10*	**40,010**	42,633
Other receivables and prepayments		**18,315**	7,650
Amounts due from directors		**769**	769
Amounts due from related parties		**–**	–
Tax recoverable		**677**	677
Pledged bank deposits		**400**	400
Bank balances and cash		**7,560**	4,846
		93,545	82,851
Current liabilities			
Trade payables	*11*	**17,440**	22,918
Other payables and accrued charges		**27,518**	19,321
Dividend payables		**676**	676
Amounts due to directors		**1,975**	1,975
Amounts due to related parties		**41,669**	41,669
Amount due to an associate		**26,981**	26,981
Bank and other borrowings		**26,940**	16,940
		143,199	130,480

	Notes	(Unaudited) As at 30 June 2013 *RMB'000*	(Audited) As at 31 December 2012 *RMB'000*
Net current liabilities		**(49,654)**	(47,629)
Total assets less current liabilities		**26,439**	32,360
Non-current liabilities			
Deferred income		**4,698**	4,978
		4,698	4,978
Net assets		**21,741**	27,382
Capital and reserves			
Share capital		**64,706**	64,706
Reserves		**(42,965)**	(37,324)
Equity attributable to owners of the Company and total equity		**21,741**	27,382

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2013

	(Unaudited) Share capital RMB'000	(Unaudited) Share premium RMB'000	(Unaudited) Statutory surplus reserve RMB'000	(Unaudited) Other reserve RMB'000	(Unaudited) Accumulated losses RMB'000	(Unaudited) Total RMB'000
At 1 January 2012	64,706	71,229	16,153	3,939	(152,966)	3,061
Loss and total comprehensive expense for the period	–	–	–	–	(675)	(675)
Contribution from shareholders	–	–	–	11,917	–	11,917
At 30 June 2012	64,706	71,229	16,153	15,856	(153,641)	14,303
At 1 January 2013	64,706	71,229	16,153	15,856	(140,562)	27,382
Loss and total comprehensive expense for the period	–	–	–	–	(5,641)	(5,641)
At 30 June 2013	**64,706**	**71,229**	**16,153**	**15,856**	**(146,203)**	**21,741**

Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June 2013

	(Unaudited)	(Unaudited)
	2013	2012
	RMB'000	*RMB'000*
Net cash used in operating activities	**(6,163)**	(4,416)
Investing activities		
Pledged bank deposits released	**–**	3,800
Proceeds on disposal of property, plant and equipment	**–**	4,000
Purchases of property, plant and equipment	**(358)**	(59)
Expenditure on product development	**(123)**	(1,843)
Other investing cash flows	**–**	17
Net cash (used in) from investing activities	**(481)**	5,915
Financing activities		
New bank and other borrowings raised	**20,000**	–
Government grants received	**100**	–
Repayment of bank and other borrowings	**(10,000)**	–
Other financing cash flows	**(742)**	(823)
Net cash from (used in) financing activities	**9,358**	(823)
Net increase in cash and cash equivalents	**2,714**	676
Cash and cash equivalents at the beginning of period	**4,846**	2,144
Cash and cash equivalents at the end of period represented by bank balances and cash	**7,560**	2,820

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Company is a joint stock limited company established in the People's Republic of China (the "PRC") and the H shares of the Company are listed on the GEM of the Stock Exchange.

The Group is principally engaged in research and development, manufacture and sale of base station antennas and related products.

This unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements as set out in Chapter 18 of the GEM Listing Rules.

The condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee.

The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

2. ACCOUNTING POLICIES

The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 December 2012.

3. REVENUE

Revenue represents the amounts received and receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue breakdown by nature:

	(Unaudited) For the three months ended 30 June		**(Unaudited) For the six months ended 30 June**	
	2013	2012	**2013**	2012
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Sales of antennas and related products	**972**	2,518	**2,307**	3,601
Service income	**1,780**	3,271	**6,505**	9,425
	2,752	5,789	**8,812**	13,026

The Group is organised into a single operating segment as sale of telecommunication products and rendering of related services. Accordingly, no reportable segment is presented.

Revenue breakdown by geographical location:

	(Unaudited) For the three months ended 30 June		(Unaudited) For the six months ended 30 June	
	2013	2012	**2013**	2012
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
PRC	**2,752**	5,127	**8,812**	12,314
Others	**–**	662	**–**	712
	2,752	5,789	**8,812**	13,026

No analysis of the Group's assets and liabilities by geographical location is presented as the majority of the Group's assets and liabilities are located in the PRC.

4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as companies within the Group did not have any assessable profits in Hong Kong for either period.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

5. LOSS FOR THE PERIOD

	(Unaudited) For the three months ended 30 June		(Unaudited) For the six months ended 30 June	
	2013	2012	**2013**	2012
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Loss for the period has been arrived at after charging (crediting):				
Depreciation for property, plant and equipment	**444**	2,880	**1,718**	4,428
Amortisation of intangible assets (included in administrative expenses)	**285**	12	**571**	26
Total depreciation and amortisation	**729**	2,892	**2,289**	4,454
Auditors' remuneration				
– audit services	**–**	90	**–**	97
– other services	**–**	–	**–**	–
Cost of inventories recognised as an expense	**1,015**	3,138	**2,146**	3,325
Staff costs				
– Directors' remuneration and remuneration of members of supervisory committee (the "Supervisors")	**143**	142	**286**	369
– Salaries, wages and other benefits	**773**	1,557	**1,625**	3,814
– Retirement benefit scheme contributions (excluding Directors and Supervisors)	**164**	445	**298**	712
Total staff costs	**1,080**	2,144	**2,209**	4,895
Research and development costs recognised as an expense	**66**	1,334	**123**	3,157
Interests on bank and borrowings wholly repayable within five years	**549**	–	**744**	–
Interest income	**6**	4	**8**	14

6. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2013 (2012: nil).

7. LOSS PER SHARE

The calculation of basic loss per share attributable to the owners of the Company is based on the unaudited loss for the three months and six months ended 30 June 2013 attributable to owners of the Company of RMB3,284,000 and RMB5,641,000 respectively (2012: RMB2,026,000 and RMB675,000 respectively) and the weighted average number of 647,058,824 (2012: 647,058,824) ordinary shares in issue during the period.

The diluted loss per share is equal to the basic loss per share as calculated above as the Company did not have any potential shares outstanding for the both periods.

8. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent RMB0.4 million (2012: RMB0.1 million) on acquisition of property, plant and equipment.

9. INTEREST IN AN ASSOCIATE

	(Unaudited)	(Audited)
	As at	As at
	30 June	31 December
	2013	2012
	RMB'000	*RMB'000*
Cost of investment in an unlisted associate in the PRC	**12,000**	12,000
Share of post acquisition losses	**(5,268)**	(3,336)
	6,732	8,664

As at 30 June 2013, the Group acquired and held 15.38% (as at 31 December 2012: 15.38%) equity interest in a PRC private limited company engaged in the manufacturing and sales of base station antennas and related products in PRC.

The equity interest was frozen by the Intermediate Court of Xi'an (西安市中級人民法院) on 7 March 2013 for two years, during which period the equity interest shall not be disposed of, as a result of an arbitration award made by the Arbitration Committee of Xi'an (西安仲裁委員會) in respect of a procurement contract between the Company and Kingsignal Technology Co. Ltd.* (深圳金信諾高新技術股份有限公司) ("Kingsignal"). The Group has been in negotiation with Kingsignal on terms of settlement including, among others, the amount payable and the payment schedule.

10. TRADE RECEIVABLES

	(Unaudited) **As at** **30 June** **2013** ***RMB'000***	(Audited) As at 31 December 2012 *RMB'000*
Trade receivables	**65,986**	68,479
Less: impairment loss recognised	**(25,976)**	(25,846)
	40,010	42,633

The Group allows a credit period ranging from 90 days to 240 days to its trade customers. For receivables from certain customers, the amounts are settled by installments which are mutually determined and agreed by the relevant parties.

The following is an aged analysis of trade receivables net of impairment loss recognised presented based on the invoice date at the end of the reporting period:

	(Unaudited) **As at** **30 June** **2013** ***RMB'000***	(Audited) As at 31 December 2012 *RMB'000*
Within 60 days	**5,901**	23,106
61 to 120 days	**7,007**	4,208
121 to 180 days	**5,078**	876
181 to 240 days	**6,779**	–
241 to 365 days	**802**	358
Over 365 days	**14,443**	14,085
	40,010	42,633

At the end of each reporting period, the Group's trade receivables were individually determined to be impaired. The individually impaired receivables are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions. Consequently, specific impairment loss was recognised.

11. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	(Unaudited) **As at** **30 June** **2013** ***RMB'000***	(Audited) As at 31 December 2012 *RMB'000*
Within 60 days	**223**	846
61 to 120 days	**1,712**	135
121 to 365 days	**4,849**	998
Over 365 days	**10,656**	20,938
	17,440	22,918

The average credit period on purchases of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

12. CAPITAL COMMITMENTS

	(Unaudited) **As at** **30 June** **2013** ***RMB'000***	(Audited) As at 31 December 2012 *RMB'000*
Capital expenditure in respect of construction cost on properties under construction and acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	**–**	–
Capital expenditure in respect of capital investment in an associate contracted for but not provided in the condensed consolidated financial statements	**–**	–
	–	–

13. LITIGATION

As at the end of reporting date, the Group has the following court cases:

On 29 November 2011, 珠海漢勝科技股份有限公司 (the "Plaintiff A") filed a writ at the Xi'an Arbitration Commission, Shaanxi Province (the "Commissioner") against the Company. The Plaintiff A claimed that the Company owes the Plaintiff A trade payable balance of RMB0.8 million, which aged over one year. The Plaintiff A requested the Commissioner to resolve the contractual dispute by requesting the Company to perform its repayment obligation. On 28 November 2012, the court case was concluded of which the Group was demanded to repay the Plaintiff A of amount approximately RMB0.8 million. As at 30 June 2013, an amount of RMB0.5 million is not yet paid to the Plaintiff A. In the opinion of the directors of the Company, the above case did not have any material impact on the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2013 as the amount claimed by the Plaintiff A was included in trade payables.

On 20 December 2011, 深圳金信諾高新技術股份有限公司 (the "Plaintiff B") filed a writ at the Commissioner against the Company. The Plaintiff B claimed that the Company owed the Plaintiff B trade payable balance of RMB6.7 million, which aged over one year. The Plaintiff B requested the Commissioner to resolve the contractual dispute by requesting the Company to perform its repayment obligation. Meanwhile, the Company countercharged the Plaintiff B with the substandard products provided amounting to RMB2.0 million. On 9 May 2013, the claims are rejected from the arbitration from the Commissioner and the Group was demanded to repay the Plaintiff B of amount approximately RMB6.2 million. As at 30 June 2013, an amount of RMB6.2 million is not yet paid to the Plaintiff B as the terms of settlement is in negotiation. In the opinion of the directors of the Company, the above case did not have any material impact on the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2013 as the amount claimed by the Plaintiff B was included in trade payables.

MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW

BUSINESS REVIEW

Revenue

Unaudited revenue of approximately RMB8.8 million for the six months ended 30 June 2013 (the "Review Period"), representing 67.6% of unaudited revenue for the corresponding period in the year of 2012. Further decline in revenue was mainly due to prolonged price competition in antennas and related products and services.

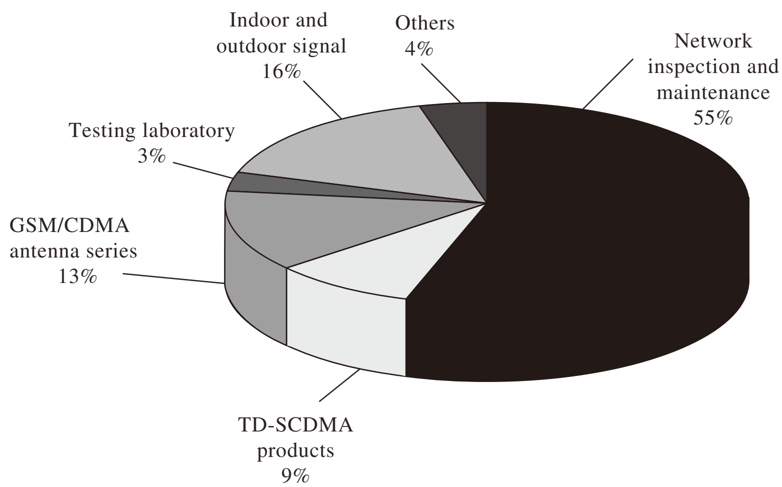
Revenue was mainly come from service income which was accounted for nearly 74% of revenue, compared to over 72% for the corresponding period in 2012. As the ever-growing market demand for network optimisation and inspection services, service income from network inspection and maintenance was raised to approximately 55% of revenue during the Review period from approximately 41% for the corresponding period in 2012. Whereas revenue from indoor and outdoor signal services and testing laboratory services were approximately 16% and approximately 3% of revenue respectively for the Review Period, compared to approximately 21% and approximately 10% respectively for the corresponding period in 2012.

Sales of GSM/CDMA antenna series increased from approximately 6% of revenue for corresponding period in 2012 to approximately 13% for the Review Period because of execution of procurement contracts after confirmation of sales orders. Sales of TDSCDMA products remained at approximately 9% for the Review Period after major tenders in 2012.

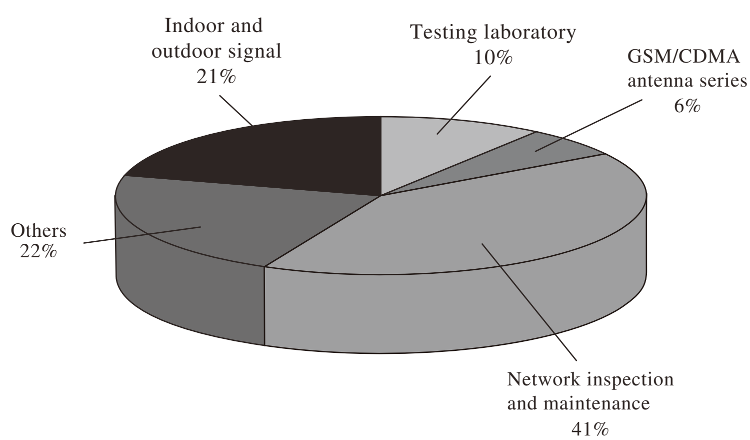
Complying with the Group's customer base diversification policy to local agents and international suppliers for telecommunication facilities for expansion of market share and establishment of brand name, approximately 54% of revenue was attributed to Huawei Group for the Review Period. Revenue generated from the three major telecommunication operators was still remained approximately 44%, compared to approximately 34% for the corresponding period in 2012.

Composite of sales by product line for the six months ended 30 June 2013, together with the comparative figures for the corresponding period in the year 2012, are provided as follows:

For the six months ended 30 June 2013 (by product line)

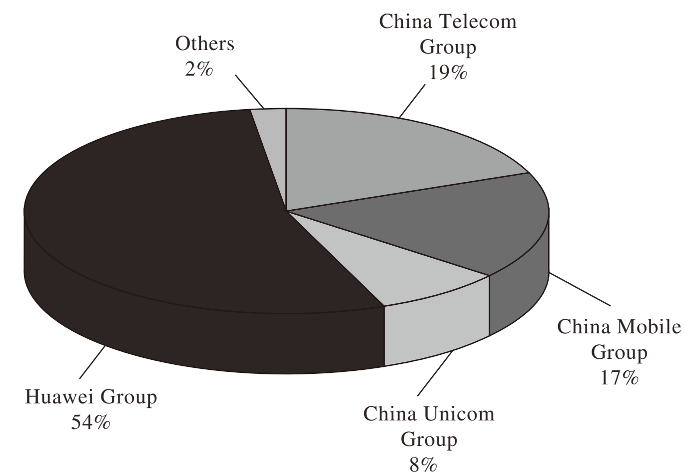


For the six months ended 30 June 2012 (by product line)

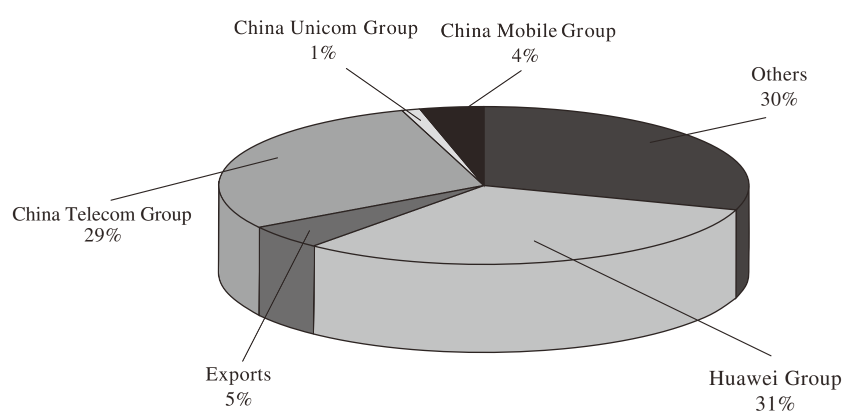


Composite of turnover by major customers for the six months ended 30 June 2013, together with the comparative figures for the corresponding period in the year 2012, are provided as follows:

For the six months ended 30 June 2013 (by major customers)



For the six months ended 30 June 2012 (by major customers)



Legend:

China Telecom Group: 中國電信集團公司 (China Telecommunications Corporation) and its subsidiaries and branch companies (collectively "China Telecom 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")

Huawei Group: 華為技術有限公司 (Huawei Technologies Co., Ltd.) and its subsidiaries and branch companies (collectively "Huawei Group")

GCI Group: 廣州傑賽科技股份有限公司 (GCI Science & Technology Co., Ltd.) and its subsidiaries and branch companies (collectively "GCI Group")

Gross Profit

Unaudited gross profit of approximately RMB2.0 million was recorded for the Review Period which represented gross profit margin of 23.0%, compared to the unaudited gross profit margin of 26.9% for the corresponding period in 2012. Price pressure of products and services was offset the benefit of scale-down of excess production capacity and close-down of unprofitable operations during the Review Period.

Other Revenue

Approximately RMB0.1 million and approximately RMB0.3 million respectively were attributable to government grant received and amortised during the Review Period. Neither gain on debts restructuring nor gain on disposal of property, plant and equipment were recognised during the Review Period, compared to approximately RMB3.2 million and approximately RMB0.6 million respectively in the corresponding period in 2012.

Operating Costs and Expenses

Distribution costs were dropped by approximately RMB0.4 million for the Review Period, which represented a decrease of approximately 32.6% comparing to the corresponding period in 2012. The decrease in distribution costs was in line with decline in revenue and staff costs and welfare decreased by approximately RMB0.2 million during the Review Period under the performance evaluation and incentive management approach.

Significant decrease in administration expenses by approximately RMB2.6 million or 36.2% comparing to the corresponding period in 2012 reflected the further cost control strategy over the Group's operations, particularly significant drop in staff costs and welfare by approximately RMB0.6 million, cost savings in business fee by approximately RMB0.2 million and decrease in research and development costs amounted to approximately RMB0.5 million during the Review Period.

Approximately RMB0.7 million interests on bank borrowings were incurred for operating funds during the Review Period but no such expenses in the corresponding in 2012.

Further operating loss of an associate approximately of RMB1.9 million was recognised during the Review Period as the associate was still at its early stage of business.

Loss for the period

Although the Group was benefited from the success in cost control on operations during the Review Period, further decline in revenue was not sufficient to cover the operating costs and expenses. Consequently, the Group reported an unaudited loss attributable to shareholders of approximately RMB5.6 million for the Review Period.

PROSPECTS

To cope with the overall sluggishness in mobile communications antenna industry, for 2013, in addition to our ongoing usual reinforcement in the business of communication-related services including TD-LTE antenna products, network optimisation, network inspection and maintenance, the Group has begun the acquisition of related technologies and implementing market expansion in such areas like mobile communication system module trial and testing. The Group anticipates the development in new products and services to be completed that will bring about product structure optimisation, thereby securing new profit growth drivers and enhancing the operating performance of the Group.

LIQUIDITY AND FINANCIAL RESOURCES

During the period, the Group was mainly financed by cash from banking facilities and borrowings. As at 30 June 2013, the Group had bank borrowings of approximately RMB20.0 million and other borrowings of approximately RMB6.9 million of which all were repayable on demand or within one year. These borrowings were mainly used for the Group's daily operations.

During the period, all of the Group's interest-bearing borrowings borne interest rate of 7.8% per annum. Since all the borrowings were denominated in RMB, the Directors consider that exposure to foreign exchange risk was minimal.

As at 30 June 2013, the Group's gearing ratio was 92.2% (as at 31 December 2012: 36.5%), which is calculated based on total interest-bearing borrowings of approximately RMB20.0 million over total shareholders' funds of approximately RMB21.7 million. Cash and cash equivalents increased from approximately RMB4.8 million to RMB7.6 million. Most of the Group's pledged bank deposits were deposited with banks to secure the quality of the products sold to certain customers and were denominated in RMB, which are directly related to the Group's businesses in the areas of the currencies concerned.

CHARGES ON GROUP ASSETS

As at 30 June 2013, the Group pledged bank deposits of approximately RMB0.5 million for qualify of products sold to customers.

CONTINGENT LIABILITIES

As at 30 June 2013, the Group did not have any material contingent liabilities.

FOREIGN EXCHANGE EXPOSURE

For the period ended 30 June 2013, the Group was not exposed to any significant foreign exchange risk as majority of the Group's transactions were denominated in Renminbi. Hence, no financial instrument for hedging was employed.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2013, the Group had 94 full-time employees. Total staff costs for the six months ended 30 June 2013 amounted to RMB2.2 million (six months ended 30 June 2012: RMB4.9 million), including remuneration of the Directors and Supervisors. The Group reviews employee remuneration from time to time and increases in remuneration are normally granted annually or by special adjustment depending on length of service and performance when warranted. In addition to salaries, the Group provides employee benefits including medical insurance and retirement benefits scheme. Bonuses are also available to employees of the Group at the discretion of the Directors and depending on the financial performance of the Group. The Group has not granted any share options to the Directors and its employees.

SIGNIFICANT INVESTMENT HELD

Except for investment in subsidiaries and an associate, during the six months ended 30 June 2013 and as at the balance sheet date, the Group did not hold any significant investment in equity interest in any company.

FUTURE PLANS FOR MATERIAL INVESTMENTS

As at 30 June 2013, the Group had no capital expenditure contracted for but not provided in the financial statements (as at 31 December 2012: nil). Save as disclosed herein the Group did not have other plans for material investment.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in the paragraph headed "Significant Investment Held" above, during the six months ended 30 June 2013, the Group did not have any other material acquisitions and disposals of subsidiaries, associates and affiliated companies.

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 30 June 2013, 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 (the "Domestic Share")

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	180,000,000 *(Note 1)*	37.09%	27.82%
Mr. Zuo Hong (左宏先生)	Personal	Held by controlled corporation	75,064,706 *(Note 2)*	15.47%	11.60%

Long positions in H shares of the Company (the "H Share")

Name of Director	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
Mr. Zhang Jun (張鈞先生)	Personal	Beneficial owner	400,000	0.25%	0.06%

Notes:

1. The Domestic Shares were held by 西安天安投資有限公司 (Xi'an Tian An Investment Co., Ltd.*) ("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.

2. The Domestic Shares were held by 深圳市匯泰投資發展有限公司 (Shenzhen Huitai Investment Development Co., Ltd.*) ("Shenzhen Huitai"), which is beneficially owned by Mr. Zuo Hong and Ms. Yi Li in equal share. By virtue of the SFO, each of Mr. Zuo Hong and Ms. Yi Li was deemed to be interested in the same 75,064,706 Domestic Shares held by Shenzhen Huitai.

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 30 June 2013 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 OF THE COMPANY

As at 30 June 2013, 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 30 June 2013, 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 substantial 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%	27.82%
Professor Xiao Liangyong (肖良勇教授)	Personal	Parties acting in concert	180,000,000 *(Note 1)*	37.09%	27.82%
Ms. Yao Wenli (姚文俐女士)	Personal	Held by controlled corporation	180,000,000 *(Note 1)*	37.09%	27.82%
西安開元投資集團股份有限公司 (Xi'an Kaiyuan Investment Group Co., Ltd.*)	Corporate	Beneficial owner	100,000,000	20.61%	15.45%
Shenzhen Huitai	Corporate	Beneficial owner	75,064,706 *(Note 2)*	15.47%	11.60%

Name of substantial 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
Ms. Yi Li (易麗女士)	Personal	Held by controlled corporation	75,064,706 *(Note 2)*	15.47%	11.60%
長安國際信託股份有限公司 (Chang'an International Trust Co., Ltd.*)	Corporate	Beneficial owner	70,151,47 *(Note 3)*	14.46%	10.84%
西安市財政局 (Xi'an Finance Bureau*)	Corporate	Held by controlled corporation	70,151,471 *(Note 3)*	14.46%	10.84%
上海証大投資管理有限公司 (Shanghai Zendai Investment Management Co., Ltd.*)	Corporate	Held by controlled corporation	70,151,471 *(Note 3)*	14.46%	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. Professor Xiao Liangyong is the father of and a person acting in concert with Mr. Xiao Bing. By virtue of the SFO, each of Professor Xiao Liangyong and Ms. Yao Wenli was deemed to be interested in the same 180,000,000 Domestic Shares held by Tian An Investment.

2. The Domestic Shares were held by Shenzhen Huitai, which is beneficially owned by Mr. Zuo Hong and Ms. Yi Li in equal share. By virtue of the SFO, each of Mr. Zuo Hong and Ms. Yi Li was deemed to be interested in the same 75,064,706 Domestic Shares held by Shenzhen Huitai.

3. The Domestic Shares were held by Chang'an International Trust Co., Ltd. ("CITC"). By virtue of the SFO, Xi'an Finance Bureau and Shanghai Zendai Investment Management Co., Ltd., which respectively holds more than one third of voting rights of CITC, were deemed to be interested in the same 70,151,471 Domestic Shares held by CITC.

(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 substantial 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.*)	Corporate	Beneficial owner	54,077,941 *(Note 1)*	11.14%	8.36%
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%	8.36%

Long positions in H Shares of the Company

Name of substantial 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 2)*	8.04%	2.01%
Carlson Fund Equity Asian Small Cap	Corporate	Investment manager	10,520,000 *(Note 2)*	6.50%	1.63%
Ms. Song Ying	Personal	Beneficial owner	8,800,000 *(Note 2)*	5.44%	1.36%

Notes:

1. The Domestic Shares were held by Beijing Holdings Investment Management Co., Ltd. ("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 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.

Save as disclosed above, as at 30 June 2013, 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, the Supervisors or the management shareholders of the Company (as defined in the GEM Listing Rules) or their respective associates had an 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 30 June 2013, the Audit Committee comprised of Mr. Chen Ji and Mr. Zhang Jun, independent non-executive Directors, and Mr. Li Wenqi, a non-executive Director. The Group's unaudited consolidated results for the six months ended 30 June 2013 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 six months ended 30 June 2013, the Company has complied with the requirements of the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 of the GEM Listing Rules.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the six months ended 30 June 2013, the Company adopted a code of conduct regarding securities transactions by Directors on terms which are same as the required standard of dealings as referred to in Rule 5.48 to 5.67 of the GEM Listing Rules. The Company has made specific enquiries of all the Directors and the Company was not aware of any non-compliance with the required standard for dealings and the code of conduct regarding securities transactions by the Directors.

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 six months ended 30 June 2013.

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

Xi'an, the PRC, 9 August 2013

As at the date of this announcement, the Board comprises, Mr. Xiao Bing (肖兵先生) and Mr. Zuo Hong (左宏先生) being executive Directors; Mr. Sun Wenguo (孫文國先生), Mr. Li Wenqi (李文琦先生), Mr. Yan Feng (閆鋒先生) and Mr. Xie Yiqun (解益群先生) being non-executive Directors; and Mr. Zhang Jun (張鈞先生), Mr. Chen Ji (陳繼先生) and Mr. Qiang Wenyu (強文郁先生) being independent non-executive Directors.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at http://www.hkgem.com for at least 7 days from the date of its posting and be posted on the website of the Company at http://www.xaht.com.

* *For identification purposes only*