

THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold all your shares in Xi'an Haitian Antenna Technologies Co., Ltd.*, you should at once hand this circular to the purchaser or 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)

**MAJOR TRANSACTION —
PROPOSED DISPOSAL OF PROPERTY**

A notice convening the EGM to be held on 11 March 2014 at 3:00 p.m. at Meeting Room, Level 4, No. 68 Keji San Road, 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 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, 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 Hopewell Centre, 17M Floor, 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 18 February 2014, 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 at the EGM or any adjourned meeting (as the case may be) should you wish to do so.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for 7 days from the date of its posting.

* for identification purposes only

CHARACTERISTICS OF GEM

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.

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DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Announcement”	the announcement made by the Company on 10 January 2014 in relation to the Proposed Disposal and the transactions contemplated thereunder
“Articles of Association”	the articles of association of the Company as of the date of this circular
“associate(s)”	has the meaning as defined in the GEM Listing Rules
“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
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“Disposal Agreement”	the agreement dated 10 January 2014 entered into between the Company and the Purchaser in relation to the Proposed Disposal
“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 11 March 2014 at 3:00 p.m. at Meeting Room, Level 4, No. 68 Keji San Road, National Hi-tech Industrial Development Zone, Xi’an, Shaanxi Province, the PRC for the Shareholders to consider and approve the Disposal Agreement and the transactions contemplated thereunder
“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

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DEFINITIONS

“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 Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) which is independent of and not connected with the Company and any connected person of the Company
“Land”	a parcel of land located at south of JinYE Road and west of Zhangbasi Road, Xi’an Gao Xin District, Xi’an, Shaanxi Province, the PRC with a site area of 153.929 mu (equivalent to approximately 102,619.6 sq.m.)
“Land & Resources Bureau”	西安市國土資源局高新技術產業開發區分局 (Xi’an Hi-tech Industrial Development Zone Branch of Xi’an Land and Resources Bureau*)
“Latest Practicable Date”	21 January 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“mu”	畝(mu), a unit of area which is equivalent to approximately 667 sq.m.
“PRC”	the People’s Republic of China, but for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Property”	buildings and structures erected on the Land with a gross floor area of approximately 39,263.87 sq.m. along with the ancillary facilities attached thereon
“Proposed Disposal”	the proposed disposal of the Property by the Company pursuant to the Disposal Agreement
“Purchaser”	西安海天投資控股有限責任公司 (Xi’an Haitian Investment Holding Co., Ltd.*), a private company incorporated in the PRC with limited liability
“RMB”	Renminbi, the lawful currency of the PRC

* for identification purposes only

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, modified and supplemented from time to time
“Share(s)”	Domestic Shares and H Shares
“Shareholders”	holders of the Domestic Shares and the H Shares
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer of Title”	the transfer of the title of Property within 90 days from the effective date of the Disposal Agreement and pursuant to the Disposal Agreement
“Xi’an Hi-tech Zone”	西安高新技術產業開發區 (Xi’an National Hi-tech Industrial Development Zone [*])
“%”	per cent.

The English name/translations of the companies established in the PRC, relevant authorities in the PRC and other Chinese terms used in this circular are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.

** for identification purposes only*

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 with limited liability)

(Stock Code: 8227)

Directors:

Executive Directors

Mr. Xiao Bing (*Chairman*)

Mr. Zuo Hong

Non-executive Directors

Mr. Sun Wenguo

Mr. Li Wenqi

Mr. Yan Feng

Mr. Xie Yiqun

Independent non-executive Directors

Mr. Zhang Jun

Mr. Chen Ji

Mr. Qiang Wenyu

Registered address:

No. 66

Jinye Road

National Hi-tech Industrial

Development Zone

Xi'an, Shaanxi Province

PRC

Principal place of business in Hong Kong:

Room B, 16th Floor

Yam Tze Commercial Building

23 Thomson Road

Wanchai

Hong Kong

24 January 2014

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION — PROPOSED DISPOSAL OF PROPERTY

INTRODUCTION

On 10 January 2014, the Company announced that it entered into the Disposal Agreement with the Purchaser on 10 January 2014, pursuant to which the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Property at a total consideration of RMB68,000,000.

* *for identification purposes only*

LETTER FROM THE BOARD

As the applicable percentage ratios under Chapter 19 of the GEM Listing Rules exceed 25% but is less than 75%, the Proposed Disposal constitutes a major transaction for the Company and are subject to the reporting, announcement and Shareholders' approval requirements under the GEM Listing Rules.

The purposes of this circular are to provide you with, among other things, further information regarding the Disposal Agreement and the transactions contemplated thereunder and the notice of the EGM.

THE DISPOSAL AGREEMENT

The principal terms of the Disposal Agreement are as follows:

- Date : 10 January 2014
- Parties : the Company as vendor; and
the Purchaser as purchaser.
- Asset to be disposed of : the Property, being various buildings and structures erected on the Land with a site area of approximately 102,619.6 sq.m. and a gross floor area of approximately 39,263.87 sq.m. along with the ancillary facilities attached thereon.
- Consideration : RMB68,000,000 shall be payable by the Purchaser as follows:
- (i) 60% of the consideration (equivalent to RMB40,800,000) shall be payable by cash within 60 days from the effective date of the Disposal Agreement; and
 - (ii) 40% of the consideration (equivalent to RMB27,200,000) shall be payable by cash within 30 days from the effective date of the Transfer of Title.

The consideration was agreed after arm's length negotiations between the Company and the Purchaser with reference to, among other things, the depreciated replacement cost of various buildings and structures erected on the Land of RMB55,000,000 as at 30 November 2013 as assessed by BMI Appraisals Limited.

LETTER FROM THE BOARD

Conditions precedent : The Disposal Agreement shall take effect on the date the following conditions are satisfied:

- (i) the Company and the Purchaser sign the Disposal Agreement; and
- (ii) the Proposed Disposal has been approved by the Shareholders.

Rights of the Company : the Purchaser has permitted the Company to use certain buildings and structures erected on the Land with a site area of approximately 93.638 mu (equivalent to approximately 62,425.33 sq.m.) for one year from the effective date of the Disposal Agreement free of charge.

INFORMATION ON THE PURCHASER

The Purchaser is a private company incorporated in the PRC with limited liability. As at the Latest Practicable Date, the Purchaser was owned as to 25% by Mr. Xiao Bing, the Chairman of the Company and an executive Director, and 75% by an Independent Third Party. The Purchaser is not an associate of Mr. Xiao Bing under Rule 1.01 of the GEM Listing Rules and the Purchaser is an Independent Third Party. The Purchaser is principally engaged in real estate development and management, real estate strategic planning, sale of building and decorating materials, property leasing and management, high-tech project investment and management consulting (excluding financial, securities and futures investment advices) and business information advices.

INFORMATION ON THE GROUP

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

REASONS FOR AND BENEFIT OF THE PROPOSED DISPOSAL

The Company has rented the Land from the Purchaser since June 2006, on which the Group has erected production facilities, research and development centre and office buildings. Under the existing lease agreement dated 10 August 2012 between the Company and the Purchaser, the term of the lease of the Land is for two years commencing from 10 August 2012 and the Company is not required to pay any rent. As advised by the PRC legal advisers of the Company, namely 陝西華秦律師事務所 (Shaanxi Hua Qin Law Firm*), (i) the title certificate of the Property has not been obtained as the land use rights of the Land are not owned by the Company; (ii) the Company has the right to possess, use and seek proceeds from the Property pursuant to the terms of the existing lease agreement that the Company shall have right to build the Property on the Land and, as the Property was built by the Company legally under the existing lease agreement, the Company has

* for identification purposes only

LETTER FROM THE BOARD

the right to possess, use and seek proceeds from the Property according to Article 30 of the Property Law of the PRC (中國物權法); and (iii) the Purchaser shall compensate the Company with reference to the valuation of the Property upon the expiry of the lease pursuant to paragraph 5(2) of section 7 of the existing lease agreement. In this regard, the Company has the right to use the Property and the Company can enforce its rights under the Disposal Agreement.

According to the overall municipal planning of the Xi'an City and the Xi'an Hi-tech Zone, the Land & Resources Bureau has decided to implement the resumption of the Land and the Property and entered into an agreement, namely 收儲協議書 (resumption agreement*), with the Purchaser on 30 November 2012. According to an approval, namely “關於收回西安海天投資控股有限責任公司153.929畝國有工業用地並掛牌出讓93.638畝的批復” (Approval regarding the resumption of 153.929 mu State-owned industrial land of Xi'an Haitian Investment Holding Co., Ltd. and the sale of 93.638 mu by way of auction*), issued by the People's Government of Xi'an dated 26 December 2012, the People's Government of Xi'an has approved the resumption of the Land and the Property by the Land & Resources Bureau. After the resumption of the Land and the Property, the land use of the Land will be changed and part of the Land will be sold by way of auction with a view to refining the function of the city and optimizing the industrial structure of the Xi'an Hi-tech Zone. The Company understands that it is the policy of the Land & Resources Bureau that it will resume the Land and the Property from the owner of the Land. The Company shall therefore, in line with such policy, sell the Property to the Purchaser.

In view of the overall sluggishness in mobile communications antenna industry, the Group expects that the production scale and sales of antennas will decline gradually. In 2013, the Group has begun the acquisition of technologies and has expanded into the business of antennas control modules and telecommunication system control modules trial and testing, which, as contemplated by the Group, will be its future major stream of revenue. After the completion of the Proposed Disposal, the production of antennas will be undertaken in the buildings and structures erected on the Land with a site area of approximately 93.638 mu (equivalent to approximately 62,425.33 sq.m.) which the Purchaser permits the Company to use free of charge for one year from the effective date of the Disposal Agreement. Besides, given the development and production of antennas control modules and telecommunication system control modules require lesser space than the development and production of antennas, the Group has rented a property of approximately 1,881 sq.m. in the Xi'an Export Processing Zone for the development and production of antennas control module and telecommunication system control module.

Further, as mentioned in paragraph headed “Financial effect of the Proposed Disposal”, it is estimated that the Proposed Disposal will result in a book profit of approximately RMB8.45 million for the financial year ending 31 December 2014. The Proposed Disposal will also improve the liquidity and cashflow position of the Group.

Having considered the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Disposal Agreement are on normal commercial terms and fair and reasonable, and the Proposed Disposal is in the interests of the Company and the Shareholders as a whole.

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LETTER FROM THE BOARD

FINANCIAL EFFECT OF THE PROPOSED DISPOSAL

With reference to the unaudited consolidated financial statements of the Group for the six months ended 30 June 2013, as at 30 June 2013, the aggregate net book value of the Property was approximately RMB59.55 million. It is estimated that the Proposed Disposal will result in a book profit of approximately RMB8.45 million for the financial year ending 31 December 2014.

Upon completion of the Proposed Disposal, the Group expects to record (i) a decrease of non-current assets of approximately RMB59.55 million, being the net book value of the Property as at 30 June 2013; (ii) an increase of current assets of approximately RMB68 million, being the consideration payable by the Purchaser to the Company under the Disposal Agreement; and (iii) an increase in liabilities of approximately RMB0.7 million, being the expenses arising in relation to the Proposal Disposal.

USE OF PROCEEDS

The proceeds of RMB68,000,000 from the Proposed Disposal, after deducting expenses arising therefrom of approximately RMB0.7 million and taxation of approximately RMB3.84 million, will be used as to RMB41.70 million for repayment of debts owed to the Purchaser and the balance will be used as general working capital of the Group.

GEM LISTING RULES AND ARTICLES OF ASSOCIATION IMPLICATIONS

As the applicable percentage ratios under Chapter 19 of the GEM Listing Rules exceed 25% but is less than 75%, the Proposed Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement and Shareholders' approval requirements under the GEM Listing Rules.

Pursuant to Article 103 of the Articles of Association, the power of the Board in disposing the assets of the Company is limited to the approval of the disposal or rent of assets with an amount not exceeding 30% net asset value and not exceeding 50% net asset value per annum as shown in the latest audited financial statements.

Pursuant to Article 104 of the Articles of Association, the Directors shall not, without the prior approval of shareholders in general meeting, dispose or agree to dispose of any fixed assets of the Company if:

- (i) the expected value of the fixed assets proposed to be disposed of; and
- (ii) the total consideration received by the Company for the disposal of fixed assets which took place within the period of four months immediately preceding the proposed disposal, exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet placed before the shareholders in general meeting.

LETTER FROM THE BOARD

As the amount of the assets to be disposed of exceeds 30% of the net asset value of approximately RMB27.38 million and 33% of the value of fixed assets of approximately RMB63.47 million as shown in the audited consolidated financial statements of the Group for the year ended 31 December 2012, the Proposed Disposal exceeds the limit of the power of the Board in disposing assets of the Company and is subject to the approval of the Shareholders in general meeting.

THE EGM

Resolution will be proposed at the EGM for the purpose of approving the Disposal Agreement and the transactions contemplated thereunder. In light of the fact that Mr. Xiao Bing is interested in 25% of the equity interest in the Purchaser, Mr. Xiao Bing and his associates will voluntarily abstain from voting in respect of the resolution for the approval of the Disposal Agreement and the transactions contemplated thereunder at the EGM. As at the Latest Practicable Date, Mr. Xiao Bing and his associates were interested in 180,000,000 Domestic Shares, representing approximately 27.81% of the issued share capital of the Company. To the best of information, knowledge and belief of the Directors, as at the Latest Practicable Date, save as disclosed above, none of the Shareholders had any material interest in the Proposed Disposal and was required to abstain from voting in respect of the resolution for the approval of the Disposal Agreement and the transactions contemplated thereunder at the EGM.

A notice convening the EGM to be held on 11 March 2014 at 3:00 p.m. at Meeting Room, Level 4, No. 68 Keji San Road, National Hi-tech Industrial Development Zone, Xi'an, Shaanxi Province, the PRC, is set out on pages 27 to 29 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, 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 Hopewell Centre, 17M Floor, 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 18 February 2014, 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.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company shall be closed from 8 February 2014 to 11 March 2014 (both days inclusive), during which period no transfer of shares can be registered. Holders of Domestic Shares and H Shares whose names appear on the register of members of the Company at the close of business on 7 February 2014 shall 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 head office of the Company at No. 66 Jinye Road, National Hi-tech Industrial Development Zone, Xi'an, Shannxi Province, the PRC (for holders of Domestic Shares), or the Company's registrar of H Share, Computershare Hong Kong Investor Services Limited at Hopewell Centre, Shops 1712-1716, 17/F, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), no later than 4:30 p.m. on 7 February 2014.

RECOMMENDATION

The Directors consider that the proposed resolutions referred to in this circular are fair and reasonable and in the interests of the Company and the 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*

1. STATEMENT OF INDEBTEDNESS**Borrowings**

At the close of business on 30 November 2013, being the latest practicable date for the purpose of this indebtedness statement, the Group had outstanding borrowings of approximately RMB79.09 million, being the aggregate of (i) the secured short term bank loans of approximately RMB24.84 million, of which (a) approximately RMB4.84 million were secured by the Group's bank deposits and (b) RMB20 million were secured by the personal properties of a Director and his associate and (ii) other unsecured short term borrowings advanced by the related parties of the Group of approximately RMB54.25 million.

Security

At the close of business on 30 November 2013, the Group's outstanding borrowings of approximately RMB4.84 million were secured by bank deposits of RMB5.00 million. In additions, the Group has pledged bank deposits of RMB10 million for banking facilities and approximately RMB0.5 million to secure the quality of products sold to customers.

Mortgage and charges

At the close of business on 30 November 2013, except bank deposits as securities mentioned in "Security" section above, the Group had no other outstanding mortgages and charges.

Commitments

The Group had no material capital expenditure contracted for but not provided at the close of business on 30 November 2013.

Guarantees and contingent liabilities

At the close of business on 30 November 2013, the Group had no outstanding guarantees and contingent liabilities.

Except as those disclosed above, there was no other debt securities of the Group issued and outstanding, and authorised or otherwise created but unissued, and term loans, including guaranteed, unguaranteed, secured (whether the security is provided by the Group or by third parties) and unsecured at the close of business on 30 November 2013.

Except as those disclosed above, there was no other borrowings or indebtedness in the nature of borrowing of the Group including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, including guaranteed, unguaranteed, secured and unsecured borrowings and debt at the close of business on 30 November 2013.

2. WORKING CAPITAL

The Directors, are of the opinion that, taking into consideration the Group's internal resources, available bank facilities of the Group and the estimated net proceeds from the Proposed Disposal, the Group has sufficient working capital for its present requirements, this is for at least the next twelve months from the date of this circular.

3. MATERIAL ADVERSE CHANGES SINCE 31 DECEMBER 2012

The Directors are not aware of any material adverse change in the financial and trading position of the Company since 31 December 2012 being the date to which the latest published audited financial statements of the Company were made up.

4. FINANCIAL AND TRADING PROSPECTS OF THE COMPANY

The Group's unaudited revenue for the nine months ended 30 September 2013 was approximately RMB19.81 million, representing a decrease of 4.9% when compared with that of the corresponding period in the year 2012. In view of the overall sluggishness in mobile communications antenna industry, the Group expects that the production scale and sales of antennas will decline gradually. 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, which, as contemplated by the Group, will be its future major stream of revenue. Moreover, 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.

The following is the text of a letter, summary of value and valuation certificate, prepared for the purpose of incorporation in this circular received from BMI Appraisals Limited, an independent valuer, in connection with its valuation as at 30 November 2013 of the property interest located in the PRC.

BMI APPRAISALS

BMI Appraisals Limited 中和邦盟評估有限公司

Suite 11-18, 31/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong
香港灣仔港灣道6-8號瑞安中心3111-18室
Tel電話：(852) 2802 2191 Fax傳真：(852) 2802 0863
Email電郵：info@bmintelligence.com Website網址：www.bmi-appraisals.com

24 January 2014

The Directors

Xi'an Haitian Antenna Technologies Co., Ltd.

Room B, 16th Floor
Yam Tze Commercial Building
23 Thomson Road
Wanchai, Hong Kong

Dear Sirs,

INSTRUCTIONS

We refer to the instructions from Xi'an Haitian Antenna Technologies Co., Ltd. (the "Company") for us to value the property in which the Company has interest in the People's Republic of China (the "PRC"). We confirm that we have conducted an inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interest as at 30 November 2013 (the "valuation date").

BASIS OF VALUATION

Our valuation of the concerned property interest has been based on the Market Value, which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

VALUATION METHODOLOGY

In the course of our valuation, we have adopted the Depreciated Replacement Cost Approach. Depreciated replacement cost is defined as "the aggregate amount of the value of the land for the existing use or a notional replacement site in the same locality and the new replacement cost of the buildings and other site works, from which appropriate

deductions may then be made to allow for the age, condition, economic or functional obsolescence and environmental factors, etc.; all of these might result in the existing property being worth less to the undertaking in occupation than would a new replacement". This basis has been used due to the lack of an established market upon which to base comparable transactions, which generally furnishes the most reliable indication of value for assets without a known used market. This opinion of value is subject to adequate profitability of the business compared to the value of the total assets employed.

TITLE INVESTIGATION

We have been provided with copies of lease documents and have been advised by the Company that no further relevant documents have been produced. However, we have not examined the original documents to verify ownership or to ascertain the existence of any amendment documents, which may not appear on the copies handed to us. In the course of our valuation, we have relied upon the advice and information given by the Company's PRC legal advisor – Shaanxi Huaqin Lawfirm (陝西華秦律師事務所) regarding the title of the property interest located in the PRC. All documents have been used for reference only.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the property interest is sold in the market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which might serve to affect the value of the property interest.

In addition, no account has been taken of any option or right of pre-emption concerning or effecting sale of the property interest and no forced sale situation in any manner is assumed in our valuation.

VALUATION CONSIDERATIONS

The inspection of the property was conducted by Mr. Samson Ho (BSc (Hons) in Real Estate, MHKIS) in September 2013. We have inspected the exterior and wherever possible, the interior of the property. In the course of our inspection, we did not note any serious defects. However, no structural survey has been made nor have any tests been carried out on any of the services provided in the property. We are, therefore, unable to report that the property is free from rot, infestation or any other structural defects.

In the course of our valuation, we have relied to a considerable extent on the information given by the Company and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, particulars of occupancy, site/floor areas, completion dates of the buildings, identification of the property and other relevant information.

We have not carried out detailed on-site measurements to verify the correctness of the site/floor areas in respect of the property but have assumed that the site/floor areas shown on the documents handed to us are correct. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us by the Company and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Company and we have relied on your confirmation that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information for us to reach an informed view.

No allowances have been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation, which may be incurred in effecting a sale or purchase.

Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

Our valuation has been prepared in accordance with The HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors.

Our valuation has been prepared under the generally accepted valuation procedures and are in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

REMARKS

Unless otherwise stated, all money amounts stated herein are in Renminbi (RMB) and no allowances have been made for any exchange transfers.

Our Summary of Value and the Valuation Certificate are attached herewith.

Yours faithfully,
For and on behalf of
BMI APPRAISALS LIMITED

Dr. Tony C. H. Cheng

*BSc., MUD, MBA(Finance), MSc.(Eng), PhD(Econ),
MHKIS, MCI Arb, CPA UK, SIFM, FCIM,
MASCE, MIET, MIEEE, MASME, MIIE*

Managing Director

Joannau W. F. Chan

BSc., MSc., MRICS, MHKIS, RPS(GP)

Senior Director

Notes:

Dr. Tony C.H. Cheng is a member of The Hong Kong Institute of Surveyors (General Practice) who has over 20 years' experience in valuations of properties in the People's Republic of China.

Ms. Joannau W.F. Chan is a member of The Hong Kong Institute of Surveyors (General Practice) who has over 14 years' experience in valuations of properties in the People's Republic of China.

SUMMARY OF VALUE

Property interest held and occupied by the Company in the PRC

Property	Market Value in existing state as at 30 November 2013 RMB
<p>Various buildings and structures located at south of Jinye Road and west of Zhangbasi Road, Xi'an Gao Xin District, Xi'an City, Shaanxi Province, the PRC</p> <p>位於中國 陝西省西安市 西安高新區 錦業路南側、丈八路西側 之若干棟房屋及構築物</p>	No commercial value
Total:	Nil

VALUATION CERTIFICATE

Property interest held and occupied by the Company in the PRC

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 November 2013 RMB
Various buildings and structures located at south of Jinye Road and west of Zhangbasi Road, Xi'an Gao Xin District, Xi'an City, Shaanxi Province, the PRC 位於中國 陝西省西安市 西安高新區 錦業路南側、丈八路西側 之若干棟房屋 及構築物	The property comprises 31 buildings and structures completed in various stages between 2007 and 2010, erected on a parcel of land with a site area of approximately 102,619.6 sq.m.. As advised by the Company, the total gross floor area ("GFA") of the buildings is approximately 39,263.87 sq.m.. The buildings mainly include workshops, an office building, plant rooms and pumping rooms.	The property is partly vacant and partly occupied for industrial and ancillary office uses.	No commercial value

Notes:

1. Pursuant to various lease agreements, entered into between Xi'an Haitian Investment Holdings Co., Ltd. (西安海天投資控股有限責任公司) ("Haitian Investment") and Xi'an Haitian Antenna Technologies Co., Ltd. (西安海天天綫科技股份有限公司) (the "Company"), a parcel of land with a site area of approximately 102,619.6 sq.m. has been leased to the Company since 16 June 2006 for construction of production facility and office buildings. The lease in respect of a portion of the land parcel with a site area of approximately 79,704.2 sq.m. has subsequently been renewed on 16 July 2009 and 16 July 2012 for a term expiring on 16 July 2014.
2. In the valuation of the property, we have attributed no commercial value to the property as we have not been provided with any relevant title certificates. However, for your reference purpose, we are of the opinion that the depreciated replacement cost of the property (excluding the land parcel) would be in sum of approximately RMB55,000,000 assuming all relevant title certificates have been obtained and the property could be freely transferred in the market. In the course of our valuation, we have relied on the information provided by the Company regarding the completion years, GFA and type of construction of the property.
3. The opinion of the PRC legal advisor to the Company contains, inter alia, the following:
 - a. The title certificate of the property has not been obtained as the land use rights of the parcel of land which the property erected on are not owned by the Company;
 - b. Pursuant to Paragraph 1 of Section No. 7 of the existing lease agreement, the Company shall have right to construct the property on the said parcel of land. And as the property was constructed by the Company legally under the existing lease agreement, the Company has the right to possess, use and seek proceeds from the property constructed and erected on the said parcel of land according to Article 30 of The PRC Property Law (中華人民共和國物權法); and
 - c. Pursuant to Paragraph 5(2) of Section No. 7 of the existing lease agreement, Haitian Investment will compensate to the Company with reference to the valuation of the property constructed and erected on the said parcel of land upon the expiry of the lease.

1. RESPONSIBILITY STATEMENT

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 all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors, Supervisors and chief executive of the Company

As at the Latest Practicable Date, the interest and short position of the Directors, the Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Domestic Shares (long positions):

Name	Type of interest	Capacity	Number of Domestic Shares	Approximate shareholding percentage in the total issued Domestic Shares	Approximate shareholding percentage in the entire 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%	27.81%
Mr. Zuo Hong (左宏先生)	Personal	Held by controlled corporation	75,064,706 (Note 2)	15.47%	11.60%

Interest in H Shares:

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

(b) Directors' interests in assets and contracts

As at the Latest Practicable Date, save that Mr. Xiao Bing was interested in 25% equity interest of the Purchaser which owned the Land and entered into the Disposal Agreement to purchase the Property,

- (i) none of the Directors had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to the Company or are proposed to be acquired or disposed of by or leased to the Company since 31 December 2012, being the date to which the latest published audited accounts of the Company were made up; and
- (ii) none of the Directors was materially interested in any contract or arrangement entered into by the Company subsisting at the Latest Practicable Date and which is significant in relation to the business of the Company.

(c) Directors', Supervisors' and management shareholders' interests in competing business

As at the Latest Practicable Date, none of the Directors, the Supervisors or the controlling shareholders of the Company and their respective associates had an interest in a business, apart from the business of the Company, which competes or may compete with the business of the Company or has any other conflict of interest with the Company which would be required to be disclosed pursuant to the GEM Listing Rules.

* for identification purposes only

(d) Substantial shareholders' and other shareholders' interests

As at the Latest Practicable Date, so far as is known to the Directors, the Supervisors or chief executive of the Company, the following persons, other than a Director, Supervisor or chief executive of the Company, had an interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is expected, directly or indirectly, to be interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

(i) Substantial shareholders of the Company

Interests in the Domestic Shares (long positions):

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%
西安開元控股集團股份有限公司 (Xi'an Kaiyuan Holding 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%
Ms. Yi Li (易麗女士)	Personal	Held by controlled corporation	75,064,706 (Note 2)	15.47%	11.60%
長安國際信託有限公司 (Chang'an International Trust Co., Ltd.*)	Corporate	Beneficial owner	70,151,471 (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%

* for identification purposes only

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 Xi'an International Trust Co., Ltd. ("XITC"). 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 XITC, were deemed to be interested in the same 70,151,471 Domestic Shares held by XITC.

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

Interests in the Domestic Shares (long positions):

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%

* *for identification purposes only*

Interests in the H Shares (long positions):

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.

As at the Latest Practicable Date, save for the persons described in the paragraph headed "Substantial shareholders' and other shareholders' interests" above, the Directors were not aware of any other person (other than the Directors, the Supervisors or chief executives of the Company) who had an interest or a short position in the shares or underlying shares of the Company that was required to be disclosed under Division 2 and 3 of Part XV of the SFO and the GEM Listing Rules.

As at the Latest Practicable Date, Mr. Xiao Bing was a director of Tian An Investment, Mr. Sun Wenguo was a director of 西安開元控股集團股份有限公司 (Xi'an Kaiyuan Holding Group Co., Ltd.*), Mr. Xie Yiqun was an employee of 長安國際信託有限公司 (Chang'an International Trust Co., Ltd.*) and Mr. Yan Feng was an employee of 北京京泰投資管理中心 (Beijing Holdings Investment Management Co., Ltd.*). Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which has an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

* for identification purposes only

3. SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company for a term valid until 27 June 2016 subject to renewal upon approval by the Shareholders for one or more consecutive terms of three years.

Details of the annual emoluments of the Directors as set out in their respective service contract with the Company are as follows:

	(RMB)
Mr. Xiao Bing	118,265
Mr. Zuo Hong	153,295
Mr. Sun Wenguo	6,000
Mr. Li Wenqi	6,000
Mr. Yan Feng	6,000
Mr. Xie Yiqun	6,000
Mr. Zhang Jun	36,000
Mr. Chen Ji	36,000
Mr. Qiang Wenyu	36,000

As at the Latest Practicable Date, save as disclosed above, none of the Directors and the Supervisors had entered or was proposing to enter into a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

4. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by the Company within two years immediately preceding the Latest Practicable Date and are or may be material:

- (a) the Disposal Agreement; and
- (b) the settlement agreement dated 20 December 2013 entered into between the Company and 深圳金信諾高新技術股份有限公司 (Kingsignal Technology Co., Ltd.*) ("Kingsignal"), in relation to the transfer of the equity interest of 9.5% in 西安三元達海天天綫有限公司 (Xi'an Sunnada Haitian Antenna Co., Ltd.*) for full and final settlement of the claim of Kingsignal against the Company.

5. LITIGATION

As disclosed in the announcements of the Company dated 8 July 2013, 20 December 2013 and 7 January 2014 respectively, the claim of Kingsignal against the Company has been settled in full. Pending the court judgement on the settlement, the proceedings would be concluded. As at the Latest Practicable Date, the court judgement on the settlement had not been issued.

* for identification purposes only

As at the Latest Practicable Date, save as disclosed above, the Company was not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against the Company.

6. EXPERT AND CONSENT

The following is the qualification of the expert who has provided its advice for inclusion in this circular:

Name	Qualification
BMI Appraisals Limited	Property valuer

BMI Appraisals Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter, summary of value and valuation certificate and the reference to its name in the form and context in which they appear.

As at the Latest Practicable Date, BMI Appraisals Limited:

- (a) was not interested beneficially or otherwise in any Shares or securities in any of subsidiaries or associated corporations (within the meaning of Part XV of the SFO) of the Company;
- (b) did not have any rights, whether legally enforceable or not, or option to subscribe for or to nominate persons to subscribe for any Shares or securities in any of subsidiaries or associated corporations of the Company; and
- (c) did not have any interests, either direct or indirect, in any assets which have been, since 31 December 2012 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to the Company.

7. MISCELLANEOUS

- (a) The registered office of the Company is situated at No. 66 Jinye Road, National Hi-tech Industrial Development Zone, Xi'an, Shaanxi Province, the PRC.
- (b) The principal place of business of the Company in Hong Kong is at Room B, 16th Floor, Yam Tze Commercial Building, 23 Thomson Road, Wanchai, Hong Kong.

- (c) The Hong Kong share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Hopewell Centre, 17M Floor, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) The company secretary of the Company is Mr. Lun Ka Chun. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.
- (e) The compliance officer of the Company is Mr. Xiao Bing.

Mr. Xiao Bing, aged 48, is the son of Professor Xiao Liangyong, the founder of the Company. Mr. Xiao Bing is the Chairman of the Company and an executive Director. Mr. Xiao studied in the college of continuous education of Xidian University (西安電子科技大學). He worked in Xi'an General Factory of Oil Instruments (西安石油勘探儀器總廠) from 1988 to 1991 and was the deputy general manager of Xi'an Haitian Communications Equipment Company Limited (西安海天通訊設備有限公司) from 1999 to 2000. He joined the Group as an executive Director and first assumed the post of president of the Company since October 2000. Mr. Xiao was the chairman of the Board from August 2004 to November 2009.

- (f) The Company has established an audit committee on 4 April 2003 with written 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 the Latest Practicable Date, the audit committee comprised Mr. Zhang Jun and Mr. Chen Ji, independent non-executive Directors, and Mr. Li Wenqi, a non-executive Director. Mr. Chen Ji was the chairman of the audit committee. Biographical details of the members of the audit committee are set forth below:

Mr. Zhang Jun (張鈞先生), aged 45, worked for 西北電業管理局 (Northwest Electrical Authority*) after graduation from 南京理工大學 (Nanjing University of Science and Technology*) in 1990. In 1993, he served as regional sales director and Beijing chief representative of 美國哈里斯(深圳)通信設備股份有限公司 (United States Harris Communications Equipment (Shenzhen) Co., Ltd.*). Mr. Zhang joined 北京地傑通信設備有限公司 (Beijing Dijie Communication Equipment Co., Ltd.*) as marketing director, general manager of overseas operations and vice president. Since 2011, Mr. Zhang was managing director of 深圳愛勞高科技有限公司 (Shenzhen Arrow Advanced Technology Co.,Ltd.*).

Mr. Chen Ji (陳繼先生), aged 38, obtained Bachelor of Economics and Master of Business Administration from 上海財經大學 (Shanghai University of Finance and Economics*) in 1997 and 2003 respectively, and Master of Laws from 復旦大學 (Fudan University*) in 2009. Mr. Chen has sufficient experience in finance, internal control and management. Mr. Chen Ji worked for 中國國際航空股份有限公司上海基地 (Air China Limited Shagnhai Branch Office*) as office supervisor from July 1997 to August 2001. Mr. Chen served as senior manager

* for identification purposes only

and partner of finance department of 信卓(中國)諮詢有限公司金融部 (Xin Zhuo (China) Consulting Co., Ltd.*) from December 2003 to January 2006. In February 2006, he joined 上海市匯達豐律師事務所 (Shanghai Hui Da Feng Law Firm*) as paralegal and became lawyer and partner during the period until October 2010. In October 2010, Mr. Chen established 上海恒律聯盟律師(集團)事務所 (Shanghai Henglu Alliance Lawyers (Group) Firm*) and have since assumed the office of founding partner.

Mr. Li Wenqi (李文琦先生), aged 49, graduated from Shaanxi College of Finance and Economics (陝西財經學院), now known as Xi'an Jiaotong University (西安交通大學). He worked for Shaanxi Silk Import & Export Corporation (陝西絲綢進出口公司) ("Shaanxi Silk"), as the deputy chief and manager of planning and finance department from October 1987 to April 1994 and from April 1994 to October 1997 respectively and the assistant to general manager and manager of planning and finance department from October 1997 to May 2001. He is an accountant and the chief accountant and manager of planning and finance department of Shaanxi Silk since May 2001. He joined the Company as a non-executive Director since October 2000.

- (g) Unless otherwise stated, in the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the office of Messrs. Cheung & Lee at 21/F., Bank of China Tower, 1 Garden Road, Central, Hong Kong within 14 days from the date of this circular:

- (a) the Articles of Association of the Company;
- (b) the annual reports of the Company for each of the two financial years ended 31 December 2012;
- (c) the material contracts referred to in the paragraph headed "Material Contracts" in this Appendix;
- (d) the written consent of the expert referred to in the paragraph headed "Expert and Consent" in this Appendix;
- (e) the valuation report from BMI Appraisals Limited, the text of which is set out in Appendix II to this circular; and
- (f) this circular.

* for identification purposes only

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of Xi’an Haitian Antenna Technologies Co., Ltd., (the “Company”) will be held at Meeting Room, Level 4, No. 68 Keji San Road, National Hi-tech Industrial Development Zone, Xi’an, Shaanxi Province, the People’s Republic of China (“PRC”) on 11 March 2014 at 3:00 p.m. for the following purposes to consider and, if thought fit, to pass, with or without modification, the following resolution of the Company:

ORDINARY RESOLUTION

“THAT the disposal agreement dated 10 January 2014 entered into between the Company and Xi’an Haitian Investment Holding Co., Ltd.* (西安海天投資控股有限責任公司) (the “Disposal Agreement”), a copy of which has been produced to this meeting marked “A” and signed by the Chairman of this meeting for the purpose of identification, and the transactions contemplated thereunder, be and are hereby approved, confirmed and/or ratified and that the directors of the Company (the “Directors”) authorised for and on behalf of the Company, among other matters, to sign, execute, perfect, deliver or to authorise signing, executing, perfecting and delivering the Disposal Agreement be and are hereby approved, confirmed and/or ratified, and any Executive Director be and is hereby authorised to do or authorise doing all such acts, matters and things as he may in his

* *for identification purposes only*

NOTICE OF EXTRAORDINARY GENERAL MEETING

absolute discretion consider necessary, expedient or desirable to give effect to and implement the transactions pursuant to the Disposal Agreement and to waive compliance from or make and agree such variations of a non-material nature to any of the terms thereof as he may in his discretion consider to be desirable and in the interest of the Company.”

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

Xi'an, the PRC, 24 January 2014

Notes:

1. The register of members of the Company shall be closed from 8 February 2014 to 11 March 2014 (both days inclusive), during which period no transfer of shares of the Company can be registered. In order to qualify for attending and voting at the EGM, all transfer documents of H shares accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 7 February 2014.
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 7 February 2014 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, 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.
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, Computershare Hong Kong Investor Services Limited and, for holders of domestic shares, to the Company's head office no later than 18 February 2014.
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.

* *for identification purposes only*

NOTICE OF EXTRAORDINARY GENERAL MEETING

8. The address of the Company's head office is as follows:

No. 66 Jinye Road
National Hi-tech Industrial Development Zone
Xi'an, Shaanxi Province
The People's Republic of China
Post Code: 710075

Contact person: Mr. Wang Yun
Tel: 86-29-87660027
Fax: 86-29-63362327

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

Computershare Hong Kong Investor Services Limited
Hopewell Centre
17M Floor
183 Queen's Road East
Wanchai
Hong Kong

As at the date of this notice, 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 notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this notice is accurate and complete in all material aspects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this notice misleading.