



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)

**FIRST QUARTERLY RESULTS ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2015**

**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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors (the “Directors”) of Xi’an Haitian Antenna Technologies Co., Ltd. (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the 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 three months ended 31 March 2015, the Group recorded an unaudited loss of RMB3.6 million, comparing to the unaudited loss of RMB2.2 million for the corresponding period in the year of 2014.
- The unaudited revenue for the three months ended 31 March 2015 was RMB0.4 million, representing 41.6% of the unaudited revenue for the corresponding period in the year of 2014.
- The Board does not recommend the payment of a dividend for the three months ended 31 March 2015 (2014: nil).

CONSOLIDATED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2015

The board of Directors of the Company (the “Board”) hereby submits the unaudited consolidated operating results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2015, together with the unaudited comparative figures for the corresponding period in the year 2014 as follows:

Consolidated Statement of Profit and Loss and Other Comprehensive Income

		(Unaudited)	
		For the three months ended	
		31 March	
		2015	2014
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3	423	1,017
Cost of sales		<u>(235)</u>	<u>(1,238)</u>
Gross profit (loss)		188	(221)
Other revenue		543	1,013
Distribution costs		(769)	(430)
Administrative expenses		(2,584)	(2,053)
Finance costs		<u>(980)</u>	<u>(469)</u>
Loss before tax		(3,602)	(2,160)
Income tax expense	4	<u>–</u>	<u>(40)</u>
Loss and total comprehensive expense for the period		<u>(3,602)</u>	<u>(2,200)</u>
Loss per share			
– Basic and diluted	6	<u>(0.48 cents)</u>	<u>(0.34 cents)</u>

Notes to the Consolidated Financial Results

For the three months ended 31 March 2015

1. BASIS OF PREPARATION

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 consolidated financial information has been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs) 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 Group's books and records are maintained 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 this condensed consolidated financial information are consistent with those used in the Group's annual financial statements for the year ended 31 December 2014.

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	
	31 March	
	2015	2014
	RMB'000	RMB'000
Sales of antennas and related products	51	683
Service income	372	334
	423	1,017

Revenue breakdown by geographical location:

	(Unaudited)	
	For the three months ended	
	31 March	
	2015	2014
	RMB'000	RMB'000
PRC	423	818
Asia excluding PRC	–	199
	423	1,017

4. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the period.

Under the Law of the PRC 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. DIVIDENDS

The Board does not recommend the payment of a dividend for the three months ended 31 March 2015 (2014: nil).

6. 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 ended 31 March 2015 attributable to owners of the Company of RMB3,602,000 (2014: RMB2,200,000) and the weighted average number of 753,725,491 (2014: 647,058,824) ordinary shares in issue during the period. The weighted average number of ordinary shares is the number of 647,058,824 ordinary shares in issue at the beginning of the period, adjusted by the number of 160,000,000 ordinary shares issued during the period multiplied by a time-weighting factor.

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.

7. RESERVES

	(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 2015	64,706	71,229	16,153	15,856	(159,379)	8,565
Issue of 160,000,000 H shares at subscription price of HK\$0.189 each	16,000	8,446	-	-	-	24,446
Loss and total comprehensive expense for the period	-	-	-	-	(3,602)	(3,602)
At 31 March 2015	<u>80,706</u>	<u>79,675</u>	<u>16,153</u>	<u>15,856</u>	<u>(162,981)</u>	<u>29,409</u>
At 1 January 2014	64,706	71,229	16,153	15,856	(155,756)	12,188
Loss and total comprehensive expense for the period	-	-	-	-	(2,200)	(2,200)
At 31 March 2014	<u>64,706</u>	<u>71,229</u>	<u>16,153</u>	<u>15,856</u>	<u>(157,956)</u>	<u>9,988</u>

8. EVENT AFTER THE REPORTING PERIOD

60,000,000 and 80,000,000 H shares were allotted and issued to Long Apex Limited and Hongkong Jinsheng Enterprise Co., Limited on 14 April 2015 and 28 April 2015 respectively for cash at the subscription price of HK\$0.189 per H share under the subscription agreements dated 25 July 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Revenue

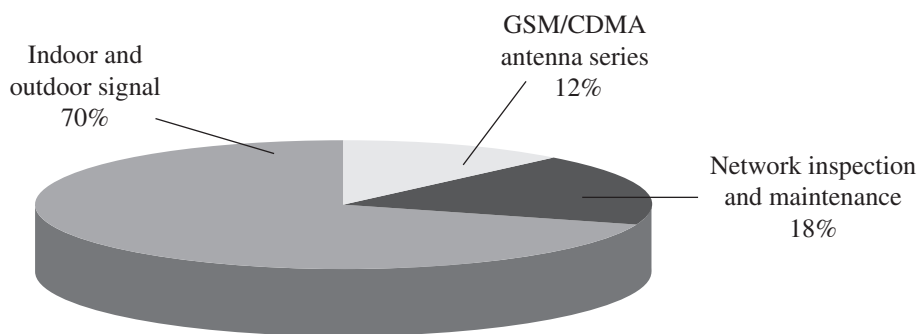
The Group recorded unaudited revenue of approximately RMB0.4 million for the three months ended 31 March 2015, representing 41.6% of the unaudited revenue for the corresponding period in the year of 2014. The significant decrease was mainly attributable to deployment of resources to develop products and markets of marine, aerospace and automotive electronics.

There was no revenue generated from testing laboratory services during the period but approximately RMB0.3 million was come from indoor and outdoor signal services. In respect of network inspection and maintenance services, less than RMB0.1 million was recognised during the period, comparing to approximately RMB0.3 million in the corresponding period of 2014. In additions, approximately RMB0.1 million was recorded as sales of GSM/CDMA antenna series, comparing to approximately RMB0.6 million in 2014.

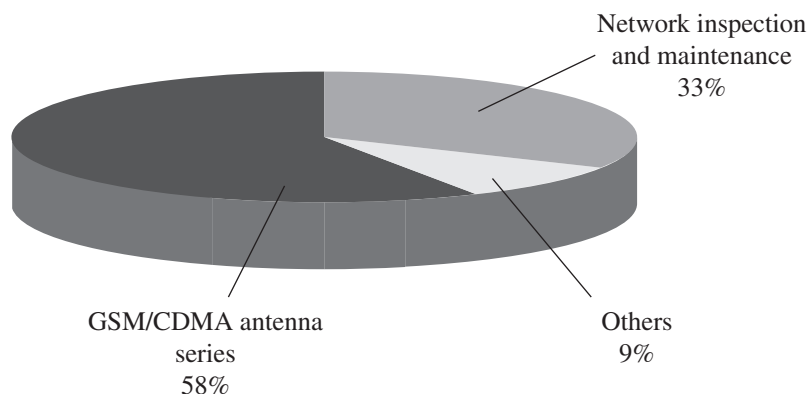
During the period, the Group continued to place more emphasis on network optimisation services and ratio-frequency module for market diversification, revenue generated from the three major telecommunication operators was approximately 30%, comparing to 47% in the corresponding period of 2014.

Composite of revenue by product line for the three months ended 31 March 2015, together with the comparative figures for the corresponding period in the year 2014, are provided as follows:

For the three months ended 31 March 2015 (by product line)



For the three months ended 31 March 2014 (by product line)

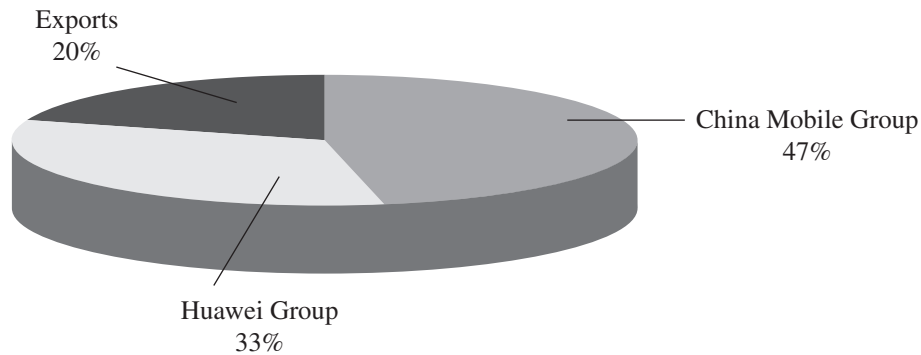


Composite of revenue by major customers for the three months ended 31 March 2015, together with the comparative figures for the corresponding period in the year 2014, are provided as follows:

For the three months ended 31 March 2015 (by major customers)



For the three months ended 31 March 2014 (by major customers)



Legend:

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”)

Gross Profit (Loss)

During the three months ended 31 March 2015, an unaudited gross profit of approximately RMB0.2 million was recorded which represented gross profit margin of 44.4%, comparing to the unaudited gross loss margin of 21.7% in the corresponding period of 2014. It was mainly attributable to reduction in the low profit margin products of antennas and related products and services during the period, and no recognition of cost of sales in previous periods which was the main reason for gross loss in 2014.

Other Revenue

Government grant of approximately RMB0.3 million was recorded and less than RMB0.1 million was realised as gain on debts restructuring in respect of waiver of trade and other payables during the period.

Operating Costs and Expenses

Distribution costs for the period ended 31 March 2015 were approximately RMB0.8 million, representing an increase of approximately 78.8% from the corresponding period of 2014. The reason was mainly due to construction cost of sales office of approximately RMB0.1 million and increase in transportation cost by approximately RMB0.2 million during the period.

Increase in administrative expenses by approximately RMB0.5 million comparing to the corresponding period of 2014 was the result of increase in salaries and travelling expenses by approximately RMB0.3 million each during the period.

Interest expenses for short-term interest-bearing bank borrowings were approximately RMB0.3 million more than those in corresponding period in 2014 and loss on exchange difference of approximately RMB0.4 million was recorded during the period ended 31 March 2015.

Loss for the period

Consequently, loss attributable to shareholders of approximately RMB3.6 million was reported by the Group for the period ended 31 March 2015, comparing to loss of approximately RMB2.2 million in the corresponding period of 2014.

PROSPECTS

As at 28 April 2015, the Group has completed in full the placing of 300,000,000 new H Shares and raised gross proceeds of approximately HK\$56,000,000, thereby significantly improved the operating cash flow of the Company. The Group will continue to cut subsequent expenditure in 4G antenna market and turn to place greater emphasis on communication-related services including network optimisation, network inspection and maintenance, as well as on accumulation of technology and market development in the areas of mobile communication system module and related testing and tuning/adjusting businesses.

In addition, the Company has established three wholly-owned subsidiaries, namely Xi'an Haitian Marine Technologies Co., Ltd.* (西安海天海洋科技有限公司), Xi'an Haitian Aerospace Technologies Co., Ltd.* (西安海天航空航天科技有限公司) and Xi'an Haitian Automotive Electronics Technologies Co., Ltd.* (西安海天汽車電子科技有限公司), forming a diversified business landscape based on mobile communication in research, development, sales and service of products that will include marine engineering equipment and high-tech vessel, aircraft and spacecraft equipment; new energy transportation devices; underwater surveillance; underwater imaging; underwater mechanical equipment; new generation fixed wing land-based and sea-based stealth unmanned aerial vehicles ("UAV"); new generation fixed wing and rotary wing civilian UAV; agricultural and forestry UAV aviation services business; avionics imaging; UAV detection system; automotive electronic equipment and mechanical equipment. With this development, the Group has created a new corporate profile that concentrates on innovation and development in each of marine, ground and aviation categories. We strive to realise strategic diversification of products in 2015 for greater development of the Group and better business performance.

Furthermore, in respect of fund required for development of a diversified business model, in addition to financing channels of regular bank borrowings, the Company is in the process of securing financing through placement of new domestic shares. The Board and the management will step up their efforts in building the Group into a high-tech corporation with diversified business portfolio.

DIRECTORS’, SUPERVISORY COMMITTEE MEMBERS’ (THE “SUPERVISORS”) AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND THE ASSOCIATED CORPORATIONS

As at 31 March 2015, 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 (“Domestic Shares”)

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	Approximate percentage in the enlarged issued share capital of the Company (Note 3)
Mr. Xiao Bing (肖兵先生)	Personal	Held by controlled corporation	180,000,000 (Note 1)	37.09%	22.30%	19.01%
Mr. Zuo Hong (左宏先生)	Personal	Held by controlled corporation	75,064,706 (Note 2)	15.47%	9.30%	7.93%

Notes:

- The Domestic Shares were held by Xi’an Tian An Investment Co., Ltd.* (西安天安投資有限公司) (“Tian An Investment”), which is beneficially owned as to 60% by Mr. Xiao Bing and 40% by his mother 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.
- The Domestic Shares were held by Shenzhen Huitai Investment Development Co., Ltd.* (深圳市匯泰投資發展有限公司) (“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.
- The issued share capital of the Company is to be enlarged by the issue and allotment of 140,000,000 H Shares pursuant to the subscription agreements (more particularly described in the circular dated 25 August 2014). The subscription agreements were approved by shareholders of the Company on 10 October 2014. Approvals of the China Securities Regulatory Commission and the Stock Exchange were obtained on 29 December 2014 and 12 January 2015 respectively and the H Shares are to be issued in April 2015 in accordance with subscription agreements.

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Other than as disclosed above, none of the Directors, Supervisors and chief executive of the Company nor their respective associates had any interests or short positions in any Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 March 2015 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 ("H SHARES")

As at 31 March 2015, so far as is known to the Directors, Supervisors and chief executives of the Company, none of the Directors, Supervisors or chief executives of the Company or any of their respective associates including spouses and children under 18 years of age had any interest in, or has been granted, or exercised, any rights to subscribe for H Shares (or warrants or debentures, if applicable) or to acquire H Shares.

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

As at 31 March 2015, 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

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	Approximate percentage in the enlarged issued share capital of the Company (Note 2)
Tian An Investment	Corporate	Beneficial owner	180,000,000 (Note 1)	37.09%	22.30%	19.01%
Professor Xiao Liangyong (肖良勇教授)	Personal	Parties acting in concert	180,000,000 (Note 1)	37.09%	22.30%	19.01%
Ms. Yao Wenli (姚文俐女士)	Personal	Held by controlled corporation	180,000,000 (Note 1)	37.09%	22.30%	19.01%
Xi'an International Medical Investment Co., Ltd.* (西安國際醫學投資股份有限公司) (formerly Xi'an Kaiyuan Investment Group Co., Ltd.* (西安開元投資集團股份有限公司))	Corporate	Beneficial owner	100,000,000	20.61%	12.39%	10.56%

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 his mother 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 issued share capital of the Company is to be enlarged by the issue and allotment of 140,000,000 H Shares pursuant to the subscription agreements (more particularly described in the circular dated 25 August 2014). The subscription agreements were approved by shareholders of the Company on 10 October 2014. Approvals of the China Securities Regulatory Commission and the Stock Exchange were obtained on 29 December 2014 and 12 January 2015 respectively and the H Shares are to be issued in April 2015 in accordance with subscription agreements.

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(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

Name of shareholder	Type of interest	Capacity	Number of Domestic Shares held in the Company	Approximate percentage in the total issued Domestic Shares of the Company	Approximate percentage in the total issued share capital of the Company	Approximate percentage in the enlarged issued share capital of the Company (Note 10)
Shenzhen Huitai	Corporate	Beneficial owner	75,064,706 (Note 1)	15.47%	9.30%	7.93%
Ms. Yi Li (易麗女士)	Personal	Held by controlled corporation	75,064,706 (Note 1)	15.47%	9.30%	7.93%
Chang'an International Trust Co., Ltd.* (長安國際信託股份有限公司)	Corporate	Beneficial owner	70,151,471 (Note 2)	14.46%	8.69%	7.41%
Xi'an Finance Bureau* (西安市財政局)	Corporate	Held by controlled corporation	70,151,471 (Note 2)	14.46%	8.69%	7.41%
Shanghai Zendai Investment Management Co., Ltd.* (上海証大投資管理有限公司)	Corporate	Held by controlled corporation	70,151,471 (Note 2)	14.46%	8.69%	7.41%
Beijing Holdings Investment Management Co., Ltd.* (北京京泰投資管理中心)	Corporate	Beneficial owner	54,077,941 (Note 3)	11.14%	6.70%	5.71%
Beijing Holdings (Group) Limited* (京泰實業(集團)有限公司)	Corporate	Held by controlled corporation	54,077,941 (Note 3)	11.14%	6.70%	5.71%

* For identification purposes only

Long positions in H Shares

Name of shareholder	Type of interest	Capacity	Number of H Shares held in the Company (Note 10)	Approximate percentage in the total issued H Shares of the Company	Approximate percentage in the total issued share capital of the Company	Approximate percentage in the enlarged issued H Shares of the Company (Note 10)	Approximate percentage in the enlarged issued share capital of the Company (Note 10)
Great Harmony Ventures Limited (大同創投有限公司)	Corporate	Beneficial owner	60,000,000 (Note 4&5)	18.65%	7.43%	12.99%	6.34%
Ms. Yin Shan (殷珊女士)	Personal	Held by controlled corporation	60,000,000 (Note 4&5)	18.65%	7.43%	12.99%	6.34%
Campari Winner Limited	Corporate	Beneficial owner	50,000,000 (Note 4&6)	15.54%	6.20%	10.83%	5.28%
Ms. Lu Jinhua (陸謹華女士)	Personal	Held by controlled corporation	50,000,000 (Note 4&6)	15.54%	6.20%	10.83%	5.28%
Variant Wealth Limited	Corporate	Beneficial owner	50,000,000 (Note 4&7)	15.54%	6.20%	10.83%	5.28%
Ms. Sun Siwei (孫思瑋女士)	Personal	Held by controlled corporation	50,000,000 (Note 4&7)	15.54%	6.20%	10.83%	5.28%
Name of shareholder	Type of interest	Capacity	Number of H Shares to be issued and allotted (Note 10)	Approximate percentage in the total issued H Shares of the Company	Approximate percentage in the total issued share capital of the Company	Approximate percentage in the enlarged issued H Shares of the Company (Note 10)	Approximate percentage in the enlarged issued share capital of the Company (Note 10)
Hongkong Jinsheng Enterprise Co., Limited (香港錦昇企業有限公司)	Corporate	Beneficial owner	80,000,000 (Note 8)	24.86%	9.91%	17.32%	8.45%
Mr. Duan Bin (段斌先生)	Personal	Held by controlled corporation	80,000,000 (Note 8)	24.86%	9.91%	17.32%	8.45%
Long Apex Limited	Corporate	Beneficial owner	60,000,000 (Note 9)	18.65%	7.43%	12.99%	6.34%
Mr. Guo Yanjun (郭燕軍先生)	Personal	Held by controlled corporation	60,000,000 (Note 9)	18.65%	7.43%	12.99%	6.34%

Notes:

1. 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.
2. 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.
3. 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.
4. 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 updated Corporate Substantial Shareholder Notice from the relevant shareholders.
5. The H Shares were held by Great Harmony Ventures Limited, which is beneficially and wholly owned by Ms. Yin Shan. By virtue of the SFO, Ms. Yin Shan was deemed to be interested in the same 60,000,000 H Shares held by Great Harmony Ventures Limited.
6. The H Shares were held by Campari Winner Limited, which is beneficially and wholly owned by Ms. Lu Jinhua. By virtue of the SFO, Ms. Lu Jinhua was deemed to be interested in the same 50,000,000 H Shares held by Campari Winner Limited.
7. The H Shares were held by Variant Wealth Limited, which is beneficially and wholly owned by Ms. Sun Siwei. By virtue of the SFO, Ms. Sun Siwei was deemed to be interested in the same 50,000,000 H Shares held by Variant Wealth Limited.
8. The H Shares were issued and allotted to Hongkong Jinsheng Enterprise Co., Limited on 28 April 2015, which is beneficially owned as to 80% by Mr. Duan Bin. By virtue of the SFO, Mr. Duan Bin was deemed to be interested in the same 80,000,000 H Shares to be issued and allotted to Hongkong Jinsheng Enterprise Co., Limited.
9. The H Shares were issued and allotted to Long Apex Limited on 14 April 2015, which is beneficially and wholly owned by Mr. Guo Yanjun. By virtue of the SFO, Mr. Guo Yanjun was deemed to be interested in the same 60,000,000 H Shares to be issued and allotted to Long Apex Limited.
10. The issued share capital of the Company is to be enlarged by the issue and allotment of 140,000,000 H Shares pursuant to the subscription agreements (more particularly described in the circular dated 25 August 2014). The subscription agreements were approved by shareholders of the Company on 10 October 2014. Approvals of the China Securities Regulatory Commission and the Stock Exchange were obtained on 29 December 2014 and 12 January 2015 respectively and the H Shares are to be issued in April 2015 in accordance with subscription agreements.

Save as disclosed above, as at 31 March 2015, 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.

* *For identification purposes only*

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 31 March 2015, the Audit Committee comprised of Mr. Chen Ji (resigned on 13 April 2015 and appointed Ms. Huang Jing on 13 April 2015) and Mr. Zhang Jun, independent non-executive Directors, and Mr. Li Wenqi, a non-executive Director. The Group’s unaudited consolidated results for the three months ended 31 March 2015 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

CODE ON CORPORATE GOVERNANCE PRACTICES

For the three months ended 31 March 2015, 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 three months ended 31 March 2015, 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 three months ended 31 March 2015.

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

Xi'an, the PRC, 11 May 2015

As at the date of this announcement, the Board comprises Mr. Xiao Bing (肖兵先生) and Mr. Chen Ji (陳繼先生) 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), Professor Shi Ping (師萍教授) and Ms. Huang Jing (黃婧女士) 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