



**西安海天天實業股份有限公司**

**XI'AN HAITIANTIAN HOLDINGS 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 2018**

**CHARACTERISTICS OF THE GEM (“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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors (the “Directors”) of Xi’an Haitiantian Holdings 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 (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.*

## HIGHLIGHTS

- During the three months ended 31 March 2018, the Group recorded an unaudited loss of approximately RMB12.47 million, comparing to the unaudited loss of RMB3.77 million for the corresponding period in the year of 2017.
- The unaudited revenue for the three months ended 31 March 2018 was approximately RMB1.81 million, representing approximately 219% of the unaudited revenue for the corresponding period in the year of 2017.
- The Board does not recommend the payment of a dividend for the three months ended 31 March 2018 (2017: nil).

## CONSOLIDATED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2018

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 2018, together with the unaudited comparative figures for the corresponding period in the year 2017 as follows:

### Consolidated Statement of Profit or Loss and Other Comprehensive Income

		(Unaudited)	
		For the three months ended	
		31 March	
		2018	2017
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3	1,806	825
Cost of sales		<u>(1,701)</u>	<u>(574)</u>
Gross profit		105	251
Other revenue		165	302
Unrealised loss on fair value changes of held for trading investments		(7,518)	–
Distribution costs		(119)	(215)
Administrative expenses		(5,081)	(3,945)
Finance costs		<u>(19)</u>	<u>(161)</u>
Loss before tax		(12,467)	(3,768)
Income tax expense	4	<u>–</u>	<u>–</u>
Loss and total comprehensive expense for the period		<u><b>(12,467)</b></u>	<u><b>(3,768)</b></u>
Attributable to:			
– Owners of the Company		(12,458)	(3,796)
– Non-controlling interests		<u>(9)</u>	<u>28</u>
		<u><b>(12,467)</b></u>	<u><b>(3,768)</b></u>
Loss per share			
– Basic and diluted	6	<u><b>(0.81 cents)</b></u>	<u><b>(0.25 cents)</b></u>

## Notes to the Consolidated Financial Results

For the three months ended 31 March 2018

### 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, underwater and underground surveillance, imaging, mechanical equipment, and complicated environment warning and surveillance equipment, agricultural and forestry used unmanned aerial vehicles, and provision of consultancy services and sales of agricultural products.

This unaudited consolidated financial information has been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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 unaudited consolidated financial information are consistent with those used in the Group's annual financial statements for the year ended 31 December 2017.

### 3. REVENUE

Revenue is measured at the fair value of the consideration received or receivable for goods sold and services rendered in the normal course of business, net of discounts, sales related taxes.

Analysis of revenue and results by reportable and operating segments:

	<b>(Unaudited)</b>	
	<b>For the three months ended</b>	
	<b>31 March</b>	
	<b>2018</b>	<b>2017</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Revenue		
Sales of antennas products and related services	<b>889</b>	4
Sales of underwater surveillance and related products	–	–
Sales of unmanned aerial products	–	409
Sales of construction related products	–	–
Provision of consultancy services	–	–
Others, including sales of agricultural products	<b>917</b>	412
	<b>1,806</b>	825

**(Unaudited)**  
**For the three months ended**  
**31 March**

	<b>2018</b>	<b>2017</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Segment profit (loss)		
Sales of antennas products and related services	(342)	211
Sales of underwater surveillance and related products	(31)	(67)
Sales of unmanned aerial products	(50)	57
Sales of construction related products	(80)	–
Provision of consultancy services	–	–
Others, including sales of agricultural products	<u>60</u>	<u>(18)</u>
	<b>(443)</b>	<b>183</b>
Unallocated other revenue	<b>104</b>	–
Unrealised loss on fair value changes of held for trading investments	<b>(7,518)</b>	–
Unallocated corporate expenses	<b>(4,591)</b>	(3,790)
Finance costs	<u>(19)</u>	<u>(161)</u>
Loss before tax	<u><b>(12,467)</b></u>	<u><b>(3,768)</b></u>

Segment profit (loss) represents the earned by (loss) from by each segment without allocation of central administration costs, directors' emoluments, certain other revenue, unrealised loss on fair value changes of held for trading investments and finance costs.

Analysis of revenue by geographical location:

	<b>2018</b>	<b>2017</b>
	<b>RMB'000</b>	<b>RMB'000</b>
The PRC	<b>1,806</b>	825
Other Asian countries excluding the PRC	<u>–</u>	<u>–</u>
	<u><b>1,806</b></u>	<u><b>825</b></u>

#### 4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for the period ended 31 March 2018 as there was no assessable profit for the period (2017: nil).

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 Company and the PRC subsidiaries is 25% for both periods.

#### 5. DIVIDENDS

The Board does not recommend the payment of a dividend for the three months ended 31 March 2018 (2017: 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 2018 attributable to owners of the Company of RMB12,467,000 (2017: RMB3,796,000) and the weighted average number of 1,531,058,824 (2017: 1,531,058,824) ordinary shares in issue during the period.

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

#### 7. RESERVES

	Attributable to owners of the Company						(Unaudited) Non- controlling interest RMB'000	(Unaudited) Total RMB'000
	(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) Sub-total RMB'000		
At 1 January 2018	153,106	115,390	16,153	15,856	(235,651)	64,854	2,826	67,680
Loss and total comprehensive expense for the period	–	–	–	–	(12,458)	(12,458)	(9)	(12,467)
At 31 March 2018	<u>153,106</u>	<u>115,390</u>	<u>16,153</u>	<u>15,856</u>	<u>(248,109)</u>	<u>52,396</u>	<u>2,817</u>	<u>55,213</u>
At 1 January 2017	153,106	115,390	16,153	15,856	(218,969)	81,536	2,898	84,434
(Loss) profit and total comprehensive (expense) income for the period	–	–	–	–	(3,796)	(3,796)	28	(3,768)
At 31 March 2017	<u>153,106</u>	<u>115,390</u>	<u>16,153</u>	<u>15,856</u>	<u>(222,765)</u>	<u>77,740</u>	<u>2,926</u>	<u>80,666</u>

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

### Revenue

The Group recorded unaudited revenue of approximately RMB1.81 million for the three months ended 31 March 2018, representing approximately 219% of the unaudited revenue for the corresponding period in the year of 2017. The significant increase was mainly attributable to sales of antennas products and related services and sales of agricultural products.

During the three months ended 31 March 2018, products review, upgrading and integration in respect of the operating segments of sales of antenna products and related services, sales of underwater surveillance and related products, and sales of unmanned aerial products were carried out after product development in last year in order to provide updated product information of the Group to customers. Accordingly, no revenue was generated from product sales under these operating segments. For the operating segments of sales of construction related products and provision of consultancy services, neither trading contract was completed nor service request from existing and potential customers was received during the period.

Approximately 49% of revenue of the Group was come from network optimisation, inspection and maintenance under the operating segment of sales of antennas products and related services during the three months ended 31 March 2018. Approximately 51% of revenue of the Group was derived from sales of agricultural products which created a stable source of income for the Group after its establishment for a year.

As the development of different operating segments of products and services since 2016, customer bases were diversified into different classes and no longer concentrated to telecommunication business. No revenue was generated from overseas market during the three months ended 31 March 2018.

### Gross Profit

During the three months ended 31 March 2018, an unaudited gross profit of approximately RMB0.11 million was recorded which represented gross profit margin of approximately 5.81%, comparing to the unaudited gross profit margin of approximately 30.42% in the corresponding period of 2017. It was mainly attributable to high profit margin of equipment testing income under the operating segment of unmanned aerial products during the same period last year.

## **Other Revenue**

Gain on waiver of trade and other payables of approximately RMB0.06 million was realised and exchange gain of approximately RMB0.09 million was recorded during the three months ended 31 March 2018.

## **Segment Results**

Distribution costs for the period ended 31 March 2018 were approximately RMB0.12 million, representing a decrease of approximately 45% from the corresponding period of 2017. Over 42% of distribution costs were incurred for development of unmanned aerial products and over 17% of distribution costs were for marketing of underwater surveillance and related products.

After allocation of gain on waiver of trade and other payables under other revenue and depreciation and amortisation expenses for each operating segments, segment profit of approximately RMB0.06 million was recorded for sales of agricultural products. Segment losses were reported for all other operating segments as certain non-variable costs could not be covered by revenue generated during the three months ended 31 March 2018.

## **Other Costs and Expenses**

Administrative expenses for the three months ended 31 March 2018 were increased by approximately RMB1.14 million comparing to the corresponding period of 2017 because of increase in staff costs and professional fees by approximately RMB0.95 million and RMB0.26 million respectively.

No interest expenses were incurred for the three months ended 31 March 2018 as no interest-bearing borrowings were raised during the period.

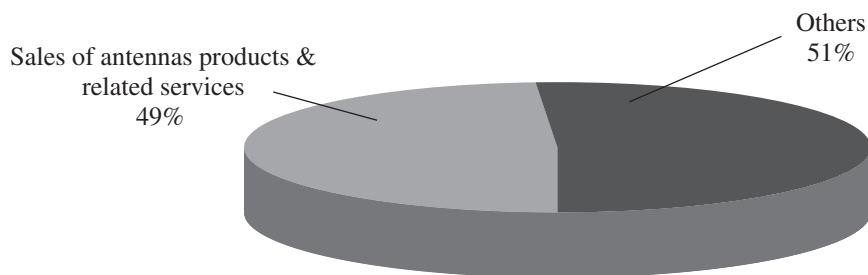
Approximately RMB7.52 million was recorded for the three months ended 31 March 2018 as unrealised loss on fair value changes of held for trading investments. As at 31 March 2018, the fair value of held for trading investments represented approximately 12% lower than original acquisition costs.

## **Loss for the period**

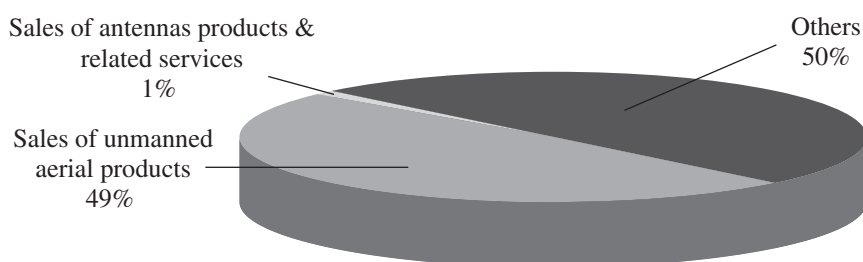
Consequently, as the result of increase in administrative expenses and unrealised loss on fair value changes of held for trading investments, loss for the period ended 31 March 2018 of approximately RMB12.47 million was reported by the Group, comparing to loss of approximately RMB3.77 million in the corresponding period of 2017.

Composite of revenue by reportable and operating segments for the three months ended 31 March 2018, together with the comparative figures for the corresponding period in the year 2017, are provided as follows:

**For the three months ended 31 March 2018**



**For the three months ended 31 March 2017**



## **PROSPECTS**

During the first quarter of 2018, the Group analysed and summarised the overall sales and relevant market feedback of all its product series of last year, on the basis of which it conducted corresponding upgrade and adjustment to the relevant technical performance and indicators of products, further improving the performance of the Company's all product series. In the meantime, the Group's sales department comprehensively rationalised the product performance and indicators upon such improvement and upgrade, and gradually conducted updating and promotion in respect of the relevant product information to the existing customers and target customers, laying a sound foundation for the Group's market expansion in the next stage.



At the same time, capitalising on its own experience of research and development as well as system integration of mobile communication products, mobile internet and mobile communication information technology services as well as its technical reserve in terms of 5G business network equipment and service over the years, the Group entered into a framework cooperation agreement with Shijiang Network Technologies Co., Ltd.\* (食匠網絡科技有限公司) (“Shijiang Technologies”), its existing shareholders and its new investors during the first quarter of 2018 with intention to cooperate with Shijiang Technologies. Going forward, the Group with partner with Shijiang Technologies to fully capitalise their respective strengths and integrate resource in order to build Shijiang Technologies into a more comprehensive integrated new internet economic platform.

With the basic completion of poverty alleviation projects in Yi County, Baoding City, Hebei Province, various kind of agricultural products were preliminarily penetrated into the market for sales by the Group and received a good market response. During the first quarter, the Group carried out a phased summary of its cultivation and sales, and continued to increase efforts in the relevant production and cultivation technologies, management and sales, with a view to further strengthening the Group’s efforts in poverty alleviation while making contribution to the Group’s sales performance.

In respect of the fund required for diversifying operation, the Group implemented related works towards the new issuance of 200 million domestic shares during the first quarter of 2018. Through this issuance, the Group will be able to raise approximately RMB42 million, which could provide good financial support for the research and development of products and market expansion of the Group. In the future, based on the needs of its business development, the Company will also intends to resort to other financing channels, such as bank borrowings and revitalisation of the existing assets of the Group, as and when appropriate, so as to safeguard the Company’s operation and development.

The Board and management of the Company will strive to turn the Group into a high-tech enterprise with diversified operations.

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

As at 31 March 2018, the interests and short positions of the Directors, Supervisors (as if the requirements applicable to the Directors under the Securities and Futures Ordinance (the “SFO”) (Chapter 571 of the Laws of Hong Kong) had applied to the Supervisors) and chief executives of the Company in the shares (the “Shares”), underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which 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 which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

### **Long positions in domestic shares of the Company (“Domestic Shares”)**

<b>Name of person</b>	<b>Capacity</b>	<b>Number of Domestic Shares</b>	<b>Approximate % in total issued Domestic Shares</b>	<b>Approximate % in total issued Shares</b>	<b>Approximate % in enlarged issued Domestic Shares (Note 3)</b>	<b>Approximate % in enlarged issued Shares (Note 3)</b>
Mr. Xiao Bing (肖兵先生)	Beneficial owner and interest in controlled corporation	393,363,637 (Note 1)	44.43%	25.69%	36.24%	22.72%
Mr. Chen Ji (陳繼先生)	Spouse interest	254,844,804 (Note 2)	28.78%	16.65%	23.48%	14.72%

### **Long positions in H shares of the Company (“H Shares”)**

<b>Name of person</b>	<b>Capacity</b>	<b>Number of H Shares</b>	<b>Approximate % in total issued H Shares</b>	<b>Approximate % in total issued Shares</b>	<b>Approximate % in enlarged issued Shares (Note 3)</b>
Mr. Xiao Bing (肖兵先生)	Beneficial owner	10,000,000	1.55%	0.65%	0.58%
Mr. Chen Ji (陳繼先生)	Beneficial owner	9,500,000	1.47%	0.62%	0.55%

*Notes:*

1. 328,363,637 Domestic Shares are 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 (肖兵先生) and 40% by his mother Ms. Yao Wenli (姚文俐女士). By virtue of the SFO, Mr. Xiao Bing is deemed to be interested in the same 328,363,637 Domestic Shares. 65,000,000 Domestic Shares are to be issued and allotted under specific mandate (more particularly described in the circular of the Company dated 2 February 2018) to Mr. Xiao Bing.
2. 189,844,804 Domestic Shares are held by and 65,000,000 Domestic Shares are to be issued and allotted under specific mandate (more particularly described in the circular of the Company dated 2 February 2018) to Shanghai Gaoxiang Investment Management Co., Ltd.\* (上海高湘投資管理有限公司) (“Gaoxiang Investment”), which is beneficially owned by the spouse and mother-in-law of Mr. Chen Ji (陳繼先生) in equal share. By virtue of the SFO, Mr. Chen Ji is deemed to be interested in the same 254,844,804 Domestic Shares.
3. The issued Shares are to be enlarged by the issue and allotment of 200,000,000 Domestic Shares under specific mandate (more particularly described in the circular of the Company dated 2 February 2018). The specific mandate was approved by the extraordinary general meeting on 19 March 2018 and is subject to the approval of the Department of Commerce of Shaanxi Province\* (陝西省商務廳).

Saved as disclosed above, as at 31 March 2018, none of the Directors, Supervisors and chief executives of the Company had any other interests or short positions in any Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which 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 which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

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

As at 31 March 2018, so far as is known to the Directors, the Supervisors or chief executive of the Company, the following persons/entities (other than the Directors, Supervisors or chief executive of the Company) who/which had, or are deemed to have, interests or short positions 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/which were or are expected to be, directly or indirectly, interested in 10% 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; or who/which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

## Long positions in Domestic Shares

Name of shareholder	Capacity	Number of Domestic Shares	Approximate % in total issued Domestic Shares	Approximate % in total issued Shares	Approximate % in enlarged issued Domestic Shares (Note 13)	Approximate % in enlarged issued Shares (Note 13)
Professor Xiao Liangyong (肖良勇教授)	Parties acting in concert	393,363,637 (Note 1)	44.43%	25.69%	36.24%	22.72%
Tian An Investment	Beneficial owner	328,363,637 (Note 1)	37.09%	21.45%	30.25%	18.97%
Ms. Yao Wenli (姚文俐女士)	Interest in controlled corporation	328,363,637 (Note 1)	37.09%	21.45%	30.25%	18.97%
Gaoxiang Investment	Beneficial owner	254,844,804 (Note 2)	28.78%	16.65%	23.48%	14.72%
Ms. Sun Xiangjun (孫湘君女士)	Interest in controlled corporation	254,844,804 (Note 2)	28.78%	16.65%	23.48%	14.72%
Ms. Gao Xuejuan (高雪娟女士)	Interest in controlled corporation	254,844,804 (Note 2)	28.78%	16.65%	23.48%	14.72%
Xi'an International Medical Investment Co., Ltd.* (西安國際醫學投資股份有限公司)	Beneficial owner	100,000,000	11.29%	6.53%	9.21%	5.78%
Shenzhen Huitai Investment Development Co., Ltd.* (深圳市匯泰投資發展有限公司)	Beneficial owner	75,064,706 (Note 3)	8.48%	4.90%	6.92%	4.34%
Ms. Wang Zengdi (王增娣女士)	Interest in controlled corporation	75,064,706 (Note 3)	8.48%	4.90%	6.92%	4.34%
Xi'an Haorun Investment Ltd.* (西安昊潤投資有限責任公司)	Beneficial owner	70,000,000 (Note 4)	7.91%	4.57%	6.45%	4.04%
Mr. Wang Yun (王贊先生)	Interest in controlled corporation	70,000,000 (Note 4)	7.91%	4.57%	6.45%	4.04%
Beijing Holdings Investment Management Co., Ltd.* (北京京泰投資管理中心)	Beneficial owner	54,077,941 (Note 5)	6.11%	3.53%	4.98%	3.12%
Beijing Holdings (Group) Ltd.* (京泰實業(集團)有限公司)	Interest in controlled corporation	54,077,941 (Note 5)	6.11%	3.53%	4.98%	3.12%
Ms. Jin Rongfei (金嶸霏女士)	Beneficial owner	50,000,000 (Note 6)	5.65%	3.27%	4.61%	2.89%
Shaanxi Yinji Investment Ltd.* (陝西銀吉投資有限公司)	Beneficial owner	20,000,000	2.26%	1.31%	1.84%	1.16%
Mr. Zhang Jiandong (張建東先生)	Beneficial owner	20,000,000 (Note 7)	2.26%	1.31%	1.84%	1.16%
Hongshi (Shanghai) Investment Consultancy Ltd.* (宏獅(上海)投資諮詢有限公司)	Beneficial owner	18,500,000	2.09%	1.21%	1.71%	1.07%
Shanghai Maokou Commerce and Trading Ltd.* (上海睿寇商貿有限公司)	Beneficial owner	18,500,000	2.09%	1.21%	1.71%	1.07%
Mr. Jiao Chengyi (焦成義先生)	Beneficial owner	10,943,030	1.24%	0.71%	1.01%	0.63%

## Long positions in H Shares

Name of shareholder	Capacity	Number of H Shares (Note 8)	Approximate % in total issued H Shares	Approximate % in total issued Shares	Approximate % in enlarged issued Shares (Note 13)
Huang Li Hou (黃李厚)	Beneficial owner	85,100,000	13.18%	5.56%	4.92%
Hongkong Jinsheng Enterprise Co., Limited (香港錦昇企業有限公司)	Beneficial owner	73,552,000 (Note 9)	11.39%	4.80%	4.25%
Oceanic Bliss Holdings Limited (海祥控股有限公司)	Interest in controlled corporation	73,552,000 (Note 9)	11.39%	4.80%	4.25%
Zeal Warrior Investments Limited	Interest in controlled corporation	73,552,000 (Note 9)	11.39%	4.80%	4.25%
Ms. Chen Wei (陳瑋女士)	Interest in controlled corporation	73,552,000 (Note 9)	11.39%	4.80%	4.25%
Ms. Zhou Jin	Beneficial owner	83,224,000 (Note 10)	12.89%	5.44%	4.81%
Auspicious Zone Investments Limited (彩域投資有限公司)	Beneficial owner	51,592,000 (Note 11)	7.99%	3.37%	2.98%
Sure Rosy Global Investments Limited (順盛環球投資有限公司)	Interest in controlled corporation	51,592,000 (Note 11)	7.99%	3.37%	2.98%
Mr. Wang Mingyue (王明月先生)	Interest in controlled corporation	51,592,000 (Note 11)	7.99%	3.37%	2.98%
Clear Renown Global Limited (朗譽環球有限公司)	Beneficial owner	42,000,000 (Note 12)	6.50%	2.74%	2.43%
Creative Eagle Holdings Limited (創鷹控股有限公司)	Interest in controlled corporation	42,000,000 (Note 12)	6.50%	2.74%	2.43%
Huang Wei Wen (黃偉汶)	Interest in controlled corporation	42,000,000 (Note 12)	6.50%	2.74%	2.43%

### Notes:

- 328,363,637 Domestic Shares are held by Tian An Investment, which is beneficially owned as to 60% by Mr. Xiao Bing (肖兵先生) and 40% by his mother Ms. Yao Wenli (姚文俐女士). By virtue of the SFO, Ms. Yao Wenli is deemed to be interested in the same 328,363,637 Domestic Shares. 65,000,000 Domestic Shares are to be issued and allotted under specific mandate (more particularly described in the circular of the Company dated 2 February 2018) to Mr. Xiao Bing. Professor Xiao Liangyong (肖良勇教授) is the father of and a person acting in concert with Mr. Xiao Bing. By virtue of the SFO, Professor Xiao Liangyong deemed to be interested in the same 393,363,637 Domestic Shares.
- 189,844,804 Domestic Shares are held by and 65,000,000 Domestic Shares are to be issued and allotted under specific mandate (more particularly described in the circular of the Company dated 2 February 2018) to Gaoxiang Investment, which is beneficially owned by Ms. Sun Xiangjun (孫湘君女士) and Ms. Gao Xuejuan (高雪娟女士) in equal share. By virtue of the SFO, each of Ms. Sun Xiangjun and Ms. Gao Xuejuan is deemed to be interested in the same 254,844,804 Domestic Shares.

3. 75,064,706 Domestic Shares are held by Shenzhen Huitai Investment Development Co., Ltd\* (深圳市匯泰投資發展有限公司), which is beneficially owned as to 60% by Ms. Wang Zengdi (王增娣女士). By virtue of the SFO, Ms. Wang Zengdi is deemed to be interested in the same 75,064,706 Domestic Shares.
4. 70,000,000 Domestic Shares are held by Xi'an Haorun Investment Ltd.\* (西安昊潤投資有限責任公司), which is beneficially owned as to 50% by Mr. Wang Yun (王贇先生). By virtue of the SFO, Mr. Wang Yun is deemed to be interested in the same 70,000,000 Domestic Shares.
5. 54,077,941 Domestic Shares are held by Beijing Holdings Investment Management Co., Ltd.\* (北京京泰投資管理中心) (“Beijing Holdings”). By virtue of the SFO, Beijing Holdings (Group) Ltd.\* (京泰實業(集團)有限公司), which holds more than one-third of voting rights of Beijing Holdings, is deemed to be interested in the same 54,077,941 Domestic Shares.
6. 50,000,000 Domestic Shares are to be issued and allotted under specific mandate (more particularly described in the circular of the Company dated 2 February 2018) to Ms. Jin Rongfei (金嶸霏女士).
7. 20,000,000 Domestic Shares are to be issued and allotted under specific mandate (more particularly described in the circular of the Company dated 2 February 2018) to Mr. Zhang Jiandong (張建東先生).
8. Details of these shareholders of the Company are based on information as set out in the website of the Stock Exchange and notified by the Disclosure of Interests Online System of the Stock Exchange.
9. 73,552,000 H Shares are held by Hongkong Jinsheng Enterprise Co., Limited (香港錦昇企業有限公司), which is beneficially owned by Oceanic Bliss Holdings Limited (海祥控股有限公司) (“Oceanic Bliss”), and Oceanic Bliss is beneficially owned by Zeal Warrior Investments Limited (“Zeal Warrior”). Ms. Chen Wei (陳瑋女士) is beneficial owner of Zeal Warrior. By virtue of the SFO, each of Oceanic Bliss, Zeal Warrior and Ms. Chen Wei is deemed to be interested in the same 73,552,000 H Shares.
10. Ms. Zhou Jin is a director of Xaht Antenna Technologies (Hongkong) Limited (海天天綫(香港)有限公司), a wholly-owned subsidiary of the Group.
11. 51,592,000 H Shares are held by Auspicious Zone Investments Limited (彩域投資有限公司), which is beneficially owned by Sure Rosy Global Investments Limited (順盛環球投資有限公司) (“Sure Rosy”). Mr. Wang Mingyue (王明月先生) is beneficial owner of Sure Rosy. By virtue of the SFO, each of Sure Rosy and Mr. Wang Mingyue is deemed to be interested in the same 51,592,000 H Shares.
12. 42,000,000 H Shares are held by Clear Renown Global Limited (朗譽環球有限公司), which is beneficially owned by Creative Eagle Holdings Limited (創鷹控股有限公司) (“Creative Eagle”). Huang Wei Wen (黃偉汶) is beneficial owner of Creative Eagle. By virtue of the SFO, each of Creative Eagle and Huang Wei Wen is deemed to be interested in the same 42,000,000 H Shares.
13. The issued Shares are to be enlarged by the issue and allotment of 200,000,000 Domestic Shares under specific mandate (more particularly described in the circular of the Company dated 2 February 2018). The specific mandate was approved by the extraordinary general meeting on 19 March 2018 and is subject to the approval of the Department of Commerce of Shaanxi Province\* (陝西省商務廳).

Saved as disclosed above, as at 31 March 2018, the Directors, Supervisors and chief executives of the Company were not aware of any other person/entity (other than the Directors, Supervisors or chief executive of the Company) who/which had, or is deemed to have, interests or short positions 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/which was or is expected to be, directly or indirectly, interested in 10% 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; or who/which was recorded in the register required to be kept by the Company under Section 336 of the SFO.

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

As 31 March 2018, 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.

## **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 2018, the Audit Committee comprised of Professor Shi Ping and Dr. Lam Lee G., independent non-executive Directors, and Ms. Huang Jing, a non-executive Director. The Group's unaudited consolidated results for the three months ended 31 March 2018 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 2018, 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 2018, 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 2018.

By order of the Board  
**Xi'an Haitiantian Holdings Co., Ltd.\***  
**Chen Ji**  
*Chairman*

Xi'an, the PRC, 4 May 2018

*As at the date of this announcement, the Board comprises Mr. Chen Ji (陳繼先生) and Mr. Xiao Bing (肖兵先生) being executive Directors; Mr. Sun Wenguo (孫文國先生), Mr. Li Wenqi (李文琦先生), Mr. Zuo Hong (左宏先生), Ms. Huang Jing (黃婧女士) and Mr. Yan Weimin (燕衛民先生) being non-executive Directors; and Mr. Zhang Jun (張鈞先生), Professor Shi Ping (師萍教授), Mr. Tu Jijun (涂繼軍先生) and Dr. Lam Lee G. (林家禮博士) 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