

CHARACTERISTICS OF GEM (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, 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 report.

*This report, 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 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 report 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 report misleading.*

* For identification purpose only

HIGHLIGHTS

- During the nine months ended 30 September 2023, the Group recorded an unaudited net loss of approximately RMB16.59 million, compared to the unaudited net loss of approximately RMB18.56 million for the corresponding period in 2022.
- The unaudited total operating income for the nine months ended 30 September 2023 was approximately RMB7.96 million, representing approximately 48% of the unaudited total operating income for the corresponding period in 2022.
- The Board does not recommend the payment of a dividend for the nine months ended 30 September 2023.

CONSOLIDATED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

The board of Directors (the “**Board**”) hereby submits the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months and nine months ended 30 September 2023, together with the unaudited comparative figures for the corresponding period in the year of 2022 as follows:

CONSOLIDATED BALANCE SHEET

Unit: RMB

Item	Note	(Unaudited) 30 September 2023	(Audited) 31 December 2022
Current assets:			
Cash at bank and on hand		2,017,147.53	2,189,300.39
Financial assets held for trading		–	–
Accounts receivable		6,229,966.39	11,208,820.69
Advanced payments		1,926,262.48	1,369,250.95
Other receivables		1,724,006.55	1,658,404.47
Of which: Interest receivable		–	–
Dividends receivable		–	–
Inventories		17,317,189.17	13,472,028.86
Other current assets		173,932.98	338,281.94
Total current assets		29,388,505.10	30,236,087.30
Non-current assets:			
Fixed assets		4,985,247.57	5,616,018.80
Projects under construction		–	–
Right-of-use assets		1,200,694.24	4,353,153.73
Intangible assets		37,393,735.79	42,802,545.67
Long-term deferred expenses		–	–
Other non-current assets		9,236,360.44	9,236,360.44
Total non-current assets		52,816,038.04	62,008,078.64
Total assets		82,204,543.14	92,244,165.94

Item	Note	(Unaudited) 30 September 2023	(Audited) 31 December 2022
Current liabilities:			
Short-term borrowings		5,270,000.00	6,600,000.00
Accounts payable		9,735,727.91	6,758,022.06
Advanced receipts		35,000.00	–
Contractual liabilities		10,000.05	10,000.05
Payroll payable		10,889,164.24	8,798,198.78
Taxes payable		2,129,615.37	2,413,467.67
Other payables		57,650,322.50	48,945,526.29
Of which: Interest payable		–	31,077.62
Dividends payable		–	–
Non-current liabilities due within one year		618,686.80	5,809,739.52
Other current liabilities		–	–
Total current liabilities		86,338,516.87	79,334,954.37
Non-current liabilities:			
Lease liabilities		462,095.16	913,920.20
Total liabilities		86,800,612.03	80,248,874.57
Shareholders' equity:			
Share capital	3	189,762,900.00	189,762,900.00
Capital reserves		202,569,046.27	202,569,046.27
Surplus reserves		16,435,819.34	16,435,819.34
Undistributed profits		(415,792,159.00)	(399,227,694.10)
Total shareholders' equity attributable to the parent company		(7,024,393.39)	9,540,071.51
Minority shareholders' equity		2,428,324.50	2,455,219.86
Total shareholders' equity		(4,596,068.89)	11,995,291.37
Total liabilities and shareholders' equity		82,204,543.14	92,244,165.94

CONSOLIDATED INCOME STATEMENT

Unit: RMB

Item	Note	(Unaudited)		(Unaudited)	
		1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
I. Total operating income		2,825,429.06	4,771,282.84	7,960,386.97	16,645,448.12
Of which: Operating income	4	2,825,429.06	4,771,282.84	7,960,386.97	16,645,448.12
II. Total operating costs		7,536,156.28	12,187,753.23	25,122,016.55	35,869,396.13
Of which: Operating costs	4	1,778,938.36	3,383,366.69	4,952,801.54	11,327,673.49
Taxes and surcharges	5	3,713.46	16,241.26	17,753.85	68,722.61
Selling expenses	6	834,592.28	2,148,674.95	2,359,841.34	4,910,281.88
Administrative expenses	7	3,593,595.14	4,685,063.66	12,989,771.34	14,008,357.36
Research and development expenses	8	1,253,694.39	1,725,324.84	4,501,967.48	4,919,659.13
Financial expenses	9	71,622.65	229,081.83	299,881.00	634,701.66
Of which: Interest expenses		58,633.17	188,246.63	199,715.68	606,808.67
Interest income		868.36	1,805.58	2,490.21	7,337.48
Add: Other gain	10	100,001.99	68,891.32	107,927.36	220,635.05
Investment gain ("0" for loss)	11	-	-	-	793.80
Of which: Gain from investment in associates and joint ventures		-	-	-	-
Gain from changes in fair value ("0" for loss)	12	-	-	-	-
Credit impairment loss ("0" for loss)	13	-	199,862.26	-	16,727.62
Assets impairment loss ("0" for loss)	14	-	-	-	-
Gain from assets disposal ("0" for loss)	15	-	726.68	-	726.68
III. Operating profit ("0" for loss)		(4,610,725.23)	(7,146,990.13)	(17,053,702.22)	(18,985,064.86)
Add: Non-operating income	16	50.02	-	478,643.16	438,694.87
Less: Non-operating expenditure	17	15,979.08	-	16,022.86	1,431.69
IV. Total profit ("0" for total loss)		(4,626,654.29)	(7,146,990.13)	(16,591,081.92)	(18,547,801.68)
Less: Income tax expenses	18	0.00	-	278.34	9,767.13
V. Net profit ("0" for net loss)		(4,626,654.29)	(7,146,990.13)	(16,591,360.26)	(18,557,568.81)
(I) By business continuity ("0" for net loss)		(4,626,654.29)	(7,146,990.13)	(16,591,360.26)	(18,557,568.81)
1. Net profit from continuing operations		(4,626,654.29)	(7,146,990.13)	(16,591,360.26)	(18,557,568.81)
2. Net profit from discontinued operations		-	-	-	-
(II) By ownership ("0" for net loss)		(4,626,654.29)	(7,146,990.13)	(16,591,360.26)	(18,557,568.81)
1. Net profit attributable to owners of the parent company		(4,629,392.24)	(7,116,037.84)	(16,564,464.90)	(18,383,986.19)
2. Minority shareholders' profit and loss		2,737.95	(30,952.29)	(26,895.36)	(173,582.62)
VI. Net of tax of other comprehensive income		-	-	-	-
Net of tax of other comprehensive income attributable to owners of the parent company		-	-	-	-
Net of tax of other comprehensive income attributable to minority shareholders		-	-	-	-
VII. Total comprehensive income		(4,626,654.29)	(7,146,990.13)	(16,591,360.26)	(18,557,568.81)
Total comprehensive income attributable to shareholders of the parent company		(4,629,392.24)	(7,116,037.84)	(16,564,464.90)	(18,383,986.19)
Total comprehensive income attributable to minority shareholders		2,737.95	(30,952.29)	(26,895.36)	(173,582.62)
VIII. Earnings per share					
(I) Basic earnings per share (Yuan/share)	20	(0.00244)	(0.00375)	(0.00873)	(0.00969)
(II) Diluted earnings per share (Yuan/share)	20	(0.00244)	(0.00375)	(0.00873)	(0.00969)

CONSOLIDATED CASH FLOW STATEMENT

Unit: RMB

Item	Note	(Unaudited)	
		1 January to 30 September 2023	2022
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		13,647,026.31	23,185,965.13
Taxes and surcharges refunded		5,020.95	1,062,707.13
Other cash received relating to operating activities		750,962.63	1,086,209.38
Subtotal of cash inflows from operating activities		14,403,009.89	25,334,881.64
Cash paid for purchase of goods and receipt of services		5,334,376.76	11,816,250.19
Cash paid to and for employees		5,222,607.93	9,775,574.03
Taxes and surcharges paid		556,637.51	447,388.19
Other cash paid relating to operating activities		10,846,009.75	7,517,289.11
Subtotal of cash outflows for operating activities		21,959,631.95	29,556,501.52
Net cash flows from operating activities		(7,556,622.06)	(4,221,619.88)

Item	Note	(Unaudited)	
		1 January to 30 September 2023	2022
II. Cash flows from investing activities:			
Cash received from disposal of investment		–	2,793.80
Cash received from investment gain		–	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		–	–
Net cash received from disposal of subsidiaries and other business entities		–	–
Other cash received relating to investing activities		–	720,002.53
Subtotal of cash inflows from investing activities		–	722,796.33
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		88,500.00	774,515.50
Cash paid for acquisition of investments		–	–
Net cash paid for acquisition of subsidiaries and other business entities		–	–
Other cash paid relating to investing activities		–	1,120,397.36
Subtotal of cash outflows for investing activities		88,500.00	1,894,912.86
Net cash flows from investing activities		(88,500.00)	(1,172,116.53)

Item	Note	(Unaudited)	
		1 January to 30 September 2023	2022
III. Cash flows from financing activities:			
Cash received from capital injection		–	500,000.00
Of which: Cash received from capital injection by minority shareholders of subsidiaries		–	–
Cash received from borrowings		–	–
Other cash received relating to financing activities		17,643,736.01	7,974,458.78
Subtotal of cash inflows from financing activities		17,643,736.01	8,474,458.78
Cash paid for repayment of debts		1,330,000.00	1,900,000.00
Cash paid for distribution of dividends, profits or repayment of interests		160,093.58	308,184.01
Of which: Dividends and profits paid to minority shareholders by subsidiaries		–	–
Other cash paid relating to financing activities		8,681,805.25	2,870,490.10
Subtotal of cash outflows for financing activities		10,171,898.83	5,078,674.11
Net cash flows from financing activities		7,471,837.18	3,395,784.67
IV. Effect of foreign exchange rate changes on cash and cash equivalents		2,285.46	(12,102.44)
V. Net increase in cash and cash equivalents		(170,999.42)	(2,010,054.18)
Add: Beginning balance of cash and cash equivalents		1,950,687.43	4,189,014.30
VI. Ending balance of cash and cash equivalents	22	1,779,688.01	2,178,960.12

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Unit: RMB

(Unaudited) 1 January to 30 September 2023

Item	Shareholders' equity attributable to the parent company				Minority shareholders' equity	Total shareholders' equity
	Share capital	Capital reserves	Surplus reserves	Undistributed profits		
I. Closing balance of last year	189,762,900.00	202,569,046.27	16,435,819.34	(399,227,694.10)	2,455,219.86	11,995,291.37
Changes in accounting policies	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-
Merger of business under same control	-	-	-	-	-	-
Others	-	-	-	-	-	-
II. Beginning balance of the period	189,762,900.00	202,569,046.27	16,435,819.34	(399,227,694.10)	2,455,219.86	11,995,291.37
III. Changes for the period ("()" for decrease)	-	-	-	(16,564,464.90)	(26,895.36)	(16,591,360.26)
(I) Total comprehensive income	-	-	-	(16,564,464.90)	(26,895.36)	(16,591,360.26)
(II) Capital invested and reduced by shareholders	-	-	-	-	-	-
1. Common shares invested by shareholders	-	-	-	-	-	-
(III) Profit distribution	-	-	-	-	-	-
(IV) Internal structure of shareholders' equity	-	-	-	-	-	-
(V) Special reserves	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-
IV. Ending balance of the period	189,762,900.00	202,569,046.27	16,435,819.34	(415,792,159.00)	2,428,324.50	(4,596,068.89)

(Unaudited) 1 January to 30 September 2022

Item	Shareholders' equity attributable to the parent company				Minority shareholders' equity	Total shareholders' equity
	Share capital	Capital reserves	Surplus reserves	Undistributed profits		
I. Closing balance of last year	189,762,900.00	182,569,046.27	16,435,819.34	(369,103,101.74)	2,603,528.96	22,268,192.83
Changes in accounting policies	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-
Merger of business under same control	-	-	-	-	-	-
Others	-	-	-	-	-	-
II. Beginning balance of the period	189,762,900.00	182,569,046.27	16,435,819.34	(369,103,101.74)	2,603,528.96	22,268,192.83
III. Changes for the period ("()" for decrease)	-	-	-	(18,383,986.19)	(173,582.62)	(18,557,568.81)
(I) Total comprehensive income	-	-	-	(18,383,986.19)	(173,582.62)	(18,557,568.81)
(II) Capital invested and reduced by shareholders	-	-	-	-	-	-
1. Common shares invested by shareholders	-	-	-	-	-	-
(III) Profit distribution	-	-	-	-	-	-
(IV) Internal structure of shareholders' equity	-	-	-	-	-	-
(V) Special reserves	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-
IV. Ending balance of the period	189,762,900.00	182,569,046.27	16,435,819.34	(387,487,087.93)	2,429,946.34	3,710,624.02

Notes:

1. BASIC INFORMATION OF THE COMPANY

The Company, incorporated and established on 13 October 1999, is a joint stock limited company with limited liabilities (and a listed joint venture co-funded by investors from both Taiwan, Hong Kong, Macao and Mainland China), holding a Business License for Legal Person with a unified credit code numbered as 916101317101664434 issued by the Xi'an Administration for Industry and Commerce, located at No. 25 Shuoshi Road, High-tech Industrial Development Zone, Xi'an, and legally represented by Xiao Bing, with both registered capital and paid-in capital of RMB189,762,900.

The H shares issued by the Company have been listed on GEM from 5 November 2003.

The Company's business scope mainly includes: mobile communication system antennas and antenna engineering products, microwave technology products, communication electronics products, data communication products, underwater/underground engineering and monitoring equipment, aerospace products, aircraft parts and components (except for those subject to special entry administration and control measures taken as per national regulations); research and development, production, sales, installation, testing and service of office automation equipment, instruments and meters, electronic industrial equipment and corresponding systemic works (any of the above business items, if requires any permit, shall not be conducted unless so permitted) (except for those requiring national approval).

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS, SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The financial statements of the Group have been prepared on a going-concern basis, based on actual transactions and events, in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance and other relevant regulations, and disclosure requirements in Companies Ordinance of Hong Kong and the GEM Listing Rules, and accounting policies and accounting estimates adopted in the consolidated financial statements of the Group for the year ended 31 December 2022.

The Group has adopted the accounting policies and accounting estimates specific to the characteristics of its actual production and operation, including the business cycle, recognition and measurement of the bad debts provision for receivables, measurement of inventory dispatched, classification and depreciation of fixed assets, amortisation of intangible assets, recognition and measurement of revenue.

RMB is the recording currency for the Group.

3. SHARE CAPITAL

Item	(Audited)		Issuance of new shares	(Unaudited)	
	31 December 2022	Ratio (%)		30 September 2023	Ratio (%)
	Share capital			Share capital	
Xi'an Tian An Corporate Management and Consulting Co., Ltd.	32,836,363.70	17.30	-	32,836,363.70	17.30
Shanghai Gaoxiang Investment Management Co., Ltd.	25,484,480.40	13.43	-	25,484,480.40	13.43
Xi'an Xiao's Antenna Technologies Co., Ltd.	15,746,869.80	8.30	-	15,746,869.80	8.30
Xi'an International Medical Investment Co., Ltd.	10,000,000.00	5.27	-	10,000,000.00	5.27
Shenzhen Huitai Investment Development Co., Ltd.	7,506,470.60	3.96	-	7,506,470.60	3.96
Xi'an Haorun Investment Ltd.	7,000,000.00	3.69	-	7,000,000.00	3.69
Xiao Bing	6,500,000.00	3.43	-	-	-
Chen Ren	-	-	-	5,700,000.00	3.00
Beijing Holdings Investment Management Co., Ltd.	5,407,794.10	2.85	-	5,407,794.10	2.85
Jin Rongfei	5,000,000.00	2.64	-	5,000,000.00	2.64
Zhang Jiandong	2,000,000.00	1.05	-	2,000,000.00	1.05
Shaanxi Ying Investment Ltd.	2,000,000.00	1.05	-	2,000,000.00	1.05
Shanghai Ruikou Trade Co., Ltd.	1,850,000.00	0.97	-	1,850,000.00	0.97
Shanghai Hongzhen Ningshang Investment Management Partnership (limited partnership)	1,850,000.00	0.97	-	1,800,000.00	0.95
Jiao Chengyi	1,094,303.00	0.58	-	1,094,303.00	0.58
Liao Kang	910,147.80	0.48	-	910,147.80	0.48
Ma Xiuling	-	-	-	800,000.00	0.42
Song Xiangyu	-	-	-	50,000.00	0.03
Sub-total of domestic shares	125,186,429.40	65.97	-	125,186,429.40	65.97
Xiao Bing	1,000,000.00	0.53	-	1,000,000.00	0.53
Chen Ji	1,141,800.00	0.60	-	1,141,800.00	0.60
Public	62,434,670.60	32.90	-	62,434,670.60	32.90
Sub-total of H shares	64,576,470.60	34.03	-	64,576,470.60	34.03
Total	189,762,900.00	100.00	-	189,762,900.00	100.00

4. OPERATING INCOME, OPERATING COSTS

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023 Income	Costs	1 July to 30 September 2022 Income	Costs
Main business	2,178,843.69	1,699,480.60	4,460,807.73	3,324,634.53
Other business	646,585.37	79,457.76	310,475.11	58,732.16
Total	2,825,429.06	1,778,938.36	4,771,282.84	3,383,366.69

Item	(Unaudited)		(Unaudited)	
	1 January to 30 September 2023 Income	Costs	1 January to 30 September 2022 Income	Costs
Main business	7,000,507.34	4,597,055.75	14,773,593.03	10,902,740.40
Other business	959,879.63	355,745.79	1,871,855.09	424,933.09
Total	7,960,386.97	4,952,801.54	16,645,448.12	11,327,673.49

5. TAXES AND SURCHARGES

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Urban maintenance and construction tax	783.60	6,816.57	3,260.86	16,190.89
Education surcharges	571.68	4,477.44	2,416.18	9,532.51
Stamp duty	1,569.76	4,306.59	10,275.36	27,152.40
Water conservancy fund	788.42	640.66	1,734.25	4,129.03
Environmental protection tax	-	-	-	11,717.78
Vehicle and vessel tax	-	-	67.20	-
Total	3,713.46	16,241.26	17,753.85	68,722.61

6. SELLING EXPENSES

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Equipment depreciation expenses	500.16	827.75	2,155.67	2,483.27
Payroll	446,399.36	500,504.95	1,269,772.08	1,566,868.63
Office fees	15,001.21	20,275.61	62,339.77	60,585.47
Travelling expenses	122,000.82	95,204.63	298,574.86	463,452.40
Transportation charges	-	-	-	-
Business entertainment expenses	126,247.84	229,575.20	441,176.64	679,313.48
Delivery charges	114,879.76	17,370.14	159,144.64	41,014.42
Advertising expenses	-	-	4,010.00	-
Construction fees	-	1,942,552.84	68,500.52	1,942,552.84
Intermediation fees	7,706.61	66,460.79	46,271.18	94,406.46
Promotion and testing charges	-	(730,225.50)	-	53,584.91
After-sales service fees	-	-	-	-
Technical service fees	-	-	-	-
Leasing fees	-	-	-	-
Printing fees	-	-	-	-
Others	1,856.52	6,128.54	7,895.98	6,020.00
Total	834,592.28	2,148,674.95	2,359,841.34	4,910,281.88

7. ADMINISTRATIVE EXPENSES

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Depreciation expenses	39,198.28	130,020.00	132,964.57	353,598.19
Depreciation of right-of-use assets	158,692.41	223,879.95	584,723.13	668,935.78
Amortisation of intangible assets	1,913,823.61	1,803,320.05	5,408,809.88	5,410,255.33
Amortisation of long-term deferred expenses	–	–	12,239.86	–
Payroll	755,165.70	1,570,415.79	4,218,990.64	5,023,653.55
Office fees	46,065.13	175,439.67	453,384.52	469,068.31
Communication fees	13,431.21	6,239.31	19,717.97	24,288.83
Travelling expenses	113,268.26	16,274.09	243,284.07	53,552.62
Transportation charges	–	273.00	20,571.44	2,428.64
Business entertainment expenses	81,568.31	126,661.03	382,140.01	326,875.50
Vehicle expenses	104,271.95	124,955.77	191,476.29	303,307.51
Repair fees	49,680.00	12,660.00	75,080.00	12,660.00
Intermediation fees	199,069.47	237,662.95	829,795.34	827,715.59
Auditor's remunerations				
– Audit service fees	(22,641.50)	–	(28,792.45)	(26,112.85)
– Other service fees	–	–	10,639.17	–
Expenses of the Board	61,952.83	19,500.00	100,952.83	70,500.00
Utilities	16,881.88	55,611.88	153,145.17	155,289.64
Leasing fees	160.22	117,000.00	24,946.77	117,000.00
Property management fees	39,451.38	74,629.84	22,074.69	110,430.94
Disabled security fund	23,556.00	13,202.92	79,501.50	13,250.09
Others	–	(22,682.59)	54,125.94	91,659.69
Total	3,593,595.14	4,685,063.66	12,989,771.34	14,008,357.36

8. RESEARCH AND DEVELOPMENT EXPENSES

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Depreciation expenses	107,635.76	115,078.68	325,441.94	343,141.34
Amortisation of intangible assets	-	-	-	-
Payroll	853,268.53	1,176,649.47	2,961,562.52	3,628,611.63
Office fees	34,943.77	26,774.40	74,221.61	144,512.70
Travelling expenses	39,624.96	73,585.80	180,015.55	206,856.30
Entertainment expenses	-	-	-	-
Material fees	197,437.20	256,976.12	926,240.42	510,255.67
Testing charges	16,591.51	53,128.30	18,768.61	53,883.02
Development service fees	380.00	20,867.92	10,380.00	26,867.92
Shipping fees	3,812.66	2,264.15	5,336.83	5,530.55
Others	-	-	-	-
Total	1,253,694.39	1,725,324.84	4,501,967.48	4,919,659.13

9. FINANCIAL EXPENSES

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Interest expenses	58,633.17	188,246.63	199,715.68	606,808.67
Less: Interest income	868.36	1,805.58	2,490.21	7,337.48
Less: Exchange gain	94.57	31,715.46	8,543.30	52,123.96
Add: Exchange loss	6,351.54	66,816.86	19,551.47	67,791.17
Other expenditure	7,600.87	7,539.38	91,647.36	19,563.26
Total	71,622.65	229,081.83	299,881.00	634,701.66

10. OTHER GAIN

Source of other gain	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Government subsidy	100,000.00	68,891.32	100,000.00	209,915.08
Withholding and remitting handling fee refunded	1.99	–	7,927.36	8,867.02
Others	–	–	–	1,852.95
Total	100,001.99	68,891.32	107,927.36	220,635.05

11. INVESTMENT GAIN (“”) FOR LOSS)

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Long-term equity investment gain accounted in equity method	–	–	–	–
Investment gain from disposal of financial assets held for trading	–	–	–	793.80
Others	–	–	–	–
Total	–	–	–	793.80

12. GAIN FROM CHANGES IN FAIR VALUE (“”) FOR LOSS)

Source of gain from changes in fair value	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Financial assets measured at fair value through profit or loss	–	–	–	–

13. CREDIT IMPAIRMENT LOSS (“”) FOR LOSS)

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Bad debts of accounts receivable	-	199,862.26	-	16,727.62
Bad debts of other receivables	-	-	-	-
Bad debts of advanced payments	-	-	-	-
Total	-	199,862.26	-	16,727.62

14. ASSETS IMPAIRMENT LOSS (“”) FOR LOSS)

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Impairment loss of inventories and contract performance cost	-	-	-	-
Impairment loss of intangible assets	-	-	-	-
Total	-	-	-	-

15. GAIN FROM ASSETS DISPOSAL (“”) FOR LOSS)

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Gain from disposal of non-current assets	-	726.68	-	726.68
Of which: Gain from disposal of fixed assets	-	-	-	-
Total	-	726.68	-	726.68

16. NON-OPERATING INCOME

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Gain from debts restructuring	–	–	–	20,000.00
Payables that cannot be paid	–	–	–	–
Other income	50.02	–	478,643.16	418,694.87
Total	50.02	–	478,643.16	438,694.87

17. NON-OPERATING EXPENDITURE

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Loss from damage and scrap of non-current assets	–	–	–	931.69
Donation expenditure	–	–	–	–
Compensation, liquidated damages and fine expenditure	99.10	–	142.88	500.00
Other expenditure	15,879.98	–	15,879.98	–
Total	15,979.08	–	16,022.86	1,431.69

18. INCOME TAX EXPENSES

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Current income tax calculated according to tax law and relevant regulations				
– Mainland China corporate income tax	–	–	278.34	9,767.13
– China Hong Kong profits tax	–	–	–	–
Deferred income tax expenses	–	–	–	–
Total	–	–	278.34	9,767.13

19. SEGMENT INFORMATION

Item	(Unaudited)		(Unaudited)	
	1 July to 30 September 2023	2022	1 January to 30 September 2023	2022
Main business income:				
Sales of antenna products and provision of related services	1,284,457.26	2,893,345.16	4,579,332.62	10,547,516.65
Sales of underwater monitoring and related products	–	–	–	–
Sales of aircraft products	–	–	–	–
Sales of agricultural products	894,386.43	1,567,462.57	2,421,174.72	4,226,076.38
Total main business income	2,178,843.69	4,460,807.73	7,000,507.34	14,773,593.03
Segment profit (loss):				
Sales of antenna products and provision of related services	(3,537,243.34)	(4,348,264.00)	(9,780,508.04)	(11,063,372.71)
Sales of underwater monitoring and related products	(96,896.86)	(102,951.21)	(286,850.91)	(343,381.66)
Sales of aircraft products	(123,867.82)	(125,037.00)	(371,200.46)	(379,566.12)
Sales of agricultural products	142,092.30	(22,547.61)	130,618.27	(258,928.46)
Total segment profit (loss)	(3,615,915.72)	(4,598,799.82)	(10,307,941.14)	(12,045,248.95)
Unallocated gain and income	870,581.01	380,093.11	1,546,450.15	2,532,705.49
Unallocated costs, expenses, loss and expenditure	(1,881,319.58)	(2,928,283.42)	(7,829,590.93)	(9,035,258.22)
Total profit ("() for total loss)	(4,626,654.29)	(7,146,990.13)	(16,591,081.92)	(18,547,801.68)

20. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the unaudited net profit attributable to owners of the parent company for the three months and nine months ended 30 September 2023 of RMB(4,629,392.24) and RMB(16,564,464.90) respectively (2022: RMB(7,116,037.84) and RMB(18,383,986.19) respectively) and the weighted average number of 1,897,629,000 shares (2022: 1,897,629,000 shares) in issue during the period. The weighted average number of ordinary shares is the number of shares in issue at the beginning of the period, adjusted by the number of shares issued during the period multiplied by a time-weighting factor.

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

21. DIVIDENDS

The Board does not recommend the payment of a dividend for the nine months ended 30 September 2023 (2022: nil).

22. ENDING BALANCE OF CASH AND CASH EQUIVALENTS

Item	(Unaudited) 30 September 2023	(Unaudited) 30 September 2022
Cash at bank and on hand	2,017,147.53	2,424,778.93
Less: Restrictions on usage of cash at bank and on hand	237,459.52	245,818.81
Total	1,779,688.01	2,178,960.12

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Total operating income

The unaudited total operating income for the nine months ended 30 September 2023 was approximately RMB7.96 million, representing approximately 48% of the unaudited total operating income for the corresponding period in 2022.

During the period, due to the decrease in investments of the three major operators, and the production and business promotion of the Group's mobile communication products was slowed down that the overall performance of the Group was affected. For agricultural products, live chicken farming was affected by the increase in the purchase price of live chicken feed and artificial breeding costs. The Company temporarily stopped the operation of live chicken farming since the third quarter of 2022 and leased the existing facilities to other operators. During the period, it only recorded operating income from sales of relevant agricultural and sideline products. The operating income from the operating segment of sales of antenna products and provision of related services was decreased from approximately RMB10.55 million for the corresponding period in 2022 to approximately RMB4.58 million for the nine months ended 30 September 2023, which accounted for approximately 65% of main business income of the Group.

In respect of the operating segment of sales of agricultural products, the operating income was also decreased from approximately RMB4.23 million for the corresponding period in 2022 to approximately RMB2.42 million for the nine months ended 30 September 2023, which accounted for approximately 35% of main business income of the Group. After considering the increase in the purchase price of live chicken feed and the increase in the cost of artificial breeding, the Group has suspended live chicken breeding operations since the third quarter of 2022 and leased the existing facilities to other operators, and only sales of related non-staple foods were recorded during the period.

The operating segments of sales of underwater monitoring and related products and sales of aircraft products still maintained technical support and after-sales services to existing customers, no operating income was recorded for both operating segments for the nine months ended 30 September 2023.

Gross profit

During the nine months ended 30 September 2023, an unaudited gross profit of approximately RMB3.01 million was recorded which represented gross profit margin of approximately 38%, compared to the unaudited gross profit margin of approximately 32% for the corresponding period in 2022. Approximately RMB0.96 million was come from other business which was mainly attributable to the increase in property rental income and raw material sales income. The increase in gross profit margin was driven by the differences in the types of antenna products sold and the suspension of live chicken farming operations with lower gross profit margins.

Segment performance

Segment performance was evaluated after considering gross profit, selling expenses, depreciation and amortisation expenses under administrative expenses, research and development expenses, credit and assets impairment loss of each operating segment.

Selling expenses were decreased from approximately RMB4.91 million for the corresponding period in 2022 to approximately RMB2.36 million for the nine months ended 30 September 2023 due to the decrease in travel expenses, business entertainment expenses, and promotion and testing charges for procurement activities of the Lens Antennas.

Research and development expenses were decreased from approximately RMB4.92 million for the corresponding period in 2022 to approximately RMB4.50 million for the nine months ended 30 September 2023 which were solely used for further improvement and development of antenna products.

No impairment loss was recognised for receivables and assets as overdue accounts receivable was received and the aging analysis of all receivables was good, and all assets were under safe management.

In addition to further development of metamaterial lens antenna products, the operating segment of sales of antenna products and provision of related services remained at a lower-than-normal operating level and was unable to cover all operating costs and relevant expenses, a segment loss of approximately of RMB9.78 million was recorded for the nine months ended 30 September 2023.

Careful production planning was adopted for the operating segment of sales of agricultural products. A segment profit of approximately RMB0.13 million for the nine months ended 30 September 2023.

Since the operating segments of sales of underwater monitoring and related products, and sales of aircraft products did not generate operating income, segment losses of approximately RMB0.29 million and RMB0.37 million were recorded for the nine months ended 30 September 2023 respectively.

Other expenses, expenditure, gain and income

Administrative expenses were decreased from approximately RMB14.01 million for the corresponding period in 2022 to approximately RMB12.99 million for the nine months ended 30 September 2023. There was no material fluctuation in the component of expenses.

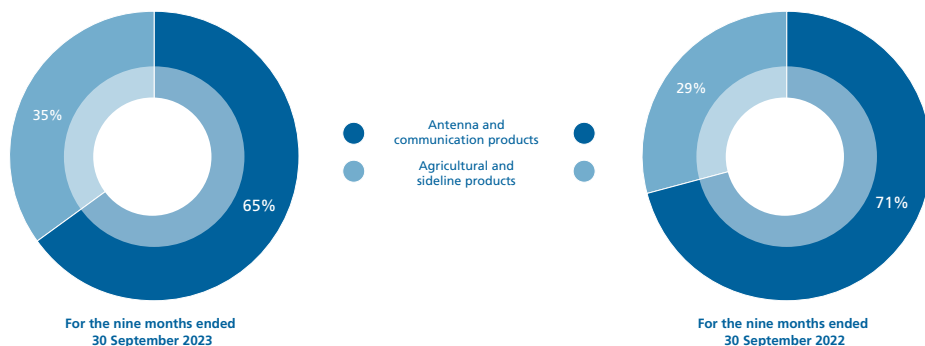
Financial expenses were decreased from approximately RMB0.63 million for the corresponding period in 2022 to approximately RMB0.30 million for the nine months ended 30 September 2023, due to the decrease in principal of short-term borrowings for the corresponding period, the decrease in interest rate of borrowings during the period, and the decrease in interest expense on lease liabilities due to the termination of lease.

Approximately RMB0.11 million was received as government subsidy for the nine months ended 30 September 2023.

Net loss

During the nine months ended 30 September 2023, the Group recorded an unaudited net loss of approximately RMB16.59 million, compared to an unaudited net loss of approximately RMB18.56 million for the corresponding period in 2022.

Composite of the Group's main business income by reportable and operating segments for the nine months ended 30 September 2023, together with the comparative figures for the corresponding period in 2022 are as follows:



PROSPECTS

On 2 November 2023, China Mobile issued an announcement stating that China Mobile, a mobile communication operator, organised an investor exchange event with the theme of “Entering the Listed Companies” on 31 October 2023, at which it revealed that China Mobile’s capital expenditures in 2023 have already shown a downward trend, and in the long run, in the absence of major special events, its overall capital expenditures will maintain a gradual downward trend over the next two years. Meanwhile, the investments in China Unicom and China Telecom have also been reduced. Therefore, the income derived from the Group’s mobile communication base station related business has also been affected to a certain extent.

In the future, it is expected that operators’ network layout will gradually enter into an optimisation and improvement stage. As such, the high-gain, miniaturised high-rise building coverage metamaterial lens series antenna products developed by the Group can optimise signal dead spots based on the existing basic network layout so as to widen its coverage with more stable signal. This series of antennas are compact in appearance, environmentally friendly in design, and flexible in installation. They can be installed at multiple angles according to the needs of different scenarios, and their strong penetration capabilities can solve coverage problems such as downward, flat and upward shooting from high-rise buildings in the communities to enhance the signal penetration ability in the building and effectively improve the weak coverage areas. Hence, on the basis of maintaining the existing share of antenna orders for mobile communication base stations, the Group will strengthen the sales and marketing efforts of this antenna product and comprehensively promote its network coverage applications in various special and complex scenarios such as residential communities and buildings with an aim to enhance and improve users’ experience in large capacity and data traffic intensive areas.

In addition, in order to give full play to the application attributes of metamaterial lens in multiple fields and scenarios, the Group will also focus on extensive market expansion of communication derivative products such as metamaterial WiFi lens antenna series and built-in Haitian metamaterial lens antenna routers with a view to tapping into new markets as well as improving the Group’s profitability.

The Group will also adopt different financing channels such as additional share issuance, bank borrowings, and revitalisation of the Group’s existing assets in a timely manner based on its business development needs, in order to provide the funds needed to carry out diversified operations and to ensure the business development of the Group.

The Board of Directors and the management of the Group will use their best endeavours to enable the Group becoming a high-tech enterprise with a focus on communications under the support of diversified operations and business development.

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 30 September 2023, 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")

Name of person	Capacity	Number of Domestic Shares	Approximate % in total issued Domestic Shares	Approximate % in total issued Shares
Mr. Xiao Bing (肖兵先生)	Beneficial owner, family member interest and interest in controlled corporation	485,832,335 (Note 1)	38.81%	25.60%
Mr. Chen Ji (陳繼先生)	Interest in controlled corporation	272,844,804 (Note 2)	21.80%	14.38%

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

Name of person	Capacity	Number of H Shares	Approximate % in total issued H Shares	Approximate % in total issued Shares
Mr. Xiao Bing (肖兵先生)	Beneficial owner	10,000,000	1.55%	0.53%
Mr. Chen Ji (陳繼先生)	Beneficial owner and spouse interest	11,718,000	1.81%	0.62%

(Note 3)

Notes:

- 328,363,637 Domestic Shares are held by Xi’an Tian An Corporate Management and Consulting Co., Ltd.* (西安天安企業管理諮詢有限公司) (“**Tian An Corporate**”), which is beneficially owned as to 60% by Mr. Xiao Bing (肖兵先生) and 40% by his spouse Ms. Chen Jing (陳靜女士). 157,468,698 Domestic Shares are held by Xi’an Xiao’s Antenna Technologies Co., Ltd.* (西安肖氏天綫科技有限公司) (“**Xiao Antenna**”), which is beneficially owned as to 31% by his father Professor Xiao Liangyong (肖良勇教授) and as to 30% by his spouse Ms. Chen Jing. On 10 August 2023, Professor Xiao Liangyong transferred his 31% share of Xiao Antenna to Ms. Chen Jing. By virtue of the SFO, Mr. Xiao Bing is deemed to be interested in the same 328,363,637 and 157,468,698 Domestic Shares. In the 2nd quarter of 2023, Mr. Xiao Bing transferred his 57,000,000 and 8,000,000 Domestic Shares to Mr. Chen Ren and Ms. Ma Xiuling, respectively.
- 254,844,804 Domestic Shares are held by 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 Mr. Chen Ji (陳繼先生) and his spouse Ms. Sun Xiangjun (孫湘君女士) in equal share. The Domestic Shares held by Shanghai Hongzhen Ningshang Investment Management Partnership (limited partnership)* (上海泓甄寧尚投資管理合夥企業(有限合夥)) (“**Shanghai Hongzhen Ningshang**”) reduced from 18,500,000 to 18,000,000. In the 2nd quarter of 2023, Shanghai Hongzhen Ningshang transferred its 500,000 Domestic Shares to Mr. Song Xiangyu. Shanghai Hongzhen Ningshang is beneficially owned as to 83.33% by Mr. Chen Ji and 16.67% by Shanghai Hongzhen Investment Management Co., Ltd.* (上海泓甄投資管理有限公司) (“**Shanghai Hongzhen Investment**”), and Shanghai Hongzhen Investment is beneficially owned as to 60% by Gaoxiang Investment. By virtue of the SFO, Mr. Chen Ji is deemed to be interested in the same 254,844,804 and 18,000,000 Domestic Shares.
- 11,418,000 H Shares are held by Mr. Chen Ji and 300,000 H Shares are held by Ms. Sun Xiangjun. By virtue of the SFO, Mr. Chen Ji is deemed to be interested in the same 300,000 H Shares.

Saved as disclosed above, as at 30 September 2023, 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

As at 30 September 2023, 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 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 person/entity	Capacity	Number of Domestic Shares	Approximate % in total issued Domestic Shares	Approximate % in total issued Shares
Ms. Chen Jing (陳靜女士)	Spouse interest and interest in controlled corporation	485,832,335 (Note 1)	38.81%	25.60%
Tian An Corporate	Beneficial owner	328,363,637 (Note 1)	26.23%	17.30%
Ms. Sun Xiangjun (孫湘君女士)	Spouse interest and interest in controlled corporation	272,844,804 (Note 2)	21.80%	14.38%
Gaoxiang Investment	Beneficial owner	254,844,804 (Note 2)	20.36%	13.43%

Name of person/entity	Capacity	Number of Domestic Shares	Approximate % in total issued Domestic Shares	Approximate % in total issued Shares
Xiao Antenna	Beneficial owner	157,468,698 <i>(Note 1)</i>	12.58%	8.30%
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	7.99%	5.27%
Shenzhen Huitai Investment Development Co., Ltd.* (深圳市匯泰投資發展有限公司)	Beneficial owner	75,064,706 <i>(Note 3)</i>	5.99%	3.96%
Mr. Xiao Feng (肖峰先生)	Interest in controlled corporation	75,064,706 <i>(Note 3)</i>	5.99%	3.96%
Xi'an Haorun Investment Ltd.* (西安昊潤投資有限責任公司)	Beneficial owner	70,000,000 <i>(Note 4)</i>	5.59%	3.69%
Mr. Wang Yun (王贇先生)	Interest in controlled corporation	70,000,000 <i>(Note 4)</i>	5.59%	3.69%
Mr. Chen Ren (陳仁先生)	Beneficial owner	57,000,000	4.55%	3.00%
Beijing Holdings Investment Management Co., Ltd.* (北京北控京泰投資管理有限公司)	Beneficial owner	54,077,941 <i>(Note 5)</i>	4.32%	2.85%
Beijing Holdings (Group) Ltd.* (京泰實業(集團)有限公司)	Interest in controlled corporation	54,077,941 <i>(Note 5)</i>	4.32%	2.85%
Ms. Jin Rongfei (金嶸霏女士)	Beneficial owner	50,000,000	3.99%	2.64%
Shaanxi Yinji Investment Ltd.* (陝西銀吉投資有限公司)	Beneficial owner	20,000,000	1.60%	1.05%
Mr. Zhang Jiandong (張建東先生)	Beneficial owner	20,000,000	1.60%	1.05%
Shanghai Ruikou Commerce and Trading Ltd.* (上海睿寇商貿有限公司)	Beneficial owner	18,500,000	1.48%	0.97%

Name of person/entity	Capacity	Number of Domestic Shares	Approximate % in total issued Domestic Shares	Approximate % in total issued Shares
Shanghai Hongzhen Ningshang	Beneficial owner	18,000,000 (Note 2)	1.44%	0.95%
Mr. Jiao Chengyi (焦成義先生)	Beneficial owner	10,943,030	0.87%	0.58%
Mr. Liao Kang (廖康先生)	Beneficial owner	9,101,478	0.73%	0.48%
Ms. Ma Xiuling (麻秀玲女士)	Beneficial owner	8,000,000	0.64%	0.42%
Mr. Song Xiangyu (宋祥雨先生)	Beneficial owner	500,000	0.04%	0.03%

Long positions in H Shares

Name of person/entity	Capacity	Number of H Shares (Note 6)	Approximate % in total issued H Shares	Approximate % in total issued Shares
Mr. Huang Li Hou (黃李厚先生)	Beneficial owner	85,100,000	13.18%	4.48%
Ms. Chen Wei (陳瑋女士)	Beneficial owner and interest in controlled corporation	70,897,000 (Note 7)	10.98%	3.74%
Hongkong Jinsheng Enterprise Co., Limited (香港錦昇企業有限公司)	Beneficial owner	70,752,000 (Note 7)	10.96%	3.73%
Oceanic Bliss Holdings Limited (海祥控股有限公司)	Interest in controlled corporation	70,752,000 (Note 7)	10.96%	3.73%
Zeal Warrior Investments Limited	Interest in controlled corporation	70,752,000 (Note 7)	10.96%	3.73%
Clear Renown Global Limited (朗譽環球有限公司)	Beneficial owner	42,000,000 (Note 8)	6.50%	2.21%
Ms. Huang Wei Wen (黃偉汶女士)	Interest in controlled corporation	42,000,000 (Note 8)	6.50%	2.21%
Ms. Sun Xiangjun (孫湘君女士)	Beneficial owner and spouse interest	11,718,000 (Note 9)	1.81%	0.62%
Guotai Junan Financial	Issuer of investment products	23,500,000 (Note 10)	3.64%	1.24%

Name of person/entity	Capacity	Number of H Shares (Note 6)	Approximate % in total issued H Shares	Approximate % in total issued Shares
Guotai Junan International	Interest in controlled corporation	23,500,000 (Note 10)	3.64%	1.24%
Guotai Junan Holdings	Interest in controlled corporation	23,500,000 (Note 10)	3.64%	1.24%
Guotai Junan Securities	Interest in controlled corporation	23,500,000 (Note 10)	3.64%	1.24%

Short positions in H Shares

Name of person/entity	Capacity	Number of underlying H Shares (Note 6)	Approximate % in total issued H Shares	Approximate % in total issued Shares
Guotai Junan Financial	Issuer of unlisted and cash settled derivatives	23,500,000 (Note 11)	3.64%	1.24%
Guotai Junan International	Interest in controlled corporation	23,500,000 (Note 11)	3.64%	1.24%
Guotai Junan Holdings	Interest in controlled corporation	23,500,000 (Note 11)	3.64%	1.24%
Guotai Junan Securities	Interest in controlled corporation	23,500,000 (Note 11)	3.64%	1.24%

Notes:

- 328,363,637 Domestic Shares are held by Tian An Corporate, which is beneficially owned as to 60% by Mr. Xiao Bing and 40% by his spouse Ms. Chen Jing. 157,468,698 Domestic Shares are held by Xiao Antenna, which is beneficially owned as to 31% by his father Professor Xiao Liangyong and as to 30% by his spouse Ms. Chen Jing. On 10 August 2023, Professor Xiao Liangyong transferred his 31% share of Xiao Antenna to Ms. Chen Jing. In the 2nd quarter of 2023, Mr. Xiao Bing transferred his 57,000,000 and 8,000,000 Domestic Shares to Mr. Chen Ren and Ms. Ma Xiuling, respectively. By virtue of the SFO, Ms. Chen Jing is deemed to be interested in the same 328,363,637 and 157,468,698 Domestic Shares.
- 254,844,804 Domestic Shares are held by Gaoxiang Investment, which is beneficially owned by Mr. Chen Ji and his spouse Ms. Sun Xiangjun in equal share. 18,000,000 Domestic Shares are held by Shanghai Hongzhen Ningshang, which is beneficially owned as to 83.33% by Mr. Chen Ji and 16.67% by Shanghai Hongzhen Investment, and Shanghai Hongzhen Investment is beneficially owned as to 60% by Gaoxiang Investment. By virtue of the SFO, Ms. Sun Xiangjun is deemed to be interested in the same 254,844,804 and 18,000,000 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 80% by Mr. Xiao Feng (肖峰先生). By virtue of the SFO, Mr. Xiao Feng 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.* (北京北控京泰投資管理有限公司) ("**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. 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.
7. 145,000 H Shares are held by Ms. Chen Wei (陳瑋女士) who is beneficial owner of Zeal Warrior Investments Limited ("**Zeal Warrior**"). 70,752,000 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. By virtue of the SFO, each of Ms. Chen Wei, Oceanic Bliss and Zeal Warrior is deemed to be interested in the same 70,752,000 H Shares.
8. 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 Ms. Huang Wei Wen (黃偉汶女士). By virtue of the SFO, Ms. Huang Wei Wen is deemed to be interested in the same 42,000,000 H Shares.
9. 11,418,000 H Shares are held by Mr. Chen Ji and 300,000 H Shares are held by Ms. Sun Xiangjun. By virtue of the SFO, Ms. Sun Xiangjun is deemed to be interested in the same 11,418,000 H Shares.

10. 23,500,000 H Shares are held in investment products issued by Guotai Junan Financial Products Limited (“**Guotai Junan Financial**”), which is beneficially owned by Guotai Junan International Holdings Limited (“**Guotai Junan International**”). Guotai Junan International is beneficially owned as to 65.74% by Guotai Junan Holdings Limited (“**Guotai Junan Holdings**”), which is beneficially owned by Guotai Junan Securities Co., Ltd (“**Guotai Junan Securities**”). By virtue of the SFO, each of Guotai Junan International, Guotai Junan Holdings and Guotai Junan Securities is deemed to be interested in the same 23,500,000 H Shares.
11. Short positions in 23,500,000 underlying H Shares are derived from unlisted and cash settled derivatives issued by Guotai Junan Financial, which is beneficially owned by Guotai Junan International. Guotai Junan International is beneficially owned as to 65.74% by Guotai Junan Holdings, which is beneficially owned by Guotai Junan Securities. By virtue of the SFO, each of Guotai Junan International, Guotai Junan Holdings and Guotai Junan Securities is deemed to have short position in the same 23,500,000 underlying H Shares.

Saved as disclosed above, as at 30 September 2023, 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 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.

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant events subsequent to 30 September 2023 which would materially affect the Group’s operating and financial performance.

DIRECTORS’, SUPERVISORS’ AND CHIEF EXECUTIVES’ RIGHTS TO ACQUIRE H SHARES

As at 30 September 2023, 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.

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 for the nine months ended 30 September 2023.

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.

CODE ON CORPORATE GOVERNANCE PRACTICES

For the nine months ended 30 September 2023, the Company has complied with the requirements of the code provisions as set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

For the nine months ended 30 September 2023, 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 of dealings and the code of conduct regarding securities transactions by the Directors.

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, internal control systems, audit issues and operating risk management of the Group. As at 30 September 2023, the Audit Committee comprised of Professor Shi Ping and Mr. Liu Lidong, independent non-executive Directors, and Mr. Zuo Hong, a non-executive Director. The Group’s unaudited consolidated results for the nine months ended 30 September 2023 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.

APPRECIATION

On behalf of the Board, I would like to express my sincerest gratitude to our valued customers, subcontractors, business partners and shareholders for their persistent support, while also expressing my appreciation to the management team and employees for their valuable contribution to the development of the Group.

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

Xi’an, the People’s Republic of China, 10 November 2023

As at the date of this report, the Board comprises Mr. Xiao Bing (肖兵先生) and Mr. Chen Ji (陳繼先生) being executive Directors; Mr. Li Wenqi (李文琦先生), Mr. Zuo Hong (左宏先生), Mr. Chen Ren (陳仁先生) and Mr. Sun Yikuan (孫義寬先生) being non-executive Directors; and Professor Shi Ping (師萍教授), Mr. Tu Jijun (涂繼軍先生) and Mr. Liu Lidong (劉立東先生) being independent non-executive Directors.

This report 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 purpose only