

ZTE中兴

ZTE CORPORATION

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 763)

ANNOUNCEMENT IN RESPECT OF RESOLUTIONS OF THE SECOND EXTRAORDINARY GENERAL MEETING FOR 2007

The Company and all the members of the Board of Directors confirm that all information disclosed and contained in this announcement is true, accurate and complete and that there are no false and misleading statement or material omission in this announcement.

The Second Extraordinary General Meeting for 2007 (hereinafter referred to as the "EGM") of ZTE Corporation (hereinafter referred to as the "Company") was held at the Venue on 30 March 2007. Details in respect of the resolutions and voting of the EGM were as follows:

I. IMPORTANT NOTICE

There was no addition, rejection or amendment to any proposed resolution during the EGM.

II. INFORMATION REGARDING THE EGM

1. Time of meeting

The meeting was convened on 30 March 2007 from 9:00 a.m to 10:30 a.m.

2. Venue

The EGM was convened at the Novotel Bauhinia Shenzhen Hotel.

3. Mode of meeting

The EGM was convened physically with on-site voting.

4. Convener

The EGM was convened by the Board of Directors of the Company.

5. Chairman

The EGM was presided by Mr. Hou Weigui, the Chairman of the Board of the Directors of the Company.

6. The convening of EGM complied with the relevant provisions of relevant laws, administrative regulations and departmental rules such as the Company Law of the People's Republic of China, the Rules Governing Listing of Stocks on Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of ZTE Corporation, and was legal and valid.

III. INFORMATION REGARDING ATTENDANCE AT THE EGM

Overall Attendance

16 Shareholders (including proxies), holding 475,163,605 shares, accounting for 49.52% of the total shares carrying voting rights of the Company.

Of which:

(1) Attendance of holders of domestic shares (A shares)

15 holders (including proxies) of domestic shares (A shares), holding 407,892,458 shares, accounting for 51.03% of the total A shares carrying voting rights of the Company.

(2) Attendance of holders of overseas-listed foreign shares (H shares)

1 holder (including proxies) of H shares, holding 67,271,147 shares, accounting for 42.00% of the total H shares carrying voting rights of the Company.

IV. CONSIDERATION AND VOTING OF RESOLUTIONS

The following resolutions were considered and passed by voting by ballot at the EGM:

Ordinary Resolutions

(I) TO CONSIDER AND APPROVE ON AN INDIVIDUAL BASIS THE RESOLUTION ON THE REELECTION OF THE BOARD OF DIRECTORS OF THE COMPANY AND ELECTION OF DIRECTORS OF THE FOURTH SESSION OF THE BOARD OF DIRECTORS

1.1 To elect by way of accumulative voting Mr. Hou Weigui as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 473,329,205 shares, accounting for 99.61% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 65,436,747 shares, accounting for 97.27% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

1.2 To elect by way of accumulative voting Mr. Wang Zongyin as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 473,877,305 shares, accounting for: 99.73% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 65,984,847 shares, accounting for 98.09% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

1.3 To elect by way of accumulative voting Mr. Xie Weiliang as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

1.4 To elect by way of accumulative voting Mr. Zhang Junchao as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

1.5 To elect by way of accumulative voting Mr. Li Juping as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

1.6 To elect by way of accumulative voting Mr. Dong Lianbo as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

1.7 To elect by way of accumulative voting Mr. Yin Yimin as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 473,929,205 shares, accounting for 99.74% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 66,036,747 shares, accounting for 98.17% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

1.8 To elect by way of accumulative voting Mr. Shi Lirong as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

- 1.9 To elect by way of accumulative voting Mr. He Shiyong as a Non-independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Non-independent Director by way of accumulative voting. The candidate for the Non-independent Director has been elected a non-independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

- 1.10 To elect by way of accumulative voting Mr. Zhu Wuxiang as an Independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of an Independent Director by way of accumulative voting. The candidate for the Independent Director has been elected an Independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

- 1.11 To elect by way of accumulative voting Mr. Chen Shaohua as an Independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of an Independent Director by way of accumulative voting. The candidate for the Independent Director has been elected an Independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

- 1.12 To elect by way of accumulative voting Mr. Qiao Wenjun as an Independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of an Independent Director by way of accumulative voting. The candidate for the Independent Director has been elected an Independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

- 1.13 To elect by way of accumulative voting Mr. Mi Zhengkun as an Independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;

- (2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of an Independent Director by way of accumulative voting. The candidate for the Independent Director has been elected an Independent director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

- 1.14 To elect by way of accumulative voting Mr. Li Jin as an Independent Director of the Fourth Session of the Board of Directors of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,129,205 shares, accounting for 99.78% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 66,236,747 shares, accounting for 98.46% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of an Independent Director by way of accumulative voting. The candidate for the Independent Director has been elected an Independent Director of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

(Please refer to the website of The Stock Exchange of Hong Kong Limited (<http://www.hkex.com.hk>) on 29 January 2007 for profiles and interests of the above Directors, which have been publicly disclosed.)

(II) TO CONSIDER AND APPROVE ON AN INDIVIDUAL BASIS THE RESOLUTION ON THE REELECTION OF THE SUPERVISORY COMMITTEE OF THE COMPANY AND THE ELECTION OF SHAREHOLDERS' REPRESENTATIVE SUPERVISORS OF THE FOURTH SESSION OF THE SUPERVISORY COMMITTEE

- 2.1 To elect by way of accumulative voting Mr. Qu Deqian as a Shareholders' Representative Supervisor of the Fourth Session of the Supervisory Committee of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,911,705 shares, accounting for 99.95% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 67,019,247 shares, accounting for 99.63% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Shareholders' Representative Supervisor by way of accumulative voting. The candidate for the Shareholders' Representative Supervisor has been elected a Shareholders' Representative Supervisor of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

- 2.2 To elect by way of accumulative voting Ms. Wang Yan as a Shareholders' Representative Supervisor of the Fourth Session of the Supervisory Committee of the Company for a term from 30 March 2007 to 29 March 2010;

1. Overall voting details:

For: 474,911,705 shares, accounting for 99.95% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,892,458 shares, accounting for 100% of the total shares carrying voting rights held by holders of A shares attending the EGM;
- (2) Voting details of holders of overseas-listed foreign shares (H shares):
For: 67,019,247 shares, accounting for 99.63% of the total shares carrying voting rights held by holders of H shares attending the EGM;

2. Results of Voting:

The resolution is concerned with the election of a Shareholders' Representative Supervisor by way of accumulative voting. The candidate for the Shareholders' Representative Supervisor has been elected a Shareholders' Representative Supervisor of the Company with votes representing more than one-half of the total number of shares held by shareholders attending the EGM.

(Please refer to the website of The Stock Exchange of Hong Kong Limited (<http://www.hkex.com.hk>) on 29 January 2007 for profiles and interests of the above Supervisors which have been publicly disclosed.)

Mr. Zhang Taifeng, Mr. Wang Wangxi and Ms He Xuemei were elected Staff Representative Supervisors of the Fourth Session of the Supervisory Committee of the Company on 30 January 2007 by staff representatives of the Company. Please refer to the annex to this announcement for their profiles.

(III) TO CONSIDER AND APPROVE THE RESOLUTION ON THE ADJUSTMENT OF DIRECTORS' ALLOWANCES

The annual allowances payable by the Company to Non-independent Directors who do not hold office at the Company and Independent Directors shall be adjusted from RMB60,000 (before tax) to RMB100,000 (before tax) (personal income tax payable in respect thereof shall be withheld and paid by the Company on their behalf). The Company shall continue to be responsible for expenses incurred by the Directors in attending meetings of the Board of Directors of the Company, such as meals, accommodation and transportation. Non-independent Directors who hold office at the Company shall continue not to receive any such allowance.

1. Overall voting details:

For: 474,662,525 shares, accounting for 99.89% of the total shares carrying voting rights held by all shareholders attending the EGM;

Against: 501,080 shares, accounting for 0.11% of the total shares carrying voting rights held by all shareholders attending the EGM;

Abstained: 0 shares, accounting for 0% of the total shares carrying voting rights held by all shareholders attending the EGM;

Of which:

- (1) Voting details of holders of domestic shares (A shares):
For: 407,770,778 shares, accounting for 99.97% of the total shares carrying voting rights held by holders of A shares attending the EGM;
Against: 121,680 shares, accounting for 0.03% of the total shares carrying voting rights held by holders of A shares attending the EGM.
Abstained: 0 shares, accounting for 0% of the total shares carrying voting rights held by holders of A shares attending the EGM

- (2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 66,891,747 shares, accounting for 99.44% of the total shares carrying voting rights held by holders of H shares attending the EGM;

Against: 379,400 shares, accounting for 0.56% of the total shares carrying voting rights held by holders of H shares attending the EGM.

Abstained: 0 shares, accounting for 0% of the voting rights held by holders of H shares attending the EGM

2. Results of Voting:

The resolution was passed as an ordinary resolution by over one-half of the total shares carrying voting rights held by all shareholders attending the EGM.

The Company appointed Computershare Hong Kong Investor Services Limited, a witnessing lawyer, two shareholder representatives and two Supervisor representatives to act as scrutineers for vote taking at the EGM.

V. LEGAL OPINION BY LAWYER

1. Name of Law Firm: Jun He Law Offices, Shenzhen Office
2. Name of Attorney: Mr. Zhang Jianwei
3. Conclusive opinion:

Mr. Zhang Jianwei, an attorney of Shenzhen Office of Jun He Law Offices, was of the opinion that matters relating to the convening and holding procedures, qualifications of the attendees and the voting procedures of the Second Extraordinary General Meeting for 2007 of the Company complied with laws, regulations and rules including the Company Law of the People's Republic of China and the Regulatory Opinion of General Meetings of Listed Companies as well as the Articles of Association of ZTE Corporation and the Resolutions of Second Extraordinary General Meeting for 2007 of ZTE Corporation approved at the EGM were legal and valid.

VI. DOCUMENTS AVAILABLE FOR INSPECTION

1. Documents of the Second Extraordinary General Meeting for 2007 of ZTE Corporation
2. Resolutions of the Second Extraordinary General Meeting for 2007 of ZTE Corporation

By Order of the Board
Hou Weigui
Chairman

Shenzhen, the PRC

2 April 2007

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Yin Yimin, Shi Lirong and He Shiyou; six non-executive directors, Hou Weigui, Wang Zongyin, Xie Weiliang, Zhang Junchao, Li Juping and Dong Lianbo; and five independent non-executive directors, Zhu Wuxiang, Chen Shaohua, Qiao Wenjun, Mi Zhengkun and Li Jin.

Annex: Profiles of Staff Representative Supervisors of the Fourth Session of the Supervisory Committee of the Company

Mr. Zhang Taifeng, 65, is the chairman of the Supervisory Committee of the Company. Mr. Zhang graduated from Jilin University with a bachelor's degree in semiconductor technology in 1966. He was chief engineer and factory manager of State-owned No. 691 Factory and head of Xi'an Microelectronics Research Institute. He joined Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited in April 1993. Mr. Zhang was the Chairman of the Board of Directors from November 1997 to February 2004. He has been the chairman of the Supervisory Committee since February 2004.

Mr. Wang Wangxi, 40, a supervisor of the Company, is currently an Assistant to a Senior Vice President and head of administrative department. He graduated from the Electronic Engineering faculty of Southeast University in 1991 with a master's degree in electro-physics and devices. From June 1991 to October 1994, Mr. Wang worked as a lecturer in the Electronic Engineering faculty of Southeastern University. Mr. Wang joined Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited in October 1994. He was the Deputy General Manager of the Company's International Business Department, the chief executive officer of Zhongxing Telecom Pakistan (Pvt) Ltd. and Deputy General Manager of the Company's First Sales Division. He has been a supervisor of the Company since February 2004.

Ms. He Xuemei, 36, a supervisor of the Company, is the person in charge of the labour union of the Company. Ms. He graduated from Chongqing University with a bachelor's degree in mechanical engineering and a second bachelor's degree in business administration respectively in 1991 and 1995. Ms. He worked at the Student Affairs Department of Chongqing University previously, She worked at ZTE Kangxun Telecom Company Limited and the Network Operations Division of the Company after joining the Company in January 1998. She has been a supervisor of the Company since February 2004.

Other Information On The Staff Representative Supervisors

(1) Interests of the Staff Representative Supervisors

As at 30 March 2007, interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (Chapter 571 of the Laws of Hong Kong) held by the Staff Representative Supervisors of the Fourth Session of the Supervisory Committee of the Company were as follows:

Name	Position	Number of shares held	Class of shares
Zhang Taifeng	Staff Representative Supervisor	121,680	A shares of the Company
Wang Wangxi	Staff Representative Supervisor	Nil	Nil
He Xuemei	Staff Representative Supervisor	Nil	Nil

Save as disclosed above, as at 30 March 2007, none of the Staff Representative Supervisors had any interests and short position in the shares, underlying shares or debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) (including interests and short positions deemed or taken to be held by them under the SFO), or that is required to be recorded in the register to be kept under Section 352 of the SFO, or notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. As at 30 March 2007, none of the Staff Representative Supervisors or their respective spouses or children under the age of 18 has been granted or has exercised any rights to subscribe for shares or debentures of the Company or any of its associated corporations.

(2) Connections with substantial or controlling shareholders, other Directors, Supervisors and senior management

As at 30 March 2007, the following Staff Representative Supervisor held position as director or employee of the substantial and controlling shareholders of the Company:

Name of Director	Name of Shareholder	Position held with the shareholder
Zhang Taifeng	Shenzhen Zhongxingxin Telecommunications Equipment Co., Ltd.	Chairman

Save as disclosed herein, none of the above Staff Representative Supervisors was connected with any Directors, Supervisors and senior management or substantial or controlling shareholders in any way.

(3) Service agreement and allowance

Other than the labour contracts between the Staff Representative Supervisors and the Company, the above Staff Representative Supervisors will not enter into any service contracts or appointment letters with the Company. Their term of office shall be for three year starting from 30 March 2007 and ending on 29 March 2010. The aforesaid Staff Representative Supervisors will not be entitled to any remuneration or allowance as a result of their election as supervisors. Remuneration for the aforesaid Staff Representative Supervisors pursuant to their labour contracts shall be determined and reviewed by reference to their duties other than those as Staff Representative Supervisors. The annual remuneration of Mr. Zhang Taifeng, Ms. He Xuemei and Mr. Wang Wangxi in 2005 amounted to RMB695,200, RMB298,600 and RMB623,500.

(4) Directorships with other listed companies

Save as disclosed herein, the aforesaid Staff Representative Supervisors did not hold any directorship in listed companies during the last three years.

(5) Miscellaneous

Save as disclosed herein, as at 30 March 2007, the Directors of the Company were not aware of any other matter, in particular, information on Staff Representative Supervisors required to be disclosed pursuant to paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, that needed to be brought to the attention of the Shareholders of the Company.