

ZTE中兴

ZTE CORPORATION

中興通訊股份有限公司

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

(Stock Code: 763)

Notice Convening the Second Extraordinary General Meeting for 2007

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

It is hereby announced that the Board of Directors of ZTE Corporation (hereinafter referred to as the "Company") has resolved at the twenty-second meeting of the third session of the Board of Directors of the Company held on 26 January 2007 to convene the second extraordinary general meeting for 2007 of the Company (hereinafter referred to as the "EGM"). Details of the EGM are set out below:

I. BASIC INFORMATION REGARDING THE EGM

(1) Date and time of meeting

The EGM will commence at 9:00 a.m. on 30 March 2007.

(2) Venue

The EGM will be held at the Novotel Bauhinia Shenzhen Hotel.

Address: Qiaocheng E., Road,
Huaqiao City,
Shenzhen,
Guangdong Province,
the People's Republic of China
(hereinafter referred to as the "PRC")
(near the western entrance of Yuanboyuan)

Tel: +86 755 82829966

(3) Convener

The EGM will be convened by the Board of Directors of the Company.

(4) Voting method

The EGM will be conducted through on-site voting.

(5) Attendees

- All ZTE (000063) shareholders registered with China Securities Depository & Clearing Corporation Limited, Shenzhen Office upon the close of trading of its A shares on the Shenzhen Stock Exchange on Tuesday, 27 February 2007 at 3:00 p.m. (hereinafter referred to as "Domestic Shareholders");
- All shareholders registered on the Company's H share register maintained by Computershare Hong Kong Investor Services Limited upon the close of trading of its H shares on The Stock Exchange of Hong Kong Limited on Tuesday, 27 February 2007 at 4:00 p.m. (hereinafter referred to as "H Shareholders");
- Directors, supervisors and senior management of the Company; and
- Representatives of intermediaries engaged by the Company and guests invited by the Board of Directors.

(6) Period of closure of H share register

The Company will close its H share register from Wednesday, 28 February 2007 to Thursday, 29 March 2007 (both dates inclusive). In view of the first extraordinary general meeting for 2007 of the Company to be held on 13 March 2007, the H Shareholders are reminded that the Company's H share register will also be closed from Saturday, 10 February 2007 to Monday, 12 March 2007 (both dates inclusive).

II. MATTERS TO BE CONSIDERED AT THE EGM

To consider and, if thought fit, pass the following resolutions at the EGM as follows:

Ordinary Resolutions

- Resolution on the Re-election of the Board of Directors of the Company and the Election of Directors of the Fourth Session of the Board of Directors.

The Third Session of the Board of Directors of the Company nominates Mr. Hou Weigui, Mr. Wang Zongyin, Mr. Xie Weiliang, Mr. Zhang Junchao, Mr. Li Juping, Mr. Dong Lianbo, Mr. Yin Yimin, Mr. Shi Lirong and Mr. He Shiyong as candidates for Non-independent Directors of the Fourth Session of the Board of Directors of the Company; and Mr. Zhu Wuxiang; Mr. Chen Shaohua; Mr. Qiao Wenjun; Mr. Mi Zhengkun and Mr. Li Jin as candidates for Independent Directors of the Fourth Session of the Board of Directors of the Company.

Please refer to Annex I and Annex III for profiles and other information of the said candidates for Directors.

- Resolution on the Re-election of the Supervisory Committee of the Company and the Election of Shareholders' Representative Supervisors of the Fourth Session of the Supervisory Committee.

The Third Session of the Supervisory Committee of the Company nominates Mr. Qu Deqian and Ms. Wang Yan as candidates for Shareholders' Representative Supervisors of the Fourth Session of the Supervisory Committee of the Company.

Please refer to Annex II and Annex III for profiles and other information of the said candidates for Shareholders' Representative Supervisors.

- 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 taxation) to RMB100,000 (before taxation) (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.

Pursuant to the Articles of Association of the Company, Resolutions No 1 and No 2 set out above shall be voted upon on an individual basis in respect of each candidate by way of accumulative voting.

III. REGISTRATION AT THE EGM

(I) Registration of attendance

- Any legal person shareholder (including but not limited to corporate shareholders) entitled to attend the EGM shall produce to the register with a duplicate of its corporate business licence, a duly signed power of attorney and the identity card of the attendee.

- Any individual shareholder entitled to attend the EGM shall produce for registration his own identity card, stock account card and evidence of shareholding.
- Any shareholder intending to attend the EGM shall deliver the confirmation slip to the EGM registry by courier, registered mail or fax.

(II) Time of registration of attendance

From 5 March 2007 to 9 March 2007

(III) Address for registration of attendance

Registration for attendance at the EGM will be conducted at: 6/F, Block A, ZTE Building, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, PRC 518057.

(IV) Registration and documentation requirements in respect of voting by way of proxy

- Any shareholder entitled to attend and vote at the EGM may entrust one or more person (whether or not a shareholder) as his/her proxy(ies) to attend and vote at the EGM on his/her behalf. The shareholder may attend and vote at the EGM in person notwithstanding that he has completed and submitted the proxy form; in such a case, the proxy form is deemed withdrawn. For a shareholder who entrusts two or more proxies, the voting rights to be exercised by such proxies in aggregate shall not exceed the total number of votes the shareholder is entitled to exercise at the EGM, and any one share may not be voted by different proxies.
- A shareholder shall appoint a proxy in writing by using the proxy form, which shall be signed by the authorising shareholder or his duly authorised attorney. The proxy form shall be notarized if it is to be signed by any person other than by the authorising shareholder himself. The proxy form is valid only if it is deposited at the registered address of the Company not less than 24 hours before the EGM.
- If a shareholder entrusts his proxy(ies) to attend and vote at the EGM on behalf of him, such proxy(ies) shall produce for registration his own identity card, the duly signed proxy form, the stock account card of shareholder and evidence of shareholding.

IV. MISCELLANEOUS

- It is expected that the EGM will take less than one day; all accommodation, travel and expenses relating to attending the EGM shall be borne by the attendees.
- Contact person in relation to the EGM: Li Lihong
- Contact telephone number: + 86 755 26770285
- Contact fax number: + 86 755 26770286

V. DOCUMENTS FOR INSPECTION

Resolutions Passed at the Twenty-second Meeting of the Third Session of the Board of Directors

By Order of the Board of Directors
Hou Weigui
Chairman

Shenzhen, the PRC
7 February 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 Shiyong; 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 I: Profile of Candidates for Directors of the Fourth Session of the Board of directors of ZTE Corporation

1. Profile of Candidates for Non-independent Directors

Mr. Hou Weigui, 65, Chairman and Non-executive Director of the Company, was first appointed a Director in November 1997. Mr. Hou is a senior engineer and one of the founders of Shenzhen Zhongxing Semiconductor Co., Ltd. and Shenzhen Zhongxing Telecommunications Equipment Co., Ltd. He had been the President of the Company responsible for its overall daily operational management since the listing of the Company on the Shenzhen Stock Exchange in 1997 until February 2004. He has been the Chairman of the Company since February 2004 and is concurrently the Vice-Chairman of Shenzhen Zhongxing Telecommunications Equipment Co., Ltd. as well as the Chairman of Shenzhen Zhongxing WXT Equipments Company, Ltd. Mr. Hou has extensive experience in the telecommunications business with over 37 years of management experience.

Mr. Wang Zongyin, 62, Vice Chairman and Non-executive Director of the Company, was first appointed a Director in February 2004. Mr. Wang graduated from the Faculty of Mechanical Engineering, Beijing Institute of Technology in 1968, specializing in rocket design. Mr. Wang served as the Secretary to the Party Committee and Deputy Head of the China Academy of Launch Vehicle Technology from 2001 to February 2003, and as the General Manager of China Aerospace Times Electronics Corporation, and the Chairman of the Board of the Long March Launch Vehicle Technology Co., Ltd. since February 2003. Mr. Wang is a Member of the 10th National Committee of the Chinese People's Political Consultative Conference and a representative of the 12th People's Congress, Beijing Municipality. Mr. Wang has substantial experience in management and operations.

Mr. Xie Weiliang, 50, Vice Chairman and Non-executive Director of the Company, was first appointed a Director in February 2004. Mr. Xie graduated from the Faculty of Politics, National University of Defense Technology in 1982 and holds the title of professor. He served as the head of Nanjing Aerospace Management Cadres Institute from 2001 to 2003, and the General Manager of Aerospace Technology Shenzhen (Group) Co. and Shenzhen Aerospace Guangyu Industrial (Group) Co. since 2003. He has been the Vice Chairman of the Company since February 2004. He possesses substantial experience in management and business operations.

Mr. Zhang Junchao, 53, Non-executive Director of the Company, was first appointed a Director in February 2004. Mr. Zhang graduated from the Faculty of Electronic and Wireless Electricity Engineering, Xi'an Jiaotong University in 1977. He served as the Deputy Secretary to the Party Committee and the Deputy Head of the Ninth Research Institute of CASC from 2000 to March 2003, and as the Deputy Secretary to the Party Committee of China Aerospace Times Electronics Corporation, Head of its Shaanxi Management Division, Head of Xi'an Microelectronics Research Institute and Head of the Computer and ICB Design and Fabrication Centre since March 2006. Mr. Zhang has substantial experience in management and operations.

Mr. Li Juping, 50, Non-executive Director of the Company, was first appointed a Director in April 1999. Mr. Li graduated from the Department of Technical Physics, Northwest Institute of Telecommunications Engineering (now known as Xidian University) in 1982, and holds the title of researcher. He served as the Head of Xi'an Microelectronics and the General Manager of Lishan Microelectronics Corporation from 2000 to 2003, and as the Chief Engineer of China Aerospace Times Electronics Corporation since 2003. Mr. Li has substantial experience in management and operations.

Mr. Dong Lianbo, 49, Non-executive Director of the Company, was first appointed a Director in February 2004. Mr. Dong graduated from Northeastern University specializing in Business Administration in 2001, and holds the title of researcher and senior engineer. He served as the Director and Deputy General Manager of Shenyang Aerospace Xinguang Group from 2001 to 2002, and as the Deputy Team Head of the Shenzhen Business Integration Working Group of CASIC from 2002 to 2003, and as the Deputy General Manager of Aerospace Technology Shenzhen (Group) Co., Ltd. since 2003. Mr. Dong has substantial experience in management and operations.

Mr. Yin Yimin, 43, Executive Director of the Company, was first appointed a Director in November 1997 and appointed President of the Company in 2004. He oversees the day-to-day management and business of the Company. Mr. Yin is a senior engineer. He graduated from the Nanjing Institute of Posts and Telecommunications (now known as Nanjing University of Posts and Telecommunications) in 1988 with a Master of Science degree in engineering, specializing in telecommunications and electronic systems. Mr. Yin served as a Manager of the Research and Development Department of Shenzhen Zhongxing Semiconductor Co., Ltd. from 1991, and as Deputy General Manager of Shenzhen Zhongxingxin Telecommunications Equipment Co., Ltd. between 1993 and 1997. During the periods from 1997 to 1999 and from 1999 to 2004, he served as the Company's Vice President and Senior Vice President, respectively, and was in charge of different divisions such as research and development, marketing, sales and handsets operations. He has many years of experience in the operation of telecommunications business and over 16 years of management experience.

Mr. Shi Lirong, 42, Executive Director of the Company, was first appointed a Director in February 2001 and appointed Senior Vice President of the Company in 1999. He oversees the sales and marketing operations of the Company. Mr. Shi is a senior engineer. He graduated from Shanghai Jiao Tong University in 1989 with a Master of Science degree in engineering, specializing in telecommunications and electronic engineering. Mr. Shi served as an engineer in Shenzhen Zhongxing Semiconductor Co., Ltd. from 1989 to 1993. From 1993 to 1997, he was the Deputy General Manager of Shenzhen Zhongxingxin Telecommunications Equipment Co., Ltd. and from 1997 to 1999, the Vice President of the Company for marketing and sales operations of the Company. He has many years of experience in the telecommunications industry and over 16 years of management experience.

Mr. He Shiyong, 40, Executive Director of the Company, was first appointed a Director in February 2001 and appointed Senior Vice President of the Company since 1999. He currently oversees the business of handset products of the Company. Mr. He is a senior engineer. He graduated from Beijing University of Posts and Telecommunications in 1990 with a Master of Science degree in engineering, specializing in electromagnetic field and microwave technology. Mr. He joined Shenzhen Zhongxingxin Telecommunications Equipment Co., Ltd. in 1993 and previously was the Chief Engineer of the Nanjing Research Centre and Deputy Head of the Shanghai Research Centre. He was the Company's Vice President from 1998 to 1999, responsible for divisions such as research and development and marketing. Since 1999, he has served as the Senior Vice President of the Company, and is responsible for the handsets business of the Company. He has many years of experience in the telecommunications industry as well as over 14 years of management experience.

2. Profile of Candidates for Independent Directors

Mr. Zhu Wuxiang, 41, Independent Non-executive Director of the Company, was first appointed a Director in July 2003. He is currently a professor and the Deputy Chairman of the Department of Finance of the School of Economics and Management, Tsinghua University. Mr. Zhu graduated from Tsinghua University in 2002 with a doctorate degree specializing in economics. He has been studying and working at Tsinghua University since 1982. He also holds concurrent independent directorships with Beijing Sanyuan Food Co., Ltd (北京三元食品股份有限公司), Tengda Construction Group Co., Ltd (浙江腾達建設股份有限公司), Zhuhai EastcomPeace Smart Card Co., Ltd (珠海東信和平智能卡股份有限公司) and Jiangxi GanNan Fruit Co., Ltd (贛南果業股份有限公司).

Mr. Chen Shaohua, 45, Independent Non-executive Director of the Company, was first appointed a Director in July 2003. He is currently a professor and the Deputy Head of the Accounting Development and Research Centre of Xiamen University. Mr. Chen graduated from Xiamen University in 1992 with a doctorate degree specializing in accounting. Since 1983, he has been engaged in teaching and academic research at the Department of Accounting of Xiamen University.

Mr. Qiao Wenjun, 36, Independent Non-executive Director of the Company, was first appointed a Director in July 2003. He graduated from Fudan University in 1999 with a master's degree in law specializing in company law. He had worked at Shanghai People's Municipal Government Overseas Chinese Affairs Department, and from 1994 to 2001, he was a partner of Pu Dong Law Firm. He is a partner of Zhong Lun Law Firm as well as the Head of its Shanghai office since 2001.

Mr. Mi Zhengkun, 60, Independent Non-executive Director of the Company, was first appointed a Director in February 2004. He is currently a professor of the Telecommunications Engineering Department of Nanjing University of Posts and Telecommunications (previously known as Nanjing Institute of Posts and Telecommunications). Mr. Mi graduated from Nanjing Institute of Posts and Telecommunications in 1981 with a master's degree specializing in telecommunications. He is a member of the expert panel of ITU-T involving in various scientific research and development projects at the State and provincial levels. Since 1982, Mr. Mi has been engaged in teaching and scientific research at Nanjing University of Posts and Telecommunications.

Mr. Li Jin, 39, Independent Non-executive Director of the Company, was first appointed a Director in June 2004. He is currently the Vice President of Technology Exchange Ltd, a post he has been holding since November 2003. Mr. Li graduated from Peking University in China in 1989, majoring in biochemistry and received his juris doctor degree from Columbia University Law School in 1994. He was a lawyer at Skadden, Arps, Slate, Meagher & Flom LLP, from 1997 to 2002 and a partner at Linklaters, an international law firm from 2002 to November 2003. Mr. Li is concurrently the independent director of Dragon Pharmaceutical Inc. (a company registered in Canada and listed on NASDAQ Stock Market in U.S.A)

Annex II: Profile of Candidates for Shareholders' Representative Supervisors of the Fourth Session of the Supervisory Committee of ZTE Corporation

Mr. Qu Deqian, 45, graduated from the Shaanxi Economics Institute with an Undergraduate Diploma in Statistics in June 1992 and further obtained the qualification of senior accountant in PRC in October 1994. From 1997 to 2003, Mr. Qu was the Chief of the Accounting and Auditing Centre of the Company and Deputy Chief of the Financial Centre. He has served as the Deputy General Manager of Shenzhen Zhongxing WXT Equipments Company, Ltd. since 2003 and as a supervisor of the Company since June 2005.

Ms. Wang Yan, 42, graduated from the Department of Management of Northeast Industrial Institute majoring in Industrial Accounting in July 1988 with a Bachelor's degree in engineering. Ms. Wang was qualified as an accountant in the PRC in December 1992 and further obtained the qualification of senior accountant in the PRC in September 1999. She joined Shenzhen Zhongxingxin Telecommunications Equipment Co., Ltd. in 1999 and had previously served as the Manager of the Financial Department. She is currently the Deputy General Manager and Chief Accountant of Shenzhen Zhongxingxin Telecommunications Equipment Co., Ltd.. Since June 2005, she has served as the supervisor of the Company.

Annex III: Other Information Relating to the Candidates for Directors and the Candidates for Supervisors

(1) Interests of the Directors and Supervisors

As at 5 February 2007, the interests and short position of the candidates for the Directors of the Fourth Session of the Board of Directors of the Company (the "Candidates for Directors") and the candidates for Shareholders' Representative Supervisors of the Fourth Session of the Supervisory Committee of the Company (the "Candidates for Supervisors") in any shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong) (the "SFO")) were as follows:

Name	Position	Number of shares held	Shares/Class
Candidate for Directors			
Hou Weigui	Chairman of the Board of Directors	219,600	A Shares of the Company
Wang Zhongyin	Vice Chairman of the Board of Directors	Nil	Nil
Xie Weiliang	Vice Chairman of the Board of Directors	Nil	Nil
Zhang Junchao	Director	Nil	Nil
Li Juping	Director	Nil	Nil
Dong Lianbo	Director	Nil	Nil
Yin Yimin	Director, President	121,680	A Shares of the Company
Shi Lirong	Director, Senior Vice President	95,760	A Shares of the Company
He Shiyong	Director, Senior Vice President	91,007	A Shares of the Company
Zhu Wuxiang	Independent Non-executive Director	Nil	Nil
Chen Shaohua	Independent Non-executive Director	Nil	Nil
Qiao Wenjun	Independent Non-executive Director	Nil	Nil
Mi Zhengkun	Independent Non-executive Director	Nil	Nil
Li Jin	Independent Non-executive Director	Nil	Nil

Candidate for Shareholders' Representative Supervisors

Name	Position	Number of shares held	Shares/Class
Qu Deqian	Supervisor	10,020	A Shares of the Company
Wang Yan	Supervisor	Nil	Nil

Save as disclosed above, as at 5 February 2007, none of the Candidates for the Directors and the Candidates for the Supervisors had any interests or short positions in any shares, underlying shares or debentures of the Company and 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 of Hong Kong Limited pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were deemed or taken to have under the SFO), or which were required to be recorded in the register to be kept under Section 352 of the SFO or as notified to the Company and The Stock Exchange of Hong Kong Limited 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 5 February 2007, none of the Candidates for Directors and Candidates for Supervisors and their respective spouses and children under 18 years of age had been granted by the Company or had exercised any right to subscribe for shares or debentures of the Company or any of its associated corporations.

(2) Relationship with Substantial or Controlling shareholder, Other Directors, Supervisors and Senior Management

As at 5 February 2007, the following Candidates for Directors and Candidates for Supervisors are also the directors or employees of companies which are substantial and controlling shareholders of the Company:

Name	Name of Shareholders	Position in the Shareholders
Hou Weigui	Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited.	Vice Chairman
Xie Weiliang	Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited.	Vice Chairman
Dong Lianbo	ShenZhen Zhongxingxin Telecommunications Equipment Company, Limited.	Director
Yin Yiming	ShenZhen Zhongxingxin Telecommunications Equipment Company, Limited.	Director
Shi Lirong	ShenZhen Zhongxingxin Telecommunications Equipment Company, Limited.	Director
Qu Deqian	ShenZhen Zhongxingxin Telecommunications Equipment Company, Limited.	Supervisor
Wang Yan	ShenZhen Zhongxingxin Telecommunications Equipment Company, Limited	Deputy General Manager

Save as disclosed herein, none of the Candidates for Directors or Candidates for Supervisors has any relationship with any director, supervisor, senior management or substantial or controlling shareholder of the Company.

(3) Service Agreements and Allowances

There will not be any service contract between the Supervisors and the Company but the Supervisors will be subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

Upon re-election, each of the re-elected Directors will enter into a service contract with the Company for a term of three years from the date of re-election. The allowances payable to each of the Directors and Supervisors will be determined and reviewed by the Board or the Supervisory Committee (as the case may be) with reference to his or her duties and responsibilities with the Company from time to time and subject to the approval by the shareholders of the Company.

(4) Other directorships held in listed companies

Save as disclosed herein, none of the Candidates for Directors or Candidates for Supervisors has held any directorship in any other listed companies in the last three years.

(5) Others

Save as disclosed herein, as at 5 February 2007, so far as the Directors of the Company are aware, there are no other matters, in particular, there is no information required to be disclosed under Rule 13.51(2)(h) to (v) of the Listing Rules in relation to the Candidates for Directors and the Candidates for Supervisors that need to be brought to the attention of the shareholders of the Company.