

### 1. BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

#### Directors

**Mr. Hou Weigui**, 64, is the Chairman of the Board of Directors and a non-executive Director of the Company and was initially appointed in November 1997. Mr. Hou is a senior engineer and one of the founders of Shenzhen Zhongxing Semiconductor Co., Ltd., and Zhongxingxin. He was the President of the Company responsible for its overall operational management since the Company was listed on the Shenzhen Stock Exchange in 1997 to February 2004. He has been Chairman of the Company since February 2004 and is concurrently the Vice-chairman of Zhongxingxin as well as the Chairman of Zhongxing WXT. He has extensive experience in the telecommunications business and over 36 years of management experience. His term of office is from February 2004 to February 2007.

**Mr. Wang Zongyin**, 61, is a Vice Chairman of the Board of Directors and a non-executive Director of the Company and was appointed in February 2004. He 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 Directors of the Long March Launch Vehicle Technology Co., Ltd. from 2003 to the present. Mr. Wang is the Member of the 10th National Committee of the Chinese People's Political Consultative Conference and representative of the 12th People's Congress, Beijing Municipality. Mr. Wang has substantial experience in management and operations. His term of office is from February 2004 to February 2007.

**Mr. Xie Weiliang**, 50, is a Vice Chairman of the Board of Directors and a non-executive Director of the Company and was appointed 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 as the general manager of Aerospace Technology Shenzhen (Group) Co. and Shenzhen Aerospace Guangyu Industrial (Group) Co. since 2003. He possesses substantial experience in management and business operations. His term of office is from February 2004 to February 2007.

**Mr. Zhang Junchao**, 52, is a non-executive Director of the Company, and was appointed 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 head of the Ninth Research Institute of CASC from 2000 to March 2003, and from March 2003 as the deputy secretary to the Party Committee of China Aerospace Times Electronics Corporation, head of its Shaanxi Management Division and head of Xi'an Microelectronics. His term of office is from February 2004 to February 2007.

**Mr. Li Juping**, 50, is a non-executive Director of the Company, and was initially appointed 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 2001 to 2003, and as the chief engineer of China Aerospace Times Electronics Corporation from 2003 to the present. His term of office is from February 2004 to February 2007.

**Mr. Dong Lianbo**, 49, is a non-executive Director of the Company, and was appointed in February 2004. Mr. Dong graduated from Northeastern University specialising 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. His term of office is from February 2004 to February 2007.

## DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES



**Mr. Yin Yimin**, 42, is an executive Director of the Company and was initially appointed in November 1997. He was appointed in 2004 as President and is responsible for the day-to-day management and operation of the Company. Mr. Yin is a senior engineer and graduated from the Nanjing University of Posts and Telecommunications in 1988 with a Master of Science degree in engineering, specialising 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 Zhongxingxin between 1993 and 1997. During the periods from 1997 to 1999 and 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 15 years of management experience. His term of office is from February 2004 to February 2007.

**Mr. Shi Lirong**, 42, is an executive Director of the Company and was initially appointed in February 2001. Mr. Shi has been a Senior Vice President of the Company since 1999 and is responsible for the sales system of the Company. He is a senior engineer graduated from Shanghai Jiao Tong University in 1989 with a Master of Science degree in engineering, specialising 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 Zhongxingxin, and from 1997 to 1999, the Vice-President of the Company responsible for marketing and sales functions of the Company. He has many years of experience in the telecommunications industry and over 15 years of management experience. His term of office is from February 2004 to February 2007.

**Mr. He Shiyong**, 39, is an executive Director of the Company and was initially appointed in February 2001. Mr. He has been the Senior Vice President of the Company since 1999 and is responsible for the handsets business of the Company. Mr. He is a senior engineer graduated from Beijing University of Posts and Telecommunications in 1990 with a Master of Science degree in engineering, specialising in electromagnetic field and microwave technology. Mr. He joined Zhongxingxin 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. He has many years of experience in the telecommunications industry as well as over 13 years of management experience. His term of office is from February 2004 to February 2007.

**Mr. Zhu Wuxiang**, 40, is an Independent Non-executive Director of the Company, and was initially appointed in July 2003. Mr. Zhu is currently a professor and deputy chairman of the Department of Finance of the School of Economics and Management, Tsinghua University. Mr. Zhu graduated from Tsinghua University in 2002, specialising in economics and has obtained a doctorate degree. He has been studying and working at Tsinghua University since 1982. His term of office is from February 2004 to February 2007.

**Mr. Chen Shaohua**, 44, is an Independent Non-executive Director of the Company, and was initially appointed in July 2003. Mr. Chen 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, specialising in accounting, and has obtained a doctorate degree. Since 1983, he has been engaged in teaching and academic research at the Department of Accounting of Xiamen University. His term of office is from February 2004 to February 2007.

**Mr. Qiao Wenjun**, 35, is an Independent Non-executive Director of the Company, and was initially appointed in July 2003. Mr. Qiao graduated from Fudan University in 1999, specialising in company law, and has obtained a master's degree in 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. From 2001 to present, he is a partner of Zhong Lun Law Firm, the head of its Shanghai office and a lawyer. His term of office is from February 2004 to February 2007.

**Mr. Mi Zhengkun**, 60, is an Independent Non-executive Director of the Company, and was appointed in February 2004. Mr. Mi is currently a professor of the Telecommunications Engineering Department of Nanjing University of Posts and Telecommunications. Mr. Mi graduated from Nanjing University of Posts and Telecommunications in 1981, specialising in telecommunications, and has obtained a master's degree. He is a member of the expert panel of ITU-T. He is involved 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. His term of office is from February 2004 to February 2007.

**Mr. Li Jin**, 38, is an Independent Non-executive Director of the Company, and was appointed in June 2004. Mr. Li 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 the United States in 1994. From 1997 to 2002, he was a lawyer of Skadden, Arps, Slate, Meagher & Flom LLP, and from 2002 to November 2003 a partner at Linklaters, an international law firm. His term of office is from June 2004 to February 2007.

### Joint Company Secretaries

**Mr. Feng Jianxiong**, 32, the joint company secretary of the Company. Mr. Feng was initially appointed as the Secretary to the Board of Directors in 2000, and is currently working as the Head of the Securities and Investor Relations Division of the Company. Mr. Feng graduated from Tianjin University of Finance and Economics with a bachelor's degree in international finance. Mr. Feng joined Zhongxingxin in July 1996. He has been the Head of the Investment Department of the Company and the Head of the Securities and Finance Department since 2000. His term of office is from February 2004 to February 2007.

**Ms. Suen Pui Yee, Samantha**, 50, was appointed as the joint company secretary of the Company in November 2004. Ms. Suen obtained her MBA degree from the Kellogg School of Management of Northwestern University and the School of Business and Management of Hong Kong University of Science and Technology. Ms. Suen is the managing director of KCS Limited, a company which provides independent and integrated corporate services in Asia. Ms. Suen specialises in professional corporate secretarial services with more than 20 years' experience in corporate governance, administration and management. Ms. Suen is a fellow member of The Hong Kong Institute of Company Secretaries, The Institute of Chartered Secretaries and Administrators of the United Kingdom and a fellow of the Taxation Institute of Hong Kong. Her term of office is from November 2004 to February 2007.

### Supervisors

**Mr. Zhang Taifeng**, 64, was appointed as the Chairman of the Supervisory Committee of the Company in February 2004. Mr. Zhang graduated from Jilin University with a bachelor's degree in semiconductor technology. He has previously held the positions of chief engineer and head of State-owned No. 691 Factory and head of X'ian Microelectronics. He joined Zhongxingxin in April 1993. He has been the Chairman of the Board of Directors from November 1997 to February 2004. His term of office is from February 2004 to February 2007.

**Mr. Wang Wangxi**, 39, is a Supervisor of the Company, and is currently the director of the Human Resources Division of the Company. 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 teacher in the Electronic Engineering faculty of Southeastern University. Mr. Wang joined Zhongxingxin in October 1994. He became the chief executive officer of Zhongxing Telecom Pakistan (Pvt) Ltd. in early 2000, and deputy general manager of the Company's First Sales Division. His term of office is from February 2004 to February 2007.

**Ms. He Xuemei**, 35, is a Supervisor of the Company and is in charge of the labor 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 obtained in 1991 and 1995. Ms. He worked at the Student Affairs Department of Chongqing University, She has worked with the Network Operations Division of the Company and ZTE Kangxun after joining the Company in January 1998. Her term of office is from February 2004 to February 2007.

## DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES



**Mr. Qu Deqian**, 44, is a Supervisor of the Company. Since 2003, he served as the Deputy General Manager of Zhongxing WXT. Mr. Qu graduated from the Shaanxi Economics Institute with a Undergraduate Diploma in Statistics in June 1992 and further obtained the qualification of senior accountant in the 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. His term of office is from June 2005 to February 2007.

**Ms. Wang Yan**, 41, is a Supervisor of the Company. She is currently the Deputy General Manager and Chief Accountant of Zhongxingxin. Ms. Wang graduated from the Department of Management and Industrial Accounting of Northeast Industrial Institute in July 1998 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 Zhongxingxin in 1999 and had previously served as the Manager of the Financial Department. Her term of office is from June 2005 to February 2007.

### Senior Management

**Mr. Yin Yimin** is the President of the Company. Please refer to his biography under the paragraph headed "Directors" in this section.

**Mr. Shi Lirong** is a Senior Vice President of the Company. Please refer to his biography under the paragraph headed "Directors" in this section.

**Mr. He Shiyou** is a Senior Vice President of the Company. Please refer to his biography under the paragraph headed "Directors" in this section.

**Mr. Wei Zaisheng**, 43, has been a Senior Vice President of the Company since 1999 and is responsible for the financial affairs of the Company. Mr. Wei graduated from the Peking University with a master's degree in business administration in 2004. He joined Shenzhen Zhongxing Semiconductor Co., Ltd. in October 1988 and served as the chief financial officer and an assistant to the general manager of Zhongxingxin from 1993 to 1997. During the period of 1997 to 1999, he was the Vice President of the Company. Mr. Wei has many years of experience in the telecommunications industry including more than 17 years of management experience. His term of office is from February 2004 to February 2007.

**Mr. Xie Daxiong**, 42, is a Senior Vice President of the Company and is responsible for the system products business of the Company. Mr. Xie is a senior engineer and holds the title of professor. He graduated from the Nanjing University of Science and Technology in 1986, specialising in applied mechanics, and has obtained a master's degree. Mr. Xie joined Zhongxingxin in 1994 and had been the head of the Nanjing Research Institute of Zhongxingxin. From 1998 to February 2004, Mr. Xie was the products manager, and subsequently the general manager of the Company's CDMA Division. Mr. Xie has many years of experience in the telecommunications industry and more than 9 years of management experience. His term of office is from February 2004 to February 2007.

**Ms. Zhou Susu**, 51, has been a Senior Vice President of the Company since 1999 and is responsible for the human resources and administration of the Company. Ms. Zhou is a senior engineer graduated from the Hong Kong University of Science and Technology in 2004, specialising in business administration, and has obtained a master's degree. Ms. Zhou joined Shenzhen Zhongxing Semiconductor Co., Ltd. in 1990. From 1993 to 1997, she served as the manager of the Research and Development Division and deputy general manager of Zhongxingxin. During the period of 1997 to 1999, she was a Vice President of the Company. Ms. Zhou has many years of experience in the telecommunications industry and more than 15 years of management experience. Her term of office is from February 2004 to February 2007.

**Mr. Tian Wenguo**, 37, is a Senior Vice President of the Company and is responsible for the marketing and operational systems of the Company. Mr. Tian graduated from Harbin Institute of Technology in 1991, specialising in electromagnetic surveys and devices. Mr. Tian joined Zhongxingxin in 1996, and from 1997 to 2002, he has been the manager of the Company's Chongqing Sales Office and the general manager of the Southwest Region, and from 2002 to 2005, he has been the Vice President and general manager of Second Sales Division of the Company. Mr. Tian has many years of experience in the telecommunications industry and more than 8 years of management experience. His term of office is from February 2004 to February 2007.

**Ms. Fang Rong**, 41, has been a Vice President and concurrently the general manager of the Fourth Sales Division of the Company since 1998. Ms. Fang is a senior engineer, graduated from the Nanjing University of Posts and Telecommunications in 1987, specialising in telecommunications engineering. From 1987 to 1995, Ms. Fang carried out research and development work in the Posts and Telecommunications Office of the Wuhan Academy of Postal and Telecommunications Sciences. From 1995 to 1997, she worked in marketing in Zhongxingxin. Ms. Fang has many years of experience in the telecommunications industry and more than 10 years of management experience. Her term of office is from February 2004 to February 2007.

**Ms. Chen Jie**, 47, has been a Vice President of the Company and concurrently the general manager of the Networking Operations Division since 2002. Ms. Chen graduated from the Nanjing University of Posts and Telecommunications in 1989, specialising in telecommunications and from the New York University's Department of Computer Science in 1994 with a double master's degree. Ms. Chen holds the title of senior researcher and senior engineer. From 1989 to 1992, Ms. Chen was a manager of the Development Division of Shenzhen Zhongxing Semiconductor Co., Ltd. From 1995 to 1998, she was the senior researcher and head of the Research Department of AT&T Bell Laboratory. From 1998 to the beginning of 2002, she served as the general manager of the Company's subsidiaries in the US. Ms. Chen has more than 10 years' experience of operation and management in the telecommunications industry. Her term of office is from February 2004 to February 2007.

**Mr. Ding Mingfeng**, 36, has been a Vice President of the Company since 1998 and concurrently the General Manager of the Mobile Operations Division. Mr. Ding graduated from Harbin Institute of Technology in 1994, specializing in computer science and has obtained a master's degree. From 1994 to 1995, Mr. Ding carried out research and development work in Zhongxingxin. From 1995 to 1997, he served as deputy head of Zhongxingxin's Nanjing Research Institute. He has many years of experience in the telecommunications industry and more than 9 years of management experience. His term of office is from February 2004 to February 2007.

**Mr. Zhang Chuanhai**, 40, is a Vice President of the Company since 2002 and currently the general manager of the Third Sales Division. Mr. Zhang graduated from the China Academy of Post & Telecommunications in 1990, specialising in telecommunications and electronic systems, and has obtained a master's degree. From 1991 to 1993, Mr. Zhang carried out research and development work in Shenzhen Zhongxing Semiconductor Co., Ltd. He joined Zhongxingxin in 1993, and from 1997 to 2002, he served as general manager of the Company's Southern China Sales Region and deputy general manager of the Second Sales Division. Mr. Zhang has many years of experience in the telecommunications industry and more than 8 years of management experience. His term of office is from February 2004 to February 2007.

**Mr. Ye Weimin**, 39, is a Vice President of the Company and currently the general manager of Fifth Sales Division since 2001. Mr. Ye graduated from Shanghai Jiao Tong University in 1988, specialising in computer science and engineering. He joined Zhongxingxin in 1994 and was previously involved in the engineering research and development of digital programme-control switches and mobile communication systems. From 1997 to 2001, he served as the chief officer of the Company's Central Laboratory, head of the quality control division and the Customer Services Division and deputy general manager of Third Sales Division, and general manager of Mobile Operations Division. Mr. Ye has many years of experience in the telecommunications industry and more than 10 years of management experience. His term of office is from February 2004 to February 2007.

## DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES



**Mr. Qiu Weizhao**, 42, has been a Vice President of the Company since 1998, and is the responsible officer of the supply chain of the Company. He is also the general manager of ZTE Kangxun, a subsidiary of the Company. Mr. Qiu is a senior engineer, graduated from Xidian University in 1988, specialising in telecommunications and electronic systems, and has obtained a master's degree. Mr. Qiu joined Changde Wired Communication (Group) Company in 1998 and served as the deputy general manager. He joined the Company in 1998. His term of office is from February 2004 to February 2007.

**Mr. Ni Qin**, 46, has been a Vice President of the Company since 1998, currently in charge of IT construction. Mr. Ni graduated from Shanghai School of Posts and Telecommunications in 1981, specialising in telecommunications. From 1981 to 1994, Mr. Ni carried out technological research and development work in Shanghai Postal and Telecommunication Research Institute No.1. He served as head of Zhongxingxin's Shanghai Research Institute from 1994 to 1997. His term of office is from February 2004 to February 2007.

**Mr. Zhao Xianming**, 39, is a Vice President of the Company and concurrently the general manager of the CDMA Business Division. Mr. Zhao graduated from the Harbin Institute of Technology in 1997, specialising in telecommunications and electronic systems and has obtained a doctorate degree. From 1991 to 1998, Mr. Zhao served as an associate professor of the Communication Engineering Teaching and Research Office of Harbin Institute of Technology. He joined the Company in 1998 and engaged in the research, development and management of the CDMA products, and has been the head of the Research & Development Group, project manager and general product manager. His term of office is from February 2004 to February 2007.

**Mr. Xu Huijun**, 32, is a Vice President of the Company and the general manager of the General Products Division. Mr. Xu graduated from the Tsinghua University in 1998, specialising in electronic engineering and has obtained a master's degree. He joined the Company in 1998 and has served as a project manager of the General Products Division and the head of Beijing Research Centre. His term of office is from February 2004 to February 2007.

**Mr. Feng Jianxiong** is the secretary to the board of directors of the Company. Please refer to his biography under the paragraph headed "Joint Company Secretaries" in this section.

## 2. CHANGES IN THE SHAREHOLDINGS AND REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE COMPANY

Name	Gender	Age	Title	Term of office	No. of A shares held at beginning of the reporting period (shares)	Change in the no. of shares during the reporting period (shares)	No. of A shares held at end of the reporting period (shares)	Annual remuneration (RMB10,000)	Whether remuneration is received from shareholder entities or other connected entities
<b>Directors</b>									
Hou Weigui	Male	64	Chairman of the Board of Directors	2/2004-2/2007	175,680	+43,920	219,600	69.52	No
Wang Zongyin	Male	61	Vice Chairman of the Board of Directors	2/2004-2/2007	0	0	0	6.00	Yes
Xie Weiliang	Male	50	Vice Chairman Of the Board of Directors	2/2004-2/2007	0	0	0	6.00	Yes
Zhang Junchao	Male	52	Director	2/2004-2/2007	0	0	0	6.00	Yes
Li Juping	Male	50	Director	2/2004-2/2007	0	0	0	6.00	Yes
Dong Lianbo	Male	49	Director	2/2004-2/2007	0	0	0	6.00	Yes
Yin Yimin	Male	42	Director, President	2/2004-2/2007	97,344	+24,336	121,680	113.1	No
Shi Lirong	Male	42	Director, Senior Vice President	2/2004-2/2007	76,608	+19,152	95,760	78.12	No
He Shiyong	Male	39	Director, Senior Vice President	2/2004-2/2007	72,806	+18,201	91,007	63.89	No
Zhu Wuxiang	Male	40	Independent Director	2/2004-2/2007	0	0	0	6.00	No
Chen Shaohua	Male	44	Independent Director	2/2004-2/2007	0	0	0	6.00	No
Qiao Wenjun	Male	35	Independent Director	2/2004-2/2007	0	0	0	6.00	No
Mi Zhengkun	Male	60	Independent Director	2/2004-2/2007	0	0	0	6.00	No
Li Jin	Male	38	Independent Director	6/2004-2/2007	0	0	0	6.00	No
<b>Supervisors</b>									
Zhang Taifeng	Male	64	Chairman of the Supervisory Committee	2/2004-2/2007	97,344	+24,336	121,680	69.52	No
Wang Wangxi	Male	39	Supervisor	2/2004-2/2007	0	0	0	62.35	No
He Xuemei	Female	35	Supervisor	2/2004-2/2007	0	0	0	29.86	No
Qu Deqian	Male	44	Supervisor	5/2005-2/2007	8,016	+2,004	10,020	0	Yes
Wang Yan	Female	41	Supervisor	5/2005-2/2007	0	0	0	0	Yes
<b>Senior Management</b>									
Wei Zaisheng	Male	43	Senior Vice President, Chief Financial Officer	2/2004-2/2007	76,608	+19,152	95,760	77.04	No
Xie Daxiong	Male	42	Senior Vice President	2/2004-2/2007	35,871	+8,968	44,839	75.21	No
Zhou Susu	Female	51	Senior Vice President	2/2004-2/2007	76,608	+19,152	95,760	68.31	No
Tian Wenguo	Male	37	Senior Vice President	2/2004-2/2007	19,440	+4,860	24,300	87.06	No
Fang Rong	Female	41	Vice President	2/2004-2/2007	33,108	+8,277	41,385	74.03	No
Chen Jie	Female	47	Vice President	2/2004-2/2007	75,600	+18,900	94,500	133.45	No
Ding Mingfeng	Male	36	Vice President	2/2004-2/2007	49,405	+12,351	61,756	66.17	No
Zhang Chuanhai	Male	40	Vice President	2/2004-2/2007	7,920	+1,980	9,900	81.25	No
Ye Weimin	Male	39	Vice President	2/2004-2/2007	27,043	+6,761	33,804	81.96	No
Qiu Weizhao	Male	42	Vice President	2/2004-2/2007	0	0	0	73.69	No
Ni Qin	Male	46	Vice President	2/2004-2/2007	63,072	+15,768	78,840	71.49	No
Zhao Xianming	Male	39	Vice President	2/2004-2/2007	0	0	0	74.34	No
Xu Huijun	Male	32	Vice President	2/2004-2/2007	0	0	0	71.04	No
Feng Jianxiong	Male	32	Secretary to the Board of Directors	2/2004-2/2007	0	0	0	47.50	No

Note 1: Reason for changes: The increase of the shares held by the above Directors, Supervisors and senior management is as a result of the Shares Reform. Please refer to Note 1 to the section headed "Changes in Share Capital and Shareholders" on page 19 for details.

Note 2: Mr. Tan Shanyi and Mr. Tan Zhenhui, Directors who resigned during the year, each received a Director's allowance of RMB25,000 (the standard amount of allowance for Directors is RMB5,000 per month) during 2005. Supervisors Ms. Li Huanru, Ms. Cui Hongwei, Mr. Cao Quansheng and Mr. Li Jinhu each received a supervisor's allowance of RMB20,000 in 2005 (the standard amount of allowance for Supervisors is RMB4,000 per month).

**3. INFORMATION CONCERNING DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT HOLDING POSITIONS IN SHAREHOLDERS OF THE COMPANY**

Name	Name of shareholder	Position in the shareholder	Term of office
Hou Weigui	Zhongxingxin	Vice Chairman	4/2004–4/2007
Xie Weiliang	Zhongxingxin	Vice Chairman	4/2004–4/2007
Zhang Junchao	Lishan Microelectronics Corporation	General Manager	since 10/2003
Dong Lianbo	Zhongxingxin	Director	4/2004–4/2007
Yin Yimin	Zhongxingxin	Director	4/2004–4/2007
Shi Lirong	Zhongxingxin	Director	4/2004–4/2007
Zhang Taifeng	Zhongxingxin	Chairman	4/2004–4/2007
Qu Deqian	Zhongxingxin	Supervisor	4/2004–4/2007
Wang Yan	Zhongxingxin	Deputy General Manager	4/2004–4/2007

**4. INFORMATION CONCERNING DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT HOLDING POSITIONS IN ENTITIES OTHER THAN SHAREHOLDERS OF THE COMPANY**

Name	Name of entity in which position is held	Position
Hou Weigui	Holds positions in 5 subsidiaries including ZTE Software Zhongxing WXT	Chairman/Director Chairman
Wang Zongyin	China Aerospace Times Electronics Corporation Long March Launch Vehicle Technology, Co., Ltd	General Manager Chairman
Xie Weiliang	Shenzhen Aerospace Guangyu Industrial (Group) Company CASIC Shenzhen (Group) Company Limited	General Manager General Manager
Zhang Junchao	Xi'an Microelectronics	Legal representative
Li Juping	China Aerospace Times Electronics Corporation	Chief Engineer
Dong Lianbo	Shenzhen Aerospace Guangyu Industrial (Group) Company	Deputy General Manager
Zhu Wuxiang	Tsinghua University	Professor
Chen Shaohua	Xiamen University	Professor
Qiao Wenjun	Zhong Lun Law Firm	Partner
Mi Zhengkun	Nanjing University of Posts and Telecommunications	Professor
Li Jin	Technology Exchange Ltd	Vice President
Zhang Taifeng	Holds positions in 3 subsidiaries including ZTE Kangxun	Chairman/Director
Yin Yimin	Holds positions in 7 subsidiaries including ZTE Kangxun Zhongxing WXT	Chairman/Director Vice Chairman
Shi Lirong	Holds positions in 12 subsidiaries including ZTE Kangxun Zhongxing WXT	Chairman/Director Director
He Shiyou	Shenzhen Changfei Investment Company, Limited Zhongxing WXT	Chairman Supervisor
Wei Zaisheng	Holds positions in 9 subsidiaries including ZTE Kangxun Zhongxing WXT	Director Director
Xie Daxiong	Holds positions in 7 subsidiaries including Shenzhen Zhongxing Mobile Telecom Equipment Co., Ltd	Chairman/Director
Zhou Susu	Holds positions in 4 subsidiaries including ZTE (H.K.) Limited Zhongxing WXT	Chairman/Director Director



Name	Name of entity in which position is held	Position
Fang Rong	Holds positions in 6 subsidiaries including Wuxi Zhongxing Optoelectronics Technologies Company, Limited	Chairman/Director
Chen Jie	Holds positions in 10 subsidiaries including Nanjing Zhong Xing Software Development Technology Co., Ltd.	Chairman/Director
Ding Mingfeng	Holds positions in 9 subsidiaries including ZTE (H.K.) Limited	Director/Chairman
Tian Wenguo	Holds positions in 3 subsidiaries including Beijing Zhongxing Intelligent Transportation Systems Ltd.	Chairman/Director
Zhang Chuanhai	Anhui Wantong Posts and Telecommunications Company, Limited	Director
Ye Weimin	Zhongxing WXT Shanghai Zhongxing Telecom Equipment Technology & Service Company, Limited	Supervisor Chairman
Qiu Weizhao	Holds positions in 2 subsidiaries including ZTE (H.K.) Limited	Director/General Manager
Zhao Xianming	Holds positions in 2 subsidiaries including Zimax (Cayman) Holding Co.	Director
Xu Huijun	Holds positions in 3 subsidiaries including Wuxi Zhongxing Optoelectronics Technologies Company, Limited	Director/Chairman
Qu Deqian	Hold positions in 2 subsidiaries including Shenzhen Kangquan Electromechanical Company, Limited Zhongxing WXT	Director/Supervisor Deputy General Manager
Wang Yan Feng Jianxiong	Hold positions in 3 subsidiaries including Zhongxing Xinyu Holds positions in 2 subsidiaries including Shenzhen Zhongxing Telecom Equipment Technology & Service Company, Limited	Director/Supervisor Supervisor

## 5. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

### 1. Changes in Directors

In order to apply to the Hong Kong Stock Exchange for waivers from voting and disclosure requirements under relevant provisions of the Hong Kong Stock Exchange Listing Rules in respect of certain connected transactions, Mr. Tan Shanyi, a connected person in the aforesaid connected transactions, agreed in November 2004 to resign as a Director of the Company to ensure smooth completion of the H Share offering and listing of the Company.

In compliance with the regulation on prohibition of senior officials of universities and colleges from serving as independent directors of corporate entities in the community issued by the Ministry of Education of the People's Republic of China, Mr. Tan Zhenhui, Independent Director of the Company, resigned in March 2005, at which time he was principal of Beijing Jiaotong University.

At the 2004 annual general meeting of the Company held on 31 May 2005, the resolution regarding the resignation of Directors was considered and approved, whereby the resignations of Mr. Tan Shanyi (a Director of the Company) as Director of the Company and Mr. Tan Zhenhui (an Independent Director of the Company) as Independent Director of the Company were duly approved.

### 2. Changes in Supervisors

In order to apply to the Hong Kong Stock Exchange Listing Rules for the waivers from voting and disclosure requirements under relevant rules of the Hong Kong Stock Exchange in respect of certain connected transactions, Ms. Li Huanru, Ms. Cui Hongwei, Mr. Cao Quansheng and Mr. Li Jinhu, as connected persons in the aforesaid connected transactions, agreed in November 2004 to resign as Supervisors of the Company to ensure smooth completion of the H Share offering and listing of the Company.

At the 2004 annual general meeting of the Company held on 31 May 2005, the resolution regarding the appointment and removal of Supervisors was considered and approved, whereby the resignations of Ms. Li Huanru, Ms. Cui Hongwei, Mr. Cao Quansheng and Mr. Li Jinhu as Supervisors of the Company and the election by way of cumulative voting of Mr. Qu Deqian and Ms. Wang Yan as shareholder representative Supervisors of the third session of the Supervisory Committee were duly approved.

### 3. Changes in senior management

There were no changes in senior management during the year.

## 6. DECISION-MAKING PROCESS AND CRITERIA FOR DECIDING REMUNERATION FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The Remuneration and Evaluation Committee makes recommendations on the allowances for Directors by reference to the performance of Directors as well as the levels offered by other listed companies in the industry. Such recommendations shall be confirmed upon consideration and approval both by the Board of Directors and the general meetings of shareholders.

The Supervisory Committee makes recommendations on the allowances for Supervisors by reference to the working conditions of Supervisors as well as the levels offered by other listed companies in the industry. Such recommendations shall be confirmed upon consideration and approval at the general meetings of shareholders.

The Remuneration and Evaluation Committee conducts appraisals on the performance of the senior management annually, and determines their remuneration according to the appraisal results.

## 7. THE GROUP'S EMPLOYEES AND JOB DIVISION

As at the end of the year, the Group has 30,811 employees, with an average age of 30. There are 16 retired employees.

Classification by specialisation as follows:

Specialisation	No. of employees	Percentage of total no. of employees
R&D	9,616	31.21%
Marketing and Sales	4,229	13.73%
Customer Service	6,960	22.59%
Manufacturing	6,232	20.22%
Administration	3,774	12.25%
Total	30,811	100.00%

Note: In the 2004 annual report, employees were classified on the basis of the departments to which they belong. In this annual report, employees were classified on the basis of their relevant roles within the Group.

Classification by academic qualifications:

Academic qualifications	No. of employees	Percentage of total no. of employees
Doctorate degree	435	1.41%
Master's degree	7,807	25.34%
Bachelor's degree	12,888	41.83%
Others	9,681	31.42%
Total	30,811	100.00%

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