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**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 OF THE THIRD**

### **EXTRAORDINARY GENERAL MEETING OF 2010**

*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 is no false or misleading statement or material omission in this announcement.*

NOTICE IS HEREBY GIVEN that the Third Extraordinary General Meeting of 2010 (hereinafter referred to as the "EGM") of ZTE Corporation (hereinafter referred to as the "Company") will be held on-site in accordance with the resolution passed at the Eleventh Meeting of the Fifth Session of the Board of Directors of the Company on 12 October 2010. Details of the EGM are set out below:

#### **I. INFORMATION REGARDING THE EGM**

##### **(I) Time**

The EGM will commence at 9: 00 a.m. on Tuesday, 30 November 2010.

##### **(II) Venue**

The EGM will be held at the Conference Room on the 4th floor of the Company's headquarters in Shenzhen.

Address: 4th Floor, A Wing, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen

Tel: +86 (755) 26770282

##### **(III) Convener**

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

##### **(IV) Voting method**

Voting by poll will be carried out on-site at the EGM.

### **(V) Attendees**

1. 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 Friday, 29 October 2010 at 3:00 p.m. (hereinafter referred to as “Domestic Shareholders”);
2. All H 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 Friday, 29 October 2010 at 4:00 p.m. (hereinafter referred to as “H Shareholders”);
3. Directors, supervisors and senior managements of the Company; and
4. Representatives of intermediaries engaged by the Company and guests invited by the Board of Directors.

### **(VI) Closure of H share register**

The H share register of the Company will be closed from Saturday, 30 October 2010 to Monday, 29 November 2010 (both days inclusive). H Shareholders who wish to attend the EGM shall lodge an instrument of transfer, together with the corresponding share certificate(s) with Computershare Hong Kong Investor Services Limited at Shops 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on or before 4: 30 p.m., 29 October 2010.

## **II. MATTERS TO BE CONSIDERED AT THE EGM**

The following resolutions will be considered at the EGM:

### **Ordinary Resolutions**

#### **1. Resolution of the Company on the Application for the Establishment of ZTE Finance Co., Ltd**

1.1 That the establishment of ZTE Finance Co., Ltd (tentative name subject to final approval by the industry and commerce registration department) with a capital contribution of RMB1 billion (including USD20 million to meet the threshold requirement for foreign exchange operations) by the Company be considered and approved by the general meeting;

1.2 That, as required under pertinent provisions of the Rules for the Administration of Finance Companies of Corporate Groups, it be considered and approved by the general meeting that an undertaking in writing shall be furnished by the Board of Directors of the Company as follows: In the event of urgent situations involving payment difficulties in the future operation and management of ZTE Finance Co., Ltd, the Company shall in a timely manner increase its capital to the extent required for resolving such payment difficulties, so as to ensure its normal operation and that if the amount of capital increase required by ZTE Finance Co., Ltd is in excess of the limit for the approval authority of the Board of Directors stipulated in the Articles of Association of ZTE Corporation the matter shall be tabled at the general meeting of the Company for consideration and approval;

1.3 That the authorisation of Mr. Hou Weigui, legal representative of the Company, or the personnel

authorised by Mr. Hou Weigui to execute relevant documents and complete relevant registration formalities required for the establishment of ZTE Finance Co., Ltd be considered by the general meeting.

The resolution was unanimously approved at the Eleventh Meeting of the Fifth Session of the Board of Directors held on 12 October 2010 and it was agreed that this resolution be tabled at the general meeting of the Company for consideration. For further details, please refer to the “External Investment on the Establishment of ZTE Finance Co., Ltd” of the Company published on the same date as this announcement.

## **2. Resolution of the Company on Increasing the Insurance Amount of Directors’, Supervisors’ and Senior Management’s Liability Insurance**

2.1 That the Company’s execution of a contract for directors’, supervisors’ and senior management’s liability insurance for a period of one year with a compensation limit of RMB100 million per annum with AIG General Insurance Company China, Ltd. Shenzhen Branch be approved by the general meeting;

2.2 That the Board of Directors be authorised by the general meeting to process any extension or renewal of the insurance contract with AIG General Insurance Company China, Ltd. Shenzhen Branch, Shenzhen Branch upon or prior to the conclusion of the term of such contract.

The resolution was unanimously approved at the Eleventh Meeting of the Fifth Session of the Board of Directors held on 12 October 2010 and it was agreed that this resolution be tabled at the general meeting of the Company for consideration.

## **III. REGISTRATION FOR ATTENDANCE AT THE EGM**

### **(1) Registration of attendance**

1. Any legal person shareholder (including but not limited to corporate shareholders) entitled to attend the EGM shall produce for registration a photocopy of its corporate business license, a power of attorney in favour of the legal representative, stock account card and the identity card of the attendee;

2. Any individual shareholder entitled to attend the EGM shall produce for registration his own identity card, stock account card and evidence of shareholding;

3. Any shareholder intending to attend the EGM shall deliver the confirmation reply slip of their intention to attend the EGM to the address for registration by hand, mail or fax.

### **(2) Registration period**

From Monday, 1 November 2010 to Thursday, 10 November 2010 (excluding statutory holidays).

### **(3) Address for registration**

Registration for the EGM will be conducted at: 6th Floor, A Wing, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, 518057.

#### **(4) Requirements for proxy registration and submission of documents on a poll**

1. Any shareholder entitled to attend and vote at the EGM may entrust one or more person (whether or not a shareholder of the Company) as his proxy(ies) to attend and vote at the EGM on his 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 to be 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 the different proxies may not exercise voting rights in respect of the same share.

2. 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 notarised if it is to be signed by any person other than by the authorising shareholder himself. In order to be valid, the proxy form must be deposited at the registered address of the Company no less than 24 hours before the EGM.

3. 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 by the authorising shareholder, the stock account card of the authorising shareholder and evidence of shareholding.

#### **IV. MISCELLANEOUS**

1. The EGM is expected to last less than one day; all accommodation, travel and expenses relating to attending the EGM shall be borne by the attendees.

2. EGM Contact: Wang Han

3. Contact telephone number: + 86 (755) 26770282

4. Contact fax number: + 86 (755) 26770286

#### **V. REFERENCE**

Resolutions of the Eleventh Meeting of the Fifth Session of the Board of Directors of ZTE Corporation.

By Order of the Board

**Hou Weigui**

*Chairman*

Shenzhen, PRC

13 October 2010

*As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Shi Lirong, Yin Yimin and He Shiyong; six non-executive directors, Hou Weigui, Lei Fanpei, Xie Weiliang, Wang Zhancheng, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Timothy Alexander Steinert.*