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# 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)**

## **Supplementary Notice of the First Extraordinary General Meeting of 2014**

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

Reference is made to the Notice of the First Extraordinary General Meeting of 2014 dated 28 August 2014 (the “EGM Notice”) of ZTE Corporation (“ZTE” or the “Company”) which set out, among other things, details relating to the time, venue and agenda of the First Extraordinary General Meeting of 2014 to be convened by the Company (the “EGM”) on 15 October 2014. Unless otherwise stated, capitalised terms used in this supplementary notice shall have the same meaning as defined in the EGM Notice.

On 23 September 2014, the Board of Directors of the Company received one ex tempore motion from its shareholder, Shenzhen Zhongxingxin Telecommunications Equipment Company Limited (hereinafter referred to as “Zhongxingxin,” which held 1,058,191,944 A shares in the Company, representing 30.78% of the total number of shares of the Company, as at 23 September 2014) which requested the Board of Directors of the Company to table such motion for consideration at the EGM.

Supplementary notice is hereby given that the EGM will be held, as originally scheduled, on 15 October 2014 (Wednesday) at 9 a.m. at the Conference Room at 4th Floor, A Wing, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the People's Republic of China, to consider and pass, if thought fit, the resolutions set out in the EGM Notice and the following supplementary ordinary resolution:

### **3. Resolution on the Provision of Performance Guarantee by the Company for ZTE (MALAYSIA) CORPORATION SDN BHD, a Wholly-owned Subsidiary**

The “Resolution on the Provision of Performance Guarantee for ZTE (MALAYSIA) CORPORATION SDN BHD, a Wholly-owned Subsidiary” was considered and passed at the Twenty-first Meeting of the Sixth Session of the Board of Directors of ZTE held on 23 September 2014. For details, please refer to the “Announcement of Resolutions of Twenty-first Meeting of the Sixth Session of the Board of Directors” and the “Announcement on Third-party Guarantee” published by the Company on 23 September 2014.

The gearing ratio of ZTE (MALAYSIA) CORPORATION SDN BHD (“ZTE Malaysia”), the guaranteed party, is over 70%. In accordance with the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the provision of guarantee by a listed company for a company with a gearing ratio over 70% shall be subject to approval of the company's shareholders. Accordingly, Zhongxingxin has requested the shareholders of ZTE to approve at the EGM to be convened on 15 October 2014 matters pertinent to the “Resolution on the

Provision of Performance Guarantee for ZTE (MALAYSIA) CORPORATION SDN BHD, a Wholly-owned Subsidiary” by way of an ordinary resolution, the details of which are as follows:

- (1) That the provision of joint liability guarantee by the Company for ZTE Malaysia in respect of the performance obligations under the “CONTRACT FOR THE DELIVERY, SUPPLY, INSTALLATION, TESTING AND COMMISSIONING OF EQUIPMENT AND SOFTWARE AND PROVISION OF SERVICES FOR U MOBILE’S 3G/LTE SYSTEM CONTRACT” (the “UM Wireless Capacity Expansion Contract”) for an amount of not more than USD20 million, for a term commencing on the date on which the “UM Wireless Capacity Expansion Contract” comes into effect upon execution and ending on the date on which performance of the obligations of ZTE Malaysia under the “UM Wireless Capacity Expansion Contract” is completed, be approved.
- (2) That the application by the Company to the relevant bank for the issuance of a bank letter of guarantee to provide guarantee for a maximum amount of USD2 million, on an accumulative basis, in respect of the performance obligations by ZTE Malaysia under the “UM Wireless Capacity Expansion Contract,” for an effective term of not more than three years from the date on which the bank letter of guarantee comes into effect upon issuance, be approved.
- (3) That Mr. Hou Weigui, legal representative of the Company, or the signatory authorised by Mr. Hou Weigui be authorised to execute all pertinent legal contracts and documents.

Pursuant to Rule 103 of the Company Law, “shareholders individually or collectively holding more than 3% of the shares of the company may propose ex tempore motions no later than ten days prior to the convening of a general meeting by submitting the same in writing to the board of directors; the board of directors should notify other shareholders within two days after the receipt of the motions and table the same at the general meeting for consideration. Ex tempore motions should carry specific subjects and matters to be resolved that fall within the scope of authority of the general meeting.” Pursuant to Article 78 of the Articles of Association, “whenever the company convenes a general meeting, shareholder(s) alone or in aggregate holding 3% or more of the total number of the company’s shares may propose ex tempore motions ten days prior to the general meeting by furnishing the same to the convener in writing. The convener shall issue a supplemental notice of general meeting within two days after receiving the proposed motions to make public the contents of the ex tempore motions.”

Having examined the aforesaid ex tempore motion, the Board of Directors of the Company is of the view that it is in compliance with relevant provisions of the Company Law and the Articles of Association, with Zhongxingxin being qualified to propose ex tempore motions and the aforesaid ex tempore motion carrying specific subjects and matters to be resolved that fall within the scope of authority of the general meeting. Accordingly, the Board of Directors of the Company has approved the tabling of the aforesaid ex tempore motion at the EGM in accordance with the provisions of the Company Law, the Rules of Procedure for General Meetings of Listed Companies and other laws, regulations and regulatory documents as well as the Articles of Association.

Save for the ex tempore motion added as aforesaid, other details, such as the time, venue and method of the EGM, as set out in the EGM Notice, shall remain unchanged. A revised Proxy Form for use at the EGM has been published on the even day with this supplementary notice and dispatched to the shareholders.

By Order of the Board  
**Hou Weigui**  
Chairman

Shenzhen, the PRC  
26 September 2014

*As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Shi Lirong, Yin Yimin and He Shiyou; six non-executive directors, Hou Weigui, Zhang Jianheng, Xie Weiliang, Wang Zhanchen, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Richard Xike Zhang.*