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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 FIRST EXTRAORDINARY GENERAL MEETING OF 2017

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 and misleading statement or material omission in this announcement.

NOTICE IS HEREBY GIVEN that the First Extraordinary General Meeting of 2017 (hereinafter referred to as the “EGM”) of ZTE Corporation (hereinafter referred to as the “Company”) will be convened at 9 a.m., on Thursday, 14 December 2017 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 if thought fit, approve, the following resolutions (terms defined in this notice shall have the same meanings as those in the circular of the Company dated 30 October 2017, unless otherwise required by the context):

ORDINARY RESOLUTION

1. Resolution on the Provision of a Guarantee Amount for Contract Performance for Overseas Wholly-Owned Subsidiaries;

(1) That the provision of a guarantee amount for contract performance (including but not limited to the execution of guarantee agreements by the parent company and the provision of bank guarantees) of not exceeding USD200 million in aggregate for overseas wholly-owned subsidiaries by the Company, which amount may be applied on a revolving basis during an effective period commencing on the date on which the aforesaid matter is considered and approved at the Company’s general meeting and ending on the date of the Company’s 2017 annual general meeting, be approved;

(2) That the Board of Directors of the Company be authorised to approve specific guarantees within the aforesaid limit.

The resolution was considered and approved at the Twenty-fourth Meeting of the Seventh Session of the Board of Directors held on 26 October 2017 and it was approved that the resolution be tabled at the general meeting of the Company for consideration. For details, please refer to the “Overseas Regulatory Announcement Announcement on the Provision of a Guarantee Amount for Contract Performance for Overseas Wholly-owned Subsidiaries” published by the Company on 26 October 2017.

SPECIAL RESOLUTIONS

2. Resolution on the Proposed Registration and Issue of Perpetual Medium Term Notes;

(1) That the registration and issue plan for the register and issue of Perpetual Medium Term Notes of not more than RMB3.5 billion by the Company be approved;

(2) That the legal representative of the Company or his authorised representative be authorised to deal with matters pertaining to the said registration and issue of Perpetual Medium Term Notes, including but not limited to: (a) confirming relevant intermediaries relating to the registration and issue (including but not limited to the lead underwriter and the bookrunner); (b) confirming the actual issue plan (including all matters pertaining to the issue of Perpetual Medium Term Notes, including but not limited to the timing, amount and number of tranches of issue) based on the outcome of consultation between the Company and parties related to the issue subject to the aforesaid plan for the registration and issue of Perpetual Medium Term Notes, vetting, revising, executing, delivering, implementing and determining the publication of agreements, announcements, forms, letters and any other requisite documents in connection with the issue of Perpetual Medium Term Notes, including but not limited to application documents, prospectuses, underwriting agreements and relevant legal documents in relation to the issue; (c) determining, upon registration, matters pertaining to redemption in accordance with the redemption clauses of the registration and issue plan; (d) determining, upon registration, arrangements for interest payments and deferred interest payments in accordance with clauses of the registration and issue plan relating to interest payment; (e) adjusting as appropriate the actual plan for the issue of Perpetual Medium Term Notes and other pertinent matters based on the advice of regulatory authorities, or determining, based on the actual conditions,

whether proceedings relating to the issue of Perpetual Medium Term Notes should be carried on with, in the event of any changes to relevant regulatory policies or market conditions; (f) processing all other matters and formalities relating to the registration, issue and continuation, quotation and trading, and principal and interest payments in respect of the Perpetual Medium Term Notes; (g) the mandate shall be effective from the date of the consideration and approval of the same at the general meeting and shall remain in effect during the valid period for the registration, issue and continuation of the Perpetual Medium Term Notes.

The resolution was considered and approved at the Twenty-fourth Meeting of the Seventh Session of the Board of Directors held on 26 October 2017 and it was approved that the resolution be tabled at the general meeting of the Company for consideration. For details, please refer to the “Overseas Regulatory Announcement Announcement on the Proposed Registration and Issue of Perpetual Medium Term Notes” published by the Company on 26 October 2017.

3. Resolution on the Proposed Registration and Issue of SCP;

(1) That the registration and issue plan for the register and issue of SCP of not more than RMB8 billion by the Company be approved;

(2) That the legal representative of the Company or his authorised representative be authorised to deal with matters pertaining to the said SCP registration and issue, including but not limited to: (a) confirming relevant intermediaries relating to the registration and issue (including but not limited to the lead underwriter and the bookrunner); (b) confirming the actual issue plan (including all matters pertaining to the SCP issue, including but not limited to the timing, amount, number of tranches and term of issue) based on the outcome of consultation between the Company and parties related to the issue subject to the aforesaid plan for the registration and issue of SCP, vetting, revising, executing, delivering, implementing and determining the publication of agreements, announcements, forms, letters and any other requisite documents in connection with the SCP issue, including but not limited to application documents, prospectuses, underwriting agreements and relevant legal documents in relation to the issue;

(c) adjusting as appropriate the actual plan for SCP issue and other pertinent matters based on the advice of regulatory authorities, or determining, based on the actual conditions, whether proceedings relating to the SCP issue should be carried on with, in the event of any changes to relevant regulatory policies or market conditions; (d)

processing all other matters and formalities relating to the application for SCP registration and issue; (e) the mandate shall be effective from the date of the consideration and approval of the same at the general meeting and shall remain in effect during the valid period for the registration, issue and continuation of the SCP.

The resolution was considered and approved at the Twenty-fourth Meeting of the Seventh Session of the Board of Directors held on 26 October 2017 and it was approved that the resolution be tabled at the general meeting of the Company for consideration. For details, please refer to the “Overseas Regulatory Announcement Announcement on the Proposed Registration and Issue of Super and Short-term Commercial Paper” published by the Company on 26 October 2017.

Notes:

1. **The Company will close its H share register from Tuesday, 14 November 2017 to Wednesday, 13 December 2017 (both days inclusive)** to determine qualifications of shareholders to attend and vote at the EGM. Any H Shareholder who wishes to attend and vote at 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 by 4:30 p.m., Monday, 13 November 2017.**

2. Shareholders intending to attend the EGM, whether in person or by proxy, should deliver the reply slip of EGM by hand, post or facsimile to the Company’s principal place of business in Hong Kong (for H shareholders) on or before Thursday, 23 November 2017. The principal place of business of the Company in Hong Kong is: 36/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong (Facsimile No.: +852-35898555).

3. In order to be valid, the instruments appointing a proxy (namely the proxy form) and the power of attorney or other authorisation documents (if any) of the signatory or notarised copies of such power of attorney or authorisation documents must be completed and deposited, no later than 24 hours before the time appointed for holding the EGM or any adjournment thereof at Computershare Hong Kong Investor Services Limited, the H share registrar of the Company, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for H shareholders). The completion and return of the proxy form shall not preclude a shareholder from attending and voting in person at the EGM or any adjournment thereof if he so wishes.

4. A shareholder entitled to attend and vote at the EGM shall be entitled to appoint another one or more proxies to attend and vote for him. A proxy need not be a shareholder of the Company.

5. In case of joint holders of a share, any one of such holders is entitled to vote at the EGM, by himself or by proxy, as if he is the only one entitled to do so among the joint holders. However, only the vote of the person whose name stands first on the register of members in respect of such

share shall be accepted if more than one joint holder attend the EGM personally or by proxy.

6. The EGM is expected to last for half a day. All transportation and accommodation expenses incurred by shareholders or their proxies in attending the EGM shall be borne by themselves. Shareholders or their proxies attending the EGM shall be required to produce identifications.

By Order of the Board

Yin Yimin

Chairman

Shenzhen, the PRC

30 October 2017

As at the date of this announcement, the Board of Directors of the Company comprises two executive directors, Yin Yimin, Zhao Xianming; seven non-executive directors, Zhang Jianheng, Luan Jubao, Wang Yawen, Tian Dongfang Zhan Yichao, Wei Zaisheng and Zhai Weidong; and five independent non-executive directors, Richard Xike Zhang, Chen Shaohua, Lü Hongbing, Bingsheng Teng and Zhu Wuxiang.