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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)**

## **SUPPLEMENTARY NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2016**

*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.*

Reference is made to the Notice of the First Extraordinary General Meeting of 2016 dated 11 January 2016 (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 2016 to be convened by the Company (the "EGM") on 3 March 2016. Unless otherwise stated, capitalised terms used in this supplementary notice shall have the same meaning as defined in the EGM Notice.

On 2 February 2016, 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 1,269,830,333 A shares in the Company, representing 30.58% of the total number of shares of the Company, as at 2 February 2016) 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 3 March 2016 (Thursday) 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 special resolution:

### **6. Resolution on the Amendment of Certain Clauses under the Articles of Association**

The "Resolution on the Amendment of Certain Clauses Under the Articles of Association" was considered and approved by the Board of Directors of ZTE at the Fortieth Meeting of the Sixth Session of the Board of Directors held on 2 February 2016. For details please refer to the Announcement Resolutions of the Fortieth Meeting of the Sixth Session of the Board of

Directors published by the Company on 2 February 2016.

Zhongxingxin submits to the shareholders of ZTE at the EGM that a special resolution approving matters pertaining to the “Resolution on the Amendment of Certain Clauses Under the Articles of Association” be approved, the details of which are as follows:

That the amendment of certain clauses under the Articles of Association in accordance with the law be approved. Amendments are set out as follows:

The original article	The amended article
<p><b>Article 10.</b> .....For the purposes of the Articles of Association, the term “other senior officers” means the executive vice presidents, senior vice presidents, secretary to the Board of Directors and chief financial officer and personnel designated or confirmed by the Board of Directors of the Company from time to time as necessary.</p> <p>.....</p>	<p><b>Article 10.</b> .....For the purposes of the Articles of Association, the term “other senior officers” means the executive vice presidents, <del>senior vice presidents</del>, secretary to the Board of Directors and chief financial officer and personnel designated or confirmed by the Board of Directors of the Company from time to time as necessary.</p> <p>.....</p>
<p><b>Article 160.</b> The Board of Directors shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers:</p> <p>.....</p> <p>9) to appoint or remove the Company’s president and the secretary to the Board of Directors; to appoint or remove senior officers, including the executive vice presidents, senior vice presidents and chief financial officer of the Company, based on the recommendations of the president, and to decide on their remuneration as well as matters relating to rewards and penalty;</p> <p>.....</p>	<p><b>Article 160.</b> The Board of Directors shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers:</p> <p>.....</p> <p>9) to appoint or remove the Company’s president and the secretary to the Board of Directors; to appoint or remove senior officers, including the executive vice presidents, <del>senior vice presidents</del> and chief financial officer of the Company, based on the recommendations of the president, and to decide on their remuneration as well as matters relating to rewards and penalty;</p> <p>.....</p>
<p><b>Article 179.</b> The Company shall have one president who shall be appointed or dismissed by the Board of Directors.</p> <p>The Company shall have a number of executive vice presidents, senior vice presidents and one chief financial officer to assist the president in his work. The executive vice presidents, senior vice presidents and the chief financial officer shall be nominated by the president, and shall be appointed or dismissed by the Board of Directors.</p>	<p><b>Article 179.</b> The Company shall have one president who shall be appointed or dismissed by the Board of Directors.</p> <p>The Company shall have a number of executive vice presidents, <del>senior vice presidents</del> and one chief financial officer to assist the president in his work. The executive vice presidents, <del>senior vice presidents</del> and the chief financial officer shall be nominated by the president, and shall be appointed or dismissed by the Board of Directors.</p>
<p><b>Article 181.</b> The president shall be accountable to the Board of Directors and exercise the following powers:</p> <p>.....</p> <p>6) to propose to the Board of Directors the appointment or dismissal of the Company’s executive vice presidents, senior vice presidents and the chief financial officer;</p> <p>.....</p>	<p><b>Article 181.</b> The president shall be accountable to the Board of Directors and exercise the following powers:</p> <p>.....</p> <p>6) to propose to the Board of Directors the appointment or dismissal of the Company’s executive vice presidents, <del>senior vice presidents</del> and the chief financial officer;</p> <p>.....</p>

The original article	The amended article
<p><b>Article 186.</b> The detailed working rules for the president shall include the following:</p> <p>.....</p> <p>2) the respective duties and division of responsibility between the president, executive vice presidents, senior vice presidents and other senior officers;</p> <p>.....</p>	<p><b>Article 186.</b> The detailed working rules for the president shall include the following:</p> <p>.....</p> <p>2) the respective duties and division of responsibility between the president, executive vice presidents, <del>senior vice presidents</del> and other senior officers;</p> <p>.....</p>

Pursuant to Rule 102 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.” and pursuant to Article 78 of the Articles of Association, “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.

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

Shenzhen, the PRC  
4 February 2016

*As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Shi Lirong, Yin Yimin and Zhao Xianming; six non-executive directors, Hou Weigui, Zhang Jianheng, Luan Jubao, Wang Yawen, Tian Dongfang and Zhan Yichao; and five independent non-executive directors, Tan Zhenhui, Richard Xike Zhang, Chen Shaohua, Lü Hongbing and Bingsheng Teng.*