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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)**

## **Announcement on Resolutions of the First Extraordinary General Meeting of 2013**

*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.*

The First Extraordinary General Meeting of 2013 (the "EGM") of ZTE Corporation (the "Company") was held at the venue on 7 March 2013. Details in respect of the resolutions and voting results of the EGM are as follows:

### **I. IMPORTANT NOTICE**

There was no addition, rejection or amendment to any proposed resolution during the EGM.

### **II. INFORMATION REGARDING THE CONVENING OF THE EGM**

#### **1. Date and time**

The EGM was held from 9:00 a.m. to 11:00 a.m. on 7 March 2013.

#### **2. Venue**

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

#### **3. Voting method**

The EGM was convened with on-site voting by poll.

#### **4. Convener**

The EGM was convened by the Board of Directors of the Company.

#### **5. Chairman of the EGM**

Mr. Hou Weigui, the Chairman of the Board of Directors of the Company, presided over the EGM.

#### **6. The convening of the EGM complied with the relevant provisions of relevant laws, administrative**

regulations and departmental rules including the Company Law of the People's Republic of China (the "Company Law"), the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange (the "Shenzhen Listing Rules"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules") and the Articles of Association of ZTE Corporation (the "Articles of Association"), and was legal and valid.

### **III. INFORMATION REGARDING ATTENDANCE AT THE EGM**

The overall attendance is as follows:

33 shareholders (including proxies), holding 1,391,727,369 shares, accounting for 40.46% of the total number of shares carrying voting rights in the EGM of the Company. None of the shares entitled the shareholders to attend the EGM and abstain from voting in favour as set out in Rule 13.40 of the Hong Kong Listing Rules and no shareholders were required to abstain from voting at the EGM according to the Hong Kong Listing Rules.

Of which:

*(1) Attendance of holders of domestic shares (A shares)*

32 holders (including proxies) of A shares, holding 1,159,598,748 shares, accounting for 41.26% of the total A shares carrying voting rights of the Company.

*(2) Attendance of holders of overseas-listed foreign shares (H shares)*

1 holder (including proxies) of H shares, holding 232,128,621 shares, accounting for 36.87% of the total H shares carrying voting rights of the Company.

And certain Directors, Supervisors, senior management of the Company, the Company's PRC lawyers attended the EGM.

### **IV. CONSIDERATION AND VOTING OF RESOLUTIONS**

The following resolutions were considered and passed by voting by open ballot at the EGM:

#### **Ordinary Resolutions**

**(I) To consider and approve on an individual basis the "Resolution of the Company on the Re-election of the Board of Directors and Election of Directors of the Sixth Session of the Board of Directors"**

1.1 To elect by way of accumulative voting Mr. Hou Weigui as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

1. Overall voting details:

For: 1,344,703,829 votes, accounting for 96.6212% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,660,248 votes, accounting for 100.0053% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 185,043,581 votes, accounting for 79.7160% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.2 To elect by way of accumulative voting Mr. Zhang Jianheng as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

### 1. Overall voting details:

For: 1,387,209,191 votes, accounting for 99.6754% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,586,448 votes, accounting for 99.9989% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 227,622,743 votes, accounting for 98.0589% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent

Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.3 To elect by way of accumulative voting Mr. Xie Weiliang as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

1. Overall voting details:

For: 1,344,623,975 votes, accounting for 96.6155% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,586,448 votes, accounting for 99.9989% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 185,037,527 votes, accounting for 79.7134% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.4 To elect by way of accumulative voting Mr. Wang Zhanchen as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

1. Overall voting details:

For: 1,344,623,975 votes, accounting for 96.6155% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,586,448 votes, accounting for 99.9989% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 185,037,527 votes, accounting for 79.7134% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.5 To elect by way of accumulative voting Mr. Zhang Junchao as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

### 1. Overall voting details:

For: 1,344,283,575 votes, accounting for 96.5910% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,586,448 votes, accounting for 99.9989% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 184,697,127 votes, accounting for 79.5667% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.6 To elect by way of accumulative voting Mr. Dong Lianbo as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

### 1. Overall voting details:

For: 1,344,630,029 votes, accounting for 96.6159% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,586,448 votes, accounting for 99.9989% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 185,043,581 votes, accounting for 79.7160% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.7 To elect by way of accumulative voting Mr. Shi Lirong as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

### 1. Overall voting details:

For: 1,387,536,291 votes, accounting for 99.6989% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 227,937,543 votes, accounting for 98.1945% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent

Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.8 To elect by way of accumulative voting Mr. Yin Yimin as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

1. Overall voting details:

For: 1,387,536,291 votes, accounting for 99.6989% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 227,937,543 votes, accounting for 98.1945% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.9 To elect by way of accumulative voting Mr. He Shiyong as Non-independent Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

1. Overall voting details:

For: 1,387,536,291 votes, accounting for 99.6989% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 227,937,543 votes, accounting for 98.1945% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Non-independent Director by way of accumulative voting, and the candidate for Non-independent Director was elected Non-independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.10 To elect by way of accumulative voting Ms. Qu Xiaohui as Independent Non-executive Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 21 July 2015;

### 1. Overall voting details:

For: 1,391,727,369 votes, accounting for 100.0000% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 232,128,621 votes, accounting for 100.0000% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of an Independent Non-executive Director by way of accumulative voting, and the candidate for Independent Non-executive Director was elected Independent Non-executive Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.11 To elect by way of accumulative voting Mr. Chen Naiwei as Independent Non-executive Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 21 July 2015;

### 1. Overall voting details:



For: 1,387,682,329 votes, accounting for 99.7094% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 228,083,581 votes, accounting for 98.2574% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of an Independent Non-executive Director by way of accumulative voting, and the candidate for Independent Non-executive Director was elected Independent Non-executive Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.12 To elect by way of accumulative voting Mr. Wei Wei as Independent Non-executive Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 21 July 2015;

### 1. Overall voting details:

For: 1,387,682,329 votes, accounting for 99.7094% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 228,083,581 votes, accounting for 98.2574% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of an Independent Non-executive Director by way of accumulative voting, and the candidate for Independent Non-executive Director was elected

Independent Non-executive Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.13 To elect by way of accumulative voting Mr. Tan Zhenhui as Independent Non-executive Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

1. Overall voting details:

For: 1,387,682,329 votes, accounting for 99.7094% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 228,083,581 votes, accounting for 98.2574% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2. Results of Voting:

The proposed resolution was a resolution for the election of an Independent Non-executive Director by way of accumulative voting, and the candidate for Independent Non-executive Director was elected Independent Non-executive Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

1.14 To elect by way of accumulative voting Mr. Timothy Alexander Steinert as Independent Non-executive Director of the Sixth Session of the Board of Directors of the Company for a term commencing on 30 March 2013 and ending on 29 June 2013;

1. Overall voting details:

For: 1,387,682,329 votes, accounting for 99.7094% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 228,083,581 votes, accounting for 98.2574% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of an Independent Non-executive Director by way of accumulative voting, and the candidate for Independent Non-executive Director was elected Independent Non-executive Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

(Please refer to the circular of the Company dated 18 January 2013 for biographies of the Directors listed above. Non-independent Directors who do not otherwise hold any positions at the Company shall each receive an annual fee of RMB100,000 (before tax) from the Company in accordance with the rates for Non-independent Directors' subsidies approved at the Second Extraordinary General Meeting of 2007. Independent Non-executive Directors shall each receive an annual fee of RMB130,000 (before tax) from the Company in accordance with the rates for Independent Non-executive Directors' subsidies approved at the Annual General Meeting of 2009. Directors' personal income tax payable on Directors' subsidies shall be withheld and paid by the Company on behalf of the Directors concerned. Other Non-independent Directors, whose remunerations are paid in accordance with the remuneration and performance appraisal administration methods of the Company, do not receive Non-independent Directors' subsidies.)

## **(II) To consider and approve on an individual basis the “Resolution of the Company on the Re-election of the Supervisory Committee and Election of Shareholders' Representative Supervisors of the Sixth Session of the Supervisory Committee”**

2.1 To elect by way of accumulative voting Mr. Chang Qing as Shareholders' Representative Supervisor of the Sixth Session of the Supervisory Committee of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

### 1. Overall voting details:

For: 1,381,290,372 votes, accounting for 99.2501% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

#### (1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 221,691,624 votes, accounting for 95.5038% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Shareholders' Representative Supervisor by way of accumulative voting, and the candidate for Supervisor was elected Shareholders' Representative Supervisor of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

2.2 To elect by way of accumulative voting Ms. Xu Weiyan as Shareholders' Representative Supervisor of the Sixth Session of the Supervisory Committee of the Company for a term commencing on 30 March 2013 and ending on 29 March 2016;

### 1. Overall voting details:

For: 1,381,290,372 votes, accounting for 99.2501% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 votes, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 221,691,624 votes, accounting for 95.5038% of the total number of shares held by holders of H shares with voting rights attending the EGM;

## 2. Results of Voting:

The proposed resolution was a resolution for the election of a Shareholders' Representative Supervisor by way of accumulative voting, and the candidate for Supervisor was elected Shareholders' Representative Supervisor of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

(Please refer to the circular of the Company dated 18 January 2013 for biographies of the Supervisors listed above. Mr. Chang Qing whose remuneration is paid by the Company's shareholder, does not receive Supervisor's subsidy from the Company. Ms. Xu Weiyan, whose remuneration is paid in accordance with the remuneration and performance appraisal administration methods of the Company and

her position and performance in the Company, does not receive Supervisor’s subsidy. )

In addition, Mr. Xie Daxiong, Ms. He Xuemei and Mr. Zhou Huidong were elected Staff Representative Supervisors of the Sixth Session of the Supervisory Committee of the Company by the staff representatives of the Company on 28 February 2013. Together with the two Shareholders’ Representative Supervisors, they shall form the Sixth Session of the Supervisory Committee of the Company, for a term commencing on 30 March 2013 and ending on 29 March 2016. (Please refer to the annex for biographies of Mr. Xie Daxiong, Ms. He Xuemei and Mr. Zhou Huidong. The above three Staff Representative Supervisors, whose remunerations are paid in accordance with the remuneration and performance appraisal administration methods of the Company and their respective positions and performances in the Company, do not receive Supervisor’s subsidies.)

### Special Resolutions

**(III) To consider and approve the “Resolution on the Amendment of Certain Clauses of the Articles of Association”, with details as follows:**

To approve the amendment of certain clauses of the Articles of Association and to authorize any Director of the Company or the Secretary to the Board to deal with the filing, modification and registration (where necessary) and other matters pertaining to the amendment of the Articles of Association on behalf of the Company, with details as follows:

The original article	The amended article
<p><b>Article 234</b> The profit distribution policy of the Company shall be as follows:</p> <p>(I) Reasonable investment returns for investors should be a key consideration in the profit distribution of the Company and continuity and stability should be maintained in its profit distribution policy;</p> <p>(II) Cash dividends and other amounts payable by the Company to domestic shareholders shall be computed, declared and payable in RMB. Cash dividends and other amounts payable by the Company to H Shareholders shall be computed and declared in RMB and payable in Hong Kong Dollars. Foreign currency requirements of the Company for the payment of cash dividends and other amounts to holders of overseas-listed foreign shares shall be procured in accordance with the relevant national regulations on foreign exchange administration;</p> <p>(III) Dividends may be distributed by the Company by way of cash and/or shares. Interim cash dividend may be distributed. Accumulated distribution of profit by way of cash by the Company in the three preceding years shall be no less than 30% of the annual average profit available for distribution realised in those three preceding years;</p>	<p><b>Article 234</b> The profit distribution policy of the Company shall be as follows:</p> <p>(I) Reasonable investment returns for investors should be a key consideration in the profit distribution of the Company and continuity and stability should be maintained in its profit distribution policy;</p> <p>(II) Cash dividends and other amounts payable by the Company to domestic shareholders shall be computed, declared and payable in RMB. Cash dividends and other amounts payable by the Company to H Shareholders shall be computed and declared in RMB and payable in Hong Kong Dollars. Foreign currency requirements of the Company for the payment of cash dividends and other amounts to holders of overseas-listed foreign shares shall be procured in accordance with the relevant national regulations on foreign exchange administration;</p> <p>(III) Dividends may be distributed by the Company by way of cash and/or shares. Interim cash dividend may be distributed. Accumulated distribution of profit by way of cash by the Company in the three preceding years shall be no less than 30% of the annual average profit available for distribution realised in those three preceding years;</p>

The original article	The amended article
<p>(IV) Where the Board of Directors of the Company has not made any proposal for cash profit distribution, the reason for the non-distribution and the use of the undistributed funds retained by the Company should be disclosed in its periodic reports, and the Independent Non-executive Directors should furnish an independent opinion thereon; and</p> <p>(V) Where fund appropriation by a shareholder against regulation has been identified, deductions should be made by the Company against the cash dividend which should otherwise be distributed to such shareholder in reimbursement of the funds appropriated.</p>	<p><b>The Company may conduct cash dividend distributions subject to the following conditions:</b></p> <ol style="list-style-type: none"> <li><b>1. The Company having reported positive profit available for distribution for the year (namely profit after taxation after making up for losses and allocations for reserve funds) with ample cash flow and the distribution of cash dividends not affecting the normal operation and long-term development of the Company;</b></li> <li><b>2. The auditor having furnished a standard, unqualified audit report in respect of the Company's financial report for the year;</b></li> <li><b>3. The Company having reported a sound gear ratio and having no significant investment plans or significant cash expenditure for the next 12 months in relation to any proposed external investments, asset acquisitions or purchases of equipment with an aggregate expenditure reaching or exceeding 10% of the Company's latest audited net assets.</b></li> </ol> <p><b>(IV) Profit distribution shall be carried out first and foremost in the form of cash distribution. Depending on the actual conditions of the Company, profit distribution may alternatively be carried out by way of bonus share distribution. Bonus share distribution may be implemented independently or in combination with cash dividend distribution. In determining the specific amount for profit distribution by way of bonus share distribution, sufficient consideration should be given to whether the total share capital after the distribution of profit by way of share issue will be compatible with the current scale of business and rate of profit growth, so as to ensure that the distribution plan is in line with the overall and long-term interests of all shareholders;</b></p> <p><b>(V) The Board of the Company shall take into full consideration the opinion of the Independent Non-executive Directors when formulating proposals for the Company's profit distribution, and an independent opinion shall be furnished by the Independent Non-executive Directors;</b> where the Board of Directors of the Company has not made any proposal for cash profit distribution, the reason for the non-distribution and the use of the undistributed funds retained by the Company should be disclosed in its periodic reports, and the Independent Non-executive Directors should furnish an independent opinion thereon;</p> <p>(VI) Where fund appropriation by a shareholder against regulation has been identified, deductions should be made by the Company against the cash dividend which should otherwise be distributed to such shareholder in</p>

The original article	The amended article
	<p>reimbursement of the funds appropriated;</p> <p><b>(VII) The Company shall implement the profit distribution policy stipulated in these Articles and profit distribution plans considered and approved at general meetings in a stringent manner. Where it becomes genuinely necessary to adjust the stated profit distribution policy and profit distribution plans considered and approved at general meetings, such adjustments shall be discussed at and approved by the Board of the Company (with the Independent Non-executive Directors furnishing an independent opinion) and then submitted to the general meeting for consideration and approval by way of a special resolution before implementation;</b></p> <p><b>(VIII) Following the statutory announcement of the profit distribution plan, the Company shall give sufficient consideration to the opinions and suggestions of shareholders in general and the minority shareholders in particular. When the profit distribution plan is being considered at the general meeting, the Company shall provide multiple means (including but not limited to attendance in person at the general meeting, the Internet and investors' hotline, etc) to receive suggestions in relation to the profit distribution plan furnished by shareholders in general and the minority shareholders in particular and shall give sufficient consideration to the opinions and demands of minority shareholders.</b></p>

1. Overall voting details:

For: 1,391,727,369 shares, accounting for 100.0000% of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the EGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,159,598,748 shares, accounting for 100.0000% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 232,128,621 shares, accounting for 100.0000% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2. Results of voting:

This resolution, being a special resolution, was passed by shares representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the EGM.

A completed Articles of Association of ZTE Corporation with amended clauses as approved at the EGM is published on the HKExnews(<http://www.hkexnews.hk>) and the websites of the Company (<http://www.zte.com.cn/>) on the same date as this announcement.

Computershare Hong Kong Investor Services Limited, a witnessing lawyer, two shareholder representatives and two Supervisor representatives were appointed by the Company to act as scrutineers for vote-taking at the EGM.

## **V. LEGAL OPINION OF LAWYERS**

1. Name of Law Firm: Beijing Jun He Law Offices (Shenzhen Office)

2. Name of Attorneys: Mr. Zhang Jianwei and Mr. Wei Wei

3. Conclusive opinion:

In the view of Beijing Jun He Law Offices (Shenzhen Office), matters relating to the convening and holding procedures, qualifications of the attendees and the voting procedures of the EGM complied with the relevant provisions of the laws, regulations and rules including the Company Law and the Rules for General Meetings of Listed Companies as well as the Articles of Association and the “Resolutions of the First Extraordinary General Meeting of 2013 of ZTE Corporation” passed at the EGM were legal and valid.

## **VI. DOCUMENTS AVAILABLE FOR INSPECTION**

1. Documents of the First Extraordinary General Meeting of 2013 of ZTE Corporation;

2. Resolutions of the First Extraordinary General Meeting of 2013 of ZTE Corporation;

3. Legal Opinion furnished by Beijing Jun He Law Offices (Shenzhen Office) in respect of the First Extraordinary General Meeting of 2013 of ZTE Corporation.



By Order of the Board

**Hou Weigui**

*Chairman*

Shenzhen, PRC

7 March 2013

*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 Zhancheng, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Timothy Alexander Steinert.*

## **Annex: Biographies of Staff Representative Supervisors of the Sixth Session of the Supervisory Committee of the Company**

**Mr. Xie Daxiong**, born 1963, was Executive Vice President of the Company from 2004 to 2012. Mr. Xie is a professor-grade senior engineer. He graduated from the Nanjing University of Science and Technology in 1986 with a master's degree in engineering, specialising in applied mechanics. Mr. Xie joined Shenzhen Zhongxingxin Telecommunications Equipment Company Limited in 1994 and had been the head of the Nanjing Research Institute of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. From 1998 to 2004, Mr. Xie had been CDMA product manager and general manager of CDMA Division of the Company. Since 2004, he has been Executive Vice President of the Company in charge of the Technology Centre of the Company. As a national-level candidate of the talent programme, Mr. Xie is entitled to special government grants awarded by the State Council. He was also a recipient of the first Shenzhen Mayor Award. Mr. Xie has many years of experience in the telecommunications industry and over 16 years of management experience. Mr. Xie holds 498,492 shares in the Company. He is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the China Securities Regulatory Commission ("CSRC") and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, the Shenzhen Listing Rules, the Articles of Association and other pertinent laws and regulations.

As at 7 March 2013, so far as the Directors of the Company are aware, there are no other matters, in particular information required to be disclosed under Rule 13.51(2) (h) to (v) of the Hong Kong Listing Rules in relation to Mr. Xie Daxiong, that need to be brought to the attention of the shareholders of the Company.

**Ms. He Xuemei**, born 1970, is Supervisor of the Company and chairperson of the labor union of the Company. Ms. He obtained a bachelor's degree in mechanical engineering in 1991 and a second bachelor's degree in business administration in 1995, both from Chongqing University. She had worked at the Student Affairs Department of Chongqing University. Ms. He has worked with Shenzhen ZTE Kangxun Telecom Company Limited and the Network Operations Division of the Company after joining the Company in January 1998. Ms. He holds 80,347 shares in the Company. She is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has she been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. Her qualifications for appointment are in compliance with the

qualifications for appointment required under the Company Law, the Shenzhen Listing Rules, the Articles of Association and other pertinent laws and regulations.

As at 7 March 2013, so far as the Directors of the Company are aware, there are no other matters, in particular information required to be disclosed under Rule 13.51(2) (h) to (v) of the Hong Kong Listing Rules in relation to Ms. He Xuemei, that need to be brought to the attention of the shareholders of the Company.

**Mr. Zhou Huidong**, born 1976, is Supervisor of the Company and Head of the Financial Control Department under the Financial System of the Company. He joined the Company in July 1998 upon graduation from Peking University with a bachelor's degree majoring in finance and accounting. Mr. Zhou is a certified public accountant and a certified tax agent. Mr. Zhou holds 78,158 shares in the Company. He is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, the Shenzhen Listing Rules, the Articles of Association and other pertinent laws and regulations.

As at 7 March 2013, so far as the Directors of the Company are aware, there are no other matters, in particular information required to be disclosed under Rule 13.51(2) (h) to (v) of the Hong Kong Listing Rules in relation to Mr. Zhou Huidong, that need to be brought to the attention of the shareholders of the Company.