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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 2014

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.

The First Extraordinary General Meeting of 2014 (the "EGM") of ZTE Corporation (the "Company") was held by way of a combination of on-site voting and online voting on 15 October 2014. Details in respect of the resolutions and voting results of the EGM are as follows:

I. IMPORTANT NOTICE

Additional resolution proposed: On 23 September 2014, the Board of Directors of the Company received an ex tempore motion (being the "Resolution on the provision of performance guarantee by the Company for ZTE (MALAYSIA) CORPORATION SDN BHD, a wholly-owned subsidiary") from its shareholder, Shenzhen Zhongxingxin Telecommunications Equipment Company Limited, who requested the Board of Directors of the Company to table such motion for consideration at the First Extraordinary General Meeting of 2014. The Supplementary Notice of the First Extraordinary General Meeting of 2014 dated 26 September 2014 has been dispatched to the shareholders of the Company.

II. INFORMATION REGARDING THE CONVENING OF THE EGM

(I) Date and time

1. On-site meeting commenced at 9:00 a.m. on Wednesday, 15 October 2014.
2. On-line voting by domestic shareholders was conducted from 14 October 2014 to 15 October 2014 during the following time slots:

Online voting through the trading system of the Shenzhen Stock Exchange: from 9:30 to 11:30 and from 13:00 to 15:00 on 15 October 2014; online voting on the internet voting

system (<http://wltp.cninfo.com.cn>) was conducted any time during the period from 15:00 on 14 October 2014 to 15:00 on 15 October 2014.

(II) Venue

The on-site meeting was held at the Conference Room on the 4th floor of A Wing of the Company's headquarters in Shenzhen.

(III) Voting method

1. Domestic shareholders may vote through:

- on-site voting, including attendance in person or authorisation of proxies to attend and vote by completing and returning the relevant proxy form; or
- online voting on the internet voting platform provided for domestic shareholders by the Company via the trading system of the Shenzhen Stock Exchange and the internet voting system. Domestic shareholders should vote on-line via the aforesaid systems within the timeframes set out in (I) of this section.

2. H shareholders may vote through:

- on-site voting, including attendance in person or authorisation of proxies to attend and vote by completing and returning the relevant proxy form.

(IV) Convener

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

(V) Chairman of the EGM

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

(VI) 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 The 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, and was legal and valid.

III. INFORMATION REGARDING ATTENDANCE AT THE EGM

On the date of the EGM, the Company had a total of 3,437,541,278 shares in issue (shares entitling the shareholder to attend and vote on all the resolutions at the EGM), comprising 2,807,955,833 domestic shares (A shares) and 629,585,445 overseas-listed foreign shares (H shares).

67 shareholders (or proxies) held 1,401,810,877 shares or 40.78% of the total number of

shares carrying voting rights at the EGM of the Company. Of which, 66 shareholders (or proxies) each interested in less than 5% of the Company's shares held 343,618,933 shares or 10.00% of the total number of shares carrying voting rights at the EGM of the Company. There were no shares in the Company which entitled its holders to attend the EGM but for which they were required to abstain from voting in favour of the resolutions under Rule 13.40 of the Hong Kong Listing Rules. There were no shareholders who were required to abstain from voting in respect of the resolutions tabled at the EGM in accordance with the Shenzhen Listing Rules and the Hong Kong Listing Rules.

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

66 A shareholders (or proxies) holding 1,196,494,824 shares or 42.61% of the total number of A shares carrying voting rights of the Company participated in the on-site meeting and online voting of the EGM.

Of which: 29 A shareholders (or proxies) holding 1,167,391,838 shares or 41.57% of the total number of A shares carrying voting rights of the Company participated in the on-site meeting; and 37 A shareholders holding 29,102,986 shares or 1.04% of the total number of A shares carrying voting rights of the Company participated in the online voting.

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

1 H shareholders (or proxies) holding 205,316,053 shares or 32.61% of the total number of H shares carrying voting rights of the Company attended the on-site meeting.

In addition, certain Directors, Supervisors and senior management of the Company and the PRC lawyers of the Company attended the EGM.

IV. CONSIDERATION OF AND VOTING OF RESOLUTIONS

The following resolutions were considered and passed by voting by open ballot at the EGM (of which all the ordinary resolutions were passed by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM; and all the special resolutions were passed by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the EGM. For details of the voting results, please refer to "Statistics of Voting Results in respect of Resolutions Proposed at the First Extraordinary General Meeting of 2014 of ZTE Corporation"):

Ordinary Resolution

1. Consideration and approval of the "Resolution on the Provision of Guarantee by the Company for ZTE (H.K.) Limited, a Wholly-owned Subsidiary, in respect of Debt Financing," the details of which are as follows:

(1) That the provision of guarantee by way of joint liability assurance for an amount of not more than RMB2 billion for a term of not more than three years (from the date on which the general meeting resolution takes effect) by the Company in respect of overseas debt financing (including but not limited to bank loans and the issue of corporate bonds) of ZTE (H.K.) Limited (“ZTE HK”) be approved.

(2) That Mr. Hou Weigui, the legal representative of the Company, or his authorised signatory be authorised to determine the specific amount and period of guarantee based on the results of negotiations between ZTE HK and the relevant debt financing parties subject to the aforesaid limit and period of guarantee and to negotiate with the relevant debt financing parties and execute all guarantee agreements and other pertinent legal contracts and documents relating to the said guarantee, and deal with other matters pertaining to such guarantee.

Special Resolution

2. Consideration and approval of the “Resolution on the Proposed Registration and Issue of Perpetual Medium Term Note of the Company,” the details of which are as follows:

(1) That the registration and issue plan for the issue of perpetual medium term note with a size of not more than RMB9 billion by the Company be approved.

(2) That Mr. Hou Weigui, the legal representative of the Company, or his authorised signatory be authorised to:

(a) confirm the appointment of service agents relating to the registration and issue, including but not limited to the lead underwriter and bookrunner, etc;

(b) confirm the actual issue plan (including the timing, amount and tranches of issue, etc) based on the outcome of negotiations between the Company and parties related to the issue, subject to the aforesaid plan for the registration and issue of perpetual medium term note, negotiate and sign relevant agreements with parties relating to the issue and other relevant legal contracts and documents and deal with other relevant matters;

(c) determine, after registration, matters pertaining to redemption in accordance with the redemption clauses of the registration and issue plan; and

(d) determine, after registration, arrangements for interest payments and deferred interest payments in accordance with the interest payment clauses of the registration and issue plan.

Ordinary Resolution

3. Consideration and approval of the “Resolution on the Provision of Performance Guarantee by the Company for ZTE (MALAYSIA) CORPORATION SDN BHD, a

Wholly-owned Subsidiary,” the details of which are as follows:

(1) That the provision of joint liability guarantee by the Company for ZTE (MALAYSIA) CORPORATION SDN BHD (“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.

Computershare Hong Kong Investor Services Limited (the H share registrar of the Company), witnessing lawyers, two shareholder representatives and two supervisor representatives have been appointed by the Company to act as scrutineers for vote-taking at the EGM.

V. LEGAL OPINION BY LAWYERS

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

2. Name of Lawyers: Wei Wei and Zhang Huili

3. Conclusive opinion:

Beijing Jun He Law Offices (Shenzhen Office) is of the view that matters relating to the convening and holding procedures, qualifications of the attendees and the voting procedures of the First Extraordinary General Meeting of 2014 of the Company are in compliance with relevant provisions of the Company Law, the Rules for General Meetings of Listed Companies and other pertinent laws, regulations and rules and of the Articles of Association, and the “Resolutions of the First Extraordinary General Meeting of 2014 of ZTE Corporation,” approved at the EGM were legal and valid.

VI. DOCUMENTS AVAILABLE FOR INSPECTION

1. Document of the First Extraordinary General Meeting of 2014 of ZTE Corporation;
2. Resolutions of the First Extraordinary General Meeting of 2014 of ZTE Corporation;
3. Legal opinion of Beijing Jun He Law Offices (Shenzhen Office) on the First Extraordinary General Meeting of 2014 of ZTE Corporation.

By Order of the Board
Hou Weigui
Chairman

Shenzhen, the PRC
15 October 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 Shiyong; 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.

Annex:

ZTE Corporation
Statistics of Voting Results in respect of Resolutions Proposed at the First Extraordinary General Meeting of 2014

No.	Matters considered	Class of shares	For		Against		Abstained	
			Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM	Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM	Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM
Ordinary resolution								
1	Resolution on the Provision of Guarantee by the Company for ZTE (H.K.) Limited, a Wholly-owned Subsidiary, in respect of Debt Financing	Total	1,400,795,106	99.9275%	1,015,771	0.0725%	0	0.0000%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	342,603,162	99.7044%	1,015,771	0.2956%	0	0.0000%
		Domestic shares (A shares)	1,195,479,053	99.9151%	1,015,771	0.0849%	0	0.0000%
		Overseas-listed foreign shares (H shares)	205,316,053	100.0000%	0	0.0000%	0	0.0000%
Special resolution								
2	Resolution on the Proposed Registration and Issue of Perpetual Medium Term Note of the Company	Total	1,300,917,743	92.8108%	100,744,634	7.1874%	25,300	0.0018%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	242,725,799	70.6634%	100,744,634	29.3292%	25,300	0.0074%
		Domestic shares (A shares)	1,194,390,119	99.8241%	2,079,405	0.1738%	25,300	0.0021%
		Overseas-listed foreign shares (H shares)	106,527,624	51.9159%	98,665,229	48.0841%	0	0.0000%

No.	Matters considered	Class of shares	For		Against		Abstained	
			Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM	Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM	Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM
Ordinary resolution								
3	Resolution on the Provision of Performance Guarantee by the Company for ZTE (MALAYSIA) CORPORATION SDN BHD, a Wholly-owned Subsidiary	Total	1,400,795,106	99.9275%	1,005,771	0.0717%	10,000	0.0007%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	342,603,162	99.7044%	1,005,771	0.2927%	10,000	0.0029%
		Domestic shares (A shares)	1,195,479,053	99.9151%	1,005,771	0.0841%	10,000	0.0008%
		Overseas-listed foreign shares (H shares)	205,316,053	100.0000%	0	0.0000%	0	0.0000%