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**ZTE**

**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 THIRD EXTRAORDINARY GENERAL MEETING OF 2020**

*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 without any false or misleading statement or material omission.*

**NOTICE IS HEREBY GIVEN** that the third extraordinary general meeting of 2020 (the "EGM") of ZTE Corporation (the "Company") will be held at the 4/F Floor, A Wing, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the People's Republic of China on Friday, 18 December 2020 at 3:30 p.m. to consider and, if thought fit, approved the following resolutions. Unless the context otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 4 December 2020:

### **Special Resolutions**

**1. Resolution on the Company's fulfilment of criteria for the acquisition of assets by issuance of shares and ancillary fund-raising**

**2. Resolution on the Company's plan for the acquisition of assets by issuance of shares and ancillary fund-raising (the "Transaction") :**

2.01 General plan

Acquisition of assets by issuance of shares

2.02 Counterparties

2.03 Target assets

2.04 Transaction price of the target assets

2.05 Method of payment

2.06 Class and par value of shares to be issued

2.07 Place of listing

2.08 Issue price and pricing principles

2.09 Proposal in relation to the adjustment of issue price

2.10 Number of shares to be issued

2.11 Lock-up period arrangement

- 2.12 Arrangement for the retained undistributed profits
  - 2.13 Validity period of the resolution
- Ancillary fund-raising
- 2.14 Class and par value of shares to be issued
  - 2.15 Place of listing
  - 2.16 Target subscribers
  - 2.17 Method of issuance and method of subscription
  - 2.18 Issue price and pricing principles
  - 2.19 Total amount of the ancillary fund-raising and number of shares to be issued
  - 2.20 Lock-up period arrangement
  - 2.21 Use of the ancillary fund-raising
  - 2.22 Arrangement for the retained undistributed profits
  - 2.23 Validity period of the resolution
- 3. Resolution on the report on acquisition of assets by issuance of shares and ancillary fund-raising of ZTE Corporation (Draft) (Revised Version) and its summary**
  - 4. Resolution on the Transaction not constituting a connected transaction**
  - 5. Resolution on the Transaction not constituting a major asset restructuring**
  - 6. Resolution on the Transaction not constituting reverse takeover under Article 13 of the “Administrative Measures for the Major Asset Restructuring of Listed Companies”**
  - 7. Resolution on compliance of the Transaction with Articles 11 and 43 of the “Administrative Measures for the Major Asset Restructuring of Listed Companies”**
  - 8. Resolution on compliance of the Transaction with Article 4 of the “Regulations on Certain Issues Concerning the Regulation of Major Asset Restructuring of Listed Companies”**
  - 9. Resolution on the execution of the conditional “Agreement in respect of Share Issue for Asset Acquisition”**
  - 10. Resolution on the execution of the conditional Supplemental Agreement in respect of Share Issue for Asset Acquisition**
  - 11. Resolution on the statement of completeness and compliance of statutory procedures performed in relation to the Transaction and the validity of the submission of legal documents**
  - 12. Resolution on the statement of principals involved in the Transaction not being subject to Article 13 of the “Interim Provisions on Strengthening Regulation over Unusual Trading in Stocks relating to Major Asset Restructuring of Listed Companies”**
  - 13. Resolution on the statement of the Company’s share price fluctuation not reaching the relevant benchmark under Article 5 of the “Notice on the Regulation of Information Disclosure by Listed Companies and Acts of Relevant Parties”**
  - 14. Resolution on the approval of the audit report, the pro forma review report and the asset valuation report in relation to the Transaction**
  - 15. Resolution on the independence of the appraisal institution, the reasonableness of the appraisal assumptions, the relevance between the appraisal method and the appraisal objectives and the fairness of the appraisal consideration**

**16. Resolution on the statement of the basis for, and reasonableness and fairness of, the consideration for the Transaction**

**17. Resolution on the analysis on dilution on returns for the current period and remedial measures and the relevant undertakings in relation to the Transaction**

**18. Resolution on a mandate to be granted to the Board and its authorised persons by the General Meeting to deal with matters pertaining to the Transaction with full discretion**

The resolutions above are all special resolutions which shall require the approval of two-thirds of the voting rights held by shareholders attending the Meeting in order to be passed. Resolution 2 will be voted upon on an item-by-item basis. The resolutions have been considered and approved at the Twenty-sixth Meeting of the Eighth Session of the Board of Directors of the Company held on 28 October 2020 and Twenty-eighth Meeting of the Eighth Session of the Board of Directors of the Company held on 16 November 2020. For the details of the aforesaid resolutions, please refer to the relevant announcements published by the Company on 28 October 2020, 16 November 2020 and 1 December 2020, respectively.

Notes:

**1. The H Share register of the Company will be closed from Wednesday, 16 December 2020 to Monday, 21 December 2020 (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., Tuesday, 15 December 2020.**

2. In order to be valid, the instruments appointing a proxy (namely the proxy form) and the power of attorney or other authorization documents (if any) of the signatory or notarized copies of such power of attorney or authorization 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.

3. 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.

4. 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.

5. 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

**Li Zixue**

*Chairman*

Shenzhen, the PRC

4 December 2020

*As at the date hereof, the Board of Directors of the Company comprises three executive directors, Li Zixue, Xu Ziyang, Gu Junying; three non-executive directors, Li Buqing, Zhu Weimin, Fang Rong; and three independent non-executive directors, Cai Manli, Gordon Ng, Zhuang Jiansheng.*