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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 2019 ANNUAL GENERAL MEETING**

*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 2019 Annual General Meeting (hereinafter referred to as the “**AGM**”) of ZTE Corporation (hereinafter referred to as the “**Company**”) will be convened at 9 a.m., on Friday, 19 June 2020 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 20 April 2020, unless otherwise required by the context):

### **Ordinary Resolutions**

- 1. 2019 Annual Report (including 2019 financial report audited by the PRC and Hong Kong auditors);**
- 2. 2019 Report of the Board of Directors;**
- 3. 2019 Report of the Supervisory Committee;**
- 4. 2019 Report of the President;**
- 5. Final Financial Accounts for 2019;**
- 6. Proposals of Profit Distribution of for 2019;**

**“That:**

Proposals of Profit Distribution for 2019 tabled by the Board of Directors of the Company be approved.

Proposals of Profit Distribution for 2019:

Distribution of RMB2 in cash (before tax) for every 10 shares to all shareholders based on the total share capital (including A shares and H shares) as at the record date for profit distribution and dividend payment. In the event of changes in the Company's total share capital after the announcement of the Company's profit distribution proposal for 2019 but before its implementation, the total amount of distribution shall be readjusted in accordance with the law on the basis of the total share capital (including A shares and H shares) as at the record date for profit and dividend distribution for the purpose of the profit distribution proposal for 2019 according to the existing proportion for distribution.

The Board of Directors hereby request the general meeting to authorise any Directors or the Secretary to the Board of Directors to deal in accordance with the law with matters pertaining to profit distribution for 2019.”

#### **7. Resolution on the Application for Derivative Investment Limits for 2020;**

That the Company be authorised by the general meeting to invest in value protection derivative products for an amount not exceeding the equivalent of USD3.8 billion (namely, the outstanding investment amount at any point of time during the effective period of the authorisation shall not exceed the equivalent of USD3.8 billion, and such limit may be applied on a revolving basis during the effective period of the authorisation). The authorisation shall be effective from the date on which it is approved by way of resolution at the general meeting to the date on which the next annual general meeting of the Company closes or to the date on which this authorisation is modified or revoked at a general meeting, whichever is earlier. The details of the limit are as follows:

- (1) The investment limit for foreign exchange derivatives shall be USD3.5 billion, such foreign exchange derivative being used for value protection against operating asset or liability exposures and cross-currency exposures.
- (2) The limit for interest rate swap shall be USD0.3 billion, such interest rate swap being used for value protection against foreign currency loans at floating interest rates.

#### **8. Resolution on the Provision of Performance Guarantee for Overseas Wholly-Owned Subsidiaries for 2020;**

That the provision of performance guarantee for 7 overseas wholly-owned subsidiaries by the Company be approved, the details of which are as follows:

(1) That the provision of performance guarantee (including but not limited to the execution of guarantee agreements by the parent company and the provision of bank guarantee letters) with a total amount of not more than USD200 million for 7 overseas wholly-owned subsidiaries by the Company on a revolving basis for an effective term commencing on the date on which the said matter is considered and approved at the 2019 Annual General Meeting of the Company and ending on the date on which the 2020 Annual General Meeting of the Company is convened be approved.

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

**9. Resolution on Continuing Connected Transactions in relation to the Execution of “ZTE Channel Cooperation Framework Agreement 2020 – General Distributor” with Hangtian Ouhua, a Connected Party;**

(1) That the execution in accordance with the law of the “ZTE Channel Cooperation Framework Agreement 2020 – General Distributor” between the Company and 航天歐華信息技術有限公司 (former known as “深圳市航天歐華科技發展有限責任公司”, “Hangtian Ouhua 航天歐華”), a connected party, with the maximum aggregate amount of transactions (before VAT) in connection with the sales of products to Hangtian Ouhua by the Group in 2020 under the framework agreement estimated at RMB800 million, be approved; with the view that the terms of the “ZTE Channel Cooperation Framework Agreement 2020 – General Distributor” have been arrived at after arm’s length negotiations between the two parties on normal commercial terms in the ordinary course of business, and that the transaction terms and the cap of the transaction amount for 2020 are fair and reasonable and in the interests of the Company and its shareholders as a whole;

(2) That the legal representative of the Company or his authorised signatory be authorised to sign the “ZTE Channel Cooperation Framework Agreement 2020 – General Distributor”, among others, in accordance with the law.

**Special Resolution**

**10. Resolution on the Proposed Registration and Issue of Medium Term Notes;**

(1) That the registration and issue plan for the register and issue of Medium Term Notes of not more than RMB8,000 million by the Company be approved.

(2) That the legal representative of the Company or his authorised representative be authorised to process relevant matters relating to the registration and issue of Medium Term Notes, including but not limited: ① confirming relevant intermediaries relating to the registration and issue (including but not limited to the lead underwriter and the

bookrunner); ②confirming the actual issue plan (including all matters pertaining to the issue of 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 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 Medium Term Notes, including but not limited to application documents, prospectuses, underwriting agreements and relevant legal documents in relation to the issue; ③to deal with all other matters and formalities relating to the registration, issue and continuation, quotation and trading, and principal and interest payments in respect of the Medium Term Notes; ④adjusting as appropriate the actual plan for the issue of 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 Medium Term Notes should be carried on with, in the event of any changes to relevant regulatory policies or market conditions; ⑤to publish relevant information in accordance with applicable regulatory provisions;⑥to deal with other matters pertinent to the issue of Medium Term Notes not provided for in the foregoing; ⑦the 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 Medium Term Notes.

## **Ordinary Resolutions**

### **11. Resolutions on the Proposed Application for Composite Credit Facilities for 2020 (vote item by item);**

#### **11.1 Resolution of the Company proposing the application to Bank of China Limited for a composite credit facility amounting to RMB20.0 billion;**

That the Company's application to Bank of China Limited for RMB20.0 billion composite credit facilities (the principal types of which shall include loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc.) be approved. The said composite credit facilities are subject to approval by the bank. The Company is required to undergo necessary approval procedures in accordance with its current internal regulations and the requirements of pertinent laws, regulations and the listing rules when processing specific transactions under such composite credit facilities.

That the Board of Directors be authorised to adjust the details and actual duration of the credit facilities pursuant to the Company's requirements or negotiations with the

bank, subject to the aforesaid cap of RMB20.0 billion for the composite credit facilities and within the period considered and approved by the general meeting. The Board of Directors and legal representative of the Company or his authorised signatory are authorised to negotiate with the banks and sign all legal contracts and documents relating to the aforesaid composite credit facilities or transactions under such composite credit facilities.

The resolution shall be valid with effect from the date on which it is considered and approved at the 2019 Annual General Meeting until (1) the approval of the next new credit facilities with the financial institution by the Company's internal competent authorities, or (2) 30 June 2021 (whichever is earlier). Unless otherwise stipulated under laws and regulations or the Articles of Association or owing to business requirements, no subsequent resolution of the Board of Directors is required with respect to any single application for financing operations within such cap under such credit facility. The legal representative of the Company, or his authorised signatory, is authorised by the Board of Directors to sign, during the effective period of the composite credit facilities granted by the bank and to the extent permitted under laws and regulations and the Articles of Association, all legal contracts and documents relating to the composite credit facilities or transactions under the composite credit facilities.

**11.2 Resolution of the Company proposing the application to China Development Bank, Shenzhen Branch for a composite credit facility amounting to USD4.0 billion;**

That the Company's application to China Development Bank, Shenzhen Branch for USD4.0 billion composite credit facilities (the principal types of which shall include loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc.) be approved. The said composite credit facilities are subject to approval by the bank. The Company is required to undergo necessary approval procedures in accordance with its current internal regulations and the requirements of pertinent laws, regulations and the listing rules when processing specific transactions under such composite credit facilities.

That the Board of Directors be authorised to adjust the details and actual duration of the credit facilities pursuant to the Company's requirements or negotiations with the bank, subject to the aforesaid cap of USD4.0 billion for the composite credit facilities and within the period considered and approved by the general meeting. The Board of Directors and legal representative of the Company or his authorised signatory are authorised to negotiate with the banks and sign all legal contracts and documents relating to the aforesaid composite credit facilities or transactions under such

composite credit facilities.

The resolution shall be valid with effect from the date on which it is considered and approved at the 2019 Annual General Meeting until (1) the approval of the next new credit facilities with the financial institution by the Company's internal competent authorities, or (2) 30 June 2021 (whichever is earlier). Unless otherwise stipulated under laws and regulations or the Articles of Association or owing to business requirements, no subsequent resolution of the Board of Directors is required with respect to any single application for financing operations within such cap under such credit facility. The legal representative of the Company, or his authorised signatory, is authorised by the Board of Directors to sign, during the effective period of the composite credit facilities granted by the bank and to the extent permitted under laws and regulations and the Articles of Association, all legal contracts and documents relating to the composite credit facilities or transactions under the composite credit facilities.

## **12. Resolutions on the Appointment of the Auditor for 2020 (vote item by item);**

12.1 Re-appointment of Ernst & Young Hua Ming LLP as the PRC auditor of the Company's financial report for 2020 and authorise the Board of Directors to fix the financial report audit fees of Ernst & Young Hua Ming LLP for 2020 based on specific audit work to be conducted;

12.2 Re-appointment of Ernst & Young as the Hong Kong auditor of the Company's financial report for 2020 and authorise the Board of Directors to fix the financial report audit fees of Ernst & Young for 2020 based on the specific audit work to be conducted;

12.3 Re-appointment of Ernst & Young Hua Ming LLP as the internal control auditor of the Company for 2020 and authorise the Board of Directors to fix the internal control audit fees of Ernst & Young Hua Ming LLP for 2020 based on specific audit work to be conducted.

## **Special Resolutions**

### **13. Resolution of the Company on the Application for General Mandate for 2020;**

**“That:**

(1) Subject to the conditions set out below, the Board of Directors be hereby granted an unconditional and general mandate during the Relevant Period (as defined below)

subject to the approval at the 2019 Annual General Meeting of the Company, to separately or concurrently allot, issue and deal with additional domestic shares and overseas-listed foreign shares (“H Shares”) of the Company (including securities convertible into domestic shares and/or H Shares of the Company) and to make or grant offers, agreements or options in respect of the above:

I. such mandate shall not extend beyond the Relevant Period, other than in the case of the making or granting of offers, agreements or options by the Board of Directors during the Relevant Period which might require the performance or exercise of such powers after the close of the Relevant Period;

II. the aggregate nominal amount of the share capital of domestic shares and H shares authorised to be allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board of Directors, otherwise than pursuant to a Rights Issue (as defined below) approved by the Board of Directors, shall not exceed 20% of the aggregate nominal amount of each of the share capital of the domestic shares and H shares of the Company in issue at the date on which this resolution is passed at the general meeting; and

III. The Board of Directors will only exercise the above authority in compliance with the Company Law of the People’s Republic of China (as amended from time to time) and the Hong Kong Listing Rules (as amended from time to time) and with the necessary approvals of the China Securities Regulatory Commission and/or other relevant PRC government authorities.

(2) For the purpose of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution at the general meeting until the earliest of:

I. the conclusion of the next annual general meeting of the Company following the passing of this resolution; or

II. the revocation or variation of the authority given to the Board of Directors under this resolution by the passing of a special resolution of the Company at a general meeting; and

“Rights Issue” means an offer to all shareholders of the Company (except any shareholders to which the making of such offers by the Company is not permitted under the laws of the jurisdictions where they reside) and, as appropriate, holders of other equity securities of the Company who are qualified for such offers, for the allotment and issue of shares or other securities in the Company which will or might require the allotment and issue of shares in proportion to their existing holdings of

such shares or other equity securities (subject to the exclusion of fractional entitlements);

(3) Where the Board of Directors resolves to issue shares (including securities convertible into domestic shares and/or H Shares of the Company) pursuant to paragraph (1) of this resolution, the Board of Directors hereby requests the 2019 Annual General Meeting of the Company to authorise the Board of Directors to approve and execute all documents and deeds and handle all matters or to procure the execution of such documents and deeds and the handling of such matters necessary in their opinion for the issue (including price ranges) of the shares, submitting all necessary applications to relevant authorities, entering into underwriting agreements (or any other agreements), determining the use of proceeds, and fulfilling filing and registration requirements of the mainland of the PRC, Hong Kong and other relevant authorities, including but not limited to registration with relevant PRC authorities of the increase in registered share capital as a result of the issue of shares pursuant to paragraph (1) of this resolution); and

(4) The Board of Directors hereby requests the 2019 Annual General Meeting of the Company to authorise the Board of Directors to amend the Articles of Association as they deem appropriate to increase the registered share capital of the Company and to reflect the new share capital structure of the Company following the proposed allotment and issue of shares of the Company pursuant to paragraph (1) of this resolution. ”

#### **14. Resolution on the Tabling of the Proposed Mandate for the Repurchase of the Company’s A Shares at the General Meeting for Consideration;**

The resolution tabled at the general meeting for consideration seeks to give mandate to the Board of the Company only to deal with matters pertaining to the share repurchase. At present, the Company has yet to formulate a detailed plan for the share repurchase. Subject to consideration and approval at the general meeting, the Company will confirm whether to proceed with the repurchase based on factors such as conditions in the capital market and volatility and movement in the Company’s share price, among others.

For the details of the resolution, please refer to the “Overseas Regulatory Announcement Announcement Tabling of the Proposed Mandate for the Repurchase of the Company’s A Shares at the General Meeting for Consideration” published by the Company on 27 March 2020.



**15. Resolution on the Amendment of relevant clauses in the Articles of Association, the Rules of Procedure for General Meetings of Shareholders and the Rules of Procedure for Board of Directors Meetings;**

(1) That the amendment of the relevant clause in the Articles of Association in accordance with the law be approved, the details of which are set out as follows:

Existing Article	To be amended as
<p><b>Article 50.</b> No registration of amendment of the register of members caused by transfer of shares shall be carried out within thirty days prior to the date of a general meeting of shareholders or within five days of the reference date on which the Company decides to distribute dividends.</p>	<p><b>Article 50.</b> Where a period of book closure prior to the convening of general meetings or the record date for the determination of the Company's dividend distribution is provided for under laws, administrative regulations, departmental rules, regulatory documents and by relevant stock exchanges or regulatory authorities of the places where the Company is listed, such provision shall prevail.</p>
<p><b>Article 53.</b> Any person who is registered in, or requests to have his name entered into, the register of members may, if his share certificate (the "Original Certificate") is lost, apply to the Company for a replacement share certificate in respect of such shares (the "Relevant Shares").</p> <p>If a holder of the domestic shares loses his share certificate and applies for a replacement share certificate, it shall be dealt with in accordance with the provisions of Article 144 of the Company Law.</p> <p>.....</p>	<p><b>Article 53.</b> Any person who is registered in, or requests to have his name entered into, the register of members may, if his share certificate (the "Original Certificate") is lost, apply to the Company for a replacement share certificate in respect of such shares (the "Relevant Shares").</p> <p>If a holder of the domestic shares loses his share certificate and applies for a replacement share certificate, it shall be dealt with in accordance with the <b>pertinent provisions</b> of the Company Law.</p> <p>.....</p>
<p><b>Article 79.</b> When the Company convenes a general meeting of shareholders, written notice of the meeting shall be given forty-five days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver to the Company a written confirmation of their attendance twenty days before the date of the meeting.</p>	<p><b>Article 79.</b> A written notice of meeting shall be given <b>at least twenty days before the date of an annual general meeting and at least fifteen days before the date of an extraordinary general meeting</b> to be convened by the Company to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p>
<p><b>Article 80.</b> The Company shall, based on the written replies received twenty days before the date of the general meeting of shareholders, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amounts to not less than half of the Company's total voting shares, the Company may hold a general meeting; if not, the Company shall within five days notify the shareholders by way of public announcement of matters to be considered at and the place and date of the meeting. The Company may then hold the</p>	<p><b>Article 80.</b> An extraordinary general meeting shall not decide on any matter not stated in the notice for the meeting.</p>

Existing Article	To be amended as
<p>meeting after publication of such announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant requirements.</p> <p>An extraordinary general meeting shall not decide on any matter not stated in the notice for the meeting.</p>	
<p><b>Article 83.</b> Notices of general meetings and relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders' register. Notices of general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities under the State Council during the period which is 45-50 days prior to the meeting. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> <p>.....</p>	<p><b>Article 83.</b> Notices of general meetings and relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders' register. Notices of general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities <b>under the State Council</b>. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> <p>.....</p>
<p><b>Article 139.</b> The Company shall issue a written notice to all class shareholders whose names appear in the share register forty-five days before the class meeting is convened. The notice shall contain notice of the matters to be considered at such meeting and the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver a written reply to the Company twenty days before the meeting is convened.</p> <p>In the event that the number of shares (carrying voting rights) held by shareholders who intend to attend the meeting is not less than one-half of the total class shares with voting rights at the meeting, the Company may convene the class meeting. If not, the Company shall issue a public announcement to inform shareholders of matters</p>	<p><b>Article 139.</b> Whenever a class meeting is convened by the Company, a written notice of meeting shall be given <b>by reference to the notice periods for the convening of annual general meetings and extraordinary general meetings set out under Article 79 of the Article</b> to notify all class shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p>

Existing Article	To be amended as
<p>to be considered at the meeting and the date and place of the meeting within five days. The Company may then convene the class meeting after issuing such public announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant regulations.</p>	
<p><b>Article 253.</b> The Company shall be dissolved and liquidated according to law upon the occurrence of any of the following events:  .....  4) the Company is dissolved by the People’s Court in accordance with Article 183 of the Company Law;  .....</p>	<p><b>Article 253.</b> The Company shall be dissolved and liquidated according to law upon the occurrence of any of the following events:  .....  4) the Company is dissolved by the People’s Court in accordance with <b>pertinent provisions</b> of the Company Law;  .....</p>

(2) That the amendment of relevant clauses in the Rules of Procedure for General Meetings of Shareholders in accordance with the law be approved, the details of which are set out as follows:

Existing Article	To be amended as
<p><b>Article 7.</b> When the Company convenes the annual general meeting of shareholders, written notice of the meeting shall be given forty-five days before the date of the meeting (not including the day of the meeting) to notify all shareholders by the Board of Directors, whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p> <p>Shareholders who intend to attend the annual general meeting shall deliver to the Company a written confirmation of their attendance twenty days before the date of the meeting. The Company shall, based on the written replies received twenty days before the date of the general meeting of shareholders, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amounts to not less than half of the Company’s total voting shares, the Company may hold a general meeting; if not, the Company shall within five days notify the shareholders by way of public announcement of matters to be considered at and the place and date of the meeting. The Company may then hold the meeting after publication of such announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant requirements.</p>	<p><b>Article 7.</b> When the Company convenes the annual general meeting of shareholders, written notice of the meeting shall be given <b>at least twenty days</b> before the date of the meeting (not including the day of the meeting) to notify all shareholders by the Board of Directors, whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p>
<p><b>Article 9.</b> Notices of general meetings and</p>	<p><b>Article 9.</b> Notices of general meetings and</p>

Existing Article	To be amended as
<p>relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders' register. Notices of general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities under the State Council during the period which is 45-50 days prior to the meeting. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> <p>.....</p>	<p>relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders' register. Notices of general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities <b>under the State Council</b>. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> <p>.....</p>
<p><b>Article 33.</b> Any other matters pertaining to the convening of extraordinary general meetings not provided for under this section shall be governed by provisions under Section 2 of this Chapter.</p>	<p><b>Article 33. A written notice of meeting shall be given at least fifteen days before the date of an extraordinary general meeting to be convened by the Company to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</b> Any other matters pertaining to the convening of extraordinary general meetings not provided for under this section shall be governed by provisions under Section 2 of this Chapter.</p>
<p><b>Article 76.</b> The Company shall issue a written notice to all class shareholders whose names appear in the share register forty-five days before the class meeting is convened. The notice shall contain notice of the matters to be considered at such meeting and the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver a written reply to the Company twenty days before the meeting is convened.</p> <p>In the event that the number of shares (carrying voting rights) held by shareholders who intend to</p>	<p><b>Article 76.</b> Whenever a class meeting is convened by the Company, a written notice of meeting shall be given <b>by reference to the notice periods for the convening of annual general meetings and extraordinary general meetings set out under Article 7 and Article 33 of the Rule</b> to notify all class shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p>

Existing Article	To be amended as
attend the meeting is not less than one-half of the total class shares with voting rights at the meeting, the Company may convene the class meeting. If not, the Company shall issue a public announcement to inform shareholders of matters to be considered at the meeting and the date and place of the meeting within five days. The Company may then convene the class meeting after issuing such public announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant regulations.	

(3) That the amendment of relevant clauses in the Rules of Procedure for Board of Directors Meetings in accordance with the law be approved, the details of which are set out as follows:

Existing Article	To be amended as
<b>Article 5.</b> Persons subject to provisions under Article 147 of the Company Law and prohibition from market entry by PRC securities administration authorities currently in force, as well as civil servants of the State, shall not be eligible to serve as Directors of the Company.	<b>Article 5.</b> Persons subject to <b>pertinent provisions</b> under the Company Law and prohibition from market entry by PRC securities administration authorities currently in force, as well as civil servants of the State, shall not be eligible to serve as Directors of the Company.

(4) That any Directors or the Secretary to the Board of Directors of the Company be authorised to handle the formalities of filing, amendment and registration (where necessary) and other matters pertaining to the amendment of the Articles of Association, the Rules of Procedure for General Meetings of Shareholders and the Rules of Procedure for Board of Directors Meetings in accordance with the law on behalf of the Company.

Resolutions No. 11 and No. 12 will be voted upon on an item-by-item basis.

Resolution No. 10, No. 13, No. 14, and No. 15 are 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. Other resolutions are ordinary resolutions which shall require the approval of one-second of the voting rights held by shareholders attending the Meeting in order to be passed.

Resolution No. 9 have been considered and approved at the Thirteenth Meeting of the Eighth Session of the Board of Directors of the Company held on 17 January 2020. For the details, please refer to the “Overseas Regulatory Announcement Announcement on Projected Continuing Connected Transactions under the Rules Governing Listing of Stocks on The Shenzhen Stock Exchange” published on by the Company on 17 January 2020. Other resolutions have been considered and approved at the Fifteenth Meeting of the Eighth Session of the Board of Directors of the Company held on 27 March 2020. For the details of the aforesaid resolutions, please

refer to the relevant announcements published on by the Company on 27 March 2020.

**The Independent Non-executive Directors of the Company will give a report at the AGM on the performance of their duties.**

**Notes:**

1. **The Company will close its H share register from Wednesday, 20 May 2020 to Thursday, 18 June 2020 (both days inclusive)** to determine qualifications of shareholders to attend and vote at the AGM. Any H Shareholder who wishes to attend and vote at the AGM **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, 19 May 2020.**

2. **The Company will close its H share register from Thursday, 25 June 2020 to Tuesday, 30 June 2020 (both days inclusive)** to determine qualifications of shareholders to receive the Dividends. Any H Shareholder who wishes to qualify for the Dividends **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., Wednesday, 24 June 2020.**

3. Shareholders intending to attend the AGM, whether in person or by proxy, should deliver the reply slip of AGM by hand, post or facsimile to the Company's principal place of business in Hong Kong (for H shareholders) on or before Friday, 29 May 2020. The principal place of business of the Company in Hong Kong is: 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong (Facsimile No.: +852-35898555).

4. 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 AGM 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 AGM or any adjournment thereof if he so wishes.

5. A Shareholder entitled to attend and vote at the AGM 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.

6. In case of joint holders of a share, any one of such holders is entitled to vote at the AGM, 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 AGM personally or by proxy.

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

By Order of the Board

**Li Zixue**

*Chairman*

Shenzhen, the PRC

20 April 2020

*As at the date of this announcement, 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, Yuming Bao, Gordon Ng.*