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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 IN RESPECT OF RESOLUTIONS  
OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010**

*The Company and the Directors, supervisors and members of the senior management 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 Second Extraordinary General Meeting of 2010 (hereinafter referred to as the "EGM") of ZTE Corporation (hereinafter referred to as the "Company") was held at the Venue on 10 September 2010. Details in respect of the resolutions and voting of the EGM were as follows:

**I. IMPORTANT NOTICE**

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

**II. INFORMATION REGARDING THE EGM**

1. Time of meeting

The meeting was convened on 10 September 2010 from 9:00 am to 10:00 am.

2. Venue

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

3. Mode of meeting

The EGM was convened physically with on-site voting.

4. Convener

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

5. Chairman

As Chairman Mr. Hou Weigui was on a business trip and was unable to attend and preside over the EGM, Vice Chairman, Mr. Xie Weiliang was unanimously elected by the Directors to act as the chairman of the EGM in accordance with Article 97 of the Articles of Association.

6. The convening of EGM complied with the relevant provisions of relevant laws, administrative regulations and departmental rules such as the Company Law of the People's Republic of China, the Rules Governing Listing of Stocks on Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of ZTE Corporation, and was legal and valid.

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

#### **▪ Overall Attendance**

46 Shareholders (including proxies), holding 1,424,783,944 shares, accounting for 49.70% of the total shares carrying voting rights of the Company.

Of which:

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

45 holders (including proxies) of domestic shares (A shares), holding 1,209,956,597 shares, accounting for 51.66% 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 214,827,347 shares, accounting for 40.95% of the total H shares carrying voting rights of the Company.

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

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

#### **Ordinary Resolutions**

**(I) TO CONSIDER AND APPROVE THE RESOLUTION OF THE COMPANY ON THE INVESTMENT IN A PRODUCTION AND RESEARCH AND DEVELOPMENT TRAINING BASE PROJECT IN THE HEYUAN HI-TECH ZONE, DETAILS ARE AS FOLLOWS:**

1. That the investment in and construction of "ZTE Heyuan Production and Research and Development Training Base" project in the Heyuan Hi-tech Development Zone by the Company be approved;
2. That Mr. Hou Weigui, legal representative of the Company, or a competent signatory authorized by Mr. Hou Weigui, be authorized to sign relevant legal contracts and documents in respect of "ZTE Heyuan Production and Research and Development Training Base" project be approved;

#### **1. Overall voting details:**

For: 1,424,714,194 shares, accounting for 99.9951% of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 69,750 shares, accounting for 0.0049% 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: 1,209,956,597 shares, accounting for 100% 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: 214,757,597 shares, accounting for 99.9675% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 69,750 shares, accounting for 0.0325% 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:**

The resolution, being an ordinary resolution, was passed by votes representing more than one-half of the voting rights held by shareholders attending the EGM.

### **(II) TO CONSIDER AND APPROVE THE RESOLUTION ON THE APPLICATION FOR INVESTMENT LIMITS IN FOREIGN EXCHANGE DERIVATIVE PRODUCTS FOR VALUE PROTECTION, DETAILS ARE AS FOLLOWS:**

1. That the Company be authorized to invest in foreign exchange derivative products for value protection against its risk exposure in US Dollars for an amount not exceeding USD700 million (which limit shall include investments by majority-owned subsidiaries and may be applied on a revolving basis during the effective period of the authorization). The authorization 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 the date on which this authorization is modified or revoked at a general meeting, whichever is earlier;
2. That the Company be authorized to invest in foreign exchange derivative products for value protection against its risk exposure in Euros for an amount not exceeding EUR200 million (which limit shall include investments by majority-owned subsidiaries and may be applied on a revolving basis during the effective period of the authorization). The authorization 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 the date on which this authorization is modified or revoked at a general meeting, whichever is earlier.

1. Overall voting details:

For: 1,424,714,194 shares, accounting for 99.9951% of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 69,750 shares, accounting for 0.0049% 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: 1,209,956,597 shares, accounting for 100% 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: 214,757,597 shares, accounting for 99.9675% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 69,750 shares, accounting for 0.0325% 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:

The resolution, being an ordinary resolution, was passed by votes representing more than one-half of the voting rights held by shareholders attending the EGM.

## V. LEGAL OPINION OF LAWYERS

1. Name of Law Firm: Jun He Law Offices, Shenzhen Office

2. Name of Attorneys: Zhang Jianwei and Xiong Ming

3. Conclusive opinion:

In the view of Jun He Law Offices, Shenzhen Office, matters relating to the convening and holding procedures, qualifications of the attendees and the voting procedures of the Second Extraordinary General Meeting of 2010 of the Company complied with laws, regulations and rules including the Company Law of the People's Republic of China and the Rules for General Meetings of Listed Companies as well as the Articles of Association of ZTE Corporation and the "Resolutions of the Second Extraordinary General

Meeting of 2010 of ZTE Corporation” approved at the EGM were legal and valid.

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

1. Documents of the Second Extraordinary General Meeting of 2010 of ZTE Corporation
2. Resolutions of the Second Extraordinary General Meeting of 2010 of ZTE Corporation

By Order of the Board

**Hou Weigui**

*Chairman*

Shenzhen, PRC  
10 September 2010

*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, Lei Fanpei, 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.*