

# ZTE中兴

## 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 2006 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 are no false and misleading statements or material omissions in this announcement.

NOTICE IS HEREBY GIVEN that an Annual General Meeting (hereinafter referred to as the "AGM") of ZTE Corporation (hereinafter referred to as the "Company") for the year 2006 will be held at the venue in accordance with the resolution passed by the second meeting of the fourth session of the Board of Directors of the Company held on 18 April 2007. Details of the AGM are set out below:

### 1. INFORMATION REGARDING THE MEETING

#### (1) Time of meeting

The AGM will commence at 9:00 a.m. on 15 June 2007.

#### (2) Venue

The AGM will be held at the Conference Room on the 4th floor of the Company's headquarters in Shenzhen.

Address: 4th Floor, Block A, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen.

Tel: +86 755 26770282

#### (3) Convener

The AGM will be convened by the Board of Directors of the Company.

#### (4) Voting method

Voting will be carried out on-site at the AGM.

#### (5) Attendees

- All ZTE (000063) shareholders registered with China Securities Depository & Clearing Corporation Limited, Shenzhen Office upon the close of trading of its A shares on the Shenzhen Stock Exchange (hereinafter referred to as "Domestic Shareholders") on Tuesday, 15 May 2007 at 3:00 p.m.;
- All shareholders registered on the Company's H share register maintained by Computershare Hong Kong Investor Services Limited upon the close of trading of its H shares on The Stock Exchange of Hong Kong Limited on Tuesday, 15 May 2007 at 4:00 p.m. (hereinafter referred to as "H Shareholders");
- Directors, supervisors and senior management of the Company; and
- Representatives of intermediaries engaged by the Company and guests invited by the Board of Directors.

#### (6) Period of closure of H share register

The Company will close its H share register from Wednesday, 16 May 2007 to Thursday, 14 June 2007 (inclusive). Any H Shareholder who wishes to receive the final dividend for the year shall lodge an instrument of transfer, together with the corresponding share certificate(s) with Computershare Hong Kong Investor Services Limited at Room 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 15 May 2007 at 4:00 p.m. Details of the record date of dividend payment, dividend payment method and dividend payment date for Domestic Shareholders will be announced separately.

### 2. MATTERS TO BE CONSIDERED AT THE AGM

To consider and, if thought fit, pass the following resolutions at the AGM as follows:

#### Ordinary Resolutions

- to consider and approve the financial statements for the year ending 31 December 2006 audited by the Company's PRC and Hong Kong auditors;
- to consider and approve the report of the Board of Directors of the Company for the year ending 31 December 2006;
- to consider and approve the report of the Supervisory Committee of the Company for the year ending 31 December 2006;
- to consider and approve the report of the President of the Company for the year ending 31 December 2006;
- to consider and approve the final financial accounts of the Company for the year ending 31 December 2006;
- to consider and approve the profit distribution plan of the Company for the year ending 31 December 2006;
- to consider and approve the appointment of the PRC auditors and the Hong Kong auditors of the Company for the year ending 31 December 2007:
  - That Ernst & Young Hua Ming be re-appointed as the PRC auditors of the Company for 2007 and a proposal be made to the shareholders' general meeting to authorise the Board of Directors to determine the audit fees of Ernst & Young Hua Ming for 2007 based on specific audit work to be conducted.
  - That Ernst & Young be re-appointed as the Hong Kong auditors of the Company for 2007 and a proposal be made to the shareholders' general meeting to authorise the Board of Directors to determine the audit fees of Ernst & Young for 2007 based on the specific audit work to be conducted.

In compliance with the Regulatory Opinion on General Meetings of Listed Companies, five Independent Directors of the Company shall deliver their work reports at the AGM.

#### Special Resolution

- To consider and, if thought fit, pass the resolution of the Company on the general mandate for 2007 by the Company as a special resolution:

#### "THAT:

- Subject to the conditions set out below, the Board of Directors be hereby granted an unconditional and general mandate during the Relevant Period to separately or concurrently allot, issue and deal with additional domestic shares and overseas-listed foreign shares ("H Shares") of the Company and to make or grant offers, agreements or options in respect of the above:

- 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 Directors during the Relevant Period which might require the performance or exercise of such powers after the close of the Relevant Period;
- the aggregate nominal amount 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 (i) a Rights Issue or (ii) any option scheme or similar arrangement from time to time being adopted for the grant or issue to Directors,

Supervisors, senior management and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, 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; and

- 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) and with the necessary approvals of the China Securities Regulatory Commission and/or other relevant PRC government authorities.

- For the purpose of this resolution:

"Relevant Period" means the period from the passing of this Resolution until the earliest of:

- the conclusion of the next annual general meeting of the Company following the passing of this Resolution;
- the expiration of a twelve-month period following the passing of this Resolution; or
- the revocation or variation of the authority given to the Directors under this Resolution by the passing of a special resolution of the Company at the shareholders' general meeting.

"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 to 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).

- Where the Board of Directors resolve to issue shares pursuant to paragraph 1 of this resolution, the Board of Directors be hereby authorised to approve and execute all documents and deeds and do all things or to procure the execution of such documents and deeds and the doing of such things necessary in their opinion for the issue of the new shares (including but not limited to determining the time and place for issue, 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 PRC, Hong Kong and other relevant authorities, including but not limited to the 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

- The Board of Directors be hereby authorised to amend the Company's Articles of Association as they deem necessary to increase the registered share capital of the Company and to reflect the new capital structure of the Company following the allotment and issue of the Company's shares contemplated in paragraph 1 of this Resolution."

### 3. REGISTRATION AT THE AGM

#### (1) Registration of attendance

- Any legal person shareholder (including but not limited to corporate shareholders) entitled to attend the AGM shall produce to the register with a duplicate of its corporate business licence, a duly signed power of attorney and the identity card of the attendee.
- Any individual shareholder entitled to attend the AGM shall produce for registration his own identity card, stock account card and evidence of shareholding.
- Any shareholder intending to attend the AGM shall deliver the confirmation slip to the AGM registry by courier, registered mail or fax.

#### (2) Time of registration

From 21 May 2007 to 25 May 2007

#### (3) Address for registration

Registration for the AGM will be conducted at: 6/F, Block A, ZTE Building, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, PRC 518057.

#### (4) Requirements when registering and voting by way of proxy

- Any shareholder entitled to attend and vote at the meeting may entrust one or more person (whether or not a shareholder) as his proxy(ies) to attend and vote at the meeting on his behalf. The shareholder may attend and vote at the meeting in person notwithstanding that he has completed and submitted the proxy form; in such a case, the proxy form is deemed withdrawn. For a shareholder who entrusts two or more proxies, the voting rights to be exercised by such proxies in aggregate shall not exceed the total number of votes the shareholder is entitled to exercise at the meeting, and any one share may not be voted by different proxies.
- A shareholder shall appoint a proxy in writing by using the proxy form, which shall be signed by the authorising shareholder or his duly authorised attorney. The proxy form shall be notarized if it is to be signed by any person other than by the authorising shareholder himself. The proxy form is valid only if it is deposited at the registered address of the Company no less than 24 hours before the AGM.
- If a shareholder entrusts his proxy(ies) to attend and vote at the meeting on behalf of him, such proxy(ies) shall produce for registration his own identity card, the duly signed proxy form, the stock account card of shareholder and evidence of share holding.

### 4. MISCELLANEOUS

- It is expected that the AGM will take less than one day; all accommodation, travel and expenses relating to attending the meeting shall be borne by the attendees.
- AGM Contact: Li Lihong
- Contact telephone number: + 86 755 26770285
- Contact fax number: + 86 755 26770286

### 5. REFERENCE

Resolutions of the Second Meeting of the Fourth Session of the Board of Directors of ZTE Corporation

By Order of the Board  
**Hou Weigui**  
Chairman

Shenzhen, the PRC  
26 April 2007

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Yin Yimin, Shi Lirong and He Shiyun; six non-executive directors, Hou Weigui, Wang Zongyin, Xie Weiliang, Zhang Junchao, Li Juping and Dong Lianbo; and five independent non-executive directors, Zhu Wuxiang, Chen Shaohua, Qiao Wenjun, Mi Zhengkun and Li Jin.