

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 THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2006

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 the first Extraordinary General Meeting (hereinafter referred to as the "EGM") of ZTE Corporation (hereinafter referred to as the "Company") for the year 2006 will be held in accordance with the resolution passed by the nineteenth meeting of the third session of the Board of Directors of the Company held on 25 October 2006. Details of the EGM are set out below:

1. INFORMATION REGARDING THE MEETING

1.1 Date and time of meeting

The EGM will commence at 9: 00 a.m. on 28 December 2006.

1.2 Venue

The EGM will be held at the Novotel Bauhinia Shenzhen Hotel.

Address: Qiaocheng E., Road, Huaqiao City, Shenzhen, Guangdong Province, the People's Republic of China (hereinafter referred to as the "PRC") (near the western entrance of Yuanboyuan)

Tel: +86 755 82829966

1.3 Convener

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

1.4 Voting method

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

1.5 Attendees

- (a) 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 on Monday, 27 November 2006 at 3:00 p.m. (hereinafter referred to as "Domestic Shareholders");
- (b) 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 Monday, 27 November 2006 at 4:00 p.m. (hereinafter referred to as "H Shareholders");
- (c) Directors, supervisors and senior management of the Company; and
- (d) Representatives of intermediaries engaged by the Company and guests invited by the Board of Directors.

1.6 Period of closure of H share register

The Company will close its H share register from Tuesday, 28 November 2006 to Wednesday, 27 December 2006 (inclusive). Any H Shareholder who wishes to attend the meeting 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 27 November 2006 at 4:00 p.m.

2. MATTERS TO BE CONSIDERED AT THE EGM

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

Ordinary Resolutions

2.1 The resolution with respect to the proposed connected transaction framework agreement for 2007 (as defined under the Rules Governing the Listing of Securities on Shenzhen Stock Exchange).

THAT the framework purchase agreements for year 2007 proposed to be entered into between ZTE Kangxun Telecom Company, Limited, a subsidiary of the Company, on the one hand and connected party Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited together with its subsidiaries Shenzhen Zhongxing Xindi Telecommunications Equipment Company, Limited, Shenzhen Zhongxing Xinyu FPC Company, Limited and Shenzhen Zhongxing Xinzhou Complete Equipment Company, Limited, on the other, in respect of the purchase of cases, cabinets, distribution frames, flexible printed circuit boards and shelters with an annual cap of aggregated transaction amounts estimated at RMB720 million for 2007 be approved.

2.2 The resolution with respect to the renewal of continuing connected transactions for 2007 to 2009 (as defined under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

THAT the framework purchase agreements proposed to be entered into between ZTE Kangxun Telecom Company, Limited, a subsidiary of the Company, on the one hand and connected party Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited together with its subsidiaries Shenzhen Zhongxing Xindi Telecommunications Equipment Company, Limited, Shenzhen Zhongxing Xinyu FPC Company, Limited and Shenzhen Zhongxing Xinzhou Complete Equipment Co., Ltd. on the other, in respect of the purchase of cases, cabinets, distribution frames, flexible printed circuit boards and shelters with annual caps of aggregated transaction amounts estimated at RMB720 million for 2007, RMB950 million for 2008 and RMB1,200 million for 2009 be approved.

3. REGISTRATION AT THE EGM

3.1 Registration of attendance

- (a) Any legal person shareholder (including but not limited to corporate shareholders) entitled to attend the EGM 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.
- (b) Any individual shareholder entitled to attend the EGM shall produce for registration his own identity card, stock account card and evidence of shareholding.
- (c) Any shareholder intending to attend the EGM shall deliver the confirmation slip to the EGM registry by courier, registered mail or fax.

3.2 Time of registration

From 4 December 2006 to 8 December 2006

3.3 Address for registration

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

3.4 Requirements when registering and voting by way of proxy

- (a) 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.
- (b) 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 within 24 hours at the registered address of the Company before the EGM.
- (c) 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 shareholding.

4. MISCELLANEOUS

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

5. REFERENCE

Resolutions of the Nineteenth Meeting of the Third Session of the Meeting of the Board of Directors of ZTE Corporation

By Order of the Board of Directors
Hou Weigui
Chairman

Shenzhen, the PRC
10 November 2006

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors Yin Yimin, Shi Lirong and He Shiyou; 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.

PROXY FORM FOR THE FIRST EXTRAORDINARY GENERAL MEETING 2006 TO BE HELD ON THURSDAY, 28 DECEMBER 2006

Number of shares to which this Proxy Form relates:	
Class of Shares to which this Proxy Form relates (Domestic share or H-share ¹):	

I/We² _____, of (address) _____ holder of ID No. _____ and shareholder account no. _____ (as shown in the register) being shareholder(s) of ZTE Corporation (the "Company") hereby appoint the Chairman of the meeting or³ _____ of (address) _____ holder of ID No. _____ as my/our proxy to vote for me/us and on my/our behalf at the first extraordinary general meeting of 2006 of the Company to be held at the Novotel Bauhinia Shenzhen Hotel (Address: Qiaocheng E., Road, Huaqiao City, Shenzhen, Guangdong Province, People's Republic of China (near the western entrance of Yuanboyuan), telephone no.: +86 (755) 82829966) on Thursday, 28 December 2006 at 9:00 am, and at any adjournment thereof as indicated here under or, if no such indication is given, as my/our proxy thinks fit.

	Ordinary resolutions	For ⁴	against ⁴	abstain ⁴
1	<p>The resolution with respect to the proposed connected transaction framework agreement for 2007 (as defined under the Rules Governing the Listing of Securities on Shenzhen Stock Exchange).</p> <p>THAT the framework purchase agreements for year 2007 proposed to be entered into between ZTE Kangxun Telecom Company, Limited, a subsidiary of the Company, on the one hand and connected party Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited together with its subsidiaries Shenzhen Zhongxing Xindi Telecommunications Equipment Company, Limited, Shenzhen Zhongxing Xinyu FPC Company, Limited and Shenzhen Zhongxing Xinzhou Complete Equipment Company, Limited, on the other, in respect of the purchase of cases, cabinets, distribution frames, soft circuit boards and shelters with annual caps of aggregated transaction amounts estimated at RMB720.00 million for 2007 be approved.</p>			

	Ordinary resolutions	For ⁴	against ⁴	abstain ⁴
2	<p>The resolution with respect to the renewal of continuing connected transactions for 2007 to 2009 (as defined under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).</p> <p>THAT the framework purchase agreements proposed to be entered into between ZTE Kangxun Telecom Company, Limited, a subsidiary of the Company, on the one hand and connected party Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited together with its subsidiaries Shenzhen Zhongxing Xindi Telecommunications Equipment Company, Limited, Shenzhen Zhongxing Xinyu FPC Company, Limited and Shenzhen Zhongxing Xinzhou Complete Equipment Co., Ltd. on the other, in respect of the purchase of cases, cabinets, distribution frames, flexible printed circuit boards and shelters with annual caps of aggregated transaction amounts estimated at RMB720 million for 2007, RMB950 million for 2008 and RMB1,200 million for 2009 be approved.</p>			

Dated: _____ 2006 Signature(s)⁵: _____

Notes:

- Please insert the number of shares registered in your name(s) which relates to this proxy form. If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s). Also please insert the class of shares concerned in this Proxy Form (domestic share or H share).
- Full name(s) (in Chinese or English) and address(es) in compliance with the register of members to be inserted in BLOCK CAPITALS.
- If you want to authorize any person other than the Chairman of the meeting as your proxy, please delete the words "the Chairman of the meeting or" and insert the name and address of the proxy you duly authorize. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his behalf. The proxy needs not be a member of the Company. For a member who appoints more than one proxy, his proxies are entitled to execute his voting rights only by voting. Any alterations made in this proxy form should be initiated by the person who signs it.
- IMPORTANT: for the above resolutions, please indicate with a tick in the appropriate box beside each of the resolutions and specify how you wish the proxy to vote on your behalf. If no direction is given, the proxy is entitled to vote or abstain as he thinks fit. Unless the appointor directs in the proxy form, the proxy is also entitled to vote as he thinks fit for any resolution duly submitted to the meeting except those marked on the notice of the meeting.
- This proxy form must be signed by you, or your duly authorized attorney in writing or, if such appointor is a corporation, either under its Common Seal or under the hand of a director or authorised attorney. If the proxy form is signed by an attorney, the power of attorney or the authorization document shall be notarized.
- In cases of joint holders of a share, any one of such holders is entitled to vote at the meeting, by himself or by proxy, as if he is the only one entitled to do so among the joint holders. However, the vote of the person whose name stands first on the register of members in respect of such share shall be accepted to the exclusion of the vote(s) of the other joint holder(s) if more than one joint holder attend the meeting personally or by proxy.
- To be valid, this proxy form together with any notarized copy of the power of attorney or other authorization documents (if any) must be deposited at the Company's registered office at ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, PRC (postal code: 518057) not less than 24 hours before the time appointed for holding the meeting. Any H Shareholder must deposit the aforesaid documents with Room 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, HK for the proxy form to be valid.

(Both the original and the duplicate of this proxy form are acceptable.)


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 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)

**CONFIRMATION SLIP FOR
THE FIRST EXTRAORDINARY GENERAL MEETING OF 2006**

To: ZTE Corporation (the "Company")

I/We⁽¹⁾ _____ of _____

being the registered holder(s) of⁽²⁾ _____ shares of RMB1.00 each in the share capital of the Company, hereby inform the Company that I/we intend to attend (in person or by proxy) the first extraordinary general meeting of 2006 of the Company to be held at the Novotel Bauhinia Shenzhen Hotel, Shenzhen, on Thursday, 28 December 2006 at 9:00 a.m.

Dated: _____ 2006 Signature of Shareholder: _____

Notes:

- Please insert your full name(s) (in Chinese or English) and address(es) in BLOCK CAPITALS as shown in the register of members of the Company.
- Please insert the number of shares registered in your name.
- Please complete and sign the confirmation slip and return the same to the Company by hand, post or facsimile (to the address or facsimile no. set out below, as the case may be) on or before 8 December 2006.

For domestic shareholders:

To registered office:

ZTE Plaza
Keji Road South
Hi-Tech Industrial Park
Nanshan District
Shenzhen 518057
People's Republic of China
(Facsimile No. +86 (755) 26770286)

For holders of H shares:

To principal place of business in Hong Kong:

8th Floor Gloucester Tower
The Landmark
15 Queen's Road
Central
Hong Kong
(Facsimile No. +852 35898555)