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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 FIRST EXTRAORDINARY GENERAL MEETING OF 2014

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 2014 First Extraordinary General Meeting of 2014 (hereinafter referred to as the "EGM") of ZTE Corporation (hereinafter referred to as the "Company") will be convened at 9 a.m., on Wednesday, 15 October 2014 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 28 August 2014, unless otherwise required by the context):

Ordinary Resolution

1. Resolution on the Provision of Guarantee by the Company for ZTE (H.K.) Limited, a Wholly-owned Subsidiary, in respect of Debt Financing

(1) That the provision of guarantee by way of joint liability assurance for an amount of not more than RMB2 billion for a term of not more than three years (from the date on which the general meeting resolution takes effect) by the Company in respect of overseas debt financing (including but not limited to bank loans and the issue of corporate bonds) of ZTE (H.K.) Limited ("ZTE HK") be approved.

(2) That Mr. Hou Weigui, the legal representative of the Company, or his authorized signatory be authorised to determine the specific amount and period of guarantee based on the results of negotiations between ZTE HK and the relevant debt financing parties subject to the

aforesaid limit and period of guarantee and to negotiate with the relevant debt financing parties and execute all guarantee agreements and other pertinent legal contracts and documents relating to the said guarantee, and deal with other matters pertaining to such guarantee.

Special Resolution

2. Resolution on the Proposed Registration and Issue of Perpetual Medium Term Note of the Company

(1) That the registration and issue plan for the issue of perpetual medium term note with a size of not more than RMB9 billion by the Company be approved.

(2) That Mr. Hou Weigui, the legal representative of the Company, or his authorized signatory be authorised to:

(a) confirm the appointment of service agents relating to the registration and issue, including but not limited to the lead underwriter and bookrunner, etc;

(b) confirm the actual issue plan (including the timing, amount and tranches of issue, etc) based on the outcome of negotiations between the Company and parties related to the issue, subject to the aforesaid plan for the registration and issue of perpetual medium term note, negotiate and sign relevant agreements with parties relating to the issue and other relevant legal contracts and documents and deal with other relevant matters;

(c) determine, after registration, matters pertaining to redemption in accordance with the redemption clauses of the registration and issue plan; and

(d) determine, after registration, arrangements for interest payments and deferred interest payments in accordance with the interest payment clauses of the registration and issue plan.

Notes:

1. **The Company will close its H share register from Monday, 15 September 2014 to Tuesday, 14 October 2014 (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 Room 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 4:30 p.m., Friday, 12 September 2014.**

2. Shareholders intending to attend the EGM, whether in person or by proxy, should deliver the reply slip of EGM by hand, post or facsimile to the Company's principal place of business in Hong Kong (for H shareholders) on or before Wednesday, 24 September 2014. The principal place of business of the Company in Hong Kong is:

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

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

4. 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.

5. 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.

6. 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

Hou Weigui

Chairman

Shenzhen, the PRC

28 August 2014

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, Zhang Jianheng, Xie Weiliang, Wang Zhanchen, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Richard Xike Zhang.