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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)**

## **SUPPLEMENTARY 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.*

Reference is made to the Notice of the 2019 Annual General Meeting (the “**AGM Notice**”) dated 20 April 2020 of ZTE Corporation (“**ZTE**” or the “**Company**”) which contains details relating to the time, venue and agenda of the 2019 Annual General Meeting (the “**AGM**”). Unless otherwise stated, capitalised terms used in this supplementary notice shall have the same meaning as defined in the AGM Notice.

On 1 June 2020, the Board of Directors (the “**Board**”) of the Company received one ex tempore motion from its shareholder, Zhongxingxin Telecom Company Limited (hereinafter referred to as “**Zhongxingxin**” which held 1,097,898,500 A shares and 2,038,000 H shares of the Company, totally representing 23.85% of the total number of shares of the Company, as at 1 June 2020) which requested the Board of Directors of the Company to table such motion for consideration at the AGM.

Supplementary notice is hereby given that the AGM will be held, as originally scheduled, on 19 June 2020 (Friday) at 9 a.m. at the Conference Room 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 pass, if thought fit, the resolutions set out in the AGM Notice and the following supplementary ordinary resolution:

### **Ordinary Resolution**

#### 16. Resolution on the Election of Independent Non-executive Director

Independent Non-executive Director Mr. Yuming Bao (“**Mr. Bao**”) has tendered his resignation to the Company to resign as Independent Non-executive Director, as well as the member of each of the specialist committees of the Board of Directors of the Company due to his other personal commitments. As Mr. Bao's resignation will result in the number of Independent Non-executive Directors of the Company being reduced to less than one-third of the total number of Directors on the Board. In accordance with requirements for the proportion of members to the Board members set out in the pertinent laws and regulations and provisions of the Articles of Association of the Company, the Eighth Session of the Board of Directors of the Company nominated Mr. Zhuang Jiansheng as the candidate for Independent Non-executive Director of the Eighth Session of the Board of Directors of the Company for a term commencing on the date of consideration and approval at the AGM and expiring upon the conclusion of the term of the Eighth Session of the Board of Directors of the Company (namely 29 March 2022).

**Zhuang Jiansheng**, male, born in 1965, a Chinese citizen without permanent residency in other countries. Mr. Zhuang graduated from East China University of Political Science and Law (華東政法大學) with a bachelor's degree in law in 1988, and obtained a master's degree in international and economic law from the University of International Business and Economics in 1991. Mr. Zhuang was admitted as a PRC Attorney. Mr. Zhuang worked in Shanghai WGQ Free Trade Zone Development Corporation, Shanghai WGQ Free Trade Zone United Development Co. Ltd., PricewaterhouseCoopers Consulting Firm, and Baker & McKenzie LLP in the United States. Mr. Zhuang has been the advisory partner of Shanghai Huiye Law Firm with respect to the business of trade compliance and customs since January 2016. Mr. Zhuang has extensive experience in the laws and practices in areas like international trade compliance, corporate regulatory matters, customs & tax laws.

For the details of the other information of the aforesaid candidate for Independent Non-executive Director, please refer to the “Proposed Election and Appointment of Independent Non-executive Director” published on 19 May 2020.

Upon consultation with the relevant departments of the Company and review on the criteria for being an Independent Non-executive Director of the Company, the Nomination Committee has extensively recruited candidates for election as an

Independent Non-executive Director and collected the information about the initial candidates, such as professions, academic qualification, position, work experience and all other concurrent employment. With the candidates' consent to nomination, the Nomination Committee convened a meeting for considering the qualification of the initial candidates according to the criteria for being an Independent Non-executive Director, then the recommendation and relevant materials of the Independent Non-executive Director candidate were submitted to the Board.

The Board is of the view that the candidate for election as an Independent Non-executive Director, namely Mr. Zhuang Jiansheng, has extensive experience in the laws and practices in areas like international trade compliance, corporate regulatory matters, customs & tax laws, thus he is able to complement the professional background of the composition of the Board in terms of law and compliance.

Accordingly, the respective academic background, experience and practice of Mr. Zhuang Jiansheng allow him to offer valuable insights to the Board in the matter of overseas and domestic law and compliance, and diversity of board members can be achieved through consideration of a number of factors, such as age, gender, cultural and educational background, or professional experience, skills and expertise upon his election as Independent Non-executive Director. Mr. Zhuang Jiansheng has submitted to the Board a written confirmation of his independence under the requirements of the Hong Kong Listing Rules and the Shenzhen Listing Rules, and an approval of SZSE has been obtained without dissent for the record in respect of the qualification and independence for the aforesaid candidate for Independent Non-executive Director. Upon considering the above factors, the Board is of the view that Mr. Zhuang Jiansheng is independent person of the Company.

Pursuant to Rule 102 of the Company Law, "shareholders individually or collectively holding more than 3% of the shares of the company may propose ex tempore motions no later than ten days prior to the convening of a general meeting by submitting the same in writing to the board of directors; the board of directors should notify other shareholders within two days after the receipt of the motions and table the same at the general meeting for consideration. Ex tempore motions should carry specific subjects and matters to be resolved that fall within the scope of authority of the general meeting." and pursuant to Article 78 of the Articles of Association, "shareholder(s) alone or in aggregate holding 3% or more of the total number of the company's shares may propose ex tempore motions ten days prior to the general meeting by furnishing the same to the convener in writing. The convener shall issue a supplemental notice of general meeting within two days after receiving the proposed motions to make public the contents of the ex tempore motions." having examined the aforesaid ex tempore motion, the Board of Directors of the Company is of the view that it is in compliance with Zhongxingxin being qualified to propose ex tempore motions and the aforesaid ex tempore motion carrying specific subjects and matters to be resolved that fall within the scope of authority of the general meeting. Accordingly, the Board of Directors of the Company has approved the tabling

of the aforesaid ex tempore motion at the AGM in accordance with the provisions of the Company Law, the Rules of Procedure for General Meetings of Listed Companies and other laws, regulations and regulatory documents as well as the Articles of Association.

Resolution No. 16 is an ordinary resolution which shall be conducted by way of accumulative voting.

Save for the ex tempore motion added as aforesaid, other details, such as the time, venue and method of the AGM, as set out in the AGM Notice, shall remain unchanged.

By Order of the Board

**Li Zixue**

*Chairman*

Shenzhen, the PRC

2 June 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.*