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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)

Preliminary Results Announcement for the Nine Months ended 30 September 2021

This announcement is made by ZTE Corporation (the "Company" or "listed company", together with its subsidiaries, the "Group") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Company and all the members of the Board of Directors confirm that all the information contained in this information disclosure is true, accurate and complete and that there is no false and misleading statement or material omission in this information disclosure.

I. Preliminary results for the period

1. Reporting period of the preliminary results: 1 January 2021 to 30 September 2021

2. Preliminary results: Growth over the same period last year

(1) Table of preliminary results announcement (1 January 2021 to 30 September 2021)

Item	1 January 2021 to 30 September 2021	1 January 2020 to 30 September 2020	Change (Increase / decrease)
Net profit attributable to holders of ordinary shares of the listed company (RMB'000)	Profit: 5,600,000 - 6,000,000	Profit: 2,712,049	Increased by 106.49%-121.23%
Basic earnings per share (RMB / share) ^{Note}	Profit: 1.21- 1.29	Profit: 0.59	Increased by 105.08%-118.64%

(2) Table of preliminary results announcement (1 July 2021 to 30 September 2021)

Item	1 July 2021 to 30 September 2021	1 July 2020 to 30 September 2020	Change (Increase / decrease)
Net profit attributable to holders of ordinary shares of the listed company (RMB'000)	Profit: 1,521,387-1,921,387	Profit: 854,760	Increased by 77.99%-124.79%
Basic earnings per share (RMB / share) ^{Note}	Profit: 0.33-0.41	Profit: 0.19	Increased by 73.68%-115.79%

Note: Basic earnings per share for the nine months ended 30 September 2021, three months ended 30 September 2021, nine months ended 30 September 2020 and three months ended 30 September 2020 have been calculated on the basis of the weighted average number of ordinary shares in issue as at the end of the respective periods

II. Pre-audit of preliminary announcement of results

This preliminary results announcement has not been pre-audited by a certified public accountant.

III. Reasons for change in results

For the nine months ended 30 September 2021, the Group is expected a year-on-year growth of net profit attributable to holders of ordinary shares of the listed company, such growth was mainly attributable to:

(1) The Company reported a year-on-year growth of operating revenue and continuous recovery in gross margin as well as substantial improvement in profitability, as it continued to optimise its market pattern.

(2) The Company transferred 90% Equity Interests in Caltta Technologies Co., Ltd., which record a profit before taxation of approximately RMB800 million.

IV. Other information

The data of business results set out in the above represent the Company's estimates based on the information as of now. Finalised data shall be disclosed in detail in the 2021 Third Quarterly Report. Investors are asked to beware of investment risks.

By Order of the Board

Li Zixue

Chairman

Shenzhen, the PRC

14 October 2021

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, Gordon Ng, Zhuang Jiansheng.