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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)**

**Overseas Regulatory Announcement  
Announcement on the Completion of Cancellation of Certain Share Options**

*This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.*

*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.*

On 4 November 2022, ZTE Corporation (the “Company”) issued the “Overseas Regulatory Announcement on the Fulfillment of Exercise Conditions for the Second Exercise Period, Relevant Adjustment, and Cancellation of Certain Share Options of the First Grant of Share Options under the 2020 Share Option Incentive Scheme”.

Before the commencement of the second exercise period of the first grant of share options under the 2020 Share Option Incentive Scheme, the details of the adjustment of participants are as follows:

1. As 141 of the original participants have departed, 3 have retired and 1 have acted as Supervisor of the Company, they are no longer eligible as participants under the 2020 Share Option Incentive Scheme. Pursuant to the “ZTE Corporation 2020 Share Option Incentive Scheme (Draft)” (the “Draft Scheme”), the Company shall disqualify the 145 aforesaid persons from participation in the 2020 Share Option Incentive Scheme and a total of 2,606,067 share options (including the 1,302,933 share options for the second exercise period) granted to but unexercised by the 145 aforesaid persons shall be withdrawn and cancelled by the Company without compensation;
2. As 10 of the participants were subjected to demerit or more serious disciplinary actions by the Company during the effective period of the 2020 Share Option Incentive Scheme, they have not fulfilled the exercise conditions for the second exercise period. Pursuant to the Draft Scheme, a total of 118,996 of their granted but unexercised share options for the second exercise period shall be withdrawn and cancelled by the Company without compensation.

3. As at 4 November 2022, the first exercise period of the first grant of share options under the 2020 Share Option Incentive Scheme has ended, and 51,375,352 share options have yet to exercise. Pursuant to the Draft Scheme, the unexercised 51,375,352 share options upon the end of the first exercise period shall be invalidated and cancelled by the Company without compensation.

On 17 November 2022, as confirmed by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Company has completed the cancellation of the aforesaid 54,100,415 granted but unexercised share options. Such cancellation does not have impact on the share capital of the Company and there is no change to the shareholding structure of the Company.

The cancellation of certain share options is in compliance with relevant provisions of pertinent laws and regulations and relevant provisions of the Draft Scheme and the Articles of Association of ZTE Corporation.

By Order of the Board  
**Li Zixue**  
*Chairman*

Shenzhen, the PRC  
17 November 2022

*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.*