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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)

Announcement Resolutions of the Fourth Meeting of the Eighth Session of the Board of Directors

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

The stipulated length of notice for the Fourth Meeting (the “Meeting”) of the Eighth Session of the Board of Directors of ZTE Corporation (the “Company”) has been waived with the unanimous approval of all Directors. The Company issued the “Notice of the Fourth Meeting of the Eighth Session of the Board of Directors of ZTE Corporation” to all Directors of the Company by electronic mail and telephone on 12 June 2019. The Meeting was convened by way of voting via telecommunication means on 13 June 2019. The Meeting was presided over by Mr. Li Zixue, Chairman. 9 Directors were required to vote at the Meeting and duly voted at the Meeting. Members of the Supervisory Committee of the Company and certain personnel concerned also attended the Meeting. The Meeting was convened and held in accordance with the relevant laws, administrative regulations, departmental rules and the Articles of Association of ZTE Corporation, and was legal and valid.

The following resolution was considered and approved at the Meeting:

I. Consideration and approval of the “Resolution on the amendment of relevant clauses in the Working Rules for Audit Committee of the Board of Directors”, the details of which are as follows:

That the amendment of relevant clauses in the Working Rules for Audit Committee of the Board of Directors in accordance with the law be approved, the details of which are as follows:

Existing Article	To be amended as
Article 3 – The Audit Committee shall comprise no less than three Directors, all of them should be Non-executive Directors with the majority of them being Independent Non-executive Directors and at least one of the Independent Non-executive Directors being a professional accountant.	Article 3 – The Audit Committee shall comprise no less than three Directors, all of them should be Non-executive Directors with the majority of them being Independent Non-executive Directors. The convenor of the audit committee shall be a professional accountant.

Voting results: For: 9; against: 0; and abstained: 0.

The Working Rules for Audit Committee of the Board of Directors (June 2019) as amended has been published on the same date as this announcement.

II. Consideration and approval of the “Resolution on the amendment of relevant clauses in the Articles of Association, the Rules of Procedure for General Meetings of Shareholders and the Rules of Procedure for Board of Directors Meetings”, the details of which are as follows, and approval of the tabling of such resolution at the Second Extraordinary General Meeting of 2019 of the Company for consideration:

1. That the amendment of relevant clauses of the Articles of Association in accordance with the law be approved, the details of which are set out as follows:

Existing Article	To be amended as
<p>Article 35. The Company may repurchase its own shares in accordance with the laws, administrative regulations, departmental rules and regulations as well as the Articles of Association under the following circumstances:</p> <ol style="list-style-type: none"> 1) reduction of the registered capital of the Company; 2) merging with another company that holds shares in the Company; 3) granting shares as incentive compensation to the staff of the Company; 4) acquiring the shares of shareholders who vote against to any resolution adopted at the general meeting of shareholders on the merger or division of the Company; or 5) other circumstances permitted by the laws and administrative regulations. <p>If the Company repurchases its own shares due to items (1) through (3) of the preceding paragraph, resolutions related thereto shall be adopted at a general meeting of shareholders. If the Company repurchases its own shares in accordance with the preceding paragraph under the circumstances set forth in item (1), the shares so repurchased shall be cancelled</p>	<p>Article 35. The Company may not repurchase its own shares, save as under the following circumstances:</p> <ol style="list-style-type: none"> 1) reduction of the registered capital of the Company; 2) merging with another company that holds shares in the Company; 3) granting shares for staff shareholding plans or share option incentives; 4) acquiring the shares of shareholders who vote against to any resolution adopted at the general meeting of shareholders on the merger or division of the Company; 5) to use the shares for conversion into convertible corporate bonds issued by the Company; 6) being deemed necessary by the Company for the protection of the company’s value and shareholders’ interests; or 7) other circumstances permitted by the laws and administrative regulations. <p>If the Company repurchases its own shares under the circumstances set out in items (1)</p>

Existing Article	To be amended as
<p>within ten days of the repurchase. In the event of the circumstances set forth in items (2) and (4), the shares so repurchased shall be transferred or cancelled within six months.</p> <p>If the Company repurchases its own shares in accordance with item (3) of the preceding paragraph, the shares so repurchased shall not exceed 5% of the total number of shares issued by the Company. The repurchase shall be funded with the post-tax profit of the Company, and the shares so repurchased shall be transferred to the employees within one year.</p>	<p>and (2) of the preceding paragraph, resolutions related thereto shall be adopted at a general meeting of shareholders. If the Company repurchases its own shares under items (3), (5) and (6) of the preceding paragraph, resolutions related thereto shall be adopted at the meeting of Board of Directors with more than two-thirds of the Directors attending subject to a mandate by the general meeting of shareholders. The Company's repurchase of its own shares shall be in compliance with the provisions of both the pertinent laws and regulations of its place of listing and the Listing Rules.</p> <p>If the Company repurchases its own shares in accordance with paragraph one under the circumstances set forth in item (1), the shares so repurchased shall be cancelled within ten days of the repurchase; in the event of the circumstances set forth in items (2) and (4), the shares so repurchased shall be transferred or cancelled within six months; in the event of the circumstances set forth in items (3), (5) and (6), the shares in the Company held in aggregate by the Company shall not exceed 10% of the total number of the Company's shares in issue and the shares so repurchased shall be transferred or cancelled within three years.</p>
<p>Article 36. The Company may repurchase shares in one of the following ways:</p> <ol style="list-style-type: none"> 1) by making a general offer for the repurchase of shares to all its shareholders on a pro-rata basis; 2) by repurchasing shares through public dealing on a stock exchange; 3) by repurchasing shares by means of an offmarket agreement; or 	<p>Article 36. The Company may repurchase shares in one of the following ways:</p> <ol style="list-style-type: none"> 1) by making a general offer for the repurchase of shares to all its shareholders on a pro-rata basis; 2) by repurchasing shares through public dealing on a stock exchange; 3) by repurchasing shares by means of an offmarket agreement; or

Existing Article	To be amended as
4) by any other means permitted by laws and administrative regulations.	4) by any other means permitted by laws and administrative regulations. The repurchase of its shares by the Company under items (3), (5) and (6) of paragraph one of Article 35 herein shall be conducted by way of open block trading.
<p>Article 70. The place for convening a general meeting of shareholders shall be the place where the Company is located (in Shenzhen Municipality).</p> <p>The general meeting shall have a meeting place for convening the meetings. The Company shall, subject to the general meetings being legally and validly held, make it convenient for the shareholders to attend the general meetings through various means, including using modern information technology to establish an online voting platform. Shareholders so attend the general meetings shall be deemed to be present at such meeting.</p>	<p>Article 70. The place for convening a general meeting of shareholders shall be the place where the Company is located (in Shenzhen Municipality).</p> <p>The general meeting shall have a meeting place for convening the meetings. The Company shall, subject to the general meetings being legally and validly held, make it convenient for the shareholders to attend the general meetings through online voting. Shareholders so attend the general meetings shall be deemed to be present at such meeting.</p>
<p>Article 143. The term of office of each director shall not be more than three years commencing from the date on which the resolution related thereto is adopted at a general meeting of shareholders and ending on the expiration of the term of the then Board of Directors. The term of office for a director is renewable upon re-election.</p> <p>The Chairman and Vice Chairmen shall be elected and removed by a simple majority vote of all members of the Board of Directors. The term of office of the Chairman and Vice Chairmen shall not be more than three years, which is renewable upon re-election.</p> <p>The directors shall be elected by the general meeting. A written notice of the reason to propose a person for election as a director and a written notice by that person indicating his acceptance of such nomination shall be</p>	<p>Article 143. The term of office of each director shall not be more than three years commencing from the date on which the resolution related thereto is adopted at a general meeting of shareholders and ending on the expiration of the term of the then Board of Directors. The term of office for a director is renewable upon re-election.</p> <p>The Chairman and Vice Chairmen shall be elected and removed by a simple majority vote of all members of the Board of Directors. The term of office of the Chairman and Vice Chairmen shall not be more than three years, which is renewable upon re-election.</p> <p>The directors shall be elected or replaced by the general meeting, and may further be removed from their office prior to the conclusion of the term thereof by the general meeting. A written notice of the</p>

Existing Article	To be amended as
<p>delivered to the Company within a period of not less than seven days commencing no earlier than the day immediately following the despatch of the notice of the meeting appointed for such election and ending no later than seven days before the date of such general meeting.</p>	<p>reason to propose a person for election as a director and a written notice by that person indicating his acceptance of such nomination shall be delivered to the Company within a period of not less than seven days commencing no earlier than the day immediately following the despatch of the notice of the meeting appointed for such election and ending no later than seven days before the date of such general meeting.</p>
<p>Article 162. The Board of Directors may establish specialist committees such as audit, nomination, and remuneration and evaluation committees. All specialist committees shall be composed of directors in which independent non-executive directors shall form the majority and become convenors. Under the audit committee, there shall have at last one independent non-executive director who is a professional accountant.</p>	<p>Article 162. The Board of Directors may establish specialist committees such as audit, nomination, and remuneration and evaluation committees. The specialist committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the delegation of the Board of Directors. All specialist committees shall be composed of directors in which independent non-executive directors shall form the majority and become convenors. The convener of the audit committee shall be a professional accountant. The Board of Directors shall be responsible for formulating the working rules of the specialist committees and governing the operation of the specialist committees.</p>
<p>Article 179. The Company shall have one president who shall be appointed or dismissed by the Board of Directors.</p> <p>The Company shall have a number of executive vice presidents and one chief financial officer to assist the president in his work. The executive vice presidents and the chief financial officer shall be nominated by the president, and shall be appointed or dismissed by the Board of Directors.</p>	<p>Article 179. The Company shall have one president who shall be appointed or dismissed by the Board of Directors.</p> <p>The Company shall have a number of executive vice presidents and one chief financial officer to assist the president in his work. The executive vice presidents and the chief financial officer shall be nominated by the president, and shall be appointed or dismissed by the Board of Directors.</p> <p>A person holding administrative position in the controlling shareholder of the Company other than as a director or supervisor shall not serve as a senior</p>

Existing Article	To be amended as
<p>Article 195. The Supervisory Committee shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers in accordance with laws:</p> <p>.....</p> <p>8) to conduct investigation into any irregularities in the Company's operations identified; and</p> <p>.....</p>	<p>management personnel of the Company.</p> <p>Article 195. The Supervisory Committee shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers in accordance with laws:</p> <p>.....</p> <p>8) to conduct investigation into any irregularities in the Company's operations identified; where necessary, professional agencies, such as accountant firms and law firms, may be engaged at the cost of the Company; and</p> <p>.....</p>

(2) That the amendment of relevant clauses in the Rules of Procedure for General Meetings of Shareholders in accordance with the law be approved, the details of which are set out as follows:

Existing Article	To be amended as
<p>Article 5. The place for convening a general meeting of shareholders shall be the place where the Company is located (in Shenzhen Municipality).</p> <p>The general meeting shall have a meeting place for convening the meetings. The Company shall, subject to the general meetings being legally and validly held, make it convenient for the shareholders to attend the general meetings through various means, including using modern information technology to establish an online voting platform. Shareholders so attend the general meetings shall be deemed to be present at such meeting.</p>	<p>Article 5. The place for convening a general meeting of shareholders shall be the place where the Company is located (in Shenzhen Municipality).</p> <p>The general meeting shall have a meeting place for convening the meetings. The Company shall, subject to the general meetings being legally and validly held, make it convenient for the shareholders to attend the general meetings through online voting. Shareholders so attend the general meetings shall be deemed to be present at such meeting.</p>
<p>Article 46. The Company shall, subject to the general meetings being legally and validly held, increase the percentage of shareholders attending the general meetings through various means, including using modern information technology to establish an online voting platform.</p>	<p>Article 46. The Company shall, subject to the general meetings being legally and validly held, increase the percentage of shareholders attending the general meetings through the provision of online voting.</p>

(3) That the amendment of relevant clauses in the Rules of Procedure for Board of Directors Meetings in accordance with the law be approved, the details of which are set out as follows:

Existing Article	To be amended as
<p>Article 6. The election of the directors is based on a cumulative voting system at the general meeting in accordance with the Articles of Association. The number of votes obtained by the director’s candidates shall exceed half of the voting rights represented by the persons attending the general meeting.</p>	<p>Article 6. The election of the directors is based on a cumulative voting system at the general meeting in accordance with the Articles of Association. The number of votes obtained by the director’s candidates shall exceed half of the voting rights represented by the persons attending the general meeting. The directors shall be elected or replaced by the general meeting, and may further be removed from their office prior to the conclusion of the term thereof by the general meeting.</p>
<p>Article 28. Committees shall be set up under the Board of Directors. The Board of Directors may establish specialist committees such as audit, nomination, and remuneration and evaluation committees. All specialist committees shall be composed of directors in which independent non-executive directors shall form the majority and become convenors. Under the audit committee, there shall have at last one independent non-executive director who is a professional accountant.</p>	<p>Article 28. Committees shall be set up under the Board of Directors. The Board of Directors may establish specialist committees such as audit, nomination, and remuneration and evaluation committees. The specialist committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the delegation of the Board of Directors. All specialist committees shall be composed of directors in which independent non-executive directors shall form the majority and become convenors, the convenor of the audit committee shall be a professional accountant. The Board of Directors shall be responsible for formulating the working rules of the specialist committees and governing the operation of the specialist committees.</p>

(4) That any Director or the Secretary to the Board of the Company be authorized to process on behalf of the Company the filing, modification and registration (if necessary) procedures and other matters relating to the amendment of the Articles of Association, the Rules of Procedure for General Meetings of Shareholders and the Rules of Procedure for Board of Directors Meetings.

Voting results: For: 9; against: 0; and abstained: 0.

III. Consideration and approval of the “Resolution on the convening of the Second Extraordinary General Meeting of 2019”.

The Company has resolved to convene the Second Extraordinary General Meeting of 2019 (“EGM”) on Monday, 29 July 2019 at the conference room, 4th floor, Shenzhen headquarters of the Company.

Voting results: For: 9; against: 0; and abstained: 0.

“Notice of the Second Extraordinary General Meeting of 2019” and circular will be delivered to H shareholders of the Company according to the Articles of Association and requirements of applicable laws and regulations.

The Company will close its H share register from Saturday, 29 June 2019 to Sunday, 28 July 2019 (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 Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by 4:30 p.m., Friday, 28 June 2019.

By Order of the Board
Li Zixue
Chairman

Shenzhen, the PRC
13 June 2019

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.