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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 on Resolutions of the First Extraordinary General Meeting of 2017

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.

The First Extraordinary General Meeting of 2017 (the “EGM”) of ZTE Corporation (the “Company”) was held by way of a combination of on-site voting and online voting on 14 December 2017. Details in respect of the resolutions and voting results of the EGM are as follows:

I. IMPORTANT NOTICE

There were no additional, veto or altered resolutions during the EGM.

II. INFORMATION REGARDING THE CONVENING OF THE EGM

(I) Date and time

1. On-site meeting commenced at 9:00 a.m. on Thursday, 14 December 2017.
2. Online voting by A shareholders was conducted from 13 December 2017 to 14 December 2017 during the following time slots:

Online voting through the trading system of the Shenzhen Stock Exchange: from 9:30 a.m. to 11:30 a.m. and from 13:00 p.m. to 15:00 p.m. on 14 December 2017; online voting on the internet voting system (<http://wltp.cninfo.com.cn>) was conducted any time during the period from 15:00 on 13 December 2017 to 15:00 on 14 December 2017.

(II) Venue

The on-site meeting was held at the Conference Room on the 4th floor of A Wing of the Company’s headquarters in Shenzhen.

(III) Voting method

1. A shareholders may vote through:

- on-site voting, including attendance and voting in person or authorisation of proxies to attend and vote by completing and returning the relevant proxy form; or
- online voting on the internet voting platform provided for A shareholders by the Company via the trading system of the Shenzhen Stock Exchange and the internet voting system. A shareholders should vote online via the aforesaid systems within the timeframes set out in (I) of this section.

2. H shareholders may vote through:

- on-site voting, including attendance in person or authorisation of proxies to attend and vote by completing and returning the relevant proxy form.

(IV) Convener

The EGM was convened by the Board of Directors of the Company.

(V) Chairman of the EGM

Mr. Yin Yimin, the Chairman of the Board of Directors of the Company, presided over the EGM.

(VI) The convening of the EGM complied with the relevant provisions of relevant laws, administrative regulations and departmental rules including the Company Law of the People's Republic of China (the "Company law"), the Rules Governing the Listing of Stocks on The Shenzhen Stock Exchange (the "Shenzhen Listing Rules"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules") and the articles of association of ZTE Corporation (the "Articles of Association"), and was legal and valid.

III. INFORMATION REGARDING ATTENDANCE AT THE EGM

On the record date of the EGM (i.e., 13 November 2017), the total number of shares issued by the Company is 4,192,671,843 shares, comprising 3,437,169,309 domestic shares (A shares) and 755,502,534 overseas-listed foreign shares (H shares).

56 shareholders (or proxies) held 1,589,990,192 shares or 37.92% of the total number of shares carrying voting rights at the EGM of the Company. Of which, 49 shareholders (or proxies) each interested in less than 5% of the Company's shares (not including Directors, Supervisors and senior management of the Company, hereinafter the same) held 318,165,975 shares or 7.59% of the total number of shares carrying voting rights at the EGM of the Company. There were no shares in the Company which entitled its holders to attend the EGM but for which they were required to abstain from voting in favour of the resolutions under Rule 13.40 of the Hong Kong Listing Rules. There were no shareholders who were required

to abstain from voting in respect of the resolutions tabled at the EGM in accordance with the Shenzhen Listing Rules and the Hong Kong Listing Rules.

Comprising:

(1) Attendance of holders of A shares

55 A shareholders (or proxies) holding 1,391,603,943 shares or 40.49% of the total number of A shares carrying voting rights of the Company participated in the on-site meeting and online voting of the EGM.

Of which: 35 A shareholders (or proxies) holding 1,367,401,435 shares or 39.78% of the total number of A shares carrying voting rights of the Company attended the on-site meeting; and 20 A shareholders holding 24,202,508 shares or 0.71% of the total number of A shares carrying voting rights of the Company participated in the online voting.

(2) Attendance of holders of H shares

1 H shareholders (or proxies) holding 198,386,249 shares or 26.26% of the total number of H shares carrying voting rights of the Company attended the on-site meeting of the EGM.

In addition, certain Directors, Supervisors and senior management of the Company and the PRC lawyers, the auditors of the Company attended the EGM. Certain Directors and senior management of the Company did not attend the EGM due to work reasons.

IV. CONSIDERATION OF AND VOTING OF RESOLUTIONS

The following resolutions were considered and passed by voting by open ballot at the EGM (of which all the ordinary resolutions were passed by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM; and all the special resolutions were passed by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the EGM. For details of the voting results, please refer to Annex I “ZTE Corporation - Statistics of Voting Results in respect of Resolutions Proposed at the First Extraordinary General Meeting of 2017”):

Ordinary Resolution

1. Consideration and approval of the “Resolution on the Provision of a guarantee amount for contract performance for overseas wholly-owned subsidiaries”;

(1) That the provision of a guarantee amount for contract performance (including but not limited to the execution of guarantee agreements by the parent company and the provision of bank guarantees) of not exceeding USD200 million in aggregate for overseas wholly-owned subsidiaries by the Company, which amount may be applied on a revolving basis during an effective period commencing on the date on which the aforesaid matter is considered and approved at the Company’s general meeting and ending on the date of the Company’s 2017

Annual General Meeting, be approved.

(2) That the Board of Directors of the Company be authorised to approve specific guarantees within the aforesaid limit.

Special Resolutions

2. Consideration and approval of the “Resolution on the Proposed Registration and Issue of Perpetual Medium Term Notes”, the details of which are set out as follows:

(1) That the registration and issue plan for the register and issue of Perpetual Medium Term Notes of not more than RMB3,500 million by the Company be approved.

(2) That the legal representative of the Company or his authorised representative be authorised to process relevant matters relating to the registration and issue of Perpetual Medium Term Notes, including but not limited to: (a) confirming relevant intermediaries relating to the registration and issue (including but not limited to the lead underwriter and the bookrunner); (b) confirming the actual issue plan (including all matters pertaining to the issue of Perpetual Medium Term Notes, including but not limited to the timing, amount and number of tranches of issue) based on the outcome of consultation between the Company and parties related to the issue subject to the aforesaid plan for the registration and issue of Perpetual Medium Term Notes, vetting, revising, executing, delivering, implementing and determining the publication of agreements, announcements, forms, letters and any other requisite documents in connection with the issue of Perpetual Medium Term Notes, including but not limited to application documents, prospectuses, underwriting agreements and relevant legal documents in relation to the issue; (c) determining, upon registration, matters pertaining to redemption in accordance with the redemption clauses of the registration and issue plan; (d) determining, upon registration, arrangements for interest payments and deferred interest payments in accordance with clauses of the registration and issue plan relating to interest payment; (e) adjusting as appropriate the actual plan for the issue of Perpetual Medium Term Notes and other pertinent matters based on the advice of regulatory authorities, or determining, based on the actual conditions, whether proceedings relating to the issue of Perpetual Medium Term Notes should be carried on with, in the event of any changes to relevant regulatory policies or market conditions; (f) processing all other matters and formalities relating to the registration, issue and continuation, quotation and trading, and principal and interest payments in respect of the Perpetual Medium Term Notes; (g) the mandate shall be effective from the date of the consideration and approval of the same at the general meeting and shall remain in effect during the valid period for the registration, issue and continuation of the Perpetual Medium Term Notes.

3. Consideration and approval of the “Resolution on the Proposed Registration and Issue of Super and Short-term Commercial Paper (“SCP”)”, the details of which are as follows:

(1) That the registration and issue plan for the register and issue of SCP of not more than RMB8,000 million by the Company be approved.

(2) That the legal representative of the Company or his authorised representative be authorised to process relevant matters relating to the registration and issue of SCP, including but not limited: (a) confirming relevant intermediaries relating to the registration and issue (including but not limited to the lead underwriter and the bookrunner); (b) confirming the actual issue plan (including all matters pertaining to the SCP issue, including but not limited to the timing, amount, number of tranches and term of issue) based on the outcome of consultation between the Company and parties related to the issue subject to the aforesaid plan for the registration and issue of SCP, vetting, revising, executing, delivering, implementing and determining the publication of agreements, announcements, forms, letters and any other requisite documents in connection with the SCP issue, including but not limited to application documents, prospectuses, underwriting agreements and relevant legal documents in relation to the issue; (c) adjusting as appropriate the actual plan for SCP issue and other pertinent matters based on the advice of regulatory authorities, or determining, based on the actual conditions, whether proceedings relating to the SCP issue should be carried on with, in the event of any changes to relevant regulatory policies or market conditions; (d) processing all other matters and formalities relating to the application for SCP registration and issue; (e) the mandate shall be effective from the date of the consideration and approval of the same at the general meeting and shall remain in effect during the valid period for the registration, issue and continuation of the SCP.

For details of the aforesaid resolutions, please refer to the circular dispatched to the shareholders on 30 October 2017.

The Company appointed the witnessing lawyer(s), two shareholder representatives and two supervisor representatives to act as scrutineers for vote-taking at the EGM.

V. LEGAL OPINION BY LAWYERS

1. Name of Law Firm: Beijing Jun He Law Offices (Shenzhen Office)

2. Name of Lawyers: Wei Wei and Chen Shanshan

3. Conclusive opinion:

Beijing Jun He Law Offices (Shenzhen Office) is of the view that matters relating to the convening and holding procedures, qualifications of the attendees on-site and the convener and the voting procedures of the First Extraordinary General Meeting of 2017 are in compliance with relevant provisions of laws and regulations of the People's Republic of China, and of the Articles of Association, and the "Resolutions of the First Extraordinary General Meeting of 2017 of ZTE Corporation" approved at the EGM were legal and valid.

VI. DOCUMENTS AVAILABLE FOR INSPECTION

1. Document of the First Extraordinary General Meeting of 2017 of ZTE Corporation;
2. Resolutions of the First Extraordinary General Meeting of 2017 of ZTE Corporation;
3. Legal opinion of Beijing Jun He Law Offices (Shenzhen Office) on the First Extraordinary General Meeting of 2017 of ZTE Corporation.

By Order of the Board

Yin Yimin

Chairman

Shenzhen, the PRC

14 December 2017

As at the date of this announcement, the Board of Directors of the Company comprises two executive directors, Yin Yimin and Zhao Xianming; seven non-executive directors, Zhang Jianheng, Luan Jubao, Wang Yawen, Tian Dongfang, Zhan Yichao, Wei Zaisheng and Zhai Weidong; and five independent non-executive directors, Richard Xike Zhang, Chen Shaohua, Lü Hongbing, Bingsheng Teng and Zhu Wuxiang.

Annex I:

ZTE Corporation
Statistics of Voting Results in respect of Resolutions Proposed at the First Extraordinary General Meeting of 2017

No.	Matters considered	Class of shares	For		Against		Abstain	
			Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM	Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM	Number of shares	As a percentage of shares held by shareholders with voting rights attending the EGM
Ordinary resolution (1 resolution)								
1	Resolution on the Provision of a guarantee amount for contract performance for overseas wholly-owned subsidiaries	Total	1,582,851,078	99.5510%	7,139,114	0.4490%	0	0.0000%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	311,026,861	97.7562%	7,139,114	2.2438%	0	0.0000%
		Domestic shares (A shares)	1,391,601,843	99.9998%	2,100	0.0002%	0	0.0000%
		Overseas-listed foreign shares (H shares)	191,249,235	96.4025%	7,137,014	3.5975%	0	0.0000%
Special resolutions (2 resolutions)								
2	Resolution on the Proposed Registration and Issue of Perpetual Medium Term Notes	Total	1,582,851,254	99.5510%	7,138,938	0.4490%	0	0.0000%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	311,027,037	97.7562%	7,138,938	2.2438%	0	0.0000%
		Domestic shares (A shares)	1,391,601,843	99.9998%	2,100	0.0002%	0	0.0000%
		Overseas-listed foreign shares (H shares)	191,249,411	96.4026%	7,136,838	3.5974%	0	0.0000%
3	Resolution on the Proposed Registration and Issue of Super and Short-term Commercial Paper	Total	1,582,851,254	99.5510%	7,138,938	0.4490%	0	0.0000%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	311,027,037	97.7562%	7,138,938	2.2438%	0	0.0000%
		Domestic shares (A shares)	1,391,601,843	99.9998%	2,100	0.0002%	0	0.0000%
		Overseas-listed foreign shares (H shares)	191,249,411	96.4026%	7,136,838	3.5974%	0	0.0000%