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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 Resolutions of Twenty-fifth Meeting of the  
Seventh Session of the Board of Directors**

*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 announcement of resolutions of the Board of Directors is true, accurate and complete and that there is no false or misleading statement or material omission in this announcement.*

ZTE Corporation (the “Company”) issued the “Notice of the Twenty-fifth Meeting of the Seventh Session of the Board of Directors of ZTE Corporation” to all the Directors of the Company by electronic mail and telephone on 26 December 2017. The Twenty-fifth Meeting of the Seventh Session of the Board of Directors of the Company (the “Meeting”) was convened by way of voting via telecommunication means on 29 December 2017. The Meeting was presided over by Mr. Yin Yimin, Chairman. 14 Directors 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 resolutions were considered and passed at the Meeting:**

**I. Consideration and approval of the “Resolution on the Dissolution, Liquidation and Cancellation of Guangyun Hexing Equity Investment Fund (Hangzhou) Partnership Enterprise (Limited Partnership) (廣雲和興股權投資基金(杭州)合夥企業(有限合夥))”, the details of which are set out as follows:**

1. That the dissolution, liquidation and cancellation of Guangyun Hexing Equity

Investment Fund (Hangzhou) Partnership Enterprise (Limited Partnership) be approved;

2. That the legal representative of the Company or his delegated signatory be authorised to execute relevant legal contracts and documents in respect of the aforesaid matters.

Voting Results: For: 14; Against: 0; Abstained: 0

For details, please refer to the “Overseas Regulatory Announcement Announcement Updates on the Guangxing Yunhe Industrial Fund” published on the same date as this announcement.

**II. Consideration and approval of the “Resolution on the Termination of the Establishment of Zhonghe Qiushi Fund”, the details of which are set out as follows:**

1. That the termination of the establishment of Shenzhen Nanshan Zhonghe Qiushi Industrial Fund (Limited Partnership) (深圳南山中和秋實產業基金(有限合夥)), cessation of execution of agreements or documents pertaining to the establishment or issue of the fund, and termination relevant industrial and commercial registration and fund issue be approved;

2. That the legal representative of the Company or his delegated signatory be authorised to execute relevant legal contracts and documents pertaining to relevant arrangements for the aforesaid matters.

Voting Results: For: 14; Against: 0; Abstained: 0

For details, please refer to the “Overseas Regulatory Announcement Announcement Updates on the Zhonghe Qiushi Fund” published on the same date as this announcement.

**III.** Pursuant to the “Resolution on the proposed private placing of shares by ZTEsoft Technology Co., Ltd, a subsidiary” considered and passed at the Twelfth Meeting of the Seventh Session of the Board of Directors of the Company held on 28 December 2016, the incorporation the ZTEsoft No. 1 Designated Asset Management Plan (中興軟創1號定向資產管理計劃) as entrusted by ZTEsoft Technology Co., Ltd (中興軟創科技股份有限公司) (“ZTEsoft”), a subsidiary, (namely, the phase I staff shareholding plan, hereinafter the “Asset Management Plan”) and the private placing of not more than 60 million shares to the Asset Management Plan at a prices of RMB3.01 per share by ZTEsoft was approved.

Pursuant to the “Resolution of the Company on the Proposed Application for the Termination of Quotation on National Equities Exchange and Quotations and the Termination of the Share Issue Plan by ZTEsoft Technology Co., Ltd, a subsidiary” considered and passed at the Twenty-fourth Meeting of the Seventh Session of the Board of Directors of the Company held on 26 October 2017, ZTEsoft’s application for the termination of quotation on National Equities Exchange and Quotations (“NEEQ”) and termination of the private placing of shares to the Asset Management Plan was approved. ZTEsoft has terminated the aforesaid private share placing plan, and its quotation on NEEQ has currently been terminated .

In line with the ZTEsoft’s need for business development, **the “Resolution on the Proposed Ongoing Implementation of the Staff Shareholding Plan of ZTEsoft Technology Co., Ltd, a subsidiary”** is considered and passed at the Twenty-fifth Meeting of the Seventh Session of the Board of Directors of the Company held on 29 December 2017, **the details of which are set out as follows:**

1. That the ongoing implementation of the staff shareholding plan in the form of a limited partnership enterprise by ZTEsoft Technology Co., Ltd and the private placing of no more than 60 million new shares to the staff shareholding vehicle at a placing price of RMB3.01 / share to raise proceeds of no more than RMB180.60 million be approved;
2. That the legal representative of the Company or his delegated signatory be authorised to execute relevant documents on behalf of the Company.

Following the completion of the private placing of new shares, ZTEsoft shares will be held as to not more than 10% by the staff shareholding vehicle (including certain limited partnership enterprises), approximately 80.1% by the Company and approximately 9.9% by Jiaxing Oula Investment Partnership (Limited Partnership) (嘉興歐拉投資合夥企業 (有限合夥)) .

Voting Results: For: 14; Against: 0; Abstained: 0

By Order of the Board  
**Yin Yimin**  
Chairman

Shenzhen, the PRC  
29 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.*