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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
Indicative Announcement
Shareholding Percentage of the Controlling Shareholder Below 30%**

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.

Zhongxingxin Telecom Company Limited confirms that the information provided to the Company is true, accurate and complete without any false or misleading statements or material omissions.

The Company and all the members of the Board of Directors confirm that the information contained in this announcement is consistent with the information provided by the party responsible for the disclosure of information.

On 28 March 2019, ZTE Corporation (the “Company”) received a “Letter of Notification” from Zhongxingxin Telecom Company Limited (“Zhongxingxin”), the controlling shareholder, notifying that Zhongxingxin completed a sell-down of 80,538,333 A shares in the Company in aggregate, accounting for approximately 1.92% of the Company’s total share capital, by way of block trading via the trading system of Shenzhen Stock Exchange. The relevant details are announced as follows:

I. Sell-down by controlling shareholder

1. Sell-down by controlling shareholder

Name of shareholder	Method of sell-down	Date of sell-down	Average price of sell-down	Number of shares in sell-down	Number of shares in sell-down as a percentage of Zhongxingxin's total shareholdings in the Company prior to the sell-down	Number of shares in sell-down as a percentage of the Company's total share capital
Zhongxingxin	Block trading	28 March 2019	RMB24.0869 per share	80,538,333 A shares	6.34%	1.92%

2. Shareholding of the shareholder before and after the sell-down

Prior to the sell-down, Zhongxingxin held a total of 1,271,314,633 shares in the Company, accounting for approximately 30.32% of the total share capital of the Company and not subject to any selling restrictions. After the sell-down, Zhongxingxin held a total of 1,190,776,300 shares in the Company, accounting for approximately 28.40% of the total share capital of the Company and not subject to any selling restrictions.

The sell-down does not contravene any intentions, undertakings or sell-down plans previously disclosed by Zhongxingxin.

II. Documents available for inspection

1. “Letter of Notification”

By Order of the Board
Li Zixue
Chairman

Shenzhen, the PRC
28 March 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.