

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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 Fifteenth 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.*

ZTE Corporation (the “Company”) issued the “Notice of the Fifteenth Meeting of the Eighth Session of the Board of Directors of ZTE Corporation” to all the Directors of the Company by electronic mail and telephone on 13 March 2020. The Fifteenth Meeting of the Eighth Session of the Board of Directors of the Company (the “Meeting”) was convened at the Shenzhen headquarters of the Company and other locations by way of video and telephone conference on 27 March 2020. The Meeting was presided over by Mr. Li Zixue, Chairman. 9 Directors were required to attend the Meeting and duly attended 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 (the “Articles of Association”), and was legal and valid.

**The following resolutions were considered and approved at the Meeting:**

**I. Consideration and approval of the “Full Text of the 2019 Annual Report” and the “2019 Annual Report Summary and Results Announcement” and approval of submission of the 2019 Annual Report (including 2019 Financial Report of the Company Audited by the PRC and Hong Kong Auditors) to the 2019 Annual General Meeting of the Company for consideration.**

The Group’s provision for asset impairment and credit impairment for 2019 contained in the Full Text of the 2019 Annual Report amounted to RMB4,894 million. For details, please refer to the note V. 21 in the 2019 financial report prepared under PRC ASBEs.

Voting result: For: 9; Against: 0; Abstained: 0.

**II. Consideration and approval of the “Resolution on the Write-Off of Bad Debts for the second half of 2019”, the details of which are as follows:**

That the write-off by the Group of 19 accounts of trade receivables which had been considered unrecoverable totaling RMB117,905,200 be approved. The Group has made bad-debt provision for the full amount of proposed write-off of trade receivables in accordance with ASBES, HKFRSs and other pertinent regulations. Namely, the original book value as at 31 December 2019 of the trade receivables proposed to be written off is RMB117,905,200, and bad-debt provision for the previous year amounts to RMB117,905,200. The write-off will not have any material impact on the current financial conditions and operating results of the Group.

Voting result: For: 9; Against: 0; Abstained: 0.

**III. Consideration and approval of the “Statement on the Investments in Securities in 2019.”**

Voting results: For: 9; Against: 0; Abstained: 0.

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

**IV. Consideration and approval of the “Resolution on the Application for Derivative Investment Limits for 2020”, and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

That the Company be authorised by the general meeting to invest in value protection derivative products for an amount not exceeding the equivalent of USD3.8 billion (namely, the outstanding investment amount at any point of time during the effective period of the authorisation shall not exceed the equivalent of USD3.8 billion, and such limit may be applied on a revolving basis during the effective period of the authorisation). The authorisation shall be effective from the date on which it is approved by way of resolution at the general meeting to the date on which the next annual general meeting of the Company closes or to the date on which this authorisation is modified or revoked at a general meeting, whichever is earlier. The details of the limit are as follows:

- (1) The investment limit for foreign exchange derivatives shall be USD3.5 billion, such foreign exchange derivative being used for value protection against operating asset or liability exposures, and cross-currency exposures.
- (2) The limit for interest rate swap shall be USD0.3 billion, such interest rate swap being used for value protection against foreign currency loans at floating interest rates.

Voting result: For: 9; Against: 0; Abstained: 0.

For details, please refer to the “Overseas Regulatory Announcement Announcement on the Application for Derivative Investment Limits for 2020” published on the same date as this announcement.

**V. Consideration and approval of the “Resolution on the Provision of Performance Guarantee for Overseas Wholly-owned Subsidiaries for 2020” and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

That the provision of performance guarantee for 7 overseas wholly-owned subsidiaries by the Company be approved, the details of which are as follows:

1. That the provision of performance guarantee (including but not limited to the execution of guarantee agreements by the parent company and the provision of bank guarantee letters) with a total amount of not more than USD200 million for 7 overseas wholly-owned subsidiaries by the Company on a revolving basis for an effective term commencing on the date on which the said matter is considered and approved at the 2019 Annual General Meeting of the Company and ending on the date on which the 2020 Annual General Meeting of the Company is convened be approved.
2. That the authorisation of the Board of Directors to approve specific guarantees within the aforesaid limit be approved.

Voting results: For: 9; Against: 0; Abstained: 0.

For details, please refer to the “Overseas Regulatory Announcement Announcement on the Provision of a Guarantee Amount for Contract Performance for Overseas Wholly-owned Subsidiaries for 2020” published on the same date as this announcement.

**VI. Consideration and approval of the “Resolution on the Proposed Registration and Issue of Medium Term Notes” and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

1. That the registration and issue plan for the register and issue of Medium Term Notes 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 Medium Term Notes, including but not limited: (1) confirming relevant intermediaries relating to the registration and issue (including but not limited to the lead underwriter and the bookrunner); (2) confirming the actual issue plan (including all matters pertaining to the issue of 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 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 Medium Term Notes, including but not limited to application documents, prospectuses, underwriting agreements and relevant legal documents in relation to the issue; (3) to deal with all other matters and formalities relating to the registration, issue and continuation, quotation and trading, and principal and interest payments in respect of the Medium Term Notes; (4) adjusting as appropriate the actual plan for the issue of 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 Medium Term Notes should be carried on with, in the event of any changes to relevant regulatory policies or market conditions; (5) to publish relevant information in accordance with applicable regulatory provisions; (6) to deal with other matters pertinent to the issue of Medium Term Notes not provided for in the foregoing; (7) 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 Medium Term Notes.

Voting results: For: 9; Against: 0; Abstained: 0.

For details, please refer to the “Overseas Regulatory Announcement Announcement on the Proposed Registration and Issue of Medium Term Notes” published on the same date as this announcement.

**VII. Consideration and approval of the “Resolutions on the Proposed Application for Composite Credit Facilities for 2020” on an individual basis, the details of which are as follows:**

The Company has proposed to apply for composite credit facilities from certain financial institutions (details of which are set out in the table below) for 2020 which are subject to approval by the financial institutions. The Company is required to undergo necessary approval procedures in accordance with its current internal regulations and the requirements of pertinent laws, regulations and the Listing Rules when processing specific transactions under such composite credit facilities.

| <b>Financial institution</b>                             | <b>Proposed Composite Credit Facilities Limit for the Period</b> <sup>Note</sup> | <b>Key Contents of Composite Credit Facility</b>   |
|--|--|--|
| Bank of China Limited                                    | RMB20.0 billion  | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Industrial and Commercial Bank of China, Shenzhen Branch | RMB10.0 billion  | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Construction Bank, Shenzhen Branch                 | RMB12.5 billion  | Loans, acceptance bill, discounting, guarantee,  |

|  |                         |  |
|--|-------------------------|--|
|  |                         | letter of credit, factoring, trade financing, etc.   |
| Agricultural Bank of China, Shenzhen Branch              | RMB6.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Merchants Bank Co., Ltd., Shenzhen Branch          | RMB6.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Export-Import Bank of China, Shenzhen Branch             | RMB12.0 billion         | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China CITIC Bank, Shenzhen Branch                        | RMB5.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Minsheng Banking Corp., Ltd., Shenzhen Branch      | RMB5.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Everbright Bank, Shenzhen Branch                   | RMB6.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Guangfa Bank, Shenzhen Branch                      | RMB12.0 billion         | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Pingan Bank Co.,Ltd., Shenzhen Branch                    | RMB10.0 billion         | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Industrial Bank Co.,Ltd., Shenzhen Branch                | RMB7.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Resources Bank Of Zhuhai Co.,Ltd., Shenzhen Branch | RMB1.5 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Postal Savings Bank of China Co.,Ltd., Shenzhen Branch   | RMB4.5 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Bank of Beijing, Shenzhen Branch                         | RMB4.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Hua Xia Bank Co.,Ltd., Shenzhen Branch                   | RMB10.0 billion         | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Shenzhen Rural Commercial Bank, Xixiang Branch           | RMB3.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Guangdong Huaxing Bank, Shenzhen Branch                  | RMB5.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| ZTE Group Finance Company Limited                        | RMB6.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Kasikoranbank (China) Company Limited, Shenzhen Branch   | RMB0.2 billion          | Guarantee, standby letter of credit, etc.  |
| <b>Total credit facilities amount in RMB</b>             | <b>RMB145.7 billion</b> |  |
| China Development Bank, Shenzhen Branch                  | USD4.0 billion          | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Societe Generale (China) Limited                         | USD0.06 billion         | Guarantee, letter of credit, foreign exchange trade, etc.  |
| Banque de l'Indochine (China) Limited, Shanghai Branch   | USD0.1 billion          | Guarantee, foreign exchange trade, etc.  |

|  |                        |   |
|--|------------------------|---|
| DBS Bank (China) Co.,Ltd.,<br>Shenzhen Branch    | USD0.25 billion        | Guarantee , factoring, trade financing, foreign<br>exchange trade, etc. |
| <b>Total credit facilities<br/>amount in USD</b> | <b>USD4.41 billion</b> |   |
| BNP Paribas China Co.,Ltd.                       | EUR0.13 billion        | Loans, guarantee, foreign exchange trade, etc.                          |
| UniCredit SpA                                    | EUR0.1 billion         | Guarantee, foreign exchange trade, etc.                                 |
| <b>Total credit facilities<br/>amount in EUR</b> | <b>EUR0.23 billion</b> |   |

Note: The above composite credit facilities represent the maximum amounts to be granted by the financial institutions to the Company for its business operations based on their assessments of the Company's conditions. The Company will determine the type(s) of facilities to be utilised, subject to the aforesaid limits, based on the actual requirements of its production operations, after fulfilling internal approval procedures of the Company and corresponding approval procedures required by the financial institutions. The amounts of composite credit facilities set out above represent amounts proposed by the Company to the financial institutions and are subject to final amounts approved by the financial institutions.

Each of the above resolutions, except for those on the applications for composite credit facilities from Bank of China Limited and China Development Bank, Shenzhen Branch, shall be valid with effect from 27 March 2020 until the earlier of (1) the approval of the next new credit facilities with the financial institution by the competent internal authorities of the Company, or (2) 31 March 2021. Unless otherwise stipulated under laws and regulations or the Articles of Association or owing to business requirements, no subsequent resolution of the Board of Directors is required with respect to any single application for financing operations within such cap under such composite credit facilities. The legal representative of the Company, or his authorised signatory, is authorised by the Board of Directors to sign, during the effective period of the composite credit facilities granted by the financial institution and to the extent permitted under laws and regulations and the Articles of Association, all legal contracts and documents relating to the composite credit facilities or transactions under the composite credit facilities.

The aforesaid resolutions of the Company proposing the applications to Bank of China Limited and China Development Bank, Shenzhen Branch for composite credit facilities amounting to RMB20.0 billion and USD4.0 billion, respectively, are subject to consideration and approval by the 2019 Annual General Meeting of the Company. The Board of Directors requested the general meeting to authorise the Board of Directors to adjust the details and actual duration of the credit facilities pursuant to the Company's requirements or negotiations with the financial institutions, subject to the aforesaid caps of composite credit facilities and within the period considered and approved by the general meeting. The Board of Directors and legal representative of the Company or his authorised signatory are authorised to negotiate with the financial institutions and sign all legal contracts and documents relating to the aforesaid composite credit facilities or transactions under such composite credit facilities.

Voting result: For: 9; Against: 0; Abstained: 0.

## **VIII. Consideration and approval of the “Final Financial Accounts for 2019” and**

**approval of submission to the 2019 Annual General Meeting of the Company for consideration.**

Voting result: For: 9; Against: 0; Abstained: 0.

**IX. Consideration and approval of the “2019 Assessment Report on Internal Control.”**

Voting result: For: 9; Against: 0; Abstained: 0.

The “2019 Assessment Report on Internal Control” is published as an Overseas Regulatory Announcement on the same date as this announcement.

**X. Consideration and approval of the “Report of the Audit Committee on the 2019 Audit of the Company Performed by the Auditors.”**

Voting result: For: 9; Against: 0; Abstained: 0.

**XI. Consideration and approval of the “Resolutions on the Appointment of the Auditor for 2020” on an individual basis and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

1. That Ernst & Young Hua Ming LLP be re-appointed as the PRC auditor of the Company’s financial report for 2020 and a proposal be made to the 2019 Annual General Meeting to authorise the Board of Directors to fix the financial report audit fees of Ernst & Young Hua Ming LLP for 2020 based on the specific audit work to be conducted be approved.

Voting result: For: 9; Against: 0; Abstained: 0.

2. That Ernst & Young be re-appointed as the Hong Kong auditor of the Company’s financial report for 2020 and a proposal be made to the 2019 Annual General Meeting to authorise the Board of Directors to fix the financial report audit fees of Ernst & Young for 2020 based on the specific audit work to be conducted be approved.

Voting result: For: 9; Against: 0; Abstained: 0.

3. That Ernst & Young Hua Ming LLP be re-appointed as the internal control auditor of the Company for 2020 and a proposal be made to the 2019 Annual General Meeting to authorise the Board of Directors to fix the internal control audit fees of Ernst & Young Hua Ming LLP for 2020 based on the specific audit work to be conducted be approved.

Voting result: For: 9; Against: 0; Abstained: 0.

**XII. Consideration and approval of the “Resolution on the Performance of and Annual Bonus Amount for the President for 2019.”**

As Mr. Xu Ziyang, Director, served as the President of the Company, he did not take part in the voting in respect of this matter at the Meeting.

Voting result: For: 8; Against: 0; Abstained: 0.

**XIII. Consideration and approval of the “Resolution on the Performance of and Annual Bonus Amount for Other Senior Management Personnel for 2019.”**

As Mr. Gu Junying, Director, served as the Executive Vice President of the Company, he did not take part in the voting in respect of this matter at the Meeting.

Voting result: For: 8; Against: 0; Abstained: 0.

**XIV. Consideration and approval of the “Resolution on Donations to ZTE Charitable Foundation”, the details of which are set out as follows:**

That the donation of RMB24.42 million to ZTE Charitable Foundation by the Company in 2020 be approved.

Director Mr. Gu Junying, as chairman of the council of ZTE Charitable Foundation, did not take part in the voting in respect of this matter at the Meeting.

Voting result: For: 8; Against: 0; Abstained: 0.

In 2020, ZTE Charity Foundation will continue to enhance services for the medical care and education sectors, two major areas of focus in community welfare, optimise its welfare projects relating to aid for the underprivileged, advocate voluntary services and foster the community welfare culture in adherence to the requirements of “staying focused” and “efficiency enhancement”.

**XV. Consideration and approval of the “2019 Report of the President” and approval of submission to the 2019 Annual General Meeting of the Company for consideration.**

Voting result: For: 9; Against: 0; Abstained: 0.

**XVI. Consideration and approval of the “2019 Report of the Board of Directors” and approval of submission to the 2019 Annual General Meeting of the Company for consideration.**

Voting result: For: 9; Against: 0; Abstained: 0.

Details of the report of the Board of Directors are set out as the “Overseas Regulatory Announcement” published on the same date as this announcement.



## **XVII. Consideration and approval of the “2019 Sustainability Report.”**

Voting result: For: 9; against: 0; abstained: 0.

For details, please refer to the “Sustainability Report 2019” published on the same date as this announcement.

## **XVIII. Consideration and approval of the “Resolution of the Company on the Application for General Mandate for 2020” and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

1. Subject to the conditions set out below, the Board of Directors be hereby granted an unconditional and general mandate during the Relevant Period (as defined below) subject to the approval at the 2019 annual general meeting of the Company, to separately or concurrently allot, issue and deal with additional domestic shares and overseas-listed foreign shares (“H Shares”) of the Company (including securities convertible into domestic shares and/or H Shares of the Company) and to make or grant offers, agreements or options in respect of the above:

(1) such mandate shall not extend beyond the Relevant Period, other than in the case of the making or granting of offers, agreements or options by the Board of Directors during the Relevant Period which might require the performance or exercise of such powers after the close of the Relevant Period;

(2) the aggregate nominal amount of the share capital of domestic shares and H shares authorised to be allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board of Directors, otherwise than pursuant to a Rights Issue (as defined below) approved by the Board of Directors, shall not exceed 20% of the aggregate nominal amount of each of the share capital of the domestic shares and H Shares of the Company in issue at the date on which this resolution is passed at the general meeting; and

(3) The Board of Directors will only exercise the above authority in compliance with the Company Law of the People’s Republic of China (as amended from time to time) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) and with the necessary approvals of the China Securities Regulatory Commission and/or other relevant PRC government authorities.

2. For the purpose of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution at the general meeting until the earliest of:

- (1) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (2) the revocation or variation of the authority given to the Board of Directors under this resolution by the passing of a special resolution of the Company at a general meeting; and

“Rights Issue” means an offer to all shareholders of the Company (except any shareholders to which the making of such offers by the Company is not permitted under the laws of the jurisdictions where they reside) and, as appropriate, holders of other equity securities of the Company who are qualified for such offers, for the allotment and issue of shares or other securities in the Company which will or might require the allotment and issue of shares in proportion to their existing holdings of such shares or other equity securities (subject to the exclusion of fractional entitlements);

3. Where the Board of Directors resolves to issue shares (including securities convertible into domestic shares and/or H Shares of the Company) pursuant to the general mandate as stated under paragraph 1 of this resolution, the Board of Directors hereby requests the 2019 annual general meeting of the Company to authorise the Board of Directors to approve and execute all documents and deeds and handle all matters or to procure the execution of such documents and deeds and the handling of such matters necessary in their opinion for the issue (including but not limited to determining the time and place for issue, class and number of new shares to be issued, the pricing method and/or issue prices (including price ranges) of the shares, submitting all necessary applications to relevant authorities, entering into underwriting agreements (or any other agreements), determining the use of proceeds, and fulfilling filing and registration requirements of the mainland of the PRC, Hong Kong and other relevant authorities, including but not limited to registration with relevant PRC authorities of the increase in registered share capital as a result of the issue of shares pursuant to paragraph 1 of this resolution); and

4. The Board of Directors hereby requests the 2019 annual general meeting of the Company to authorise the Board of Directors to amend the Articles of Association as they deem appropriate to increase the registered share capital of the Company and to reflect the new share capital structure of the Company following the proposed allotment and issue of shares of the Company pursuant to paragraph 1 of this resolution.

Voting result: For: 9; Against: 0; Abstained: 0.

**XIX. 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” and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

1. That the amendment of the relevant clause in 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><b>Article 50.</b> No registration of amendment of the register of members caused by transfer of shares shall be carried out within thirty days prior to the date of a general meeting of shareholders or within five days of the reference date on which the Company decides to distribute dividends.</p>   | <p><b>Article 50.</b> Where a period of book closure prior to the convening of general meetings or the record date for the determination of the Company’s dividend distribution is provided for under laws, administrative regulations, departmental rules, regulatory documents and by relevant stock exchanges or regulatory authorities of the places where the Company is listed, such provision shall prevail.</p>   |
| <p><b>Article 53.</b> Any person who is registered in, or requests to have his name entered into, the register of members may, if his share certificate (the “Original Certificate”) is lost, apply to the Company for a replacement share certificate in respect of such shares (the “Relevant Shares”).</p> <p>If a holder of the domestic shares loses his share certificate and applies for a replacement share certificate, it shall be dealt with in accordance with the provisions of Article 144 of the Company Law.</p> <p>.....</p>   | <p><b>Article 53.</b> Any person who is registered in, or requests to have his name entered into, the register of members may, if his share certificate (the “Original Certificate”) is lost, apply to the Company for a replacement share certificate in respect of such shares (the “Relevant Shares”).</p> <p>If a holder of the domestic shares loses his share certificate and applies for a replacement share certificate, it shall be dealt with in accordance with the <b>pertinent provisions</b> of the Company Law.</p> <p>.....</p> |
| <p><b>Article 79.</b> When the Company convenes a general meeting of shareholders, written notice of the meeting shall be given forty-five days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver to the Company a written confirmation of their attendance twenty days before the date of the meeting.</p>   | <p><b>Article 79.</b> A written notice of meeting shall be given <b>at least twenty days before the date of an annual general meeting and at least fifteen days before the date of an extraordinary general meeting</b> to be convened by the Company to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p>  |
| <p><b>Article 80.</b> The Company shall, based on the written replies received twenty days before the date of the general meeting of shareholders, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amounts to not less than half of the Company’s total voting shares, the Company may hold a general meeting; if not, the Company shall within five days notify the shareholders by way of public announcement of matters to be considered at and the place and date of the meeting. The Company may then hold the meeting after publication of such announcement. The relevant announcement shall be published in newspapers which are in compliance with the</p> | <p><b>Article 80.</b> An extraordinary general meeting shall not decide on any matter not stated in the notice for the meeting.</p>   |

| Existing Article  | To be amended as  |
|---|---|
| <p>relevant requirements.</p> <p>An extraordinary general meeting shall not decide on any matter not stated in the notice for the meeting.</p>  |   |
| <p><b>Article 83.</b> Notices of general meetings and relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders' register. Notices of general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities under the State Council during the period which is 45-50 days prior to the meeting. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> | <p><b>Article 83.</b> Notices of general meetings and relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders' register. Notices of general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities <b>under the State Council</b>. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> |
| <p><b>Article 139.</b> The Company shall issue a written notice to all class shareholders whose names appear in the share register forty-five days before the class meeting is convened. The notice shall contain notice of the matters to be considered at such meeting and the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver a written reply to the Company twenty days before the meeting is convened.</p> <p>In the event that the number of shares (carrying voting rights) held by shareholders who intend to attend the meeting is not less than one-half of the total class shares with voting rights at the meeting, the Company may convene the class meeting. If not, the Company shall issue a public announcement to inform shareholders of matters to be considered at the meeting and the date and place of the meeting within five days. The Company may then convene the class meeting after issuing such public announcement. The relevant announcement shall be published in</p>  | <p><b>Article 139.</b> Whenever a class meeting is convened by the Company, a written notice of meeting shall be given <b>by reference to the notice periods for the convening of annual general meetings and extraordinary general meetings set out under Article 79 of the Article</b> to notify all class shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p>   |

| Existing Article  | To be amended as  |
|---|---|
| newspapers which are in compliance with the relevant regulations.   |   |
| <p><b>Article 253.</b> The Company shall be dissolved and liquidated according to law upon the occurrence of any of the following events:</p> <p>.....</p> <p>4) the Company is dissolved by the People’s Court in accordance with Article 183 of the Company Law;</p> <p>.....</p> | <p><b>Article 253.</b> The Company shall be dissolved and liquidated according to law upon the occurrence of any of the following events:</p> <p>.....</p> <p>4) the Company is dissolved by the People’s Court in accordance with <b>pertinent provisions</b> of the Company Law;</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><b>Article 7.</b> When the Company convenes the annual general meeting of shareholders, written notice of the meeting shall be given forty-five days before the date of the meeting (not including the day of the meeting) to notify all shareholders by the Board of Directors, whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p> <p>Shareholders who intend to attend the annual general meeting shall deliver to the Company a written confirmation of their attendance twenty days before the date of the meeting. The Company shall, based on the written replies received twenty days before the date of the general meeting of shareholders, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amounts to not less than half of the Company’s total voting shares, the Company may hold a general meeting; if not, the Company shall within five days notify the shareholders by way of public announcement of matters to be considered at and the place and date of the meeting. The Company may then hold the meeting after publication of such announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant requirements.</p> | <p><b>Article 7.</b> When the Company convenes the annual general meeting of shareholders, written notice of the meeting shall be given <b>at least twenty days</b> before the date of the meeting (not including the day of the meeting) to notify all shareholders by the Board of Directors, whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p> |
| <p><b>Article 9.</b> Notices of general meetings and relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders’ register. Notices of general</p>   | <p><b>Article 9.</b> Notices of general meetings and relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders’ register. Notices of</p>  |

| Existing Article  | To be amended as  |
|---|---|
| <p>meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities under the State Council during the period which is 45-50 days prior to the meeting. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> <p>.....</p> | <p>general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.</p> <p>The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities <b>under the State Council</b>. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.</p> <p>.....</p> |
| <p><b>Article 33.</b> Any other matters pertaining to the convening of extraordinary general meetings not provided for under this section shall be governed by provisions under Section 2 of this Chapter.</p>  | <p><b>Article 33. A written notice of meeting shall be given at least fifteen days before the date of an extraordinary general meeting to be convened by the Company to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</b> Any other matters pertaining to the convening of extraordinary general meetings not provided for under this section shall be governed by provisions under Section 2 of this Chapter.</p>  |
| <p><b>Article 76.</b> The Company shall issue a written notice to all class shareholders whose names appear in the share register forty-five days before the class meeting is convened. The notice shall contain notice of the matters to be considered at such meeting and the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver a written reply to the Company twenty days before the meeting is convened.</p> <p>In the event that the number of shares (carrying voting rights) held by shareholders who intend to attend the meeting is not less than one-half of the total class shares with voting rights at the meeting, the Company may convene the class meeting. If not, the Company shall issue a public announcement to inform shareholders of matters</p>  | <p><b>Article 76.</b> Whenever a Class Meeting is convened by the Company, a written notice of meeting shall be given <b>by reference to the notice periods for the convening of annual general meetings and extraordinary general meetings set out under Article 7 and Article 33 of the Rule</b> to notify all class shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p>   |

| Existing Article   | To be amended as |
|--|------------------|
| to be considered at the meeting and the date and place of the meeting within five days. The Company may then convene the class meeting after issuing such public announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant regulations. |                  |

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  |
|---|---|
| <b>Article 5.</b> Persons subject to provisions under Article 147 of the Company Law and prohibition from market entry by PRC securities administration authorities currently in force, as well as civil servants of the State, shall not be eligible to serve as Directors of the Company. | <b>Article 5.</b> Persons subject to <b>pertinent</b> provisions under the Company Law and prohibition from market entry by PRC securities administration authorities currently in force, as well as civil servants of the State, shall not be eligible to serve as Directors of the Company. |

4. That any Directors or the Secretary to the Board of Directors of the Company be authorised to handle the formalities of filing, amendment and registration (where necessary) and other matters pertaining 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 in accordance with the law on behalf of the Company.

Voting results: For: 9; Against: 0; Abstained: 0.

**XX. Consideration and approval of the “Proposal for Profit Distribution for 2019” and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

1. That the proposal for profit distribution for 2019 be approved;
2. Proposed the general meeting authorise any Directors or the Secretary to the Board of Directors to deal in accordance with the law with matters relating to the profit distribution for 2019.

**Highlights of the Profit Distribution Proposal for 2019:**

1. Audited net profit attributable to the holders of ordinary shares of the Company for the year 2019 calculated in accordance with PRC ASBEs amounted to approximately RMB7,775,879,000. Together with undistributed profit of approximately RMB-3,114,829,000 carried forward at the beginning of the year, and after deducting statutory surplus reserves of approximately RMB452,214,000, profit available for distribution to shareholders amounted to approximately RMB4,208,836,000.

Audited net profit attributable to the holders of ordinary shares of the Company for the year 2019 calculated in accordance with HKFRSs amounted to approximately RMB7,935,014,000. Together with undistributed profit of approximately RMB-4,167,396,000 carried forward at the beginning of the year, and after deducting statutory surplus reserves of approximately RMB452,214,000, profit available for distribution to shareholders amounted to approximately RMB3,315,404,000.

In accordance with the requirements of the Ministry of Finance of the PRC and the Articles of Association, profit available for distribution shall be the lower of profit available for distribution as calculated in accordance with PRC ASBEs and that calculated in accordance with HKFRSs. Therefore the amount of profit available for distribution is approximately RMB3,315,404,000.

2. The Board of Directors of the Company has recommended the proposal for profit distribution of the Company for 2019 as follows:

Distribution of RMB2 in cash (before tax) for every 10 shares to all shareholders based on the total share capital (including A shares and H shares) as at the record date for profit distribution and dividend payment.

In the event of changes in the Company's total share capital after the announcement of the Company's profit distribution proposal for 2019 but before its implementation, the total amount of distribution shall be readjusted in accordance with the law on the basis of the total share capital (including A shares and H shares) as at the record date for profit and dividend distribution for the purpose of the profit distribution proposal for 2019 according to the existing proportion for distribution.

The first exercise period under the 2017 A share option incentive scheme of the Company commenced on 16 July 2019 and will last until 5 July 2020. The Company's total share capital as at 27 March 2020 was 4,612,006,291 shares. As at 27 March 2020, there were 1,428,673 outstanding options exercisable in the first exercise period under the 2017 A share option incentive scheme of the Company. Assuming the said options are fully exercised prior to the A share record date of dividend distribution, 4,613,434,964 shares in the Company will be entitled to dividend payment, which will result in a total dividend amount of not more than RMB923 million.

3. The Company's profit distribution proposal for 2019 is in compliance with the cash profit distribution policy determined under the Articles of Association and the Company's "Planning for the Distribution of Profit to Shareholders (2018-2020)" and not in violation of pertinent provisions under pertinent laws and regulations, such as the Company Law of the



People's Republic of China and Shenzhen Stock Exchange Guidelines for Standardised Operations of Listed Companies (2020 Revision), and the Articles of Association.

Dividend payments are expected to be made to shareholders on 12 August 2020.

Voting result: For: 9; Against: 0; Abstained: 0.

**XXI. Consideration and approval of the “Resolution on the tabling of the proposed mandate for the repurchase of the Company’s A shares at the general meeting for consideration” and approval of submission to the 2019 Annual General Meeting of the Company for consideration, the details of which are as follows:**

Voting result: For: 9; Against: 0; Abstained: 0.

The resolution tabled at the general meeting for consideration seeks to give mandate to the Board of the Company only to deal with matters pertaining to the share repurchase. At present, the Company has yet to formulate a detailed plan for the share repurchase. Subject to consideration and approval at the general meeting, the Company will confirm whether to proceed with the repurchase based on factors such as conditions in the capital market and volatility and movement in the Company’s share price, among others.

For the details of the resolution, please refer to the “Overseas Regulatory Announcement Announcement Tabling of the Proposed Mandate for the Repurchase of the Company’s A Shares at the General Meeting for Consideration” published on the same date as this announcement.

The Independent Non-executive Director of the Company has furnished an independent opinion in relation to the resolution, for the details please refer to the “Overseas Regulatory Announcement” published on the same date as this announcement.

**XXII. Consideration and approval of the “Resolution on the Convening of the 2019 Annual General Meeting.”**

The Company has resolved to convene the 2019 Annual General Meeting of the Company (the “AGM”) on Friday, 19 June 2020 at the conference room on the 4th floor of the Shenzhen headquarters of the Company.

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

Voting result: For: 9; Against: 0; Abstained: 0.

The Company will close its H share register from Wednesday, 20 May 2020 to Thursday, 18 June 2020 (both days inclusive) to determine qualifications of shareholders to attend and vote at the AGM. Any H Shareholder who wishes to attend and vote at the AGM 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., Tuesday, 19 May 2020.

The Company will close its H share register from Thursday, 25 June 2020 to Tuesday, 30 June 2020 (both days inclusive) to determine qualifications of shareholders to receive the Dividends. Any H Shareholder who wishes to qualify for the Dividends 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., Wednesday, 24 June 2020.

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

Shenzhen, the PRC  
27 March 2020

*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.*