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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 2020

The Company and all the members of the Board of Directors confirm that all the information contained in this information disclosure 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 2020 (the “EGM”) of ZTE Corporation (the “Company”) was held by way of a combination of on-site voting and online voting on 30 September 2020. Details in respect of the resolutions and voting results of the EGM are as follows:

I. IMPORTANT NOTICE

1. There were no veto resolutions in the EGM.
2. There were no changing resolutions approved by previous general meetings in the EGM.

II. INFORMATION REGARDING THE CONVENING OF THE EGM

(I) Date and time

1. On-site meeting commenced at 3:30 p.m. on Wednesday, 30 September 2020.
2. Online voting by A shareholders was conducted on 30 September 2020 during the following time slots:

Online voting through the trading system of the Shenzhen Stock Exchange: from 9:15 a.m. to 9:25 a.m., from 9:30 a.m. to 11:30 a.m. and from 1:00 p.m. to 3:00 p.m. on 30 September 2020; online voting on the internet voting system (<http://wltp.cninfo.com.cn>) was conducted any time during the period from 9:15 a.m. to 3:00 p.m. on 30 September 2020.

(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 and voting 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. Li Zixue, 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., 24 September 2020), the total number of shares issued by the Company is 4,613,434,898 shares, comprising 3,857,932,364 domestic shares (A shares) and 755,502,534 overseas-listed foreign shares (H shares).

226 shareholders (or proxies) held 1,341,717,179 shares or 29.08% of the total number of shares carrying voting rights at the EGM of the Company. Of which 224 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 308,224,052 shares or 6.68% 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. For details of 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, please refer to “IV. CONSIDERATION OF AND VOTING OF RESOLUTIONS”.

Comprising:

(1) Attendance of holders of A shares

224 A shareholders (or proxies) holding 1,223,901,806 shares or 31.72% 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: 12 A shareholders (or proxies) holding 1,061,136,234 shares or 27.50% of the total number of A shares carrying voting rights of the Company attended the on-site meeting; and 212 A shareholders holding 162,765,572 shares or 4.22% 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

2 H shareholders (or proxies) holding 117,815,373 shares or 15.59% 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, the PRC lawyers of the Company attended the EGM. Certain Directors, Supervisors 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 approved at the EGM (All resolutions at the EGM are ordinary resolutions, which were approved by votes representing more than one-half of the voting rights held by shareholders attending the EGM. For details of the voting results, please refer to Annex “ZTE Corporation - Statistics of Voting Results in respect of Resolutions Proposed at the First Extraordinary General Meeting of 2020 ”):

Ordinary Resolutions

1. Consideration and approval of the “Resolution on the Acquisition of 24% Equity Interests in ZTE Microelectronics by Renxing Technology and the Waiver of Preemptive Subscription Rights by the Company”, the details of which are as follows:

(1) That the acquisition of 24% equity interests in ZTE Microelectronics Technology Company Limited (“ZTE Microelectronics”) (held by National Integrated Circuit Industry

Investment Fund Corporation) by Shenzhen Renxing Technology Company Limited (“Renxing Technology”) pursuant to the terms of the “Share Transfer Agreement” be approved;

(2) That the legal representative of the Company or his delegated signatory be authorised to sign the “Share Transfer Agreement” and other documents relating to the acquisition”, and to perform such other duties as may be required for the implementation of the acquisition document and completion;

(3) That the waiver of preemptive subscription rights for equity interests in ZTE Microelectronics by the Company and its subsidiary partnership enterprise Shenzhen Sai Jia Xun Investment Development Enterprise (Limited Partnership), as shareholders of ZTE Microelectronics, to facilitate the Acquisition be approved.

2. Consideration and approval of the “Resolution on the Signing of the ‘Cooperation Agreement’ with Hengjian Xinxin and Huitong Rongxin”, the details of which are as follows:

(1) That approval be granted to the Company and Renxing Technology, a wholly-owned subsidiary, to enter into cooperation with Guangdong Hengjian Xinxin Investment Partnership Enterprise (Limited Partnership) (“Hengjian Xinxin”) and Shenzhen Huitong Rongxin Investment Co., Ltd (“Huitong Rongxin”) pursuant to terms agreed under the “Cooperation Agreement” and other documents relating to the cooperation;

(2) That the legal representative of the Company or his delegated signatory be authorised to sign the “Cooperation Agreement” and other documents relating to the cooperation, and to perform such other duties as may be required for the implementation of the cooperation document and completion, including the negotiation and execution of relating transaction documents in future with Hengjian Xinxin and Huitong Rongxin under the framework of the “Cooperation Agreement”.

Note: Huitong Rongxin held 43,032,108 A shares of the Company, accounting for 0.93% of the total share capital of the Company as at the record date of the EGM. In accordance with relevant rules of the Shenzhen Listing Rules and the Hong Kong Listing Rules, Huitong Rongxin and its respective associates were required to abstain from voting in respect of both the Resolution No.1 and Resolution No.2. Huitong Rongxin and its respective associates did not vote at the EGM.

The Company appointed the witnessing lawyers, two shareholder representatives and two supervisors 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 Huang Wei

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 2020 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 2020 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 2020 of ZTE Corporation;

2. Resolutions of the First Extraordinary General Meeting of 2020 of ZTE Corporation;

3. Legal opinion of Beijing Jun He Law Offices (Shenzhen Office) on the First Extraordinary General Meeting of 2020 of ZTE Corporation.

By Order of the Board
Li Zixue
Chairman

Shenzhen, the PRC
30 September 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, Gordon Ng, Zhuang Jiansheng.

Annex:

ZTE Corporation
Statistics of Voting Results in respect of Resolutions Proposed at the First Extraordinary General Meeting of 2020

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 Resolutions (2 resolutions)								
1.00	Resolution on the Acquisition of 24% Equity Interests in ZTE Microelectronics by Renxing Technology and the Waiver of Preemptive Subscription Rights by the Company	Total	1,340,908,514	99.9397%	789,400	0.0588%	19,265	0.0015%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	307,415,387	99.7376%	789,400	0.2561%	19,265	0.0063%
		Domestic shares (A shares)	1,223,099,556	99.9345%	788,200	0.0644%	14,050	0.0011%
		Overseas-listed foreign shares (H shares)	117,808,958	99.9946%	1,200	0.0010%	5,215	0.0044%
2.00	Resolution on the Signing of the "Cooperation Agreement" with Hengjian Xinxin and Huitong Rongxin	Total	1,340,983,414	99.9453%	712,800	0.0531%	20,965	0.0016%
		Of which: shareholders each interested in less than 5% of the Company's shares attending the EGM	307,490,287	99.7619%	712,800	0.2313%	20,965	0.0068%
		Domestic shares (A shares)	1,223,174,456	99.9406%	711,600	0.0581%	15,750	0.0013%
		Overseas-listed foreign shares (H shares)	117,808,958	99.9946%	1,200	0.0010%	5,215	0.0044%