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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)

Preliminary Announcement of Results for the Six Months ended 30 June 2019

This announcement is made by ZTE Corporation (the “Company” or “listed company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

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 without any false and misleading statement or material omission.

I. Projected results for the period

1. Reporting period of the preliminary results: 1 January 2019 to 30 June 2019
2. Preliminary results for the first half of 2019: turnaround from loss to profit
3. Table of preliminary announcement of results (1 January 2019 to 30 June 2019)

Item	1 January 2019 to 30 June 2019	1 January 2018 to 30 June 2018	Percentage of change (increase / decrease)
Net profit attributable to holders of ordinary shares of the listed company (RMB'000)	Profit: 1,200,000-1,800,000	Loss: 7,824,190	Increased by 115.34%-123.01%
Basic earnings per share (RMB / share)	Profit: 0.29–0.43	Loss: 1.87	Increased by 115.51%-122.99%

II. Pre-audit of preliminary announcement of results

This preliminary results announcement has not been pre-audited by a certified public accountant.

III. Reasons for change in results

The significant growth in the Group's results for the six months ended 30 June 2019 compared to the same period last year was due mainly to loss incurred for the same period last year. Loss for the six months ended 30 June 2018 was mainly attributable to (1) the USD1 billion penalty described in the “INSIDE INFORMATION ANNOUNCEMENT AND RESUMPTION OF TRADING” published on 12 June 2018; and (2) operating losses and loss provisions arising from the matter described in the “INSIDE INFORMATION ANNOUNCEMENT” published by the Company on 9 May 2018 by the Company.

IV. Other information

The financial data set out above represent preliminary estimates based on information on the Company as at the date of this announcement. Finalised financial data will be disclosed in detail in the 2019 Interim Report. Investors should beware of investment risks.

By Order of the Board

Li Zixue

Chairman

Shenzhen, the PRC

29 April 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.