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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 Resolution of the Forty-third Meeting of the Seventh 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.*

The stipulated length of notice for the Forty-third Meeting (the “Meeting”) of the Seventh Session of the Board of Directors of ZTE Corporation (the “Company”) has been waived with the unanimous approval of all Directors. The Company issued the “Notice of the Forty-third Meeting of the Seventh Session of the Board of Directors of ZTE Corporation” to all Directors of the Company by electronic mail and telephone on 29 December 2018. The Meeting was convened at the Shenzhen headquarters of the Company and other locations by way of video and telephone conference on 29 December 2018. The Meeting was presided over by Mr. Li Zixue, Chairman. As only the “Resolution on continuing connected transactions under the ‘Property and Equipment and Facilities Lease Framework Agreement’ with Zhongxing Hetai, a Connected Party” considered on the Meeting, Ms. Fang Rong, the related director, did not attend the Meeting. Mr. Xu Ziyang, Director, was unable to attend the Meeting due to work reasons and has authorised in writing Mr. Li Zixue, Chairman, to vote on his behalf. Mr. Yuming Bao, Independent Non-executive Director, was unable to attend the Meeting due to work reasons and has authorised in writing Ms. Cai Manli, Independent Non-executive Director, to vote on his behalf. The number of the Directors who voted in the Meeting was eight Directors. 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 resolution was considered and approved at the Meeting:**

**I. Consideration and approval of the “Resolution on continuing connected transactions under the ‘Property and Equipment and Facilities Lease Framework Agreement’ with Zhongxing Hetai, a Connected Party,” the details of which are set out as follows:**

1. That the execution in accordance with the law of the “Property and Equipment and

Facilities Lease Framework Agreement” by the Company with Shenzhen Zhongxing Hetai Hotel Investment and Management Company Limited (“Zhongxing Hetai”), a connected party, with the maximum aggregate amount of continuing connected transactions (before VAT) in 2019 in relation to the lease of properties and equipment and facilities to Zhongxing Hetai or its subsidiaries by the Group under the agreement estimated at RMB72.06 million be approved; with the view that the terms of the “Property and Equipment and Facilities Lease Framework Agreement” have been arrived at after arm’s length negotiations between the two parties on normal commercial terms in the ordinary course of business, and that the transaction terms and the annual cap for transaction amount for 2019 are fair and reasonable and in the interests of the Company and its shareholders as a whole;

2. That the Legal Representative of the Company or his appointed attorney be authorised to sign, among others, the “Property and Equipment and Facilities Lease Framework Agreement” in accordance with the law.

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

For details of the resolution, please refer to the “Overseas Regulatory Announcement Announcement on Projected Continuing Connected Transactions under the Rules Governing Listing of Stocks on The Shenzhen Stock Exchange” published on the same day as this announcement.

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

Shenzhen, the PRC  
1 January 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.*