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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
Announcement on Sell-down the Share in the Company Exceeding 1% by the
Controlling Shareholder**

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 all information provided to the Company is true, accurate and complete and that there is no false and misleading statement or material omission.

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

On 25 January 2021, ZTE Corporation (the “Company”) received a “Letter of Notification” from Zhongxingxin Telecom Company Limited (“Zhongxingxin”), the controlling shareholder of the Company, which stated that from the previous disclosure (22 June 2020) of the Simplified Rights and Interests Change Report by the Company to 25 January 2021, Zhongxingxin had sold down 71,691,300 A shares in the Company through block trading at stock exchange, accounting for 1.55% of the Company’s total share capital (the “Change”). Details of which are announced as follows:

1. General Information			
Party responsible for information disclosure	Zhongxingxin Telecom Company Limited		
Address	Level 6, Block 710, Liantang Pengji Industrial Zone, Luohu District Shenzhen		
Correspondence address	39th Floor, Dashi Intelligent Building, 28 Keji South Road I, Hi-tech Industrial Park, Nanshan District, Shenzhen		
Stock name	ZTE	Stock Code	000063
Nature of change	Increase <input type="checkbox"/> Decrease <input checked="" type="checkbox"/>	Party of concerted action	Yes <input type="checkbox"/> Nil <input checked="" type="checkbox"/>
Whether the single largest shareholder or de facto controller	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
2. Details of the change in equity			
Class of shares	Time of change in equity	Number of shares decreased (in 10,000)	Percentage of decrease

A shares	1 July 2020	4,408.9500	0.96%	
A shares	25 January 2021	2,760.1800	0.59%	
Total	-	7,169.1300	1.55%	
Change in equity is effected through	Block trading at stock exchange			
3. Shareholdings in equity of the listed company by the investor and parties acting in concert therewith before and after the Change				
Nature of shares	Shareholdings before the Change		Shareholdings after the Change	
	Number of shares (in 10,000)	As a percentage of the total share capital	Number of shares (in 10,000)	As a percentage of the total share capital
Total shareholding	107,956.9700	23.40%	100,787.8400	21.85%
Including: shares not subject to selling restrictions	107,956.9700	23.40%	100,787.8400	21.85%
Shares subject to selling restrictions	0	0	0	0
4. Performance of undertakings and plans				
Whether the Change occurs as a result of performance of previous undertakings, intents or plans	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
Whether the Change is violation of the “Securities Law”, “Measures Governing Acquisitions by Listed Companies” and other pertinent laws, administrative regulations, departmental rules, regulatory documents and provisions under the business rules of the Stock Exchange	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
5. Shares with restricted voting rights				
Whether any shares are not entitled to vote under Article 63 of the Securities Law	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
6. Documents for inspection				
Letter of Notification				

Party responsible for information disclosure: Zhongxingxin Telecom Company Limited

By Order of the Board

Li Zixue

Chairman

Shenzhen, the PRC

25 January 2021

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.