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ZTE

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 Forty-sixth 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.

ZTE Corporation (the “Company”) issued the “Notice of the Forty-sixth Meeting of the Seventh Session of the Board of Directors of the Company” to all the Directors of the Company by electronic mail and telephone on 12 March 2019. The Forty-sixth Meeting of the Seventh Session of the Board of Directors of the Company (the “Meeting”) was convened at the Shenzhen headquarters of the Company by way of on-site meeting on 27 March 2019. The Meeting was presided over by Mr. Li Zixue, Chairman. Of the 9 Directors required to attend the Meeting, 8 Directors attended in person and 1 Director appointed proxy to attend on his behalf. (Mr. Gu Junying, Director, was unable to attend the meeting due to work reasons and has authorised Mr. Li Zixue, Chairman, to vote on his behalf.) 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 2018 Annual Report” and the “2018 Annual Report Summary and Results Announcement” and approval of submission of the 2018 Annual Report (including 2018 Financial Report of the Company Audited by the PRC and Hong Kong Auditors) to the 2018 Annual General Meeting of the Company for consideration.

The Group’s provision for asset impairment and credit impairment for 2018 contained in the Full Text of the 2018 Annual Report amounted to RMB6,415 million. For details, please

refer to the note V. 22 in the 2018 financial report prepared under PRC ASBEs.

The Group's provision for asset impairment for 2018 has been considered and approved by the Board of Directors as part of the Full Text of the 2018 Annual Report, and the Board of Directors has approved the tabling of such matter at the 2018 Annual General Meeting for consideration.

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

II. Consideration and approval of the “2018 Report of the Board of Directors” and approval of submission to the 2018 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 at the “Overseas Regulatory Announcement” published on the same date as this announcement.

III. Consideration and approval of the “2018 Report of the President” and approval of submission to the 2018 Annual General Meeting of the Company for consideration.

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

IV. Consideration and approval of the “Final Financial Accounts for 2018” and approval of submission to the 2018 Annual General Meeting of the Company for consideration.

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

V. Consideration and approval of the “Resolution on the Write-Off of Bad Debts for the second half of 2018”, the details of which are as follows:

That the write-off by the Company of 13 accounts of trade receivables which had been considered unrecoverable totaling RMB1,146,150,700 be approved.

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

The Company shall write off trade receivables with an aggregate amount of RMB1,146,150,700 which have been confirmed to be non-recoverable for the year 31 December 2018, in order to give a true reflection of the Company's operating results and financial conditions in accordance with pertinent provisions of the ASBEs.

The bad debts proposed to be written off have arisen mainly as a result of customer's bankruptcy and write-off is proposed after such bad debts have been confirmed to be non-recoverable based on the Company's prudent judgment after making every effort to demand payment through multiple channels. The Company reserves the right to recover the trade receivables which have been written off after the write-off and will continue to demand payment.

The write-off has reduced the Company's total profit on the face of its 2018 consolidated financial statements by RMB807,514,900. The said write-off of asset loss gives a true reflection of the Company's financial conditions and is in compliance with the requirements of the accounting standards and relevant policies.

VI. Consideration and approval of the "Proposal for Profit Distribution for 2018" and approval of submission to the 2018 Annual General Meeting of the Company for consideration, the details of which are as follows:

Audited net profit attributable to the holders of ordinary shares of the Company for the year 2018 calculated in accordance with PRC ASBEs amounted to approximately RMB-6,489,290,000. Together with undistributed profit of approximately RMB3,387,426,000 carried forward at the beginning of the year, and after deducting statutory surplus reserves of approximately RMB0, profit available for distribution to shareholders amounted to approximately RMB-3,101,864,000.

Audited net profit attributable to the holders of ordinary shares of the Company for the year 2018 calculated in accordance with HKFRSs amounted to approximately RMB-5,953,747,000. Together with undistributed profit of approximately RMB1,784,910,000 carried forward at the beginning of the year, and after deducting statutory surplus reserves of approximately RMB0, profit available for distribution to shareholders amounted to approximately RMB-4,168,837,000.

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 RMB-4,168,837,000.

The Board of Directors of the Company has recommended the proposal for profit distribution of the Company for 2018 as follows: No profit distribution is proposed for 2018.

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

VII. Consideration and approval of the “Report of the Audit Committee on the 2018 Audit of the Company Performed by the PRC and Hong Kong Auditors.”

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

VIII. Consideration and approval of the “Resolutions on the Appointment of the PRC Auditor and the Hong Kong Auditor for 2019” on an individual basis and approval of submission to the 2018 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 2019 and a proposal be made to the 2018 Annual General Meeting to authorise the Board of Directors to fix the financial report audit fees of Ernst & Young Hua Ming LLP for 2019 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 2019 and a proposal be made to the 2018 Annual General Meeting to authorise the Board of Directors to fix the financial report audit fees of Ernst & Young for 2019 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 2019 and a proposal be made to the 2018 Annual General Meeting to authorise the Board of Directors to fix the internal control audit fees of Ernst & Young Hua Ming LLP for 2019 based on the specific audit work to be conducted be approved.

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

IX. Consideration and approval of the “Resolutions on the Proposed Application for Composite Credit Facilities for the Six Months ended 30 June 2019” 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 the six months ended 30 June 2019 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.

| Financial institution | Proposed Composite Credit Facilities Limit for the Period ^{Note} | Key Contents of Composite Credit Facility |
|---|--|--|
| Bank of China Limited | RMB30.0 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 | RMB5.0 billion | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Merchants Bank Co., Ltd., Shenzhen Branch | RMB10.0 billion | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Export-Import Bank of China, Shenzhen Branch | RMB9.0 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. |
| China Minsheng Banking Corp., Ltd., Shenzhen Branch | RMB5.0 billion | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Industrial Bank Co., Ltd., Shenzhen Branch | RMB3.6 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 | RMB5.0 billion | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| China Bohai Bank Co., Ltd., 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. |
| Guangdong Nanyue Bank Co., Ltd., Shenzhen Branch | RMB2.5 billion | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| CMB Wing Lung Bank Limited, Shenzhen Branch | RMB1.0 billion | Loans, letter of credit, trade financing, etc |
| Bank of Jiangsu Co., Ltd., Shenzhen Branch | RMB3.6 billion | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| Kasikornbank (China) Company Limited, Shenzhen Branch | RMB0.2 billion | Guarantee, standby letter of credit, etc |
| Total credit facilities amount in RMB | RMB122.9 billion | - |
| China Development Bank, Shenzhen Branch | USD4.0 billion | Loans, acceptance bill, discounting, guarantee, letter of credit, factoring, trade financing, etc. |
| DBS Bank (China) Co., Ltd , Shenzhen Branch | USD0.2 billion | Guarantee, factoring, trade financing, foreign exchange trading, etc |
| Societe Generale (China) Limited | USD0.105 billion | Guarantee, letter of credit, foreign exchange trading, etc |
| Banque de l'Indochine (China) Limited, Shanghai Branch | USD0.105 billion | Guarantee, foreign exchange trading, etc |
| Banco Santander, S.A., Shanghai Branch | USD0.1 billion | Loans, trade financing、Guarantee, foreign exchange trading、 derivative trading (including forward exchange, currency swap and interest |

| | | |
|--|-------------------------|---|
| | | rate swap, etc), etc |
| BNP Paribas China Co., Ltd. | USD0.056 billion | Guarantee, foreign exchange trading, etc |
| Total credit facilities amount in USD | USD4.566 billion | - |
| UniCredit SpA | EUR0.2 billion | Loans, guarantee, foreign exchange trading, etc |
| Total credit facilities amount in EUR | EUR0.2 billion | - |

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, China Construction Bank, Shenzhen Branch and China Development Bank, Shenzhen Branch, shall be valid with effect from 27 March 2019 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 2020. 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, China Construction Bank, Shenzhen Branch and China Development Bank, Shenzhen Branch for composite credit facilities amounting to RMB30.0 billion, RMB12.5 billion and USD4.0 billion, respectively, are subject to consideration and approval by the 2018 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.

X. Consideration and approval of the “Resolution on the Application for Derivative Investment Limits for 2019”, and approval of submission to the 2018 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.

Details of the foresaid derivative investments are set out at the “Overseas Regulatory Announcement on the Application for Derivative Investment Limits for 2019” published on the same date as this announcement.

XI. Consideration and approval of the “Statement on the Investments in Securities in 2018.”

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.

XII. Consideration and approval of the “Resolution on the provision of performance guarantee for overseas wholly-owned subsidiaries” and approval of submission to the 2018 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 2018 Annual General Meeting of the Company and ending on the date on which the 2019 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 on the Provision of a Guarantee Amount for Contract Performance for Overseas Wholly-owned Subsidiaries” published on the same date as this announcement.

XIII. Consideration and approval of the “Resolution on the Performance of and Annual Bonus Amount for the President for 2018.”

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.

XIV. Consideration and approval of the “Resolution on the Performance of and Annual Bonus Amount for Other Senior Management Personnel for 2018.”

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.

XV. Consideration and approval of the “Sustainability Report 2018.”

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

For details, please refer to the “Sustainability Report 2018” published on the same date as this announcement.

XVI. 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 RMB10 million to ZTE Charitable Foundation by the Company in 2019

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.

ZTE Charitable Foundation will focus on medical care education, the intensive cultivation charitable project, enhancing industry influence and efforts to foster the culture of community care.

XVII. Consideration and approval of the “2018 Assessment Report on Internal Control.”

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

The “2018 Assessment Report on Internal Control” is published as an Overseas Regulatory Announcement on the same date as this announcement.

XVIII. Consideration and approval of the “Resolution of the Company on the Application for General Mandate for 2019” and approval of submission to the 2018 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) 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 Hong Kong Listing Rules (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 paragraph 1 of this resolution, the Board of Directors be hereby authorised to approve and execute all documents and deeds and do all things or to procure the execution of such documents and deeds and the doing of such things 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 be hereby authorised to amend the Articles of Association as they

deem necessary to increase the registered share capital of the Company and to reflect the new capital structure of the Company following the allotment and issue of shares of the Company contemplated in paragraph 1 of this resolution.

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

XIX. Consideration and Approval of the “Resolution on the Expansion of the Business Scope and Corresponding Amendment of the Relevant Clause in the Articles of Association”, the details of which are as follows:

1. That the addition of “research and development, production, sales, technical servicing, work installation and maintenance of communication power source and power distribution systems; research and development, production, sales, technical servicing, work installation and maintenance of data centre infrastructure and ancillary products (including power supply and distribution, air-conditioning refrigeration equipment, cooling passage and smart management systems)” to the business scope of the Company be approved;
2. 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:

| The original article which reads: | Is amended to read: |
|---|---|
| <p>Article 14. The Company’s scope of business shall be consistent with the scope of business approved by the authority responsible for the Company’s registration.</p> <p>The scope of business of the Company shall cover: production of program-controlled exchange systems, multi-media communication systems and communication transmission systems; research and production of mobile communication system equipment, satellite communications, microwave communication equipment, pagers, technical design, development, consultancy and services for projects of computer software/hardware, closed-circuit TV, microwave communications, automatic signal controls, computer data processing, process control systems, disaster warning system, new energy power generation and application systems; technical design, development, consultancy and services for wireline/wireless communication projects of railways, underground railways, urban rail transport, highways, mining plants, port terminals and airports (excluding restricted projects); purchase and sales of electronic equipment and micro-electronic parts and components (excluding items subject to exclusive licenses, controls and distributorships); undertaking as contractor overseas and relevant projects as well as domestic projects subject to international tendering, import and export of equipment and materials required for the aforesaid overseas projects</p> | <p>Article 14. The Company’s scope of business shall be consistent with the scope of business approved by the authority responsible for the Company’s registration.</p> <p>The scope of business of the Company shall cover: production of program-controlled exchange systems, multi-media communication systems and communication transmission systems; research and production of mobile communication system equipment, satellite communications, microwave communication equipment, pagers, technical design, development, consultancy and services for projects of computer software/hardware, closed-circuit TV, microwave communications, automatic signal controls, computer data processing, process control systems, disaster warning system, new energy power generation and application systems; technical design, development, consultancy and services for wireline/wireless communication projects of railways, underground railways, urban rail transport, highways, mining plants, port terminals and airports (excluding restricted projects); research and development, production, sales, technical servicing, work installation and maintenance of communication power source and power distribution systems; research and development, production, sales, technical servicing, work installation and maintenance of data centre infrastructure and ancillary</p> |

| The original article which reads: | Is amended to read: |
|---|---|
| <p>and deployment of staff responsible for implementing such overseas projects; technical development and purchase and sales of electronic system equipment (excluding restricted projects and items subject to exclusive licenses, controls and distributorships); undertaking of import and export businesses (under the certificate of qualifications issued by the Trade Development Council); undertaking of telecommunication projects as professional contractors (subject to the obtaining of a certificate of qualifications); leasing of owned properties. With the approval of the general meeting and relevant government authorities, the Company may lawfully modify and adjust its scope of business and mode of operation in response to changes in the domestic and international markets and its business development and capabilities.</p> | <p>products (including power supply and distribution, air-conditioning refrigeration equipment, cooling passage and smart management systems); purchase and sales of electronic equipment and micro-electronic parts and components (excluding items subject to exclusive licenses, controls and distributorships); undertaking as contractor overseas and relevant projects as well as domestic projects subject to international tendering, import and export of equipment and materials required for the aforesaid overseas projects and deployment of staff responsible for implementing such overseas projects; technical development and purchase and sales of electronic system equipment (excluding restricted projects and items subject to exclusive licenses, controls and distributorships); undertaking of import and export businesses (under the certificate of qualifications issued by the Trade Development Council); undertaking of telecommunication projects as professional contractors (subject to the obtaining of a certificate of qualifications); leasing of owned properties. With the approval of the general meeting and relevant government authorities, the Company may lawfully modify and adjust its scope of business and mode of operation in response to changes in the domestic and international markets and its business development and capabilities.</p> |

3. As the variation of the business scope shall require the completion of relevant procedures with the industrial and commercial administration authorities, the finalised version of the amended business scope shall be the business scope as registered with the industrial and commercial administration authorities. It is hereby approved that an authorisation for the Board of Director to deal with matters pertaining to the said variation of the business scope and the amendment of the Articles of Association be sought from the general meeting;

4. That the tabling of the aforesaid matter at the general meeting of the Company be approved;

5. 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 in accordance with the law on behalf of the Company.

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

XX. Consideration and approval of the “Resolution on the Convening of the 2018 Annual General Meeting.”

The Company has resolved to convene the 2018 Annual General Meeting of the Company

(the “AGM”) on Thursday, 30 May 2019 at the conference room on the 4th floor of the Shenzhen headquarters of the Company.

“Notice of the 2018 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 Tuesday, 30 April 2019 to Wednesday, 29 May 2019 (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., Monday, 29 April 2019.

By Order of the Board
Li Zixue
Chairman

Shenzhen, the PRC
27 March 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.