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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 Resolutions of the Thirty-first Meeting of the Seventh Session  
of the Board of Directors**

*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.*

*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 or material omission in this announcement.*

ZTE Corporation (the “Company”) issued the “Notice of the Thirty-first 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 26 June 2018. The Thirty-first Meeting of the Seventh Session of the Board of Directors of the Company (the “Meeting”) was convened on site at the Shenzhen headquarters of the Company on 29 June 2018. The Meeting was presided over by Mr. Li Zixue, Director. Of the 8 Directors required to attend the Meeting and duly attended the Meeting. 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 passed at the Meeting:**

**I. Consideration and approval of the “Resolution on the amendment of relevant clauses in the Working Rules for Audit Committee of the Board of Directors”, the details of which are as follows:**

That the amendment of relevant clauses in the Working Rules for Audit Committee of the Board of Directors in accordance with the law be approved, the details of which are as follows:

<b>Existing Article</b>	<b>To be amended as</b>
Article 3 – The Audit Committee shall comprise seven Directors, all of them should be Non-executive Directors with the majority	Article 3 – The Audit Committee shall comprise <b>no less than three</b> Directors, all of them should be Non-executive Directors with

Existing Article	To be amended as
of them being Independent Non-executive Directors and at least one of the Independent Non-executive Directors being a professional accountant.	the majority of them being Independent Non-executive Directors and at least one of the Independent Non-executive Directors being a professional accountant.
Article 15–The Audit Committee shall meet at least twice a year, and a notice of meeting shall be served on all members one week before the meeting is convened. The meeting shall be presided over by the convener, or by another member (who is an Independent Non-executive Director) appointed in case the convener is absent for any reason. An external auditor may also request a meeting to be convened if deemed necessary.	Article 15–The Audit Committee shall meet at least twice a year, and a notice of meeting shall be served on all members <b>three days</b> before the meeting is convened. <b>A temporary meeting shall be held immediately for urgent issues.</b> The meeting shall be presided over by the convener, or by another member (who is an Independent Non-executive Director) appointed in case the convener is absent for any reason. An external auditor may also request a meeting to be convened if deemed necessary.

Voting results: For: 8; against: 0; and abstained: 0.

The Working Rules for Audit Committee of the Board of Directors (June 2018) as amended has been published on the same date as this announcement.

**II. Consideration and approval of the “Resolution on the amendment of relevant clauses in the Working Rules for Nomination Committee of the Board of Directors”, the details of which are as follows:**

That the amendment of relevant clauses in the Working Rules for Nomination Committee of the Board of Directors in accordance with the law be approved, the details of which are as follows:

Existing Article	To be amended as
Article 2–The Nomination Committee of the Board is a specialized working body set up by the Board pursuant to a resolution of the general meeting, being mainly responsible for studying the criteria and procedures for selecting Directors and senior management personnel of the Company and making recommendations to the Board in respect thereof. References to “Directors” in these Rules shall include Executive Directors, Non-executive Directors and Independent Non-executive Directors of the Company; “senior management personnel” shall include the President, Executive Vice President, Senior Vice President, Board Secretary, Chief Financial Officer and any other persons designated or recognised by the Board of Directors as needed from time to time.	Article 2 – The Nomination Committee of the Board is a specialized working body set up by the Board pursuant to a resolution of the general meeting, being mainly responsible for studying the criteria and procedures for selecting Directors and senior management personnel of the Company and making recommendations to the Board in respect thereof. References to “Directors” in these Rules shall include Executive Directors, Non-executive Directors and Independent Non-executive Directors of the Company; “senior management personnel” shall include the President, Executive Vice President, <del>Senior Vice President</del> , Board Secretary, Chief Financial Officer and any other persons designated or recognised by the Board of Directors as needed from time to time.

Existing Article	To be amended as
Article 3 – The Nomination Committee shall comprise seven Directors, with the majority of them being Independent Non-executive Directors.	Article 3 – The Nomination Committee shall comprise <b>no less than three</b> Directors, with the majority of them being Independent Non-executive Directors.
Article 11 – The Nomination Committee shall meet at least once a year, and a notice of meeting shall be served on all members one week before the meeting is convened. The meeting shall be presided over by the convener, or by another member (who is an Independent Non-executive Director) appointed in case the convener is absent for any reason.	Article 11 – The Nomination Committee shall meet at least once a year, and a notice of meeting shall be served on all members <b>three days</b> before the meeting is convened. <b>A temporary meeting shall be held immediately for urgent issues.</b> The meeting shall be presided over by the convener, or by another member (who is an Independent Non-executive Director) appointed in case the convener is absent for any reason.

Voting results: For: 8; against: 0; and abstained: 0.

The Working Rules for Nomination Committee of the Board of Directors (June 2018) as amended has been published on the same date as this announcement.

**III. Consideration and approval of the “Resolution on the amendment of relevant clauses in the Working Rules for Remuneration and Evaluation Committee of the Board of Directors”, the details of which are as follows:**

That the amendment of relevant clauses in the Working Rules for Remuneration and Evaluation Committee of the Board of Directors in accordance with the law be approved, the details of which are as follows:

Existing Article	To be amended as
Article 3 – References to “Directors” in these Rules shall include Executive Directors, Non-executive Directors and Independent Non-executive Directors, “senior management personnel” shall include the President, Executive Vice President, Senior Vice President, Board Secretary, Chief Financial Officer and any other persons designated or recognised by the Board of Directors as needed from time to time. References to “remuneration” shall include but not limited to all salaries, bonuses, allowances, benefits (in cash or in kind), pensions, compensations (including compensation payable in respect of loss or termination of office or appointment), options and gifting of shares.	Article 3 – References to “Directors” in these Rules shall include Executive Directors, Non-executive Directors and Independent Non-executive Directors, “senior management personnel” shall include the President, Executive Vice President, <del>Senior Vice President</del> , Board Secretary, Chief Financial Officer and any other persons designated or recognised by the Board of Directors as needed from time to time. References to “remuneration” shall include but not limited to all salaries, bonuses, allowances, benefits (in cash or in kind), pensions, compensations (including compensation payable in respect of loss or termination of office or appointment), options and gifting of shares.
Article 4 – The Remuneration and Evaluation Committee shall comprise six Directors, with	Article 4 – The Remuneration and Evaluation Committee shall comprise <b>no less than three</b>

Existing Article	To be amended as
the majority of them being Independent Non-executive Directors.	Directors, with the majority of them being Independent Non-executive Directors.
Article 18 – The Remuneration and Evaluation Committee shall meet at least once a year, and a notice of meeting shall be served on all members one week before the meeting is convened. The meeting shall be presided over by the convener, or by another member (who is an Independent Non-executive Director) appointed in case the convener is absent for any reason.	Article 18 – The Remuneration and Evaluation Committee shall meet at least once a year, and a notice of meeting shall be served on all members <b>three days</b> before the meeting is convened. <b>A temporary meeting shall be held immediately for urgent issues.</b> The meeting shall be presided over by the convener, or by another member (who is an Independent Non-executive Director) appointed in case the convener is absent for any reason.

Voting results: For: 8; against: 0; and abstained: 0.

The Working Rules for Remuneration and Evaluation Committee of the Board of Directors (June 2018) as amended has been published on the same date as this announcement.

**IV. Consideration and approval of the “Resolution on the election of Chairman of the Seventh Session of the Board of Directors”, the details of which are as follows:**

That Mr. Li Zixue be elected as Chairman of the Seventh Session of the Board of Directors of the Company.

Voting results: For: 8; against: 0; and abstained: 0.

**V. Consideration and approval of the “Resolution on the election of Non-executive Directors and Executive Directors of the Seventh Session of the Board of Directors”, the details of which are as follows:**

1. That Mr. Li Buqing, Mr. Zhu Weimin and Ms. Fang Rong be elected as Non-executive Directors the Seventh Session of the Board of Directors of the Company;

Voting results: For: 8; against: 0; and abstained: 0.

2. That Mr. Li Zixue and Mr. Gu Junying be elected as Executive Directors of the Seventh Session of the Board of Directors of the Company.

Voting results: For: 8; against: 0; and abstained: 0.

**VI. Consideration and approval of the “Resolution on the election of members of the specialist committees of the Seventh Session of the Board of Directors”, the details of which are as follows:**

1. That Ms. Cai Manli, Mr. Li Buqing, Mr. Zhu Weimin, Mr. Yuming Bao, Mr. Gordon Ng be elected as members of the Audit Committee of the Seventh Session of the Board of Directors of the Company, with Ms. Cai Manli as convenor.

Voting results: For: 8; against: 0; and abstained: 0.

2. That Mr. Gordon Ng, Mr. Li Zixue, Ms. Fang Rong, Ms. Cai Manli and Mr. Yuming Bao be elected as members of the Nomination Committee of the Seventh Session of the Board of Directors of the Company, with Mr. Gordon Ng as convenor.

Voting results: For: 8; against: 0; and abstained: 0.

3. That Ms. Cai Manli, Mr. Gu Junying, Mr. Zhu Weimin, Mr. Yuming Bao and Mr. Gordon Ng be elected as members of the Remuneration and Evaluation Committee of the Seventh Session of the Board of Directors of the Company, with Ms. Cai Manli as convenor.

Voting results: For: 8; against: 0; and abstained: 0.

**VII. Consideration and approval of the “Resolution on continuing connected transactions under the Property and Equipment and Facilities Lease Framework Agreement with Zhongxing Hetai,” the details of which are as follows:**

That the execution of the Property and Equipment and Facilities Lease Framework Agreement between the Company and Shenzhen Zhongxing Hetai Hotel Investment and Management Company Limited (“Zhongxing Hetai”), a connected party, with the cap of the aggregate amount of continuing connected transactions relating to the lease of properties and equipment and facilities by the Company to Zhongxing Hetai or its subsidiaries under the agreement during the period from 1 July 2018 to 31 December 2018 estimated at RMB50 million, be approved.

Voting results: For: 7; against: 0; and abstained: 0.

Ms. Fang Rong, Director of the Company, as director of Zhongxing Hetai, did not take part in the voting in respect of the resolution at the Meeting.

**VIII. Consideration and approval of the “Resolution on continuing connected transactions under the Purchase Framework Agreement for hotel services with Zhongxing Hetai,” the details of which are as follows:**

That the execution of the Purchase Framework Agreement for hotel services between the Company and Zhongxing Hetai, a connected party, with the cap of the aggregate amount of continuing connected transactions relating to the purchase of hotel services by the Company from Zhongxing Hetai or its subsidiaries under the agreement during the period from 1 July 2018 to 31 December 2018 estimated at RMB35 million, be approved.

Voting results: For: 7; against: 0; and abstained: 0.

Ms. Fang Rong, Director of the Company, as director of Zhongxing Hetai, did not take part in the voting in respect of the resolution at the Meeting.

For details of the aforesaid connected transaction, please refer to the Overseas Regulatory Announcement published on the same dates as this announcement.

By Order of the Board

**Li Zixue**

*Chairman*

Shenzhen, the PRC

29 June 2018

*As at the date of this announcement, the Board of Directors of the Company comprises two executive directors, Li Zixue, Gu Junying; three non-executive directors, Li Buqing, Zhu Weimin, Fang Rong; and three independent non-executive directors, Cai Manli, Yuming Bao, Gordon Ng.*