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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 Resolutions of the Twenty-second Meeting of the Eighth 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 Twenty-second Meeting of the Eighth Session of the Board of Directors (the “Board”) of ZTE Corporation” to all the Directors of the Company by electronic mail on 14 August 2020. The Twenty-second Meeting of the Eighth Session of the Board of Directors of the Company (the “Meeting”) was convened at the Shenzhen headquarter of the Company, Beijing and other locations by way of video and telephone conference on 28 August 2020. The Meeting was presided over by Mr. Li Zixue, Chairman. 9 Directors were 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, 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 2020 Interim Report and 2020 Interim Report Summary and Results Announcement”**

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

### **II. Consideration and approval of the “Final Financial Report for the Six Months ended 30 June 2020”**

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

### **III. Consideration and approval of the “Resolutions on the Proposed Applications for Composite Credit Facilities for the Six Months ended 31 December 2020” on an**

**individual basis, the details of which are as follows:**

The Company has proposed to apply for composite credit facilities with a total of RMB24 billion and USD339 million from ten financial institutions, that is Shanghai Pudong Development Bank Co., Ltd., Shenzhen Branch, China Zheshang Bank Co., Ltd., Shenzhen Branch, China Bohai Bank Co., Ltd., Shenzhen Branch, Bank of Jiangsu Co., Ltd., Shenzhen Branch, Bank of Shanghai Co., Ltd., Shenzhen Branch, Banco Santander, S.A., Shanghai Branch, Citibank (China) Co., Ltd., Shenzhen Branch, Guangzhou Zhujiang New Town Sub-branch of OCBC Wing Hang Bank (China) Limited, Malayan Banking Berhad Shenzhen Branch and Natixis Shanghai Branch. The key contents of composite credit facility are loans, acceptance bill, discounting, letter of guarantee, letter of credit, factoring, trade financing, foreign exchange trading, etc. The aforesaid composite credit facilities are subject to approvals by respective financial institutions. The Company is required to go through necessary approval procedures in accordance with requirements of the prevailing internal regulations of the Company, pertinent laws and regulations and listing rules when conducting specific transactions under such composite credit facilities.

*Note: The 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 composite credit facilities 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.*

The resolution shall be valid with effect from 28 August 2020 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 August 2021. 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.

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

Statement: The composite credit facilities applied by the Company for each financial institution does not exceed 50% of the latest audited net asset, and it is not required to be tabled at the general meeting for consideration on the Resolutions on the Proposed Applications for Composite Credit Facilities for the Six Months ended 31 December 2020.

**IV. Consideration and approval of the “Special Report on Semi-Annual Raised Fund Storage and Use in 2020”, the details of which are as follows:**

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

For details, please refer to the “Overseas Regulatory Announcement” published on the same date of this announcement.

**V. Consideration and approval of the “Resolution on the Cancellation of Certain Share Options”, the details of which are as follows:**

As 1 participant under the 2017 Share Option Incentive Scheme of the Company had 66 unexercised share options outstanding as at the end of the exercisable period of the first exercise period, the aforesaid granted but unexercised share options shall be withdrawn and cancelled by the Company without compensation in accordance with relevant provisions of the 2017 Share Option Incentive Scheme (Draft) of ZTE Corporation.

Voting result: For: 8; against: 0; abstained: 0.

Mr. Xu Ziyang, Director, as the participant of the 2017 Share Option Incentive Scheme, did not take part in the voting in respect of this resolution at the Meeting.

For details, please refer to the “Overseas Regulatory Announcement Announcement on the Cancellation of Certain Share Options” published on the same date of this announcement.

**VI. Consideration and approval of the “Resolution on the Adjustment of the Exercise Price of Share Options under the 2017 Share Option Incentive Scheme Pursuant to the Rules”, the details of which are as follows:**

In view of the implementation of the 2019 profit distribution plan was completed, distribution plan is distribution of RMB2 in cash (before tax) for every 10 shares. In accordance with the provisions on the adjustment of the exercise price in the 2017 Share Option Incentive Scheme (Draft) of ZTE Corporation, agree to adjust the exercise price of share options under the 2017 Share Option Incentive Scheme from RMB17.06 to RMB16.86.

Voting result: For: 8; against: 0; abstained: 0.

Mr. Xu Ziyang, Director, as the participant of the 2017 Share Option Incentive Scheme, did not take part in the voting in respect of this resolution at the Meeting.

For details, please refer to the “Overseas Regulatory Announcement Announcement on the Adjustment of the Exercise Price of Share Options under the 2017 Share Option Incentive

Scheme Pursuant to the Rules” published on the same date of this announcement.

The Independent Non-executive Directors and Beijing Jun He Law Offices (Shenzhen Office) have furnished relevant opinions on the cancellation of certain share options and the adjustment of the exercise price of share options under the 2017 Share Option Incentive Scheme pursuant to the rules. For details, please refer to the “Overseas Regulatory Announcement” published on the same date of this announcement.

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

Shenzhen, the PRC  
28 August 2020

*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.*