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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 Fourth 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 or material omission in this announcement.

ZTE Corporation (the “Company”) issued the “Notice of convening the Fourth Meeting of the Seventh Session of the Board of Directors of ZTE Corporation” to all the Directors of the Company by electronic mail and telephone on 24 May 2016. The Fourth Meeting of the Seventh Session of the Board of Directors of the Company (the “Meeting”) was convened at the Shenzhen headquarters of the Company, Beijing, Xi’an and Xiamen by way of video conference on 31 May 2016. The Meeting was presided over by Mr. Zhao Xianming, Chairman. Of the 14 Directors required to attend the Meeting, 10 Directors attended in person and 4 Directors appointed proxies to attend on their behalves. Mr. Zhang Jianheng, Vice Chairman, was unable to attend the Meeting due to work reasons and has authorised Mr. Tian Dongfang, Director, to vote on his behalf. Mr. Wang Yawen, Director, was unable to attend the Meeting due to work reasons and has authorised Mr. Tian Dongfang, Director, to vote on his behalf. Mr. Zhan Yichao, Director, was unable to attend the Meeting due to work reasons and has authorised Mr. Luan Jubao, Vice Chairman, to vote on his behalf. Mr. Lü Hongbing, Independent Non-executive Director, was unable to attend the Meeting due to work reasons and has authorised Mr. Chen Shaohua, Independent Non-executive Director, 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, and was legal and valid.

The “Resolution on the Proposed Capital Contributions to and Subscriptions for ZTE Fund III” was considered and approval at the Meeting, the details of which are as follows:

1. That the subscription for ZTE Fund III Equity Investment Partnership (Limited Partnership) (中興叁號基金股權投資合夥企業(有限合夥)) (tentative title subject to the final approval of industrial and commercial registration authorities, hereinafter “ZTE Fund III”) with a capital contribution of RMB10 million by Shenzhen ZTE Capital Management Company Limited (“ZTE Capital”) or its wholly-owned subsidiary as the general partner and the subscription for ZTE Fund III with a capital contribution of RMB300 million by the Company as the limited partner be approved;
2. That the legal representative of the Company, or his authorised signatory be authorised to execute pertinent legal contracts and documents relating to the subscription for ZTE Fund III be approved.

Voting results: For: 13; against: 0; and abstained: 0.

Mr. Yin Yimin, as a Director of the Company and chairman of Shenzhen Zhongxingxin Telecommunication Equipment Company Limited, the controlling shareholder of the Company, is a connected natural person of the Company under Rule 10.1.5 (II) and (III) of the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and Rule 14A.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Mr. Yin Yimin has proposed to subscribe for ZTE Fund III with a capital contribution of RMB15 million. Accordingly, the respective capital contributions to and subscriptions for ZTE Fund III by ZTE Capital or its wholly-owned subsidiary, ZTE and Mr. Yin Yimin constitute connected transactions. Mr. Yin Yimin abstained from voting in respect of the matter at the Meeting.

For details of the aforesaid matter, please refer to the Overseas Regulatory Announcement published on the same date as this announcement.

By Order of the Board
Zhao Xianming
Chairman

Shenzhen, the PRC
31 May 2016

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Zhao Xianming, Yin Yimin and Wei Zaisheng; six non-executive directors, Zhang Jianheng, Luan Jubao, Shi Lirong, Wang Yawen, Tian Dongfang and Zhan Yichao; and five independent non-executive directors, Richard Xike Zhang, Chen Shaohua, Lü Hongbing, Bingsheng Teng and Zhu Wuxiang.