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Non-collateralised Structured Products

Derivative Warrants relating to the existing issued ordinary H shares (“Shares”) of ZTE Corporation (“Company”) (Stock code: 17446) (“Warrants”)

issued by



UBS AG

(incorporated with limited liability in Switzerland)
**acting through its London Branch
 (“Issuer”)**

Sponsor

UBS SECURITIES ASIA LIMITED

Announcement

Pursuant to the terms and conditions applicable to the Warrants (“**Conditions**”), each of 16 April 2018, 17 April 2018, 18 April 2018, 19 April 2018 and 20 April 2018 is the scheduled Valuation Date for the Warrants. The Issuer has determined that a Market Disruption Event has occurred on each of 17 April 2018, 18 April 2018, 19 April 2018 and 20 April 2018 (each an “**Affected Valuation Date**”) due to the suspension of trading on the Stock Exchange in the Shares for the entire day on such date.

In accordance with the Conditions and with respect to the Warrants:

- (i) 20 April 2018 (being the Business Day immediately preceding the Expiry Date (being 23 April 2018) (“**Last Valuation Date**”)) shall be deemed to be the Valuation Date in respect of each Affected Valuation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer has determined that HK\$25.600 (being the closing price of the Shares on 16 April 2018) shall be deemed to be the closing price of the Shares in respect of each Affected Valuation Date for the purpose of determining the Average Price for calculating the Cash Settlement Amount. For the avoidance of doubt, such price must not be relied on as an indication of the Issuer’s good faith estimate of the closing price of the Shares on any date.

This announcement constitutes due and valid notice by the Issuer to each relevant registered holder of the Warrants insofar as such notice is required under the Conditions, to be made by way of publication in English and Chinese on the website of Hong Kong Exchanges and Clearing Limited.

Terms not defined in this announcement have the meanings given to them in the Conditions.

Except as stated in this announcement, and until announced otherwise, all other information and the Conditions set out in the listing documents applicable to the Warrants will remain unchanged.

UBS AG

Hong Kong, 23 April 2018