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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 Thirty-ninth 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 Thirty-ninth 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 11 October 2018. The Thirty-ninth Meeting of the Seventh Session of the Board of Directors of the Company (the “Meeting”) was convened by way of voting via telecommunication means on 15 October 2018. The Meeting was presided over by Mr. Li Zixue, the Chairman. 9 Directors were required to vote at the Meeting and duly voted at 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 “Resolution on the provision of contract performance guarantee for P.T. ZTE Indoneisa, a subsidiary” was considered and approved at the Meeting, the details of which are as follows:**

1. It is agreed that the Company shall provide joint-liability guarantee in respect of the performance obligations of P.T. ZTE Indonesia (“ZTE Indonesia”) under the Equipment Purchase Contract and the Technical Support Contract for an amount of USD40 million, with a term commencing on the date of issuance of a letter of guarantee by the parent company and ending on the date on which the obligations of assurance under the guarantee of the parent company are discharged in full.
2. It is agreed that the Company shall apply to the relevant bank for the issuance of a bank letter of guarantee to provide guarantee with an amount of IDR300 billion in respect of the performance obligations of ZTE Indonesia under the Equipment Purchase Contract and the Technical Support Contract, effective from the date of issuance of the bank letter of guarantee for a period of 3 years and 6 months or until

the date on which the performance obligations of ZTE Indonesia under the Equipment Purchase Contract and the Technical Support Contract are completed in full, whichever is later.

3. It is agreed that the Legal Representative of the Company or his duly appointed attorney be authorized to sign pertinent legal contracts and documents.

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

For details, please refer to the “Overseas Regulatory Announcement Announcement on Third-party Guarantee” published on the same date as this announcement.

By Order of the Board

**Li Zixue**

*Chairman*

Shenzhen, the PRC

15 October 2018

*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.*