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ZTE

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)

UPDATE ON THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of the Company dated 31 January 2018 (the “**Announcement**”) in relation to, among other things, the Proposed Non-public Issuance of A Shares. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Board wishes to announce that the issue price of the Proposed Non-public Issuance of A Shares will not be lower than RMB30.00 per A Share (the “**Floor Price**”). If the Company is unable to enter into the Proposed Non-public Issuance of A Shares with the subscribers at an issue price higher than or equal to the Floor Price during the effective period specified in the approval from the CSRC after obtaining such approval, the Company will terminate the Proposed Non-public Issuance of A Shares.

The completion of the Proposed Non-public Issuance of A Shares are subject to the satisfaction of certain conditions. Accordingly, the Proposed Non-public Issuance of A Shares may or may not proceed. In addition, this announcement only provides further details on the issue price of the Proposed Non-public Issuance of A Shares and should not be regarded as any investment advice. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Yin Yimin
Chairman

Shenzhen, the PRC
1 February 2018

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