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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)**

**Announcement on the Completion of the Transfer of Target Assets of the Acquisition of Assets by Issuance of Shares and Ancillary Fund-raising**

*The Company and all the members of the Board of Directors confirm that all the information contained in this information disclosure is true, accurate and complete and that there is no false or misleading statement in or material omission from this information disclosure.*

References are made to the announcements of ZTE Corporation (the “Company”) respectively dated 28 October 2020, 16 November 2020, 25 March 2021, 30 March 2021, 31 March 2021 and 26 April 2021 and the circulars of the Company dated 4 December 2020 (the “Announcements and Circulars”) in relation to, amongst others, the acquisition of assets by issuance of shares and ancillary fund-raising by the Company. Unless otherwise stated, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements and Circulars.

The Company received the “Approval in Relation to the Acquisition of Assets by Issuance of Shares and Ancillary Fund-raising by ZTE Corporation” (Zheng Jian Xu Ke [2021] No. 1399) from the China Securities Regulatory Commission (the “CSRC”) (《關於核准中興通訊股份有限公司發行股份購買資產並募集配套資金的批復》(證監許可[2021]1399號)) on 26 April 2021. Upon the receipt of the approval documents of CSRC and the implementation of the 2020 equity distribution, the Company commenced procedures for the transfer of the target assets. As at the date of this announcement, the transfer of the target assets of the acquisition of assets by issuance of shares and ancillary fund-raising by the Company (the “Transaction”), namely, 18.8219% equity interests in ZTE Microelectronics Technology Company Limited (“ZTE Microelectronics”), has been completed. Pertinent details are announced as follows:

**I. Implementation of the Transaction**

**(I) Transfer of the target assets**

On 27 October 2021, the registration for 18.8219% equity interests in ZTE Microelectronics was changed to the effect that they were under the name of the Company, and ZTE Microelectronics obtained the “Notification of Change of Registration” (No. 22106471094) from Shenzhen Administration for Market Regulation.

**(II) Subsequent matters for the Transaction**

Subsequent matters pertaining to the Transaction include mainly the following: shares under the issuance of shares for asset acquisition are required to be registered with China Securities Depository and Clearing Corporation Limited, Shenzhen Branch, and application has to be made to the Shenzhen Stock Exchange for the listing of the aforesaid new shares; the Company

is required to complete the issuance of shares and raising of ancillary funds within the period stipulated under the approval of the CSRC; the Company is required to process change of industrial and commercial registration of filing in relation to the change in registered capital and amendment of the Articles of Association incidental to the Transaction; the Company is also required to fulfill its obligation in information disclosure on a continuous basis in accordance with the requirements of pertinent laws and regulations.

## **II. Opinions of independent advisors on transfer of target assets under the Transaction**

China Securities Co., Ltd., our independent financial advisor, is of the view that: the approval and authorization received for the Transaction are in compliance with provisions under the laws, regulations and regulatory documents, and relevant information disclosure obligations have been performed in accordance with the provisions under pertinent laws, regulations and regulatory documents. At present, the asset transfer procedures relating to the Transaction have been completed, and the transfer of the target assets is legal and valid. The Company has legally acquired the ownership of and related interests in the target assets in compliance with the relevant terms under the “Agreement for the issuance of shares for asset acquisition”. Given the full performance by the relevant parties of their respective obligations in accordance with the agreements signed and undertakings given, there is no material legal impediment in the relevant subsequent matters.

Beijing Jun He Law Offices, our legal advisor, is of the view that: the approval and authorization received for the Transaction are in compliance with provisions under the laws, regulations and regulatory documents, and relevant information disclosure obligations have been performed in accordance with the provisions under pertinent laws, regulations and regulatory documents. At present, the asset transfer procedures relating to the Transaction have been completed, and the Company has legally acquired the ownership of and related interests in the target assets in compliance with the relevant terms under the “Agreement for the issuance of shares for asset acquisition”.

## **III. Documents available for inspection**

1. Documents evidencing the transfer of the target asset;
2. “Examination opinion of the Independent Financial Advisor on the transfer of target assets of the acquisition of assets by issuance of shares and ancillary fund-raising by ZTE Corporation furnished by China Securities Co., Ltd.”;
3. “Legal opinion on the transfer of target assets of the acquisition of assets by issuance of shares and ancillary fund-raising furnished by Beijing Jun He Law Offices”.

By Order of the Board

**Li Zixue**

*Chairman*

Shenzhen, the PRC

27 October 2021

*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.*