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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)

INSIDE INFORMATION ANNOUNCEMENT

This announcement is made by ZTE Corporation (the “**Company**”) pursuant to Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 12 June 2018 in relation to the Agreement reached between BIS and ZTE and the 8 June 2018 Order issued by BIS (the “**Announcement**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Announcement.

Pursuant to an order issued on 13 July 2018 (U.S. time), BIS has terminated the 15 April 2018 Denial Order and removed ZTE from the Denied Persons List, effective immediately.

By Order of the Board

Li Zixue

Chairman

Shenzhen, the PRC

15 July 2018

As at the date of this announcement, the Board of Directors of the Company comprises two executive directors, Li Zixue, Gu Junying; three non-executive directors, Li Buqing, Zhu Weimin, Fang Rong; and three independent non-executive directors, Cai Manli, Yuming Bao, Gordon Ng.