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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: 00763)

(Debt Stock Code: 85046)

Announcement on the plan and report of the repurchase of the Company's A shares

This announcement is made by ZTE Corporation (the "Company") pursuant to Rules 13.09(2) and 37.47B(a) of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong 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).

Highlights:

- General information on the share type, use, price range, volume and amount as a percentage of the Company's total share capital and term of implementation of the proposed share repurchase, total amount of funds to be committed to the repurchase and source of fund

The Company has proposed to repurchase its A shares by way of centralised price bidding using internal funds (the "Repurchase"), which A shares will be allotted for the implementation the Company's employee share ownership schemes or share incentives. The total amount of the Repurchase shall be not less than RMB1,000 million and not more than RMB1,200 million. Based on the maximum repurchase amount of RMB1,200 million and the cap of the A share repurchase price of RMB63.09 per share, the number of shares to be taken up by the Company under the Repurchase is estimated at 19,020,400 shares approximately, accounting for approximately 0.40% of the current total share capital of the Company, subject to the actual number of shares repurchased upon the conclusion of the repurchase period. The Repurchase may be conducted within 12 months from the date on which the plan for the Repurchase is considered and approved by the Board of Directors.

- The Company has opened a special securities account for repurchase in the China Securities Depository and Clearing Corporation Limited Shenzhen Branch.

- Relevant shareholder currently has no plan to increase or reduce shareholdings

As at 12 December 2025, the Company does not have any de facto controller. Controlling shareholder Zhongxingxin Telecom Company Limited currently has no plans to increase or reduce its shareholdings during the repurchase period. Other than the controlling shareholder, the Company does not currently have any shareholder with shareholdings of more than 5%.

- Risk reminder

The repurchase plan is subject to the following risk of uncertainty:

(1) The risk of failure to implement the repurchase plan in the event of the share price of the Company

consistently exceeding the price cap set out in the repurchase plan during the repurchase period;

(2) The risk of adopting the procedure for the cancellation of shares not transferred if the Company fails to apply the repurchased shares for the implementation of the Company's employee share ownership schemes or share incentives as proposed within the time frame stipulated under laws and regulations;

(3) The risk of failure to effectively implement the repurchase plan or having to alter or terminate the repurchase plan in accordance with rules as a result of the occurrence of significant events having a material impact on the trading price of the Company's shares or significant changes in the Company's production and operations, financial position or external conditions, or other events that result in the decision of the Board of Directors of the Company to terminate the Repurchase.

In accordance with the pertinent provisions of laws and regulations and regulatory documents, including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, Listed Company Share Repurchase Rules, Shenzhen Stock Exchange Listing Rules, Shenzhen Stock Exchange Listed Company Self-Regulatory Guidance No. 9 - Share Repurchase (the "Repurchase Guidance"), Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of ZTE Corporation (the "Articles"), the Company has drawn up a repurchase plan, the details of which are set out as follows:

I. Principal terms of the repurchase plan

(I) Purpose of the share repurchase

The share repurchase is aimed at sustaining the Company's operation and development, safeguarding and protecting the long-term interests of investors and procuring the maximisation of shareholders' value. At the same time, it will further rationalise and improve the Company's long-term incentive and restraint mechanism to ensure the sustainable and healthy development of the Company's operations.

(II) The share repurchase fulfills relevant conditions

The Repurchase fulfills the following conditions:

1. The Company's shares have been listed for at least six months;

2. The Company has not committed any major violations of laws or regulations in the most recent year;

3. The Company will be solvent and able to operate as an ongoing concern after the share repurchase;

4. The distribution of the Company's shareholdings after the share repurchase is in compliance with listing conditions;

5. Other conditions stipulated by the China Securities Regulatory Committee (the "CSRC") and Shenzhen Stock Exchange.

(III) Method and price range of the share repurchase

The share repurchase shall be conducted by way of centralised price bidding repurchase via the stock trading system of Shenzhen Stock Exchange.

The share price for the repurchase of A shares shall not be more than RMB63.09 per share, which repurchase price shall not exceed 150% of the average traded price of the Company's A shares for the 30 trading days before the approval of the resolution on the Repurchase by the Board of Directors. The actual repurchase price shall be the actual price at which the repurchase is conducted upon the conclusion of the repurchase period.

In the event of any profit distribution, bonus share issue, capitalisation of capital reserve, share placing and other ex-right or ex-dividend events of the Company during the share repurchase period, the cap of the share repurchase price shall be adjusted in accordance with relevant provisions of the CSRC and Shenzhen Stock Exchange effective from the date of ex-right or ex-dividend trading of the shares.

(IV) Share type, use and volume of the proposed share repurchase; as a percentage of the Company's total share capital and total amount of funds to be committed to the Repurchase

The shares to be repurchased are RMB ordinary shares (A shares) issued by the Company.

The repurchased shares shall be used for the implementation of the Company's employee share ownership schemes or share incentives.

The total amount of funds committed to the Repurchase shall be not less than RMB1,000 million and not more than RMB1,200 million. Based on the minimum total repurchase amount of RMB1,000 million and the cap of the A share repurchase price of RMB63.09 per share, the number of shares to be repurchased is estimated at 15,850,400 shares approximately, accounting for approximately 0.33% of the current total share capital of the Company; based on the maximum total repurchase amount of RMB1,200 million and the cap of the A share repurchase price of RMB63.09 per share, the number of shares to be repurchased is estimated at 19,020,400 shares approximately, accounting for approximately 0.40% of the current total share capital of the Company. The actual number of shares to be repurchased and such number as a percentage of the Company's total share capital shall be subject to the actual number of shares repurchased by the Company and such number as a percentage of the Company's total share capital upon the conclusion of the repurchase period or the completion of the repurchase.

Use after repurchase	Estimated number of repurchased A shares (10,000 shares)	Total amount of proposed repurchase funds (RMB100 million)	As a percentage of the Company's total share capital
Employee share ownership schemes or share incentives	1,585.04 - 1,902.04	10 - 12	0.33% - 0.40%

(V) Source of funds for the share repurchase

The share repurchase will be financed by the Company's internal funds.

(VI) Implementation period of the share repurchase

1. The share repurchase shall be implemented within 12 months from the date on which the repurchase plan is considered and approved by the Board of Directors of the Company.

2. The repurchase period shall end prematurely if the following conditions are triggered:

(1) The repurchase plan shall be deemed completed and the repurchase period shall end prematurely if and when the amount of fund application reaches its maximum limit during the repurchase period;

(2) The Company's management has decided to terminate the repurchase plan pursuant to the delegation of Board of Directors during the repurchase period, provided the amount of funds already applied is not lower than the stipulated minimum amount;

(3) The repurchase period shall end prematurely from the date on which a resolution to terminate to repurchase plan is passed by the Board of Directors of the Company if the Board of Directors has decided to terminate the repurchase for sufficiently justifiable causes.

The Company will make decisions to repurchase and implement accordingly during the repurchase

period as and when opportune based on market conditions.

3. The Company shall not conduct any share repurchase during the following periods:

(1) The period from the date on which a significant event that might have a material impact on the trading price of the Company's shares has occurred or become the subject of decision-making to the date of statutory disclosure;

(2) No share repurchase may be conducted after the Company becomes aware of inside information until the announcement of the relevant information; in particular, no share repurchase shall be conducted within the period of 30 days prior to the earlier of the following :(a) the date of the meeting of the Board of Directors held for the purpose for approving any annual, semi-annual, quarterly or any other interim results; (b) the date by which the Company is required under applicable listing rules to announce any annual or semi-annual results, or quarterly or any other interim results;

(3) Other conditions stipulated by the CSRC and Shenzhen Stock Exchange or Hong Kong Stock Exchange.

4. If trading in the Company's shares is suspended consecutively for more than 10 trading days during the implementation of the repurchase plan pending the announcement of significant events, the implementation of the repurchase plan shall be extended accordingly after trading in the Company's shares resumes and an announcement shall be made in a timely manner.

(VII) Prospective change in the Company's share capital structure following the repurchase

Assuming the completion of the implementation of the repurchase plan in full and based on the latest shareholding structure of the Company, based on the minimum volume of repurchase of 15,850,400 shares, the repurchased shares will account for approximately 0.33% of the Company's total share capital; based on the maximum volume of repurchase of 19,020,400 shares, the repurchased shares will account for approximately 0.40% of the Company's total share capital.

The share repurchased shall be allocated in full for the implementation of the Company's employee share ownership schemes or share incentives. The prospective change in the Company's shareholding following the repurchase is illustrated as follows:

Nature of shares	Before repurchase		After repurchase (Based on estimated minimum repurchase)		After repurchase (Based on estimated maximum repurchase)	
	Volume (10,000 shares)	Percentage	Volume (10,000 shares)	Percentage	Volume (10,000 shares)	Percentage
Tradable A shares subject to selling restrictions	41.11	0.01%	1,626.15	0.34%	1,943.15	0.41%
Tradable A shares not subject to selling restrictions	402,762.12	84.20%	401,177.08	83.87%	400,860.08	83.80%
Tradable H shares not subject to selling restrictions	75,550.25	15.79%	75,550.25	15.79%	75,550.25	15.79%
Total number of shares	478,353.49	100%	478,353.49	100%	478,353.49	100%

Note: Estimated figures for reference only. Actual changes in shareholding are subject to subsequent announcements on the implementation.

Assuming an extreme case in which the Company fails to commit all repurchased shares to the aforesaid use within the legally stipulated timeframe, the shares not transferred shall be subject to the risk of cancellation ("Cancellation").

(VIII) Management analysis of how the share repurchase would affect the Company's operations, finances, R&D, solvency, future development and the maintenance of its listing status, and undertaking of all Directors that the share repurchase will not prejudice the listed company's solvency and ability to operate as an ongoing concern

As at 30 September 2025, the Company's total assets, equity attributable to holders of ordinary shares of the listed company and currency cash amounted to RMB214.658 billion, RMB75.091 billion and RMB35.547 billion, respectively. The maximum repurchase amount represents 0.56%, 1.60% and 3.38% of the Company's total assets, equity attributable to holders of ordinary shares of the listed company and currency cash, respectively, which are relatively small percentages. The Company has sufficient funds to pay for the share repurchase.

Based on the Company's operations, finances, R&D, solvency and future development, the Company's management is of the view that the Repurchase will not result in any material adverse impact on the Company's operations, finances, R&D, solvency and future development. Following the completion of the Repurchase, there will be no change in the control of the Company or its listing status, and the distribution of shareholdings will comply with the relevant conditions for listed companies.

All Directors undertake that they will act with integrity and diligence to safeguard the interests of the Company and the lawful rights of the shareholders and creditors, and that the share repurchase will not prejudice the Company's solvency and ability to operate as an ongoing concern.

(IX) Dealings in the Company's shares by Directors, senior management and controlling shareholders of the listed company during the six months prior to the resolution of the Board of Directors on the share repurchase, statement of whether they have been engaged in inside trading and market manipulation alone or in association with other parties, plan to increase or reduce shareholdings during the repurchase period; plans of shareholders holding 5% shares or above and their concerted parties to reduce shareholdings in the coming six months (if applicable).

According to the self-inspection, the Company's Directors, senior management and controlling shareholders did not conduct any dealings in the Company's shares within six months prior to the resolution of the Board of Directors approving the Repurchase, nor any acts of inside trading or market manipulation alone or in association with other parties. The Company's Directors, senior management and controlling shareholders have no definite plans for increasing or reducing their shareholdings during the repurchase period. If they intend to implement share increase or reduction plans in the future, the Company will timely perform its information disclosure obligations in accordance with relevant regulations. As of the date of this announcement, the Company's Directors, senior management and controlling shareholders have no definite share reduction plans for the next three months or six months. If the aforementioned entities propose share reduction plans in the future, the Company will timely fulfill its information disclosure obligations in accordance with the provisions of relevant laws and regulations.

Save for the controlling shareholder, the Company currently has no other shareholders holding 5% shares or above. The Company does not have any de facto controller.

(X) Arrangements for cancellation or transfer according to the law after the share repurchase and arrangements to prevent infringement upon creditors' interests.

The Company will conduct procedures for consideration required for the implementation of employee share ownership schemes or share incentives in accordance with laws and regulations and the Articles

if shares under the Repurchase are used in future in the employee share ownership schemes or share incentives. If the transfer (including transfer to participants in the employee share ownership scheme or participants of share incentives) of shares under the Repurchase is not completed within the timeframe stipulated under laws and regulations, the Company shall conduct relevant procedures for consideration to cancel such shares in accordance with the laws and regulations, the Articles and other pertinent provisions.

In the event of Cancellation, the Company shall perform statutory procedures, including the notification of creditors, in accordance with the Company Law of the People's Republic China and other pertinent provisions, in order to sufficiently protect the lawful interests of the creditors.

(XI) Mandate for dealing with matters pertaining to the share repurchase

To facilitate the effective implementation of the Repurchase, the Board of Directors has authorised the Company's management, and the Company's management may delegate such authority to relevant persons insofar as permitted under laws and regulations, to deal with matters pertaining to the share repurchase with full discretion in accordance with the principle of maximum protection in the interests of the Company and its shareholders, which matters shall include but not be limited to:

1. The opening of a designated securities account for the repurchase or other relevant securities accounts;

2. The conduct of share repurchases during the repurchase period as and when opportune, including the timing, price and volume of repurchases;

3. The adjustment of the repurchase plan and continued handling of matters pertaining to the share repurchase in accordance with pertinent laws and regulations and requirements of regulatory authorities taking into consideration market conditions and the actual conditions of the Company in the event of any new requirements for share repurchase policies stipulated under laws and regulations or by the securities regulatory authorities or any change in market conditions, unless a re-voting by the Board of Directors is required under pertinent laws and regulations, requirements of the regulatory authorities or the Articles;

4. Making the decision to terminate the repurchase plan based on general considerations of the Company's actual conditions and share price performance during the repurchase period, provided the amount of funds already applied in the repurchase is not lower than the stipulated minimum amount;

5. The drafting, revision, amendment, execution, delivery, submission and implementation of all agreements, contracts and documents, and the reporting thereof as relevant;

6. Notifying and communicating with creditors to reach settlements for debts;

7. Handling any other matters not set out above that are necessary for the share repurchase.

The aforesaid authorisation shall be valid from the date on which the repurchase plan is considered and approved by the Board of Directors of the Company to the date on which the matters of delegation set out above are completed.

(XII) Risk reminder for the repurchase plan

The repurchase plan is subject to the following risk of uncertainty:

1. The risk of failure to implement the repurchase plan in the event of the share price of the Company consistently exceeding the price cap set out in the repurchase plan during the repurchase period;

2. The risk of adopting the procedure for the cancellation of shares not transferred if the Company fails

to apply the repurchased shares for the implementation of the Company's employee share ownership schemes or share incentives as proposed within the timeframe stipulated under laws and regulations;

3. The risk of failure to effectively implement the repurchase plan or having to alter or terminate the repurchase plan in accordance with rules as a result of the occurrence of significant events having a material impact on the trading price of the Company's shares or significant changes in the Company's production and operations, financial position or external conditions, or other events that result in the decision of the Board of Directors of the Company to terminate the Repurchase.

II. Procedures for the consideration and implementation of the repurchase plan

(I) At the Forty-first Meeting of the Ninth Session of the Board of Directors held on 28 February 2025, the "Resolution on the Application for Mandate of the Repurchase of A Shares for 2025" was considered and approved.

(II) At the 2024 Annual General Meeting of the Company held on 28 March 2025, the "Resolution on the Application for Mandate of the Repurchase of A Shares for 2025" was considered and approved, pursuant to which the Board of Directors was given the mandate to determine the volume of A shares to be repurchased in accordance with pertinent laws and regulation within the scope of mandate of 5% of the Company's A share capital in issue as at the date on which the resolution is considered and approved at the general meeting, and was further authorised to deal with matters pertaining to the share repurchase in accordance with the law.

(III) At the Seventeenth Meeting of the Tenth Session of the Board of Directors held on 12 December 2025, the "Resolution on the plan for the repurchase of the Company's A shares by way of centralised price bidding" was considered and approved. The resolution is not required to be tabled at the general meeting for consideration.

III. Other Issues

(I) Situation on the opening of special account for repurchase

In accordance with relevant provisions, the Company has opened a special securities account for repurchase in the China Securities Depository and Clearing Corporation Limited Shenzhen Branch. The special securities account for repurchase shall only be used for repurchase of A shares of the Company.

(II) According to the provisions of relevant laws and regulations and normative documents, the Company will timely fulfill the obligation of information disclosure during the period of repurchase and will disclose the progress of repurchase in regular reports.

By Order of the Board
Fang Rong
Chair

Shenzhen, the PRC
12 December 2025

As at the date of this announcement, the Board of Directors of the Company comprises executive director, Xu Ziyang; non-executive directors, Fang Rong, Yan Junwu, Zhu Weimin, Zhang Hong; independent nonexecutive directors, Zhuang Jiansheng, Wang Qinggang, Tsui Kei Pang; and employee director, Li Miaona.