

accordance

ZTE

with the disclosure obligations under Rule ~~10~~ and Rule ~~11~~ of the Rules Governing the Listing of Securities on The

1.5 All monetary amounts set out in this quarterly report are

2.2 Extraordinary gains or losses items and amounts

Unit: RMB in thousands

Extraordinary item

Item	Three months Ended 31 March 2024	Three months Ended 31 March 2023	Change	Analysis of reasons for changes
Gains from asset disposal	3,856	7,844	(50.84%)	

Note 1: 2,038,000 H shares in the Company held by Zhongxingxin were held by HKSCC Nominees Limited as nominee.

Note 2: Shares held by HKSCC Nominees Limited represented the sum of shares held in the accounts of the H shareholders of the Company traded on the trading platform of HKSCC Nominees Limited.

§4 QUARTERLY FINANCIAL STATEMENTS

ZTE CORPORATION BALANCE SHEET

RMB in thousands

Asset	31 March 2024		31 December 2023	
	Consolidated (Unaudited)	Company (Unaudited)	Consolidated (Audited)	Company (Audited)
Current assets:				
Cash	86,879,154	67,634,432	78,543,219	61,975,191
Trading financial assets	100,646	21,705	153,285	24,227
Derivative financial assets	85,722	85,321	85,341	61,944
Trade receivables	19,819,165	32,207,342	20,821,526	35,943,738
Factored trade receivables	3,566	3,566	3,503	3,503
Receivable financing	2,812,997	2,725,874	4,074,078	4,073,264
Prepayments	334,373	1,565	242,440	16,657
Other receivables	1,340,117	29,217,304	1,146,400	31,653,053
Inventories	41,681,016	12,389,825	41,131,259	12,535,588
Contract assets	5,112,416	3,631,933	4,844,974	3,739,259
Other current assets	7,907,685	2,244,745	7,458,528	1,868,178
Total current assets	<u>166,076,857</u>	<u>150,163,612</u>	<u>158,504,553</u>	<u>151,894,602</u>
Non-current assets:				
Long-term receivables	2,035,494	4,764,770	2,013,559	4,833,124
Factored long-term receivables	10,699	10,699	10,509	10,509
Investment in associates and joints	2,097,299	17,917,753	2,157,550	17,979,249
Other non-current financial assets	843,276	623,637	831,930	650,319
Investment properties	1,473,823	1,104,000	1,473,823	1,104,000
Property, plant and equipment	13,362,874	6,062,595	13,372,364	6,190,094
Construction in progress	1,046,069	315,892	987,803	327,044
Right-of-use assets	1,504,645	954,027	1,557,313	1,007,848
Intangible assets	7,758,763	2,519,354	7,697,446	2,499,545
Development costs	1,156,074	253,666	1,301,545	305,732
Deferred tax assets	4,129,816	1,375,815	4,145,923	1,550,517
Other non-current assets	6,970,945	4,813,020	6,904,000	4,738,904
Total non-current assets	<u>42,389,777</u>	<u>40,715,228</u>	<u>42,453,765</u>	<u>41,196,885</u>
Total assets	<u>208,466,634</u>	<u>190,878,840</u>	<u>200,958,318</u>	<u>193,091,487</u>

Legal Representative: Li Zixue

Chief Financial Officer: Li Ying

Head of Finance Division: Xu Jianrui

Liabilities and shareholders' equity	Consolidated	Company	Consolidated	Company
Current liabilities:	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Short-term loans	9,036,637	4,007,693	7,560,358	4,961,423
Bank advances on factored trade receivables	3,754	3,754	3,687	3,687
Derivative financial liabilities	164,488	142,521	184,544	183,217
Short-term bonds payable				

Item

Item	Consolidated (Unaudited)	Company (Unaudited)	Consolidated (Unaudited)	Company (Unaudited)
1. Cash flows from operating activities				
Cash received from sale of goods or rendering of services	33,597,732	41,342,530	32,829,736	32,628,290
Refunds of taxes	857,747	286,246	958,415	466,445

By Order of the Board