

# ZTE shares set to resume trading after US reprieve

June 12 2018

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Trading of ZTE shares in Hong Kong and Shenzhen had been halted since April 2018

Shares in Chinese smartphone maker ZTE are set to resume trading in Hong Kong Wednesday, after the company reached a settlement with

American authorities for violating US sanctions.

Trading of ZTE shares in Hong Kong and Shenzhen had been halted since Washington announced in April it had banned American companies from selling crucial hardware and software components to the [company](#).

The seven year ban came after US officials said ZTE had failed to take action against staff who were responsible for violating trade sanctions against Iran and North Korea.

In a statement released late Tuesday, the firm said: "Application has been made by the Company to the Stock Exchange for the resumption of trading of the H shares of the Company on the Stock Exchange with effect from 9:00 am on 13 June 2018."

Earlier this month, Washington and Beijing reached a deal to ease sanctions that had pushed the telecoms equipment maker to the brink of collapse.

Under the agreement, ZTE will pay a \$1 billion penalty and put another \$400 million in escrow to cover possible future violations.

ZTE, which is based in the southern city of Shenzhen, will also be required to change its entire board of directors and hire outside legal compliance specialists who will report to the US Commerce Department for 10 years.

In return, Washington will strike the company from a sanctions list.

The company was fined \$1.2 billion last year for the initial sanctions violations.

The ZTE saga has been a key bone of contention in the tussle between the world's two biggest economies over trade policy and sensitive technologies.

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