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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: 763)**

## **ANNOUNCEMENT ON THE RE-ELECTION OF THE SUPERVISORY COMMITTEE**

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

The term of the sixth session of the Supervisory Committee of ZTE Corporation ("ZTE" or the "Company") will conclude on 29 March 2016. To facilitate the smooth re-election of the Supervisory Committee (the "Re-election"), the Supervisory Committee of the Company hereby announces the composition of the seventh session of the Supervisory Committee, the recommendation of candidates for Supervisors, procedures of the Re-election and qualifications for Supervisors as follows in accordance with relevant provisions under the Company Law of the People's Republic of China (the "Company Law") and the Articles of Association of ZTE Corporation (the "Articles of Association"):

### **I. COMPOSITION OF THE SEVENTH SESSION OF THE SUPERVISORY COMMITTEE**

In accordance with the provisions of the Company Law and the prevailing Articles of Association of ZTE, the seventh session of the Supervisory Committee shall comprise 5 persons, that is to say, the members of the Supervisory Committee consist of 2 Shareholders' Representatives and 3 Staff Representatives of the Company. Supervisors shall serve a term of three years with effect from the date on which relevant resolution is approved at the general meeting.

### **II. RECOMMENDATION OF CANDIDATES FOR SUPERVISORS**

(I) Recommendation of candidates for Shareholders' Representative Supervisors (Please refer to the Appendix for the Recommendation Letter of Candidates for Shareholders' Representative Supervisors)

The Supervisory Committee of the Company and any shareholder of the Company as at the date of this announcement may recommend to the sixth session of the Supervisory Committee candidates for Shareholders' Representative Supervisors of the seventh session of the Supervisory Committee.

#### (II) Election of Staff Representative Supervisors

The Staff Representative Supervisors shall be elected by the staff representatives of the Company through democratic elections.

### **III. PROCEDURES OF THE RE-ELECTION**

1. The recommendation of a candidate for Shareholders' Representative Supervisor shall be made, together with the submission of relevant documents, to the Supervisory Committee of the Company in accordance with the procedures prescribed in this announcement within 11 days from the date of this announcement (i.e. before 26 December 2015).
2. Upon the expiry of the above recommendation period, the Supervisory Committee of the Company shall convene a meeting to review the qualifications of recommended candidates for Shareholders' Representative Supervisors and finalise the list of candidates for Shareholders' Representative Supervisors before proposing the same at the relevant general meeting of the Company for consideration as ordinary resolution.
3. The candidates for Shareholders' Representative Supervisors shall, within a period of no less than seven days commencing on no earlier than the first day immediately following the dispatch of the notice of the general meeting appointed for the re-election of Supervisors and ending on no later than seven days before the date of such general meeting, furnish to the Company an undertaking in writing to accept the nomination, give warranty that the information provided is true and complete and pledge to discharge duties as Supervisors upon election.
4. The Shareholders' Representative Supervisors elected at the general meeting and the Staff Representative Supervisors elected by the staff representatives of the Company through democratic elections shall form the seventh session of the Supervisory Committee of the Company.

### **IV. QUALIFICATIONS FOR SUPERVISORS**

In accordance with the provisions of the Company Law, the Articles of Association and the Governance Standards of Listed Companies, candidates for Supervisors should possess expertise and practical experience in professional areas such as law and accounting. A person shall not serve as a Supervisor of the Company if he / she is:

1. a person who has no or limited capacity for civil acts;

2. a person who has been sentenced for corruption, bribery, embezzlement of property, misappropriation of property or sabotage of the socialist marketing economic order, where less than five years have elapsed since the sentence was served, or a person who has been deprived of his political rights for committing a crime, where less than five years have elapsed since the sentence was served;
3. a person who is a former director, factory manager or president of a company or enterprise which has gone into bankruptcy and put under liquidation and who was personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;
4. a person who is a former legal representative of a company or enterprise the business license of which was revoked due to a violation of law and who was personally liable therefor, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise;
5. a person who has a relatively large amount of debts due and outstanding;
6. a person who is under criminal investigation or prosecution by judicial authorities for violation of criminal law and the case is not yet concluded;
7. a person other than a natural person;
8. a person who is a civil servant of the State or otherwise prohibited by the laws and administrative regulations from assuming corporate leadership positions;
9. a person who has been convicted by the relevant competent authority for violation of relevant securities regulations, and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have elapsed from the date of such conviction;
10. a person who is identified by securities regulatory authorities of China as being prohibited from entering into the market and whose prohibition has not been released;
11. a person who has been publicly ascertained by the stock exchange as being not suitable for serving as a director, supervisor or senior management of a listed company; or
12. a person who has otherwise been prohibited by the laws and regulations or the Articles of Association to serve as a supervisor.

## **V. Contact Information**

Contact person: Xiao Yanli

Contact department: Securities and Investors' Relations Department

Contact phone number: 0755-26770638

Contact fax number: 0755-26770286

Contact address: 6/F, Block A, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen

Postal code: 518057

By Order of the Supervisory Committee

**Xie Daxiong**

*Chairman*

Shenzhen, the PRC

15 December 2015

*As at the date of this announcement, the Supervisory Committee of the Company comprises four Supervisors: Xie Daxiong, Zhou Huidong, Xu Weiyuan, Chang Qing.*

## **Appendix:**

### **Recommendation Letter of Candidates for Shareholders' Representative Supervisors of the Seventh Session of the Supervisory Committee of ZTE Corporation**

Recommended by:

Name of candidate for Supervisor recommended:

Age of candidate for Supervisor recommended:

Gender of candidate for Supervisor recommended:

Qualifications of candidate for Supervisor recommended: fulfillment of requirements set out in this announcement (Yes/No)

Contact information of candidate for Supervisor recommended: (including telephone, fax and e-mail)

Brief biography of candidate for Supervisor recommended: (including educational background, title, detailed working experience)

Other information (if any):

Recommended by: \_\_\_\_\_ (Seal/Signature)

Date: \_\_\_\_\_

Notes:

1. A person recommending a candidate for Shareholders' Representative Supervisor must provide the following documents to the Supervisory Committee of the Company:

- (1) The Recommendation Letter of Candidates for Shareholders' Representative Supervisors (original copy);
- (2) Photocopies of identification documents of the candidate for Supervisor recommended (together with the original for inspection);
- (3) Photocopies of academic qualifications and certificates of the candidate for Supervisor recommended (together with the original for inspection);
- (4) Other documents that testify to the fulfillment of conditions required under this announcement.

2. If a person recommending a candidate for Supervisor is a shareholder of the Company, such person shall also provide the following documents:

- (1) for individual shareholders, photocopies of identification documents (together with the original for inspection);
- (2) for legal person shareholders, photocopies of their business licence (together with the original for inspection);

- (3) photocopies of share account card (together with the original for inspection);
- (4) evidence of shareholding as at the date of this announcement.

3. A person shall make his/her/its recommendation of a candidate for Shareholders' Representative Supervisor to the Supervisory Committee of the Company in the following manner:

- (1) The recommendation shall be submitted in person or by post only;
- (2) In case of delivery in person, the relevant documents must be delivered to the contact person designated by the Company by 16: 00 on 26 December 2015;
- (3) In case of delivery by post, the relevant documents must be delivered by fax to 0755-26770286 by 16: 00 on 26 December 2015, the receipt of which shall be acknowledged by the contact person designated by the Company, followed by the delivery of the original copy of the Recommendation Letter of Candidates for Shareholders' Representative Supervisors to the address of the contact person designated by the Company by 26 December 2015 (the time of receipt shall be the time stamped by the Shenzhen local post office).