

## Notice of the Annual General Meeting



**NOTICE IS HEREBY GIVEN** that an annual general meeting (the "AGM") of GREAT WALL MOTOR COMPANY LIMITED (the "Company") for the year ended 31 December 2005 will be held at 10:00 a.m. on Thursday, 1 June 2006 (or immediately after the conclusion or adjournment of the H Shareholders EGM) at Conference Room, 2266 South Street, Chaoyang District, Baoding, Hebei Province, the People's Republic of China (the "PRC") to consider, approve and authorise the following:

By way of ordinary resolutions:

1. to approve the audited financial statements of the Company, the report of the board of directors (the "Board") of the Company and the report of the supervisory committee (the "Supervisory Committee") of the Company, for the year ended 31 December 2005;
2. to declare a final dividend of RMB0.1 per share (H shares and Domestic Shares of the Company) for the year ended 31 December 2005 to those shareholders of the Company who are registered on the register of members of the Company as at the close of business on Friday, 28 April 2006; and
3. to approve the reappointment of Ernst & Young Hua Ming as the Company's PRC auditors and Ernst & Young as the Company's international auditors for the year ending 31 December 2006 and the authorisation to the Board to determine their respective remunerations.

By way of special resolutions:

4. to approve the proposed grant of the following mandate to the Board:
  - (1) an unconditional general mandate to allot, issue and deal with additional shares in the capital of the Company, whether Domestic Shares or H Shares. Such unconditional general mandate can be exercised once or more than once during the Relevant Period, subject to the following conditions:
    - (a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the Relevant Period;
    - (b) the aggregate nominal amount of shares, whether Domestic Shares or H Shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with by the Board pursuant to such mandate, shall not exceed:
      - (I) 20 per cent, being 136,400,000 Domestic Shares, of the aggregate nominal amount of Domestic Shares in issue; and
      - (II) 20 per cent, being 52,440,000 H Shares, of the aggregate nominal amount of H Shares in issue,

in each case as of the date of this resolution; and

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- (c) the Board shall only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC governmental authorities are obtained; and
- (2) contingent on the Board resolving to issue shares pursuant to sub-paragraph (1) of this resolution, the Board be authorised to:
- (a) approve, execute, and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including (without limitation):
    - (I) determine the class and number of shares to be issued;
    - (II) determine the issue price of the new shares;
    - (III) determine the opening and closing dates of the new issue;
    - (IV) determine the use of proceeds of the new issue;
    - (V) determine the class and number of new shares (if any) to be issued to the existing shareholders;
    - (VI) make or grant such offers, agreements and options as may be necessary in the exercise of such powers; and
    - (VII) in the case of an offer or allotment of shares to the shareholders of the Company, exclude shareholders of the Company who are resident outside the PRC or the Hong Kong Special Administrative Region of the PRC on account of prohibitions or requirements under overseas laws or regulations or for some other reason(s) which the Board considers expedient;
  - (b) increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this resolution, register the increased capital with the relevant authorities in the PRC and make such amendments to the Articles as it thinks fit so as to reflect the increase in the registered capital of the Company; and

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- (c) make all necessary filings and registrations with the relevant PRC, Hong Kong and/or other authorities. For the purpose of this resolution:

“Board” means the board of directors of the Company;

“Domestic Shares” means domestic invested Shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and paid up in Renminbi by PRC investors;

“H Shares” means the overseas listed foreign invested Shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars;

“Relevant Period” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the next AGM of the Company following the passing of this resolution; or
- (b) the expiration of the 12-month period following the passing of this resolution; or
- (c) the date on which the authority set out this resolution is revoked or varied by a special resolution of the Shareholders in a general meeting.

5. to approve the proposed grant of the following mandate to the Board:

- (1) subject to sub-paragraphs (2) and (3) of this resolution, an unconditional general mandate to exercise during the Relevant Period all powers of the Company to repurchase H shares in issue of the Company on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or any other stock exchange as amended from time to time, or of any other governmental or regulatory body be and is hereby approved;
- (2) the aggregate nominal amount of the H Shares of the Company which the directors of the Company are authorised to repurchase pursuant to the approval in sub-paragraph (1) of this resolution shall not exceed 10 per cent of the existing issued H Shares of the Company as at the date of passing this resolution; and

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- (3) the approval in sub-paragraph (1) above shall be conditional upon:
- (a) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (3)(a) at (I) the extraordinary general meeting for holders of H Shares to be held on Thursday, 1 June 2006 (or on such adjourned date as may be applicable); and (II) the extraordinary general meeting for holders of domestic shares of the Company to be held on Thursday, 1 June 2006 (or on such adjourned date as may be applicable);
  - (b) the approvals of the regulatory authorities as required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and
  - (c) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 27 of the articles of association of the Company;

- (4) for the purpose of this resolution:

“Board” means the board of directors of the Company;

“H Shares” means the overseas listed foreign invested Shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars;

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
  - (b) the expiration of a period of twelve months following the passing of this special resolution; or
  - (c) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the shareholders of the Company in any general meeting; and
- “Stock Exchange” means The Stock Exchange of Hong Kong Limited; and

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- (5) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorized to:
- (a) make such amendments to the articles of association accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares of the Company as contemplated in paragraph (1) above; and
  - (b) file the amended articles of association of the Company with the relevant government authorities of the PRC.”

By Order of the Board

**Bai Xue Fei**

*Company Secretary*

Baoding, People's Republic of China, 27 March 2006.

*Notes:*

- (A) The share register of the Company will be closed from Saturday, 29 April 2006 to Thursday, 1 June 2006 (both days inclusive), during which no transfer of shares will be effected. Any members of the Company, whose names appear on the Company's register of members at the close of business on Friday, 28 April 2006, are entitled to attend and vote at the AGM after completing the registration procedures for attending the meeting. In order to be entitled to attend and vote at the AGM, share transfer documents should be lodged with the Company or the Company's H shares share registrar not later than 4:00 p.m. on Friday, 28 April 2006.

The address of the share registrar for the Company's H shares is as follows:

**Computershare Hong Kong Investor Services Limited**

Rooms 1712-1716  
46th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

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- (B) Holders of H shares and domestic shares, who intend to attend the AGM, must complete the reply slips for attending the AGM and return them to the Office of the Secretary to the Board of the Company not later than 20 days before the date of the AGM, i.e. no later than Friday, 12 May 2006.

Details of the office of the secretary to the Board are as follows:

2266 South Street, Chaoyang District  
Hebei Province  
People's Republic of China  
Tel: (86-312) 2197812  
Fax: (86-312) 2197812

- (C) Each holder of H shares who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the AGM. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll.
- (D) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (E) To be valid, the proxy form, and if the proxy form is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H shares share registrar, Computershare Hong Kong Investor Services Limited, at 46/F., Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 24 hours before the time for holding the AGM or any adjournment thereof.
- (F) Each holder of domestic shares is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on its behalf at the AGM. Notes (C) to (D) also apply to holders of domestic shares, except that the proxy form or other documents of authority must be delivered to the office of the secretary to the Board, the address of which is set out in Note (B) above, not less than 24 hours before the time for holding the AGM or any adjournment thereof.
- (G) If a proxy attends the AGM on behalf of a shareholder, he should produce his ID card and the instrument signed by the proxy or his legal representative, which specifies the date of its issuance. If the legal representative of a legal person share shareholder attends the AGM, such legal representative should produce his ID card and valid documents evidencing his capacity as such legal representative. If a legal person share shareholder appoints a representative of the company other than its legal representative to attend the AGM, such representative should produce his ID card and an authorisation instrument affixed with the seal of the legal person share shareholder and duly signed by its legal representative.
- (H) The AGM is expected to last for half a day. Shareholders attending the AGM are responsible for their own transportation and accommodation expenses.