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長 城 汽 車 股 份 有 限 公 司
GREAT WALL MOTOR COMPANY LIMITED*
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 2333)

**TERMINATION OF IMPLEMENTATION OF
THE NON-PUBLIC ISSUANCE OF A SHARES
AND
PROPOSED AMENDMENTS TO
THE ARTICLES OF ASSOCIATION**

At the 18th meeting of the fifth session of the Board of the Company held on 24 March 2016, the Board considered and passed the “Proposal on the Termination of Implementation of the Non-Public Issuance of A Shares” and resolved to terminate the non-public issuance of A shares of the Company.

The Company proposes to make amendments to the Articles of Association based on the actual situations of the Company. The amendments to the Articles of Association shall be subject to the approval from shareholders at the annual general meeting, which will be held on 17 May 2016, by special resolution. The amendments to the Articles of Association will become effective upon approval from the shareholders at the annual general meeting of the Company.

I. Termination of Implementation of the Non-Public Issuance of A Shares

At the 18th meeting of the fifth session of the Board of Directors (the “**Board**”) of Great Wall Motor Company Limited (the “**Company**”) held on 24 March 2016, the Board considered and passed the “Proposal on the Termination of Implementation of the Non-Public Issuance of A Shares” and resolved to terminate the non-public issuance of A shares of the Company. The details are as follows:

1. The non-public issuance of A Shares of the Company

At the tenth and twelfth meeting of the fifth session of the Board held on 10 July 2015 and 28 August 2015 respectively, the Board considered and passed “Proposal on the Non-Public Issuance of A Shares of Great Wall Motor Company Limited” and “Proposal on

the Non-Public Issuance of A Shares of Great Wall Motor Company Limited (Revised)”, respectively. On 13 October 2015, the Board published “Announcement on Adjustment to Minimum Issue Price and Number of Shares to be Issued under the Non-Public Issuance of A Shares”, pursuant to which the Company proposed to issue 833,912,400 A Shares with total proceeds of RMB12 billion. The proceeds is proposed to be used for the following purposes:

		<i>Unit: RMB10,000</i>	
No.	Project	Total investment	Proposed amount of proceeds to be applied
1	Research and development of new energy vehicles	508,000	280,000
2	Smart transmission system for new energy vehicle with annual production capacity of 500,000 units	414,233	400,000
3	New energy vehicle motor and management device with annual production capacity of 500,000 sets	176,159	170,000
4	Driving battery system for new energy vehicle with annual production capacity of 1 million packs	104,405	100,000
5	Research and development of smart vehicles	503,260	250,000
Total		1,706,057	1,200,000

2. Reasons for and Decision-Making Procedures of the Termination of Non-Public Issuance of A Shares of the Company

In view of volatility of the capital market in the second half of 2015 and as the market price of the shares of the Company has fallen below the minimum issue price under the proposal on the non-public issuance of A shares (revised), the Company resolved to terminate the non-public issuance of A shares after due and proper consideration. The resolution has been passed at the 18th meeting of the fifth session of the Board and is subject to the approval from the shareholders’ at general meeting.

Opinions of independent directors of the Company:

The decision of the Board on termination of non-public issuance of A Shares is made based on the conditions of the securities market in China and the Company.

The Company will invest in related projects with its own funds upon the termination of non-public issuance of A shares and it believes that the projects will be completed as

scheduled. The decision of termination of the non-public issuance of A Shares of the Company by the Board is in compliance with applicable laws and necessary procedures were followed in considering related proposal. Resolution approved thereon is legal and valid and is not prejudicial to the interests of the Company and shareholders. It is agreed that the proposal will be submitted to annual general meeting for year 2015 for consideration after such proposal is considered and passed at the board meeting.

3. Analysis of impact on the Company

The Company has invested in related projects with its own funds, details of which are as follows:

No.	Project	Progress
1	Research and development of new energy vehicles	The prototype of new energy vehicles has been designed and the trial production will be carried out
2	Smart transmission system for new energy vehicle with annual production capacity of 500,000 units	The project has been launched and the construction of production plant has been commenced. Production equipment has been purchased
3	New energy vehicle motor and management device with annual production capacity of 500,000 sets	Product planning has been carried out based on the development planning of vehicles of the Company
4	Driving battery system for new energy vehicle with annual production capacity of 1 million packs	The project has been launched and the construction of production plant has been commenced and the production equipment has been installed and tested
5	Research and development of smart vehicles	Certain functions have been applied in existing vehicle models and the development of other systems has been launched

Upon the termination of non-public issuance of A Shares of the Company, the Company will continue to invest in such projects with its own funds. The Company will consider raising funds through various financing methods in case of insufficiency of own funds, in order to ensure the projects will progress smoothly and business will be developed as scheduled.

The termination of non-public issuance of A Shares of the Company will not have material adverse effect on the normal production and operation of the Company.

The Company undertakes that it will not plan for any non-public issuance of A Shares of the Company within three months from the date of this announcement.

II. Proposed Amendments to the Articles of Association of the Company

The Company proposes to make amendments to the articles of association of Great Wall Motor Company Limited (“Articles of Association”) based on the actual situations of the Company. Details are set out as follows:

Article 123 of the original Articles of Association which reads as follows:

“The Company shall have a Board of Directors. The Board of Directors shall consist of eleven directors. The Board of Directors shall have one Chairman, one Vice-chairman and nine directors, of whom five shall be executive directors, two non-executive directors, and four independent non-executive directors.

In case of any re-election of the Board of Directors, more than half of the directors shall be external directors (directors who do not hold any position in the Company), and at least three directors shall be independent non-executive directors (directors who are independent from the shareholders of the Company and do not hold any position in the Company), among whom at least one independent non-executive director with appropriate professional qualifications or financial or accounting experience shall be included.

The Board of Directors shall be independent from the controlling shareholders.”

To be amended to read as follows:

“The Company shall have a Board of Directors. The Board of Directors shall consist of seven directors. The Board of Directors shall have one Chairman, one Vice-chairman and five directors, of whom three shall be executive directors, one non-executive director, and three independent non-executive directors.

In case of any re-election of the Board of Directors, more than half of the directors shall be external directors (directors who do not hold any position in the Company), and at least three directors shall be independent non-executive directors (directors who are independent from the shareholders of the Company and do not hold any position in the Company), among whom at least one independent non-executive director with appropriate professional qualifications or financial or accounting experience shall be included.

The Board of Directors shall be independent from the controlling shareholders.”

The proposed amendments to the Articles of Association shall be subject to the approval from the shareholders of the Company at the annual general meeting, which will be held on 17 May 2016, by special resolution. The amendments to the Articles of Association will become effective upon approval from the shareholders at the annual general meeting.

The whole text of the amended Articles of Association will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Shanghai Stock Exchange (www.sse.com.cn) and the official website of the Company (www.gwm.com.cn) after the relevant amendments to the Articles of Association become effective.

The whole text of the original Articles of Association was published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Shanghai Stock Exchange (www.sse.com.cn) and the official website of the Company (www.gwm.com.cn) on 20 November 2015.

As stated in the announcement of the Company dated 18 March 2016 regarding the resignation of director, Mr. Liang Shang Shang (“**Mr. Liang**”), an independent non-executive director of the Company, tendered his resignation. Mr. Liang shall continue to serve in the Board and the relevant Board committees until the Company convenes a shareholders’ general meeting to perform relevant legal procedures in order to comply with the Articles of Association. In view of the proposed amendments to the Articles of Association, Mr. Liang shall continue to serve in the Board and the relevant Board committees until the amendments to the Articles of Association become effective. The amendments to the Articles of Association will become effective upon approval from the shareholders at the annual general meeting.

This announcement will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Shanghai Stock Exchange (www.sse.com.cn) and the official website of the Company (www.gwm.com.cn).

By order of the Board
Great Wall Motor Company Limited
Xu Hui
Company Secretary

Baoding, Hebei Province, the PRC, 24 March 2016

As at the date of this announcement, members of the Board comprise:

Executive Directors: Mr. Wei Jian Jun, Ms. Wang Feng Ying and Ms. Yang Zhi Juan.

Non-executive Director: Mr. He Ping.

Independent Non-executive Directors: Mr. Wong Chi Hung, Stanley, Mr. Lu Chuang, Mr. Liang Shang Shang and Mr. Ma Li Hui.

* For identification purpose only