

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Brilliance China Automotive Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

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Brilliance Auto

華 晨 汽 車

BRILLIANCE CHINA AUTOMOTIVE HOLDINGS LIMITED

(華晨中國汽車控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1114)

**(1) NOTICE OF ANNUAL GENERAL MEETING,
(2) RE-ELECTION OF DIRECTORS,
(3) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
AND
(4) PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME**

A notice convening an annual general meeting of Brilliance China Automotive Holdings Limited to be held at Pheasant – Jasmine Room, 1/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Central, Hong Kong on Tuesday, 4th June, 2019 at 9:00 a.m. is set out on pages 27 to 31 of this circular.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the office of the branch registrar of Brilliance China Automotive Holdings Limited in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong before 9:00 a.m., Hong Kong time, on Sunday, 2nd June, 2019, or not less than 48 hours before the time appointed for holding any adjournment of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof if you so wish and in such event, the form of proxy will be deemed to be revoked.

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RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2008 Share Option Scheme”	the share option scheme of the Company which was adopted by the Company on 11th November, 2008 and expired on 13th November, 2018;
“Annual General Meeting”	the annual general meeting of the Company to be held at Pheasant – Jasmine Room, 1/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Central, Hong Kong on Tuesday, 4th June, 2019 at 9:00 a.m.;
“associated corporation”	has the meaning ascribed thereto in the SFO;
“associates”	has the meaning ascribed thereto in the Listing Rules;
“Board”	the board of Directors;
“business day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Bye-Laws”	the bye-laws of the Company, as amended from time to time;
“close associates”	has the meaning ascribed thereto in the Listing Rules;
“Companies Act”	The Companies Act 1981 of Bermuda (as amended);
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“Company”	Brilliance China Automotive Holdings Limited (華晨中國汽車控股有限公司*), an exempted company incorporated in Bermuda on 9th June, 1992 with limited liability whose securities are listed on the main board of the Stock Exchange;
“connected person”	has the meaning ascribed thereto in the Listing Rules;
“controlling shareholders”	has the meaning ascribed thereto in the Listing Rules;
“core connected person”	has the meaning ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Directors”	any directors (whether executive or non-executive and whether independent or not) of the Company, its Subsidiaries, any Invested Entity or the holding company of the Company;

DEFINITIONS

“Eligible Employees”	any employee or proposed employee (whether full time or part time employee) of the Company, its Subsidiaries, any Invested Entity or the holding company of the Company;
“Eligible Grantees”	any Participant who accepts an offer of the grant of an Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original grantee who is eligible for granting Options under the New Share Option Scheme;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Huachen”	華晨汽車集團控股有限公司 (Huachen Automotive Group Holdings Company Limited*), a company incorporated in the PRC on 16th September, 2002 and the controlling shareholder of the Company which is interested in approximately 42.32% of the issued share capital of the Company as at the Latest Practicable Date;
“Invested Entity”	any entity in which the Group holds any equity interest;
“Issue Mandate”	the general and unconditional mandate to be granted to the Directors at the Annual General Meeting to exercise all the power to allot, issue and otherwise deal with new Shares in the Company not exceeding 20% of the number of Shares in issue as at the date of passing of the resolution approving such mandate;
“Latest Practicable Date”	23rd April, 2019, the latest practicable date prior to the bulk printing of this circular for ascertaining certain information containing herein;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III to this circular;
“Optionholder(s)”	holder(s) of the Options;

DEFINITIONS

“Option(s)”	option(s) to subscribe for Shares granted by the Company under the New Share Option Scheme;
“Participants”	any person belonging to any of the following classes of participants : <ul style="list-style-type: none"> (a) any Eligible Director; (b) any Eligible Employee; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity acting in their capacities as advisers or consultants that provides research, development or other technological support to the Group or any Invested Entity; and (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
“PRC”	The People’s Republic of China which, for the sole purpose of this circular, excludes Hong Kong, The Macau Special Administrative Region of the PRC and Taiwan;
“Repurchase Mandate”	the general and unconditional mandate to be granted to the Directors at the Annual General Meeting to repurchase Shares on the Stock Exchange up to 10% of the number of Shares in issue as at the date of passing of the resolution approving such mandate;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) with a par value of US\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Subsidiary(ies)”	has the meaning ascribed thereto under the Companies Ordinance;
“substantial shareholders”	has the meaning ascribed thereto in the Listing Rules;
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers; and
“US\$”	United States dollars, the lawful currency of the United States of America.

* *for identification purposes only*

Brilliance Auto

華 晨 汽 車

BRILLIANCE CHINA AUTOMOTIVE HOLDINGS LIMITED

(華晨中國汽車控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1114)

Executive Directors:

Mr. Wu Xiao An

(also known as Mr. Ng Siu On) (*chairman*)

Mr. Yan Bingzhe (*chief executive officer*)

Mr. Qian Zuming (*chief financial officer*)

Mr. Zhang Wei

Independent non-executive Directors:

Mr. Xu Bingjin

Mr. Song Jian

Mr. Jiang Bo

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Head office and principal place
of business:*

Suites 1602–05

Chater House

8 Connaught Road Central

Hong Kong

29th April, 2019

To all Shareholders

Dear Sir/Madam,

**(1) NOTICE OF ANNUAL GENERAL MEETING,
(2) RE-ELECTION OF DIRECTORS,
(3) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
AND
(4) PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME**

INTRODUCTION

The purpose of this circular is to give you notice of the Annual General Meeting and to provide you with information on the following matters to be dealt with at the Annual General Meeting: (i) re-election of Directors; (ii) grant of the Repurchase Mandate and the Issue Mandate to the Directors; and (iii) the proposed adoption of the New Share Option Scheme.

* for identification purposes only

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to bye-law 99 of the Bye-Laws, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or in a multiple of three, then the number nearest to one-third but not greater than one-third (or in such other manner of rotation as may be required by the Listing Rules), shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.

Code provision A.4.2 of Appendix 14 to the Listing Rules stipulates that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

It is provided in bye-law 102(B) of the Bye-Laws that the Board has power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or number of Directors who are to retire by rotation. Mr. Yan Bingzhe (“**Mr. Yan**”), who was appointed by the Board after the annual general meeting in the year 2018, will hold office until the Annual General Meeting pursuant to bye-law 102(B) of the Bye-Laws. Mr. Yan will not be taken into account in determining the number of Directors who are to retire by rotation.

The remaining six Directors, Mr. Wu Xiao An, Mr. Qian Zuming, Mr. Zhang Wei, Mr. Xu Bingjin, Mr. Song Jian and Mr. Jiang Bo will be subject to the rotation requirement under bye-law 99 of the Bye-Laws and code provision A.4.2 of Appendix 14 to the Listing Rules. Of these six Directors, Mr. Qian Zuming (“**Mr. Qian**”) and Mr. Zhang Wei (“**Mr. Zhang**”), being the longest in office since their last election, will retire at the Annual General Meeting.

Each of Mr. Yan, Mr. Qian and Mr. Zhang, being eligible, will offer himself for re-election and the Board has recommended them for re-election at the Annual General Meeting.

Brief biography, as at the Latest Practicable Date, of each of Mr. Yan, Mr. Qian and Mr. Zhang proposed to be re-elected at the Annual General Meeting is set out in Appendix I to this circular.

The procedure for nominating candidate(s) by Shareholders to stand for election as Director at general meeting has been published on the website of the Company (www.brillianceauto.com). The Company will issue an announcement or a supplemental circular to inform Shareholders of the details of additional candidate(s) proposed for election if a valid nomination proposal together with the requisite information and documents are received after the printing of this circular.

LETTER FROM THE BOARD

PROPOSED GRANT OF REPURCHASE MANDATE AND ISSUE MANDATE

At the annual general meeting of the Company held on 22nd June, 2018, ordinary resolutions were passed, among other things, to grant the general mandates to the Directors (i) to repurchase Shares not exceeding 10% of the number of Shares in issue as at 22nd June, 2018; and (ii) to allot, issue and otherwise deal with Shares not exceeding 20% of the number of Shares in issue as at 22nd June, 2018 plus the Shares repurchased by the Company (up to a maximum of 10% of the number of Shares in issue pursuant to the mandate granted under (i) above).

These general mandates will lapse at the conclusion of the Annual General Meeting.

The Repurchase Mandate

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors the Repurchase Mandate, in the terms set out in the notice of Annual General Meeting, to exercise the powers of the Company to repurchase its own Shares on the Stock Exchange at any time during the period ended on the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Bye-Laws or any applicable laws of Bermuda; and (iii) the date upon which such authority is revoked or varied at a general meeting of the Shareholders. The number of Shares to be purchased pursuant to the Repurchase Mandate shall not exceed 10% of the number of Shares in issue as at the date of passing of the relevant resolution.

An explanatory statement to provide relevant information in respect of the Repurchase Mandate is set out in Appendix II to this circular.

The Issue Mandate

At the Annual General Meeting, ordinary resolutions will also be proposed to renew the general mandate granted to the Directors to allot, issue and deal with Shares not exceeding 20% of the number of Shares in issue as at the date of passing of the relevant resolution, and adding to such general mandate so granted to the Directors any Shares repurchased by the Company after the granting of the Repurchase Mandate. The Issue Mandate shall remain in force until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Bye-Laws or any applicable laws of Bermuda; and (iii) the date upon which such authority is revoked or varied at a general meeting of the Shareholders.

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

The 2008 Share Option Scheme, which was adopted by the Company on 11th November, 2008 and came into effect on 14th November, 2008, expired on 13th November, 2018, ie. 10 years from the date the 2008 Share Option Scheme came into effect. As at the Latest Practicable Date, there was no outstanding share options under the 2008 Share Option Scheme. To provide appropriate incentives or rewards to eligible persons for their contributions or potential contributions to the Group or Invested Entities, the Board considers that it is in the interests of the Company to adopt the New Share Option Scheme and proposes to recommend to the Shareholders at the Annual General Meeting to approve and adopt the New Share Option Scheme. The New

LETTER FROM THE BOARD

Share Option Scheme will become effective on the date of fulfilment of all the conditions precedent as referred to under the paragraph headed “Conditions precedent of the New Share Option Scheme” below.

The New Share Option Scheme

At the Annual General Meeting, an ordinary resolution will be proposed for the Company to approve the adoption of the New Share Option Scheme for the Participants pursuant to which the Participants may be granted Options to subscribe for Shares upon and subject to the terms and conditions of the rules of the New Share Option Scheme. There is no outstanding options, warrants and convertible securities to subscribe for Shares as at the Latest Practicable Date.

Conditions precedent of the New Share Option Scheme

The New Share Option Scheme is conditional upon:

- (i) the passing of the resolution by the Shareholders at the Annual General Meeting to, among others, (a) approve the adoption of the New Share Option Scheme; (b) authorise the Board to grant Options under the New Share Option Scheme; and (c) authorise the Board to allot and issue Shares pursuant to the exercise of any Options that may be granted under the New Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the Options that may be granted under the New Share Option Scheme.

Under the New Share Option Scheme, the aggregate number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 10% of the total number of Shares in issue on the date of adoption of the New Share Option Scheme. Further, the maximum number of Shares which may be issued upon exercise of all outstanding Options granted under the New Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the total number of Shares in issue from time to time. As at the Latest Practicable Date, there was no outstanding share options under the 2008 Share Option Scheme or any other share option scheme(s) of the Company.

On the basis of 5,045,269,388 Shares in issue as at the Latest Practicable Date and assuming no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the maximum number of Shares which may be issued pursuant to the New Share Option Scheme and any other option schemes (if any) will be 504,526,938 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in the trustees of the New Share Option Scheme (if any). There is no trustee appointed for the purposes of the New Share Option Scheme.

LETTER FROM THE BOARD

Principal terms of the New Share Option Scheme

A summary of the principal terms of the New Share Option Scheme which is proposed to be approved and adopted by the Company at the Annual General Meeting is set out in the Appendix III entitled “Summary of the principal terms of the New Share Option Scheme” on pages 18 to 26 of this circular. The terms of the New Share Option Scheme are in line with the provisions of Chapter 17 of the Listing Rules, which governs the terms of the share option schemes of listed companies.

The Directors consider that the New Share Option Scheme, which will be valid for 10 years from the date on which the New Share Option Scheme becomes unconditional, will provide the Company with more flexibility in long term planning of granting Options to Eligible Grantees in a longer period in the future. The New Share Option Scheme does not provide for any minimum period for holding of Options or any performance target before exercise of Options, but the Board may add such terms at the time of the grant of any Option, which can provide appropriate incentives or rewards to the Eligible Grantees for their contribution to the Group. Under the New Share Option Scheme, the Board will have discretion in determining the subscription price payable for the Shares (subject to the requirements under the Listing Rules) in respect of any Option. The Directors are of the view that the flexibility given to the Directors to determine the subscription price payable for the Shares will place the Group in a better position to reward Eligible Directors/Eligible Employees and retain the Eligible Grantees that are valuable to the long-term growth and development of the Group as a whole.

The Directors consider that it is not appropriate to disclose the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such Options cannot be determined. The variables which are critical for the determination of the value of such Options include, the subscription price for the Shares upon the exercise of the subscription rights attaching to the Options, whether or not Options will be granted under the New Share Option Scheme and the timing of the granting of such Options, the period during which the subscription rights may be exercised, the discretion of the Board to impose any performance target that has to be achieved before the subscription rights attaching to the Options can be exercised and any other conditions that the Board imposed on the Options and whether or not such Options if granted will be exercised by the Eligible Grantees. The subscription price payable for the Shares depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme, and if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the subscription price of the Shares given the volatility the Share price may be subject to during the 10-year life span of the New Share Option Scheme. In the premises, the Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical basis and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options as at the Latest Practicable Date will not be meaningful and may be misleading to Shareholders in the circumstances.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options that may be granted under the New Share Option Scheme.

LETTER FROM THE BOARD

Once the New Share Option Scheme is adopted, any alterations to the terms and conditions thereof, which are of a material nature, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically pursuant to the terms originally provided in the New Share Option Scheme.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the ordinary resolution to be proposed at the Annual General Meeting approving the adoption of the New Share Option Scheme.

ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

A notice convening the Annual General Meeting to be held at Pheasant – Jasmine Room, 1/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Central, Hong Kong on Tuesday, 4th June, 2019 at 9:00 a.m. is set out on pages 27 to 31 of this circular.

Form of proxy for use at the Annual General Meeting is enclosed herein and such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk).

In accordance with the requirements of the Listing Rules, the resolutions to be put forward at the Annual General Meeting will be voted on by the Shareholders by way of poll except that the Chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Whether or not Shareholders intend to attend the Annual General Meeting, they are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return them to the office of the branch registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong before 9:00 a.m., Hong Kong time, on Sunday, 2nd June, 2019, or not less than 48 hours before the time appointed for holding any adjournment of the Annual General Meeting. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof if they so wish and in such event, the form of proxy will be deemed to be revoked.

RECOMMENDATIONS

The Board considers that the proposed re-election of Directors, the proposed grant of the Repurchase Mandate and the Issue Mandate to the Directors, and the proposed adoption of the New Share Option Scheme are in the interests of the Company and the Shareholders, and therefore recommends the Shareholders to vote in favour of all of the resolutions to be proposed at the Annual General Meeting.

DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the rules of the New Share Option Scheme will be available for inspection at the principal place of business of the Company at Suites 1602-05, Chater House, 8 Connaught Road Central, Hong Kong during normal business hours from the date hereof up to and including the date of the Annual General Meeting.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board of
Brilliance China Automotive Holdings Limited
Wu Xiao An
(also known as Ng Siu On)
Chairman

The following are the biographies of the Directors proposed to be re-elected at the Annual General Meeting:

Mr. Yan Bingzhe

Mr. Yan, aged 56, was appointed as an executive Director and chief executive officer of the Company on 12th April, 2019. Mr. Yan was also appointed as a member of the remuneration committee and the nomination committee of the Board on 12th April, 2019. Mr. Yan has been appointed as the Chairman of Huachen since April 2019. Mr. Yan has once held various positions in Shenyang Municipal Government since 2006, including but not limited to Chief Executive of Shenbei District (瀋北新區區長), Director of Shenyang Municipal Planning and Land & Resources Administration (瀋陽市規劃和國土資源管理局局長), Chief Executive of Tiexi District (鐵西區區長), as well as the Director of Shenyang Economic and Technological Development Zone Commission (瀋陽經濟技術開發區管理委員會主任). From October 2010 to October 2012, Mr. Yan was the Secretary-General of Shenyang Municipal Government (瀋陽市政府秘書長). From July 2016 to February 2018, Mr. Yan was the Director of Shenyang Municipal Development and Reform Commission (瀋陽市發展和改革委員會主任). From August 2017 to March 2019, Mr. Yan was the Vice Mayor of Shenyang (瀋陽市副市長). Mr. Yan obtained a bachelor's degree of arts from Northeast Normal University in the PRC in 1989 and a PhD in philosophy of science and technology from the School of Humanities and Law Northeastern University in the PRC in 2005.

Mr. Yan is currently a director of Renault Brilliance Jinbei Automotive Company Limited, a subsidiary of the Company; and BMW Brilliance Automotive Ltd., a 50% owned major joint venture of the Company. Save as aforementioned, Mr. Yan does not hold any position in any member of the Group.

As at the Latest Practicable Date, Mr. Yan does not hold any directorship in any listed public companies in the last three years.

Save as stated herein, Mr. Yan does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Yan was not interested or deemed to be interested in any shares or underlying shares of the Company and its associated corporations pursuant to Part XV of the SFO.

Mr. Yan has signed a letter of appointment with the Company for his appointment as an executive Director for a term of three years commencing from 12th April, 2019 unless terminated by either party giving not less than one month's notice in writing, under which he is subject to the retirement by rotation requirements under the Bye-Laws and his appointment will forthwith terminate on his ceasing to be a Director for any reason pursuant to the Bye-Laws or other applicable laws (including a resolution is not passed for his re-election at the Annual General Meeting). As the chief executive officer of the Company and an executive Director, the emoluments of Mr. Yan will be determined by the Board with reference to his qualification, industry experience, duties and responsibilities within the Group, the Group's remuneration policy and the prevailing market conditions and practice. Mr. Yan did not receive any payments (whether fixed or discretionary in nature) from the Group since his appointment on 12th April, 2019.

There is no information relating to Mr. Yan which is discloseable under Rule 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is no other matters that need to be brought to the attention of the Shareholders nor is there any other information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

Mr. Qian Zuming

Mr. Qian Zuming, aged 56, has been an executive Director since 12th September, 2016. Mr. Qian has been the chief financial officer of the Company since 1st July, 2008. He has around 36 years of experience in finance and accounting practice. Mr. Qian has been appointed as an assistant to the president of Huachen since December 2009. From 1982 to 1996, Mr. Qian was the deputy section head (副科長) of the finance section of Shanghai Maritime Bureau (上海海運局) of Ministry of Transport. From 1996 to 1998 and from 1998 to 2000, he was the finance manager of Shanghai Tai Li Shipping Co., Ltd. (上海泰利船務有限公司) and Shanghai Xiao Song Packaging Machinery Co., Ltd. (上海小松包裝機械有限公司), respectively. From January 2006 to March 2007, Mr. Qian was the chief financial officer of 上海華盛集團有限公司 (Shanghai Hua Sheng Group Co., Ltd.). Mr. Qian is a fellow of the Institute of Financial Accountants of the United Kingdom since October 2010. He is also an academic member of the Association of International Accountants since April 2013. Mr. Qian obtained a master's degree in finance from the Graduate School, The Chinese Academy of Social Sciences in 1998 and a master's degree in business administration from The Wisconsin International University (USA), Ukraine in 2001.

Mr. Qian is currently a director of Brilliance-BEA Auto Finance Co., Ltd., a subsidiary of the Company. Save as aforementioned, Mr. Qian does not hold any position in any member of the Group.

Currently, Mr. Qian is a director of Shanghai Shenhua Holdings Co., Ltd. (stock code: 600653), a company listed on The Shanghai Stock Exchange. Save as aforementioned, Mr. Qian does not hold any directorship in any listed public companies in the last three years.

Save as stated herein, Mr. Qian does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Qian was the beneficial owner of 600,000 Shares, representing approximately 0.01% of the issued share capital of the Company. Save as aforementioned, Mr. Qian was not interested or deemed to be interested in any shares or underlying shares of the Company and its associated corporations pursuant to Part XV of the SFO.

Mr. Qian has signed a letter of appointment with the Company for his appointment as an executive Director for a term of three years commencing from 12th September, 2016 unless terminated by either party giving not less than one month's notice in writing, under which he is subject to the retirement by rotation requirements under the Bye-Laws and his appointment will forthwith terminate on his ceasing to be a Director for any reason pursuant to the Bye-Laws or other applicable laws (including a resolution is not passed for his re-election at the Annual General Meeting). As the chief financial officer of the Company and an executive Director, the emoluments of Mr. Qian will be determined by the Board with reference to his qualification, industry experience, duties and responsibilities within the Group, the Group's remuneration policy and the prevailing market conditions and practice. Mr. Qian was paid approximately RMB1,958,000 as his emoluments for the year ended 31st December, 2018. Save as disclosed herein, Mr. Qian did not receive any other payments (whether fixed or discretionary in nature) from the Group during the year.

There is no information relating to Mr. Qian which is discloseable under Rule 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is no other matters that need to be brought to the attention of the Shareholders nor is there any other information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

Mr. Zhang Wei

Mr. Zhang Wei, aged 45, has been an executive Director since 12th September, 2016. Mr. Zhang joined Huachen in 2003 and has since held various positions in Huachen, including but not limited to senior project manager of assets operation department, secretary of president, division leader of human resources department, deputy manager of administrative office and assistant to president. Mr. Zhang has been the secretary of the board of directors of Huachen since March 2016. From July 1996 to February 1997, and from February 1997 to January 2003, Mr. Zhang was a specialist of import and export department and a project manager, respectively, of Liaoning Branch of China Metallurgical Import and Export Company (中國冶金進出口遼寧公司). Mr. Zhang obtained a bachelor's degree in engineering from Shenyang University of Technology in 1996. Mr. Zhang also received a master's degree of science, with a major in business and information technology, from University of Salford in 2001.

Mr. Zhang is currently a director of Shenyang JinBei Automotive Industry Holdings Co., Ltd. and Renault Brilliance Jinbei Automotive Company Limited, both of which are subsidiaries of the Company. Save as aforementioned, Mr. Zhang does not hold any position in any member of the Group.

Currently, Mr. Zhang is a director of Shanghai Shenhua Holdings Co., Ltd. (stock code: 600653), a company listed on The Shanghai Stock Exchange. Save as aforementioned, Mr. Zhang does not hold any directorship in any listed public companies in the last three years.

Save as stated herein, Mr. Zhang does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Zhang was not interested or deemed to be interested in any shares or underlying shares of the Company and its associated corporations pursuant to Part XV of the SFO.

Mr. Zhang has signed a letter of appointment with the Company for his appointment as an executive Director for a term of three years commencing from 12th September, 2016 unless terminated by either party giving not less than one month's notice in writing, under which he is subject to the retirement by rotation requirements under the Bye-Laws and his appointment will forthwith terminate on his ceasing to be a Director for any reason pursuant to the Bye-Laws or other applicable laws (including a resolution is not passed for his re-election at the Annual General Meeting). As an executive Director, the emoluments of Mr. Zhang will be determined by the Board with reference to his qualification, industry experience, duties and responsibilities within the Group, the Group's remuneration policy and the prevailing market conditions and practice. Mr. Zhang did not receive any payments (whether fixed or discretionary in nature) from the Group for the year ended 31st December, 2018.

There is no information relating to Mr. Zhang which is discloseable under Rule 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is no other matters that need to be brought to the attention of the Shareholders nor is there any other information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide information to you with regard to the Repurchase Mandate to be proposed at the Annual General Meeting.

THE LISTING RULES

The Listing Rules contain provisions regulating the repurchase by companies whose primary listings are on the Stock Exchange of their securities on the Stock Exchange. The following is a summary of certain provisions of the Listing Rules relating to repurchase of securities:

Shareholders' Approval

The Listing Rules provide that all proposed repurchases of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval of a particular transaction.

Source of Funds

Repurchases must be funded out of funds legally available for such purpose in accordance with the Company's memorandum of association and Bye-Laws and the Companies Act. A company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Any repurchase by the Company may be made out of the capital paid up on the purchased Shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account.

REASONS FOR REPURCHASES

Although the Directors have no present intention of repurchasing any securities, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its Shareholders. Repurchases will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangement at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share.

FUNDING OF REPURCHASES

Repurchases of Shares will be funded out of funds legally available for the purchase in accordance with the Company's memorandum of association and Bye-Laws and the applicable laws of Bermuda.

On the basis of the financial position of the Company as disclosed in the audited financial statements contained in the 2018 annual report of the Company, there might be an adverse effect on the working capital requirements or gearing levels of the Company in the event that the Repurchase Mandate is exercised in full at any time. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

The exercise in full of the Repurchase Mandate, on the basis of 5,045,269,388 Shares in issue as at the Latest Practicable Date (assuming that no Shares are issued or repurchased during the period from the Latest Practicable Date up to the date of the Annual General Meeting), would result in up to 504,526,938 Shares being repurchased by the Company during the period in which the Repurchase Mandate remains in force.

GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquires, any of their close associates, have any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda and the memorandum of association and Bye-Laws.

If as a result of a repurchase a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Huachen was interested in 2,135,074,988 Shares, representing approximately 42.32% of the issued share capital of the Company. Based on such shareholdings, in the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the shareholdings of Huachen would increase to approximately 47.02% of the issued share capital of the Company. The Directors consider that such increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors however have no present intention to exercise the Repurchase Mandate to such extent as would result in any mandatory offer. The Directors do not consider the aforementioned increase would reduce the issued share capital in public hands to less than 25% (or the relevant prescribed minimum percentage required by the Stock Exchange).

No core connected person, including a director, chief executive or substantial shareholder of the Company or its subsidiaries or an associate of any of them has notified the Company that he/it has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	17.96	12.64
May	15.64	13.48
June	15.88	13.22
July	14.50	9.82
August	13.74	9.27
September	13.58	10.54
October	12.68	6.22
November	7.88	6.22
December	7.37	5.40
2019		
January	7.52	5.56
February	8.35	7.34
March	8.20	7.09
April (up to the Latest Practicable Date)	9.65	7.76

SECURITIES PURCHASES MADE BY THE COMPANY

The Company has not purchased any Shares, whether on the Stock Exchange or otherwise, in the six months preceding the date of this circular.

This Appendix summarises the principal terms of the New Share Option Scheme but does not form part of, nor was it intended to be, part of the New Share Option Scheme nor should it be taken as effecting the interpretation of the rules of the New Share Option Scheme.

(a) Purpose of the scheme

The purpose of the New Share Option Scheme is to provide incentives or rewards to Participants thereunder for their contribution to the Group and / or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

(b) Who may join

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of Participants, to take up Options to subscribe for Shares:

- (aa) any Eligible Director;
- (bb) any Eligible Employee;
- (cc) any supplier of goods or services to any member of the Group or any Invested Entity;
- (dd) any customer of the Group or any Invested Entity;
- (ee) any person or entity acting in their capacities as advisers or consultants that provides research, development or other technological support to the Group or any Invested Entity; and
- (ff) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity.

and, for the purposes of the New Share Option Scheme, the Options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of Participants or any discretionary object of a Participant which is a discretionary trust. For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who fall within any of the above classes of Participants shall not, by itself, unless the Directors have otherwise determined, be construed as a grant of an Option under the New Share Option Scheme.

The Directors envisage that the above classes of Participants (including Invested Entity given the Group also engages its businesses through various joint venture companies which has made material financial contributions to the Group) may positively contribute to the business development (including the manufacture and sale of automobiles and automotive components, provision of auto financing services to customers and dealers and any other businesses the Group may engage in from time to time) and financial performance of the Group and the Invested Entity. The basis of eligibility of any of the above classes of Participants to the grant of any Options shall be determined by the Directors from time to time on the basis of their contribution to the business development (including the manufacture and sale of automobiles and automotive components, provision of auto financing services to customers and dealers and any other businesses the Group may engage in from time to time) and financial growth of the Group and any Invested Entity with reference to the business development of the Group at the material time.

(c) Maximum number of Shares

- (aa) The maximum number of Shares to be issued upon exercise of all outstanding Options granted and yet to be granted under the New Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 30 per cent. of the issued share capital of the Company from time to time.
- (bb) The total number of Shares which may be issued upon exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Share Option Scheme and any other share option scheme of the Company) to be granted under the New Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 504,526,938 Shares, being 10 per cent. of the Shares in issue as at the date of the passing of the ordinary resolution approving the adoption of the New Share Option Scheme by the Shareholders (the “**General Scheme Limit**”).
- (cc) Subject to (aa) above and without prejudice to (dd) below, the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit, provided that the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Company must not exceed 10 per cent. of the Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit as “refreshed”, Options previously granted under the New Option Scheme or any other share option scheme of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with the New Share Option Scheme and any other share option scheme of the Company) will not be counted.
- (dd) Subject to (aa) above and without prejudice to (cc) above, the Company may issue a circular to the Shareholders and seek separate Shareholders’ approval in general meeting to grant Options beyond the General Scheme Limit or, if applicable, the limit referred to in (cc) above to Participants specifically identified by the Company before such approval is sought.

(d) Maximum entitlement of each Participant

The total number of Shares issued and which may fall to be issued upon exercise of the Options granted under the New Share Option Scheme and any other share option scheme of the Company (including both exercised or outstanding Options) to each Participant in any 12-month period shall not exceed 1 per cent. of the issued share capital of the Company for the time being (the “**Individual Limit**”). Any further grant of Options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant, shall be subject to the issue of a circular to the Shareholders and the Shareholders’ approval in general meeting of the Company with such Participant and his or her close associates (or his or her associates if the Participant is a connected person) abstaining from voting.

(e) Grant of Options to connected persons

- (aa) Any grant of Options under the New Share Option Scheme to a Director, chief executive (other than a proposed director or a proposed chief executive of the Company) or substantial shareholder of the Company, or any of their respective associates, must be approved by independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).
- (bb) In the event of any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates; or where any grant of Options to a substantial shareholder or an independent non-executive Director, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
 - (i) representing in aggregate over 0.1 per cent. of the Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000,

such further grant of Options must be approved by the Shareholders. The Company must send a circular to the Shareholders. The grantee, his or her associates and all core connected persons of the Company must abstain from voting at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his or her intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll.

(f) Time of acceptance and exercise of an Option

An offer of grant of an Option may be accepted by a Participant within 21 days from the date of the offer of grant of the Option. A consideration of HK\$1 is payable on acceptance of the offer of grant of an Option.

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on the date on which the offer for the grant of Options is made but shall end in any event not later than 10 years from the date of grant of the Options subject to the provisions for early termination thereof.

(g) Performance targets

Unless the Directors otherwise determine and state in the offer of the grant of Options to a Participant, a Participant is not required to achieve any performance targets before any Options granted under the New Share Option Scheme can be exercised.

(h) Subscription price for Shares

The subscription price per Shares under the New Share Option Scheme shall be a price determined by the Directors, but shall not be lower than the higher of (i) the closing price of Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share. Without prejudice to the generality of the foregoing, the Directors may grant Options in respect of which the subscription price is fixed at different prices for each different period during the option period provided that the subscription price per Share for each of the different periods shall not be less than the subscription price determined in the aforesaid manner.

(i) Ranking of Shares

- (aa) Shares allotted upon the exercise of an Option will be subject to all the provisions of the Bye-Laws of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue as from the day when the name of the grantee is registered on the register of members of the Company and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date when the name of the grantee is registered on the register of members of the Company other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date when the name of the grantee is registered on the register of members of the Company, provided always that when the date of exercise of the Option falls on a day upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first business day in Hong Kong on which the register of members of the Company is re-opened. A Share allotted upon the exercise of an Option shall not carry any voting right until the completion of the registration of the grantee as the holder thereof.
- (bb) Unless the context otherwise requires, references to "Shares" in this paragraph include references to shares in the ordinary equity share capital of the Company of such nominal amount as shall result from a sub-division, consolidation, re-classification or reduction of the share capital of the Company from time to time.

(j) Restrictions on the time of grant of Options

No offer for grant of Options shall be made after inside information has come to its knowledge until the Company has announced the information. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Directors (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's interim or annual results, and (ii) the last date on which the Company must publish its interim or annual results announcement under the Listing Rules and ending on the date of the announcement of the results, no Option may be granted. No Option may be granted during any period of delay in publishing a results announcement.

The Directors may not grant any Option to a Participant who is a Director during the periods or times in which Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(k) Period of the New Share Option Scheme

The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme becomes unconditional.

(l) Rights on ceasing employment or offices

If the grantee of an Option is an Eligible Director/Eligible Employee and ceases to be an Eligible Director/Eligible Employee for any reason other than death or for serious misconduct or other grounds referred to in paragraph (o) below before exercising his or her Option in full, the grantee may exercise the Option up to his or her entitlement at the date of cessation within the period of 1 month following the date of cessation in whole or in part (to the extent not already exercised) which date of cessation will be taken to be the last actual working day of the Eligible Director/Eligible Employee with the Group or the Invested Entity or the holding company of the Company whether salary is paid in lieu of notice or not, or such longer period following the date of cessation as the Board may determine.

(m) Rights on ceasing be a Participant who is not an Eligible Director/Eligible Employee

If a grantee of an Option is a supplier, customer, adviser, consultant, shareholder or holder of any securities of any member of the Group or any Invested Entity for any reason other than his or her death, the grantee may exercise his or her Option up to his or her entitlement at the date he or she ceases to be a supplier, customer, adviser, consultant, shareholder or holder of any securities of any member of the Group or any Invested Entity within the period of 1 month following the date of cessation in whole or in part (to the extent not already exercised).

(n) Rights on death

If the grantee of an Option ceases to be a Participant by reason of his or her death before exercising the Option in full, his or her personal representative(s) may exercise the Option (to the extent not already exercised) in full within a period of 12 months, following the date of death or such longer period as the Board may determine.

(o) Rights on dismissal

If the grantee of an Option is an Eligible Director/Eligible Employee and ceases to be an Eligible Director/Eligible Employee by reason that he has been guilty of misconduct or has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the Eligible Director/Eligible Employee's service

contract with the Company or the relevant Subsidiary or the relevant Invested Entity or the holding company of the Company, his or her Option will lapse automatically on the date the Eligible Director/Eligible Employee ceases to be an Eligible Director/Eligible Employee.

(p) Rights on breach of contract

If the Directors at their absolute discretion determine that the grantee of any Option (other than an Eligible Director/Eligible Employee) or his or her associate has committed any breach of any contract entered into between the grantee or his or her associate on the one part and the Group or any Invested Entity on the other part or that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his or her creditors generally, the Directors shall determine that the outstanding Options granted to the grantee shall lapse. In such event, his or her Options will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

If the Board in its absolute discretion determines that the grantee has committed a breach or failed to comply with any obligation or provisions (other than paragraph (w)) or perform and observe any of the terms, conditions, restrictions and/or limitations attached to the grant of the Option or set out in the rules of the New Share Option Scheme, the Options will lapse automatically and will not in any event be exercisable on or after the date on which the Board so determined.

(q) Rights on a general offer

In the event of a general offer, whether by way of take-over offer, share re-purchase offer or scheme of arrangement or otherwise in like manner, is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use its best endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders of the Company. If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, the grantee (or his or her legal personal representative(s)) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within 14 days after the date on which such general offer becomes or is declared unconditional.

(r) Rights on winding up

In the event of an effective resolution being passed for the voluntarily winding-up of the Company or an order of the court is made for the winding-up of the Company, the grantee (or his or her legal personal representative(s)) may by notice in writing to the Company within 21 days after the date of such resolution elect to be treated as if the Option (to the extent not already exercised) had been exercised immediately before the passing of such resolution either to its full extent or to the extent specified in the notice, such notice to be accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon the grantee will be entitled to receive out of the assets available in the liquidation pari

passu with the holders of Shares such sum as would have been received in respect of the Shares the subject of such election. Subject to the above, an Option will lapse automatically on the date of the commencement of the winding-up of the Company.

(s) Rights on compromise or arrangement between the Company and its creditors

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all grantees on the same date as it dispatches to each member or creditor of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each grantee (or where permitted under paragraph (n), his or her legal personal representative(s)) shall be entitled to exercise all or any of his or her Options in whole or in part at any time prior to 12:00 noon on the day immediately preceding the date of the meeting directed to be convened by the court for the purposes of considering such compromise or arrangement. With effect from the date of such meeting, the rights of all grantees to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been exercised, lapse and terminate. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court) the rights of grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full and shall thereupon become exercisable (but subject to the other terms of the Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension. Subject to the above, an Option will lapse automatically on the date the proposed compromise or arrangement becomes effective.

(t) Adjustments to the subscription price

In the event of any alteration in the capital structure (including a capitalisation of profits or reserves, rights issue or similar offer of securities to holders of Shares, consolidation, sub-division or reduction or similar reorganisation of the share capital of the Company) of the Company whilst an Option remains exercisable, such corresponding alterations (if any) certified by the auditor for the time being of or an independent financial adviser to the Company as fair and reasonable will be made to the number of Shares subject to the Option so far as unexercised and/or the subscription price for Shares and/or the method of exercise of the Option concerned and/or the maximum number of Shares referred to in paragraphs (c) and (d) herein, provided that (i) any alteration shall give a grantee the same proportion of the issued share capital to which he/she was entitled prior to such alteration and that the aggregate subscription price payable by a grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; (ii) no alteration shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and (iii) no such adjustment will be required in circumstances whether there is an issue of Shares or other securities of the Group as consideration in a transaction. In addition, in respect of any such alteration, other than any alteration made on a capitalisation issue, such auditor or independent financial adviser must confirm to the Directors in writing that the alteration satisfy the requirements of the relevant provision of the Listing Rules.

(u) Cancellation of Options

The Board may at any time at its absolute discretion cancel any Option granted but not exercised with the approval of the Eligible Grantee of such Option. Where the Company cancels Options granted to an Eligible Grantee, the Company may, in place thereof, grant new Options to the same Eligible Grantee, provided that there are available unissued Options (excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in paragraph (c).

(v) Termination of the New Share Option Scheme

The Company may by resolution in general meeting at any time terminate the New Share Option Scheme and in such event no further Options shall be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme and the terms as set out in the offer letter.

(w) Rights are personal to the grantee

An Option is personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall result in any outstanding Option or part thereof granted to such grantee be lapsed.

(x) Lapse of Option

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (aa) the expiry of the periods referred to in paragraphs (l), (m) and (n);
- (bb) the expiry of the periods or dates referred to in paragraphs (k), (o), (p), (q), (r) and (s); and
- (cc) the date on which a breach of the provision restriction on transfer and assignment of an Option referred to in paragraph (w) is committed.

(y) Alteration to the New Share Option Scheme

- (aa) The New Share Option Scheme may be altered in any respect by a resolution of the Board except for those specific provisions relating to matters contained in Rule 17.03 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) which cannot be altered to the advantage of Eligible Grantees or prospective Eligible Grantees except with the prior approval of the Shareholders in general meeting.

- (bb) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (cc) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (dd) Any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme shall be approved by the Shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

Brilliance Auto

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BRILLIANCE CHINA AUTOMOTIVE HOLDINGS LIMITED

(華晨中國汽車控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1114)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Brilliance China Automotive Holdings Limited (the “**Company**”) will be held at Pheasant – Jasmine Room, 1/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Central, Hong Kong on Tuesday, 4th June, 2019 at 9:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of directors and auditors of the Company for the year ended 31st December, 2018;
2. To re-elect directors of the Company (each as a separate resolution):
 - (A) To re-elect Mr. Yan Bingzhe as executive director;
 - (B) To re-elect Mr. Qian Zuming as executive director;
 - (C) To re-elect Mr. Zhang Wei as executive director; and
 - (D) To authorise the board of directors to fix the remuneration of the directors;
3. To re-appoint Grant Thornton Hong Kong Limited as auditors and to authorise the board of directors to fix their remuneration; and
4. As special business, to consider and, if thought fit, pass, with or without modification, the following resolutions as ordinary resolutions:
 - (A) “**THAT:**
 - (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to allot, issue or deal with additional shares in the share capital of the Company or securities convertible into such shares or options, warrants or similar rights to subscribe for any shares or convertible securities and to make or grant offers, agreements, and options which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

* for identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the exercise of the subscription rights or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company and from time to time outstanding, (iii) the exercise of any option granted under the share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants as stipulated in such share option scheme or similar arrangement of shares or rights to acquire shares of the Company, or (iv) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company in force from time to time, shall not exceed 20 percent of the number of shares of the Company in issue as at the date of passing of this resolution and the said approval be limited accordingly; and
- (d) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

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“**Rights Issue**” means an offer of shares of the Company open for a period fixed by the directors of the Company to holders of shares of the Company in the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangement as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or such stock exchange in any territory outside Hong Kong).”

(B) “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (“**Recognised Stock Exchange**”), subject to and in accordance with all applicable laws and regulations of Bermuda, bye-laws of the Company and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other Recognised Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the number of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 percent of the number of shares of the Company in issue as at the date of passing of this resolution and the said approval be limited accordingly; and
- (c) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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- (C) “**THAT** subject to the passing of resolutions numbered 4(A) and 4(B), the number of shares of the Company which are to be purchased by the Company pursuant to the authority granted to the directors of the Company mentioned in resolution numbered 4(B) shall be added to the number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution numbered 4(A) above, provided that such amount shall not exceed 10 percent of the number of shares of the Company in issue as at the date of passing of this resolution.”

5. As special business, to consider and, if thought fit, pass, with or without modification, the following resolution as ordinary resolution:

“**THAT:**

subject to and conditional upon the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the new shares of the Company which may fall to be allotted and issued pursuant to the exercise of any options that may be granted under the new share option scheme of the Company (the rules of which are contained in the document marked “A” and the summary of which marked “B” produced to the meeting and signed by the chairman of the meeting for the purpose of identification) (the “**New Share Option Scheme**”), the New Share Option Scheme be and is hereby approved and adopted; and the Board of Directors of the Company or persons authorised by it be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme, including but without limitation:

- (a) to administer the New Share Option Scheme and to grant options in accordance with the terms of the New Share Option Scheme;
- (b) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Listing Rules;
- (c) to allot and issue from time to time such number of Shares in the share capital of the Company as may be required to be allotted and issued pursuant to the exercise of the share options under the New Share Option Scheme and subject to the Listing Rules;
- (d) make application at appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the share options under the New Share Option Scheme; and

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- (e) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.”

By order of the Board
Brilliance China Automotive Holdings Limited
Lam Yee Wah Eva
Company Secretary

Hong Kong, 29th April, 2019

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Head office and principal place of business:

Suites 1602-05
Chater House
8 Connaught Road Central
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or more than one proxies to attend and to vote on a poll in his stead. On a poll, votes may be given either personally (or in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong before 9:00 a.m., Hong Kong time, on Sunday, 2nd June, 2019, or not less than 48 hours before the time appointed for holding any adjournment of the meeting.
4. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if shareholders so wish and in such event, the form of proxy will be deemed revoked.
5. The register of members of the Company will be closed from Thursday, 30th May, 2019 to Tuesday, 4th June, 2019, both days inclusive, during which period no transfer of shares will be registered. The record date for the meeting is Thursday, 30th May, 2019. Only shareholders of the Company whose names appear on the register of members of the Company on Thursday, 30th May, 2019 or their proxies or duly authorised corporate representatives are entitled to attend and vote at the above meeting. In order to qualify for attending and voting at the meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m., Hong Kong time, on Wednesday, 29th May, 2019.