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GUANGZHOU AUTOMOBILE GROUP CO., LTD.

廣州汽車集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2238)

GRANT OF A SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of Guangzhou Automobile Group Co., Ltd. (the “**Company**”) announces that on 20 January 2023, pursuant to the Fourth A Share Option Incentive Scheme (the “**Fourth Scheme**”) adopted by the Company on 20 January 2023, the Company granted an aggregate of 233,896,200 share options (the “**Share Options**”), which are all the share options under the Fourth Scheme, to 3,089 eligible participants (the “**Participant(s)**”) to subscribe for a total of 233,896,200 domestic-listed shares of par value of RMB1.00 each in the ordinary share capital of the Company (the “**A Shares**”). Details of the Share Options are set out as follows:

Date of grant	:	20 January 2023 (the “ Date of Grant ”)
Exercise price	:	RMB11.99 per A Share. The exercise price will be adjusted in accordance with the relevant requirements under the Fourth Scheme in the event of capitalisation issue, bonus issue, share subdivision or share consolidation, rights issue, or dividend distribution of the Company which takes place prior to any exercise.
Number of Share Options granted	:	233,896,200
Closing price of A Shares on the Date of Grant	:	RMB11.53 per A Share
Validity period	:	60 months from the Date of Grant

- Vesting period : The vesting period shall be the time between the Date of Grant and the exercisable date of the Share Options. The vesting period granted under the Fourth Scheme shall be 24 months, 36 months, 48 months from the Date of Grant.
- Exercise period : The arrangements of exercise period and each period of exercise time for the Share Options granted under the Fourth Scheme are as follows:
- (i) The first exercise period commences from the first trading day after expiry of the 24-month period from the Date of Grant and ending on the last trading day of the 36-month period from the Date of Grant with the proportion of the exercisable Share Options being 20%;
 - (ii) The second exercise period commences from the first trading day after expiry of the 36-month period from the Date of Grant and ending on the last trading day of the 48-month period from the Date of Grant with the proportion of the exercisable Share Options being 40%; and
 - (iii) The third exercise period commences from the first trading day after expiry of the 48-month period from the Date of Grant and ending on the last trading day of the 60-month period from the Date of Grant with the proportion of the exercisable Share Options being 40%.
- Performance targets : The exercise of the Share Options is conditional upon the satisfaction of the appraisal requirements of the Company's performance and the Participants' personal performance respectively during the respective exercise periods of the Share Options contemplated above.

For details, please refer to Appendix VI to the circular of the Company dated 4 January 2023 in relation to, *inter alia*, the Fourth Scheme.

Clawback mechanism : In the event of any (including but not limited to) serious negligence, violation of laws and regulations, committed crime(s), conduct(s) causing material losses or serious adverse consequences to the Company or violation of duty of loyalty and diligence under the law by a Participant, the Share Options which are granted to such Participant but not exercised will be cancelled by the Company. The Company shall also be entitled to recover all the gains received by such Participant from such Share Options.

For details, please refer to Appendix VI to the circular of the Company dated 4 January 2023 in relation to, *inter alia*, the Fourth Scheme.

There are 3,089 Participants who are granted Share Options under the Fourth Scheme, all of whom are employee participants as defined in Rule 17.03A(1)(a) of the Listing Rules, including senior management, other management personnel who have a direct impact on the Company's operating performance and key core technical (business) personnel of the Company. The allocation of the Share Options granted to the Participants is set out below:

Name	Position	Number of Share Options granted
Feng Xingya	Executive director, general manager	500,000
Yan Zhuangli	Deputy general manager	450,000
Chen Maoshan	Non-executive director, chairman of labour union	425,000
Wang Dan	Person in charge of accounting function, chief accountant	450,000
Gao Rui	Deputy general manager	450,000
Jiang Xiuyun	Deputy general manager	450,000
Yu Jun	Deputy general manager	450,000
Zheng Heng	Deputy general manager	450,000
Xia Xianqing	Deputy general manager	450,000
Sui Li	Secretary to the Board	425,000
Other eligible Participants (3,079 persons)	Other employees of the Company	229,396,200
Total (3,089 persons)		233,896,200

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of the Share Options by the Company to the above directors and chief executive of the Company under the Fourth Scheme has been reviewed and approved by the independent non-executive directors of the Company.

Save as disclosed above, none of the Participants is a director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined under the Listing Rules).

As all the Share Options under the Fourth Scheme have been granted, there is no other share option available for future grant under the Fourth Scheme.

By order of the Board
Guangzhou Automobile Group Co., Ltd.
ZENG Qinghong
Chairman

Guangzhou, the PRC, 20 January 2023

As at the date of this announcement, the executive directors of the Company are ZENG Qinghong and FENG Xingya, the non-executive directors of the Company are CHEN Xiaomu, CHEN Maoshan, DING Hongxiang, GUAN Dayuan and LIU Zhijun, and the independent non-executive directors of the Company are ZHAO Fuquan, XIAO Shengfang, WONG Hakkun and SONG Tiebo.