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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: 02333 (HKD counter) and 82333 (RMB counter)

ANNOUNCEMENT
ADJUSTMENT TO THE EXERCISE PRICE OF SHARE OPTIONS
UNDER THE FIRST GRANT AND RESERVED GRANT UNDER
THE 2020 RESTRICTED SHARE AND SHARE OPTION
INCENTIVE SCHEME OF THE COMPANY

References are made to the 2020 Restricted Share and Share Option Incentive Scheme (the “**2020 Incentive Scheme**”), which became effective on 15 April 2020, of Great Wall Motor Company Limited (the “**Company**” or “**Great Wall Motor**”) and the announcements dated 24 July 2020, 12 March 2021, 22 October 2021 and 13 May 2022 issued by the Company, respectively, in relation to adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant. Unless otherwise defined in this announcement, capitalised terms used herein shall have the same meanings as those defined in the above-mentioned announcements.

The third meeting of the eighth session of the Board of Directors was convened by the Company on 18 July 2023, during which the Resolution on the Adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant under the 2020 Restricted Share and Share Option Incentive Scheme of the Company was considered and approved. Given that the profit distribution of the Company's A Shares for 2022 had been implemented, the Company made adjustment to the Exercise Price of the Share Options under the First Grant and Reserved Grant, in accordance with the relevant requirements of the 2020 Incentive Scheme. The Exercise Price of Share Options under the First Grant upon adjustment is RMB7.53 per share and the Exercise Price of Share Options under the Reserved Grant upon adjustment is RMB41.20 per share.

I. THE CURRENT PRICE ADJUSTMENT

According to the Company's profit distribution plan for 2022, a cash dividend for the year ended 31 December 2022 of RMB0.3 (tax inclusive) per share will be distributed to all shareholders based on the total share capital on the record date for the profit distribution (excluding the total shares held in securities account designated for share repurchase of the Company). According to relevant provisions of the 2020 Incentive Scheme, the Company proposes to adjust the Exercise Price of Share Options under the First Grant and Reserved Grant, details of which are as follows:

The 2020 Incentive Scheme provides that in the event of any conversion from capital reserve to share capital, bonus issue, sub-division, rights issue, share consolidation or dividend distribution of the Company following the completion of registration of the Share Options granted to the Participants of the Company and prior to the exercise of the Share Options, the Exercise Price of the Share Options shall be adjusted accordingly, details of which are as follows:

1. The Adjustment to Exercise Price of the Share Options under the First Grant

Code of Share Options of the current adjustment: 0000000482

$$P=P_0-V=7.83-0.3=7.53$$

Where: P_0 represents the Exercise Price before adjustment; V represents the dividend per share; P represents the adjusted Exercise Price. P shall be greater than 1 after the dividend distribution.

The Exercise Price of the Share Options under the First Grant is currently adjusted from RMB7.83 per share to RMB7.53 per share.

2. The Adjustment to Exercise Price of the Share Options under the Reserved Grant

Code of Share Options of the current adjustment: 0000000702

$$P=P_0-V=41.5-0.3=41.2$$

Where: P_0 represents the Exercise Price before adjustment; V represents the dividend per share; P represents the adjusted Exercise Price. P shall be greater than 1 after the dividend distribution.

The Exercise Price of the Share Options under the Reserved Grant is currently adjusted from RMB41.5 per share to RMB41.2 per share.

II. IMPACT OF THE PRICE ADJUSTMENT ON THE COMPANY

The adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant under the 2020 Restricted Share and Share Option Incentive Scheme of the Company will not have any material impact on the Company's financial position and operating results.

III. OPINION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent directors of the Company issued an independent opinion that the Company's adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant under the 2020 Incentive Scheme was in compliance with the provisions of the Administrative Measures on Share Incentives of Listed Companies and the 2020 Incentive Scheme, and the decision-making procedures were legitimate and effective without any prejudice to the interests of the Company and its shareholders. Therefore, the adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant under the 2020 Incentive Scheme has been agreed.

IV. EXAMINATION OPINION OF THE SUPERVISORY COMMITTEE

The Supervisory Committee of the Company was of the view that the Company's adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant under the 2020 Incentive Scheme was in compliance with the provisions of the Administrative Measures on Share Incentives of Listed Companies and the 2020 Incentive Scheme without any prejudice to the interests of the Company and its shareholders. Therefore, the adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant under the 2020 Incentive Scheme has been agreed.

V. CONCLUSIVE VIEW OF THE LEGAL OPINION

The legal opinion issued by Jincheng Tongda & Neal Law Firm (Beijing) is that the Company has obtained the necessary approval and authorisation for the Adjustment to the Exercise Price of Share Options under the First Grant and Reserved Grant under the 2020 Incentive Scheme in compliance with the relevant provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures on Share Incentives of Listed Companies, the Articles of Association of Great Wall Motor Company Limited and the 2020 Incentive Scheme.

This announcement is available on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk), the website of 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
Li Hong Shuan
Joint Company Secretary

Baoding, Hebei Province, the PRC, 18 July 2023

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

Executive Directors: Mr. Wei Jian Jun, Ms. Li Hong Shuan and Mr. Zhao Guo Qing.

Non-executive Director: Mr. He Ping.

Independent Non-executive Directors: Ms. Yue Ying, Mr. Fan Hui and Mr. Tom Siulun Chau.

** For identification purpose only*