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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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 stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Great Wall Motor Company Limited, you should at once pass this circular and the enclosed proxy form to the purchaser, the transferee, the bank, the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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長城汽車股份有限公司

**GREAT WALL MOTOR COMPANY LIMITED\***

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

**(Stock Code: 2333)**

**PROPOSAL IN RELATION TO A GENERAL MANDATE FOR  
THE BOARD TO ISSUE A SHARES AND H SHARES  
PROPOSAL IN RELATION TO A GENERAL MANDATE  
FOR THE BOARD TO REPURCHASE A SHARES AND H SHARES  
PROFIT DISTRIBUTION PROPOSAL FOR THE YEAR 2022  
OPERATING STRATEGIES OF THE COMPANY FOR THE YEAR 2023  
RE-APPOINTMENT OF AUDITOR  
ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS  
AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
PROPOSED ADOPTION OF 2023 ESOP (REVISED)  
PROPOSED ADOPTION OF MANAGEMENT MEASURES FOR 2023  
ESOP (REVISED)  
PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH  
MATTERS IN RELATION TO 2023 ESOP  
AND  
NOTICES OF AGM AND H SHAREHOLDERS' CLASS MEETING**

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The AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting of the Company are to be held on Friday, 16 June 2023 at 2:00 p.m., 3:00 p.m. and 4:00 p.m. respectively at the Company's Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the PRC. Notices of the AGM and the H Shareholders' Class Meeting are set out on pages 123 to 140 of this circular. Whether or not you are able to attend the AGM or the relevant class meeting in person, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon. For H Shareholders, the proxy form should be returned, in person or by post, to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in any event, not less than 24 hours before the designated time for the commencement of the AGM and/or the H Shareholders' Class Meeting and any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM and/or the H Shareholders' Class Meeting or any adjournment thereof should you so wish.

If you intend to attend the AGM and/or the H Shareholders' Class Meeting in person or by proxy, you are required to complete and return the reply slip to the office of the secretary to the Board of the Company (for H Shareholders) on or before Friday, 9 June 2023.

\* *For identification purposes only*

25 May 2023

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## DEFINITIONS

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

|                                 |   |
|---------------------------------|---|
| “A Share Repurchase Mandate”    | the general mandate to exercise the power of the Company to repurchase not exceeding 10% of the number of its A Shares in issue as at the date of passing the proposed resolution(s) approving the A Share Repurchase Mandate at the AGM, the H Shareholders’ Class Meeting and the A Shareholders’ Class Meeting, details of which are set out in the notices of the AGM, the H Shareholders’ Class Meeting and the A Shareholders’ Class Meeting; |
| “A Shareholder(s)”              | holders of A Share(s);  |
| “A Shareholders’ Class Meeting” | the class meeting of A Shareholders;  |
| “A Shares”                      | domestic share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange and traded in Renminbi (Stock Code: 601633);   |
| “AGM”                           | annual general meeting of the Company;  |
| “Articles of Association”       | articles of association of the Company, as amended, modified or otherwise supplemented from time to time;   |
| “Board”                         | the board of directors of the Company;  |
| “Class Meetings”                | the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting;  |
| “close associate(s)”            | has the meaning ascribed to it under the Hong Kong Listing Rules;   |
| “Company” or “Great Wall Motor” | 長城汽車股份有限公司 (Great Wall Motor Company Limited*), a joint stock company incorporated in the PRC with limited liability, the H Shares and A Shares of which are listed on Hong Kong Stock Exchange and Shanghai Stock Exchange, respectively;  |
| “Company Law”                   | the Company Law of the PRC, as amended from time to time;   |

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## DEFINITIONS

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| “connected person(s)”                                | has the meaning ascribed to it under the Hong Kong Listing Rules;  |
| “connected transaction(s)”                           | has the meaning ascribed to it under the Hong Kong Listing Rules;  |
| “core connected person(s)”                           | has the meaning ascribed to it under the Hong Kong;  |
| “core management”                                    | (i) other management personnel other than Directors, Supervisors and senior management of the Company and (ii) directors, supervisors, chief executives and other management of the subsidiaries of the Company; Listing Rules;  |
| “CSRC”   | China Securities Regulatory Commission;  |
| “Director(s)”  | director(s) of the Company;  |
| “ESOP”, “Plan”, “2023 ESOP” or “2023 ESOP (Revised)” | the Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited (Revised Draft);  |
| “Great Wall Holdings”                                | Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司), which holds 62.854% equity interest in Innovation GW;   |
| “Group”  | the Company and its subsidiaries;  |
| “Guiding Opinions”                                   | the Guiding Opinions on the Pilot Implementation of Employee Stock Ownership Plans by Listed Companies;  |
| “H Share Repurchase Mandate”                         | the general mandate to exercise the power of the Company to repurchase not exceeding 10% of the number of its H Shares in issue as at the date of passing the proposed resolution(s) approving the H Share Repurchase Mandate at the AGM, the H Shareholders’ Class Meeting and the A Shareholders’ Class Meeting, details of which are set out in the notices of the AGM and the H Shareholders’ Class Meeting; |
| “H Shareholder(s)”                                   | holders of H Share(s);   |
| “H Shareholders’ Class Meeting”                      | the class meeting of H Shareholders;   |

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## DEFINITIONS

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| “H Shares”  | the overseas-listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Main Board of the Hong Kong Stock Exchange and traded in Hong Kong dollars (Stock Code: 2333);         |
| “Holder(s)” or “Participants”   | employee(s) who contribute to participate in the ESOP;   |
| “Holders’ Meeting”  | meeting of holders of the ESOP;  |
| “Hong Kong”   | the Hong Kong Special Administrative Region of the PRC;  |
| “Hong Kong dollars” or “HK\$”   | Hong Kong dollars, the lawful currency of Hong Kong;   |
| “Hong Kong Listing Rules”   | Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;  |
| “Hong Kong Stock Exchange”  | The Stock Exchange of Hong Kong Limited;   |
| “Innovation GW”   | Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司);   |
| “Issuance Mandate”  | a general mandate to exercise the power of the Company to allot, issue and deal with additional shares not more than 20% of each of A Shares and H Shares in issue as at the date when the resolution is considered and approved at the AGM; |
| “Latest Practicable Date”   | 23 May 2023, being the latest practicable date prior to the issuance of this circular for ascertaining certain information contained herein;   |
| “Management Committee”  | the management committee of the ESOP;  |
| “Management Measures”,<br>“Management Measures for<br>2023 ESOP” or “Management<br>Measures for 2023 ESOP<br>(Revised)” | Management Measures for the Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited (Revised);  |
| “Mandatory Provisions”  | the Mandatory Provisions for the Articles of Association of Companies Listed Overseas;   |

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## DEFINITIONS

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| “Nomination Committee”                           | the nomination committee of the Board of the Company;   |
| “PRC”  | the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region and Taiwan;                  |
| “Regulatory Guidelines”                          | the Self-regulatory Guidelines for the Companies Listed on the Shanghai Stock Exchange No. 1 – Standardized Operation;  |
| “RMB”  | Renminbi, the lawful currency of the PRC;   |
| “Securities Depository and Clearing Corporation” | Shanghai Branch of China Securities Depository and Clearing Corporation Limited;  |
| “SFO”  | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time;  |
| “Share(s)”                                       | A Share(s) and H Share(s);  |
| “Shareholders”                                   | holders of the Company’s Shares including A Share(s) and H Share(s);  |
| “SSE”  | the Shanghai Stock Exchange;  |
| “SSE Listing Rules”                              | Rules Governing the Listing of Securities on the Shanghai Stock Exchange;   |
| “subsidiary(ies)”                                | unless the context requires otherwise, has the meaning ascribed thereto under the Hong Kong Listing Rules;  |
| “Supervisor(s)”                                  | supervisor(s) of the Company;   |
| “Supervisory Committee”                          | the supervisory committee of the Company;   |
| “Takeovers Code”                                 | the Codes on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended from time to time; and                                |
| “Underlying Shares”                              | the ordinary A shares repurchased by the Company and to be transferred to the ESOP through non-trading transfer or other means permitted by laws and regulations. |

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LETTER FROM THE BOARD

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長城汽車股份有限公司  
**GREAT WALL MOTOR COMPANY LIMITED\***  
*(a joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 2333)

**Executive Directors:**

Wei Jian Jun  
Zhao Guo Qing  
Li Hong Shuan

**Registered office, head office and  
principal place of business:**

No. 2266 Chaoyang Road South  
Baoding  
Hebei Province  
the PRC

**Non-executive Director:**

He Ping

**Independent non-executive Directors:**

Yue Ying  
Li Wan Jun  
Ng Chi Kit

25 May 2023

*To the Shareholders*

Dear Sir or Madam,

**PROPOSAL IN RELATION TO A GENERAL MANDATE FOR  
THE BOARD TO ISSUE A SHARES AND H SHARES  
PROPOSAL IN RELATION TO A GENERAL MANDATE  
FOR THE BOARD TO REPURCHASE A SHARES AND H SHARES  
PROFIT DISTRIBUTION PROPOSAL FOR THE YEAR 2022  
OPERATING STRATEGIES OF THE COMPANY FOR THE YEAR 2023  
RE-APPOINTMENT OF AUDITOR  
ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS  
AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
PROPOSED ADOPTION OF 2023 ESOP (REVISED)  
PROPOSED ADOPTION OF MANAGEMENT MEASURES FOR 2023  
ESOP (REVISED)  
PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH  
MATTERS IN RELATION TO 2023 ESOP  
AND  
NOTICES OF AGM AND H SHAREHOLDERS' CLASS MEETING**

**1. INTRODUCTION**

Reference is made to the announcements of the Company dated 30 March 2023, 26 April 2023, 8 May 2023 and 25 May 2023 in relation to, among others, relevant documents including the audited financial accounting report for the year 2022, the profit distribution proposal for the year 2022, operating strategies of the Company for the year 2023, the re-appointment of the accounting firm, the election and appointment of Directors and Supervisors, the proposal in relation to a general mandate for the Board to issue A Shares and H Shares, the proposal in relation to a general mandate for the Board to repurchase A Shares and H Shares, amendments to the Articles of Association, the proposed adoption of 2023 ESOP (Revised Draft), the proposed adoption of Management Measures for 2023 ESOP (Revised), and the proposed authorization to the Board to handle matters related to 2023 ESOP.

\* For identification purposes only



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## **LETTER FROM THE BOARD**

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This circular is issued in relation to the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting to be held at 2:00 p.m., 3:00 p.m. and 4:00 p.m. respectively on Friday, 16 June 2023 at the Company's Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the PRC.

### **2. PROPOSAL IN RELATION TO A GENERAL MANDATE FOR THE BOARD TO ISSUE A SHARES AND H SHARES**

The Issuance Mandate is proposed to be granted to Directors pursuant to a special resolution set out in the notice of the AGM to allot, issue and deal with additional Shares not more than 20% of each of A Shares and H Shares in issue when the resolution is approved at the AGM in the share capital of the Company. As at the Latest Practicable Date, the total number of issued share capital of the Company was 8,505,631,977 shares, including 6,186,855,977 A Shares and 2,318,776,000 H Shares. According to the Hong Kong Listing Rules, the power granted to Directors pursuant to the special resolution set out in the notice of the AGM will continue in effect until the end of the next AGM or an earlier date specified in such resolution.

None of the Directors intends to procure the Company to allot or issue any additional shares pursuant to the Issuance Mandate, subject to Shareholders' approval of the general mandate. However, the Directors are of the view that the general mandate from Shareholders for Directors to issue additional shares is in the best interest of the Company and its Shareholders.

### **3. PROPOSAL IN RELATION TO A GENERAL MANDATE FOR THE BOARD TO REPURCHASE A SHARES AND H SHARES**

#### **A Share Repurchase Mandate**

The Company Law (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered share capital; (b) merging with another entity holding its shares; (c) utilising shares for an employee stock ownership plan or a share incentive; (d) making the repurchase at the request of its shareholders who disagree with shareholders' resolutions in connection with a merger or spin-off; (e) utilising shares for converting the convertible corporate bonds in issue from listed companies; or (f) safeguarding its value and its shareholders' interests as a listed company, when necessary. The Mandatory Provisions, which the Company has incorporated in its Articles of Association, provide that share repurchases may be effected by a joint stock limited company listed outside the PRC for the purpose of reducing its share capital or in connection with a merger between itself and another entity that holds its shares or in circumstances permitted by laws or administrative regulations subject to obtaining the approval of the relevant regulatory authorities and compliance with its articles of association.

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## LETTER FROM THE BOARD

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The PRC laws and regulations and the SSE Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the directors to repurchase the A shares of such company that are listed on the Shanghai Stock Exchange. Such mandate is required to be given by way of a special resolution passed by shareholders in a general meeting and special resolutions passed by holders of A shares and H shares in separate class meetings.

A special resolution will be proposed at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting to grant to the Board the A Share Repurchase Mandate and the H Share Repurchase Mandate, details of which will be set out in the notices of the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting. The A Shares which may be repurchased pursuant to the A Share Repurchase Mandate shall not exceed 10% of the number of A Shares in issue as at the date of passing the resolution(s) approving the A Share Repurchase Mandate.

The A Share Repurchase Mandate would expire on the earlier of (a) the conclusion of the next AGM of the Company following the passing of the relevant special resolution(s) at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting; (b) the expiration of a period of twelve months following the passing of the relevant special resolution(s) at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting; or (c) the date on which the authority conferred by the relevant special resolution(s) is revoked or varied by a special resolution of the Shareholders at a general meeting or by the H Shareholders or the A Shareholders at their respective class meetings.

Upon approval of the A Share Repurchase Mandate at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting, such repurchase shall be implemented in accordance with PRC laws and regulations, the Articles of Association and the SSE Listing Rules.

### **H Share Repurchase Mandate**

The Company Law (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered share capital; (b) merging with another entity holding its shares; (c) utilising shares for an employee stock ownership plan or a share incentive; (d) making the repurchase at the request of its shareholders who disagree with shareholders' resolutions in connection with a merger or spin-off; (e) utilising shares for converting the convertible corporate bonds in issue from listed companies; or (f) safeguarding its value and its shareholders' interests as a listed company, when necessary. The Mandatory Provisions, which the Company has incorporated in its Articles of Association, provide that share repurchases may be effected by a joint stock limited company listed outside the PRC for the purpose of reducing its share capital or in connection with a merger between itself and another entity that holds its shares or in circumstances permitted by laws or administrative

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## LETTER FROM THE BOARD

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regulations subject to obtaining the approval of the relevant regulatory authorities and compliance with its articles of association. H Shares repurchased under this general mandate shall only be cancelled and hence the registered capital of the Company shall be reduced accordingly.

The PRC laws and regulations and the Hong Kong Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the directors to repurchase the H shares of such company that are listed on the Hong Kong Stock Exchange. Such mandate is required to be given by way of a special resolution passed by shareholders in a general meeting and special resolutions passed by holders of A shares and H shares in separate class meetings.

As H Shares are traded on the Hong Kong Stock Exchange in Hong Kong dollars and the price payable by the Company upon any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the approval of authorised foreign exchange administrative authorities (if applicable) for the repurchase of H Shares is required. Besides, in addition to the filing of Next Day Disclosure Return after the Company has made any repurchase of its H Shares to comply with the applicable Hong Kong Listing Rules requirements, the Company shall also make a filing with the CSRC following its share repurchase, if applicable.

In accordance with the requirements of Article 29 of the Articles of Association applicable to share capital reduction, the Company will have to notify its creditors of the passing of the resolution for the reduction of the registered capital of the Company within 10 days after the passing of such resolution and publish a press announcement in the newspaper within 30 days after the passing of the resolution. Creditors then have a period of up to 30 days after the Company's written notification or if no such notification has been received, up to 45 days after the publication of the press announcement to require the Company to repay any amounts due to them or to provide guarantees in respect of such amounts.

Accordingly, approval is being sought from the Shareholders for a general mandate to repurchase H Shares in issue. In accordance with the legal and regulatory requirements described herein, the Directors will convene the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting. A special resolution will be proposed at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting to grant to the Board the H Share Repurchase Mandate, details of which will be set out in the notices of the AGM and the H Shareholders' Class Meeting. The H Shares which may be repurchased pursuant to the H Share Repurchase Mandate shall not exceed 10% of the number of H Shares in issue as at the date of passing the proposed resolution(s) approving the H Share Repurchase Mandate.

The H Share Repurchase Mandate will be conditional upon the satisfaction of the following conditions:

- (a) the passing of the special resolution for the grant of the H Share Repurchase Mandate at each of the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting;

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## LETTER FROM THE BOARD

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- (b) the securing of approvals from all regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
- (c) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of its creditors (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 29 of the Articles of Association as described above. If the Company determines to repay any amount to any of its creditors in circumstances described under this condition (c), it is expected to do so out of its internal funds.

If the above conditions are not fulfilled, the H Share Repurchase Mandate will not be exercised by the Directors.

The H Share Repurchase Mandate would expire on the earlier of (a) the conclusion of the next AGM of the Company following the passing of the relevant special resolution(s) at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting; (b) the expiration of a period of twelve months following the passing of the relevant special resolution(s) at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting; or (c) the date on which the authority conferred by the relevant special resolution(s) is revoked or varied by a special resolution of the Shareholders at a general meeting or by the H Shareholders or the A Shareholders at their respective class meetings.

Specific authorization for the Board to handle the repurchase of A Shares and H Shares: that a mandate be granted for any Director of the Company to act on behalf of the Board, based on the Company's needs and market conditions and subject to obtaining approval from relevant regulatory authorities and compliance with laws, administrative regulations and the Articles of Association, to make timely decision on matters relating to the repurchase of H Shares not exceeding 10% of the total number of issued H Shares of the Company as at the date of passing this resolution and A Shares not exceeding 10% of the total number of issued A Shares of the Company as at the date of passing this resolution during the period of the relevant mandate (including but not limited to determining the timing, quantity and price of share repurchase, opening overseas securities account and going through the corresponding procedures for changes of foreign exchange registration, informing creditors and making announcement, cancelling the repurchased shares, reducing the registered capital, amending the Articles of Association, and going through procedures for changes of registration and executing and handling other documents and matters related to the share repurchase).

An explanatory statement containing certain information regarding the A Share Repurchase Mandate and the H Share Repurchase Mandate is set out in Appendix I to this circular.

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## LETTER FROM THE BOARD

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### 4. PROFIT DISTRIBUTION PROPOSAL FOR THE YEAR 2022

In accordance with the Listed Companies Regulatory Guidance No. 3 – Cash Dividends Distribution of Listed Companies (《上市公司監管指引第3號 – 上市公司現金分紅》) issued by the CSRC, Guidelines for Self-Regulation of Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operation (《上海證券交易所上市公司自律監管指引第1號–規範運作》), the Articles of Association and the Hong Kong Listing Rules, the Company formulated the profit distribution proposal for the year 2022 based on the actual circumstances:

Based on the audit results of the financial report of the Company for the year 2022 from Deloitte Touche Tohmatsu Certified Public Accountants LLP, the net profit of the Company attributable to shareholders of the parent company was RMB8,266,041,808.18 in 2022 and the undistributed profits of the Company amounted to RMB49,176,813,140.82 as at 31 December 2022.

The Company proposes to distribute annual cash dividends for the year ended 31 December 2022 to all of the Shareholders in an amount of RMB0.3 (tax inclusive) per share with the total share capital of the Company as at the record date for the profit distribution less the total number of shares in the specific securities account for repurchase of the Company as the basis of cash dividend distribution.

According to the Guidelines for Self-Regulation of Listed Companies of the Shanghai Stock Exchange No. 7 – Share Repurchase and other relevant regulations, shares in the specific account for repurchase of listed companies are not entitled to profit distribution.

As at the Latest Practicable Date, the Company's specific account for repurchase holds 40,000,043 A Shares of the Company. Should there be changes in the specific account for repurchase due to repurchase for equity incentive or other reasons, the shares of the Company actually held in the specific account for repurchase shall not participate in the profit distribution herein.

All H Shareholders whose names appear on the H Share register of members of the Company maintained at Computershare Hong Kong Investor Services Limited at the close of business at 4:30 p.m. on Wednesday, 5 July 2023, shall be entitled to the cash dividend. The record date for the cash dividend entitlement of the A Shareholders will be determined after the general meeting.

If there is any change in the total share capital of the Company between the date of disclosure of this proposal and the record date of the profit distribution, the Company will maintain the amount of distribution per share and adjust the total amount of distribution accordingly. In the event of subsequent changes in the total share capital of the Company, specific adjustments will be announced separately.

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## LETTER FROM THE BOARD

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Upon obtaining approval at the forthcoming AGM, the H Share dividends will be paid on or about Friday, 28 July 2023 to the Shareholders whose names appear on the H Share register of members of the Company as at the close of business on Wednesday, 5 July 2023. The H Share register of members of the Company will be closed from Saturday, 1 July 2023 to Wednesday, 5 July 2023 (both days inclusive), during which no transfer of H Shares will be registered. In order for H Shareholders to qualify for the proposed dividends, all the share transfer documents accompanied by the relevant instructions must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration, no later than 4:30 p.m. on Friday, 30 June 2023.

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the Rules of the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) (collectively, "**Enterprise Income Tax Law**"), which took effect on 1 January 2008 and the Notice of the State Administration of Taxation on Issues Relevant to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Resident Enterprises to Offshore Non-resident Enterprise Holders of H Shares (Guo Shui Han [2008] No. 897) (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated on 6 November 2008 by the State Administration of Taxation, when the Company distributes the annual dividends to non-resident enterprise Shareholders whose names appear on the H Share register of members of the Company, the Company is required to withhold and pay on behalf of such Shareholders an enterprise income tax at the rate of 10%. Any shares registered in the name of a non-individual Shareholder, including Hong Kong Securities Clearing Company Nominees Limited, other nominee or trustee, or other organisation and group, are deemed to be shares held by non-resident enterprise Shareholders. As such, the dividends that he or she is entitled to are subject to the enterprise income tax.

Any natural person investors whose H Shares are registered under the name of any such non-individual Shareholders and who do not wish to have the said 10% enterprise income tax to be withheld by the Company may consider transferring the legal title of the relevant H Shares into his or her name and lodge all relevant H Share certificates together with the transfer documents with the H Share registrar of the Company for registration of transfer. For any resident enterprise (as defined in the Enterprise Income Tax Law) whose name appears on the H Share register of members of the Company and which is duly established in the PRC or under the laws of a foreign country (or a region) but with a de facto management body within the PRC and does not wish to have the said 10% enterprise income tax to be withheld by the Company, please provide Computershare Hong Kong Investor Services Limited with the proof of qualification for being a resident enterprise incorporated in the PRC (such term shall have the meaning as defined under the relevant tax rules and regulations of the PRC) on or before Friday, 30 June 2023.

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## LETTER FROM THE BOARD

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The Company will strictly comply with the laws and the requirements of relevant government departments and will withhold and pay the enterprise income tax on behalf of its Shareholders whose names appear on the H Share register of members of the Company on the record date. The Company will take no responsibility and will reject any requests from Shareholders whose identities cannot be confirmed within the specified period or cannot be confirmed at all, nor will the Company handle any disputes arising from the arrangement of withholding tax in respect of these Shareholders. However, the Company may provide assistance to the extent of its ability as appropriate.

The above requirements are not applicable to the income tax regulations on dividends received by individual investors and enterprise investors in Mainland China who invest in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

According to the relevant requirements of the Notice on the Tax Policies Concerning the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) and the Notice on the Tax Policies Concerning the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》) jointly published by the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission, the Company shall withhold an individual income tax at the rate of 20% on dividends derived from investing in H Shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect by mainland individual investors. As to the withholding tax having been paid abroad, an individual investor may file an application for tax credit with the competent tax authority of China Securities Depository and Clearing Corporation Limited with an effective credit document. Reference shall be made to individual income tax regulations for dividends received by mainland securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. Dividends received by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to enterprise income tax. The Company shall not withhold income tax on dividends to mainland enterprise investors who shall report and pay their income tax on their own.

As of 31 December 2022, as for the dividends for 2021 distributed by the Company, there were 61 cases of unclaimed dividends, amounting to HK\$28,478.84.

The above arrangement is not applicable to the distribution of dividends to A Shareholders.

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## LETTER FROM THE BOARD

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### **5. OPERATING STRATEGIES OF THE COMPANY FOR THE YEAR 2023**

An ordinary resolution will be proposed at the AGM to consider and approve the operating strategies of the Company for the year 2023. The operating strategies of the Company for the year 2023 are as follows: “Great Wall Motor will always regard meeting customer needs as its mission, maintain its strategic positioning on intelligence and new energy, and adhere to its global development strategy. Great Wall Motor will accelerate its return to the “four main arenas” – main product categories, main prices, main grades and main styles, and integrate marketing, services, integrated product development and supply chain to establish end-to-end business processes, so as to facilitate the achievement of business goals.”

### **6. RE-APPOINTMENT OF AUDITOR**

An ordinary resolution will be proposed at the AGM to consider and approve the re-appointment of Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Company’s external auditor for the year ending 31 December 2023, for the audit and review of the financial statements and audit of internal control of the Company (the term of such re-appointment shall commence from the date on which the relevant resolution is passed until the date of the convening of 2023 AGM) and to authorise the Board to fix its remunerations of no more than RMB3.5 million.

### **7. ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS**

As the three-year term of office of the seventh session of the Board will expire on 11 June 2023, pursuant to Article 125 of the Articles of Association, all incumbent Directors will retire from office.

As the term of office of the seventh session of the Board will expire on 11 June 2023, the members of the Board shall be re-elected.

Pursuant to the Articles of Association and as nominated by Baoding Innovation Great Wall Asset Management Company Limited (being a Shareholder of the Company), Mr. Wei Jian Jun, Mr. Zhao Guo Qing and Ms. Li Hong Shuan, being executive Directors, and Mr. He Ping, being a non-executive Director, will be eligible for re-election at the forthcoming AGM to be held on 16 June 2023. As recommended by the Board, Ms. Yue Ying, being an independent non-executive Director, will be eligible for re-election at the forthcoming AGM to be held on 16 June 2023. Mr. Li Wan Jun and Mr. Ng Chi Kit, being independent non-executive Directors, will not offer themselves for re-election. The Board proposes to appoint Mr. Fan Hui and Mr. Tom Siulun Chau as independent non-executive Directors to replace Mr. Li Wan Jun and Mr. Ng Chi Kit, respectively.



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## LETTER FROM THE BOARD

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Pursuant to Article 125 of the Articles of Association, where the term of office of a Director expires but re-election is not made accordingly, the said Director shall continue to discharge his/her duties as a Director pursuant to the laws, administrative regulations, departmental rules and the Articles of Association until a newly elected Director takes office.

The proposed eighth session of the Board will comprise seven Directors. Mr. Wei Jian Jun, Mr. Zhao Guo Qing and Ms. Li Hong Shuan, being the executive Directors; Mr. He Ping, being a non-executive Director; and Ms. Yue Ying, being an independent non-executive Director, will retire from office and offer themselves for re-election. Mr. Fan Hui and Mr. Tom Siulun Chau offer themselves for election and will be appointed as independent non-executive Directors.

The Board has adopted a nomination policy, setting out the standards and procedures for nomination and appointment of directors, to ensure the members of the Board have the knowledge, experience and diversity that meet the Company's requirements and to ensure the continuity of the Board and maintain its leadership, for the nomination of candidates for directorship of the Company by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the Company's needs and other relevant statutory requirements and regulations.

The Nomination Committee shall consider candidates on merit against objective criteria and with due regard for the benefits of diversity of the Board in identifying suitable candidates for independent non-executive Directors. The Nomination Committee considers many factors in assessing the suitability of a candidate, including but not limited to: (i) reputation for integrity; (ii) experience in relevant industry and/or business strategies, management, legal and financial fields; (iii) whether the candidate is able to assist the Board in effective performance of the responsibilities; (iv) perspectives, skills and experience that the candidate can contribute to the Board; (v) diversity in a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service; (vi) long-term objectives of the Group; and (vii) the independence of such candidate with reference to, among other things, the requirements as set out in Rule 3.13 of the Hong Kong Listing Rules. The ultimate decision will be based on merit and contribution that the selected candidates may bring to the Board. The Nomination Committee has assessed and reviewed the written confirmation of independence of each of Ms. Yue Ying, Mr. Fan Hui, and Mr. Tom Siulun Chau based on the independence criteria as set out in Rule 3.13 of the Hong Kong Listing Rules, and is satisfied that each of Ms. Yue Ying, Mr. Tom Siulun Chau and Mr. Fan Hui is still independent in accordance with Rule 3.13 of the Hong Kong Listing Rules.

The Nomination Committee is also of the view that Ms. Yue Ying, Mr. Fan Hui, and Mr. Tom Siulun Chau can contribute to the diversity of the Board members, especially with their diverse educational backgrounds and experience in providing professional consulting services to multiple other listed companies on the SSE and the Hong Kong Stock Exchange.

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## **LETTER FROM THE BOARD**

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As the three-year term of office of the seventh session of the Supervisory Committee will also expire on 11 June 2023, pursuant to Article 148 of the Articles of Association, all incumbent Supervisors will retire from office.

Pursuant to Article 151 of the Articles of Association, where the term of office of a Supervisor expires but re-election is not made accordingly or if any Supervisor resigns during his/her term of office resulting in the number of members of the Supervisory Committee being less than the quorum, the said Supervisor shall continue to discharge his/her duties as a Supervisor pursuant to the laws, administrative regulations and the Articles of Association until a newly elected Supervisor takes office. The AGM and the employee representative meeting will be convened on 16 June 2023 to elect independent Supervisors and employee representative Supervisors of the eighth session of the Supervisory Committee.

The proposed eighth session of the Supervisory Committee shall comprise three Supervisors, including one employee representative Supervisor. The employee representative Supervisor shall be elected at the employee representative meeting of the Company while the independent Supervisors shall be elected at the AGM. Ms. Lu Cai Juan, the employee representative Supervisor, will retire from office and offer herself for re-election at the employee representative meeting. Ms. Liu Qian and Mr. Ma Yu Bo, the independent Supervisors, will retire from office and offer themselves for re-election at the AGM.

The biographical details of the Director candidates and independent Supervisor candidates are set out in Appendix II and Appendix III respectively to this circular. The biographical details of Ms. Lu Cai Juan, the employee representative Supervisor candidate, are set out in Appendix IV to this circular.

### **8. AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

To ensure that the Company's Articles of Association meet the requirements for core shareholder protection standards set out in Appendix III of the Hong Kong Listing Rules, the Board of the Company proposes to amend relevant provisions in the Articles of Association. For a detailed comparison table of the amendments to the Articles of Association, please refer to Appendix V of this circular.

### **9. ACCUMULATIVE VOTING SYSTEM**

In accordance with Article 93 of the Articles of Association, the accumulative voting mechanism shall be implemented provided that the number of Directors/Supervisors proposed to be elected exceeds two.

For the accumulative voting mechanism, each Share held shall have the same number of votes as the number of Directors/Supervisors to be elected under each proposal group in the proposal. The Shareholders may cast all their votes on one candidate or split them on a few

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## LETTER FROM THE BOARD

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candidates. Voting of Shareholders shall be confined to the number of votes to which they are entitled in respect of each proposal group. The election of Directors/Supervisors shall be carried out separately and the number of accumulative votes shall not be used interchangeably.

### **10. PROPOSED ADOPTION OF 2023 ESOP (REVISED DRAFT)**

The principal terms of the ESOP are set out as follows:

#### ***10.1 Purposes of the ESOP***

- (I) To further improve the corporate governance structure, improve the Company's long-term incentive and restraint mechanism, and ensure the Company's long-term, stable and healthy development;
- (II) To improve mechanisms for sharing benefits between workers and owners, align the long-term interests of the Company, Shareholders, and employees, and promote the Company's long-term and sustainable development, so as to bring returns to Shareholders; and
- (III) To attract and to retain outstanding management and business key staffs, meet the Company's demand for core technical talents and management talents through comprehensive and accurate coverage of high-value positions and key talents, establish the Company's human resources advantages, further stimulate the Company's innovation vitality, and inject new impetus into the sustained and rapid development of the Company.

#### ***10.2 Participants and Determination Criteria***

##### ***I. Legal Basis for Determining Participants***

The Participants of this ESOP are determined by the Company in accordance with the provisions of the Company Law, the Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, regulations, normative documents and the Articles of Association, and with consideration of the actual situations.

##### ***II. Determination of the Scope of Participants***

Participants under the ESOP shall be either:

- (I) Directors (excluding independent Directors), Supervisors and senior management of the Company; or
- (II) core management and key employees.

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## LETTER FROM THE BOARD

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All the Participants must have entered into labor contracts or employment contracts with the Company or its subsidiaries during the term of the ESOP.

Qualified employees' participation in the ESOP complies with the principles of lawfulness, voluntary participation and self-bearing of risk. There is no apportionment, forced allocation or other circumstances in which employees are forced to participate in the ESOP. The Company will decide the short list of Participants from qualified employees.

### *III. Verification of Participants*

The Supervisory Committee of the Company shall verify the list of Participants and state the verification results at the general meeting. The lawyers engaged by the Company shall issue their legal opinions on whether the qualifications and other conditions of the Participants comply with the Company Law, the Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, administrative regulations, rules, normative documents and the Articles of Association as well as the ESOP.

### *IV. Allocation under the ESOP*

The total number of Participants of the ESOP shall be no more than 3,640, among which 2 are Directors (excluding independent Directors), Supervisors or senior management of the Company, and 3,638 are other employees in aggregate.

The ESOP is held in units, with 1 unit for 1 share. The number of Underlying Shares under the ESOP will be no more than 40,000,043 shares.

The Participants of the ESOP and the allocation of shares are as follows:

| <b>No.</b> | <b>Participants</b>  | <b>Shares to be allocated (shares)</b> | <b>Proportion to the total ESOP shares proposed to be allocated</b> |
|------------|--|--|---|
| 1          | Li Hong Shuan (executive Director, chief financial officer, joint company secretary, and the secretary to the Board) and Lu Cai Juan (chairman of the Supervisory Committee) | 117,000                                | 0.29%   |
| 2          | 3,638 core management and key employees  | 39,883,043                             | 99.71%  |
| 3          | Total  | <b>40,000,043</b>                      | <b>100%</b>   |

*Note:* The final number of Participants and the allocation under the ESOP shall be subject to the actual implementation.

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## LETTER FROM THE BOARD

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Upon completion of the implementation of the ESOP, the total number of all valid shares held under the ESOP of the Company will not exceed 10% of the total share capital of the Company in aggregate, and the total number of shares corresponding to the equity interest in shares of any individual Participant shall not exceed 1% of the total share capital of the Company in aggregate. The total number of the shares held under the ESOP does not include the shares acquired by Participants prior to the initial public offering for listing, the shares purchased by Participants on secondary market, and the shares acquired by Participants through equity incentives.

No Shareholders holding more than 5% of the Company's shares or de facto controller participate in the ESOP.

If the Participants fail to pay the subscription funds on time and in full, they shall be deemed to have automatically waived the subscription rights of corresponding shares. The Board may: (1) adjust the size of the Participants of the ESOP and the actual number of the Underlying Shares to be transferred; or (2) directly grant such equity interest in shares to other qualified employees without adjusting the size of the Participants of the ESOP.

### *10.3 Source of Funds, Source and Number of Underlying Shares, Transfer Price*

#### *I. Source of Funds for the ESOP*

The source of funds for the ESOP shall be the legitimate salary of the employees, their self-raised funds and funds raised from other sources as permitted under relevant laws and regulations.

Participants of the ESOP shall pay the subscription amount in full and on time, and the payment schedule of the ESOP will be notified and arranged by the Company. Any Holder who fails to pay the subscription amount on time and in full will automatically lose his/her corresponding right of subscription.

#### *II. Source and Number of Underlying Shares*

##### **(I) Source of Underlying Shares**

The shares of the ESOP come from the ordinary A shares of Great Wall Motor repurchased in the Company's special securities account for repurchase. After the ESOP is considered and approved by the general meeting, repurchased shares of the Company will be transferred to the ESOP through non-trading transfer and other methods permitted by laws and regulations.

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## LETTER FROM THE BOARD

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On 15 July 2022, the Company held the 44th meeting of the seventh session of the Board and the 40th meeting of the seventh session of the supervisory committee of the Company, at which the Plan on Repurchase of A Shares by Way of Centralized Bidding was considered and approved, pursuant to which the Company can use its own funds to repurchase the Company's shares through centralized bidding, with a repurchase amount not less than 10 million shares (inclusive) and not more than 15 million shares (inclusive). For details, please refer to the Announcement on Plan for Repurchase of A Shares through Centralized Price Bidding published by the Company on 15 July 2022. As of 15 September 2022, the Company had repurchased 12,000,089 A shares in aggregate through the special securities account for repurchase through centralized bidding, accounting for 0.13% of the Company's total share capital. The highest repurchase price was RMB35.04 per share, the lowest repurchase price was RMB30.22 per share, and the average repurchase price was RMB32.71 per share, with a total amount of funds used of RMB392,565,200 (net of transaction expenses). The repurchase plan has been completed.

On 14 October 2022, the Company held the 51st meeting of the seventh session of the Board and the 44th meeting of the seventh session of the supervisory committee of the Company, at which the Plan on Repurchase of A Shares by Way of Centralized Bidding was considered and approved, pursuant to which the Company can use its own funds to repurchase the Company's shares through centralized bidding, with a repurchase amount not less than 20 million shares (inclusive) and not more than 40 million shares (inclusive). For details, please refer to the Announcement on Plan for Repurchase of A Shares through Centralized Price Bidding published by the Company on 16 October 2022. As of 21 February 2023, the Company had repurchased 27,999,954 A shares in aggregate through the special securities account for repurchase through centralized bidding, accounting for 0.32% of the Company's total share capital. The highest repurchase price was RMB31.00 per share, the lowest repurchase price was RMB27.60 per share, and the average repurchase price was RMB29.35 per share, with a total amount of funds used of RMB821,854,000 (net of transaction expenses). The repurchase plan has been completed.

### **(II) Number of Underlying Shares**

The number of Underlying Shares under the ESOP shall be no more than 40,000,043 shares, representing 0.471% of the total share capital of the Company. The final number of shares held by the ESOP shall be subject to the actual number of shares transferred, and the Company will fulfill information disclosure obligations according to the requirements of relevant laws and regulations in a timely manner.

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## LETTER FROM THE BOARD

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During the period between the pricing reference date and the date on which the shares repurchased by the Company are transferred to the ESOP through non-trading transfer or other methods permitted by laws and regulations, in the event of any ex-rights or ex-dividend matters of the Company, such as conversion of capital reserve into share capital and distribution of shares or dividends, the number and price of the Underlying Shares shall be adjusted accordingly. After the ESOP is approved at the general meeting, the ESOP shall receive the Underlying Shares from the Company's special securities account for share repurchase through non-trading transfer or other methods permitted by laws and regulations.

### *III. Description of Transfer Price, Pricing Basis and the Reasonableness of Price*

#### **(I) Transfer Price and Pricing Basis**

The ESOP shall transfer the ordinary A shares repurchased by the Company through non-trading transfer and other methods permitted by laws and regulations. The transfer price is RMB13.82 per share, which is 50% of average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft).

The transfer price shall not be lower than the nominal value of the shares and shall not be lower than the higher of the following:

- (1) 50% of the average trading price of the Company's shares on the trading day preceding the announcement of the ESOP (Revised Draft), being RMB13.09 per share;
- (2) 50% of the average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft), being RMB13.82 per share.

In the event of any ex-rights or ex-dividend matters of the Company, such as distribution of dividends or shares, conversion of capital reserve into share capital, during the period from the pricing reference date to the date of transferring the Underlying Shares to the ESOP, the above transfer price shall be adjusted accordingly.

#### **(II) Explanation on the Reasonableness of Price**

In recent years, the competition in the industry in which the Company operates has been increasingly intense despite new development opportunities being emerging. How to achieve better results in the fierce industry competition depends on the quality and competence of the Company's talents to a large extent. On top of the existing remuneration and incentive system, the Company further improves the long-term incentive mechanism making the interests of employees aligned with that

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## LETTER FROM THE BOARD

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of Shareholders, which is conducive to fully mobilizing the initiative, enthusiasm and creativity of existing employees, and also attracting high-skilled talents in the industry to join the Company and enhancing its core competitiveness.

The Participants to the ESOP include directors, supervisors, senior management, core management and key employees of the Company, all of whom are the key employees in the strategic development and industrial layout of the Company and play a vital role in the overall performance and long-term sustainable and stable development of the Company. With reference to relevant regulations and market practices and taking into consideration the development trend of the industry and the actual operation situation of the Company, the Company determined that the transfer price of the ESOP is RMB13.82 per share.

Targets of the Company's performance appraisal and individual performance appraisal have been set based on the principle of reciprocity between incentive and restraint. The equities will be unlocked in tranches and can only be unlocked if the targets of the Company's performance appraisal and individual performance appraisal have been achieved. The performance appraisal target of the Company is set to be challenging, and the gains of the Participants depend on the achievement of the future performance of the Company, which ensures that the long-term interests of employees and Shareholders are aligned, so that it will bring positive impact on the achievement of the Company's development goals and the rights and interests of all Shareholders, and will not prejudice the interests of the Company and its Shareholders as a whole.

Based on the foregoing, the pricing principle of the ESOP is in line with the actual incentive needs of the Company, which can further stimulate the enthusiasm and potential of the Company's employees, and promote the sustainable and stable development of the Company, thus is considered reasonable and scientific and is aligned with the basic principle that Participants "shall be responsible for their own profits and losses, bear their own risks, and have equal rights with other investors".

### ***10.4 Duration, Lock-Up Period, Performance Appraisal and Trading Restrictions***

#### ***I. Duration***

- (I) The term of the ESOP shall be 36 months commencing from the date on which the ESOP is considered and approved at the general meeting and the Company announces the last tranche of the Underlying Shares has been transferred to the ESOP.
- (II) The term of the ESOP may be extended before the expiry of the term of the ESOP, as agreed by the Holders holding more than two-thirds (inclusive) of the total units and attending the Holders' Meeting, and as considered and approved by the Board.



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## LETTER FROM THE BOARD

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### *II. Lock-up periods*

The lock-up period of the ESOP is 12 months commencing from the date when the Company announces the registration of the transfer of the last tranche of the Underlying Shares to the ESOP. The equity of Underlying Shares held shall be unlocked in two tranches. The time point of unlocking is 12 months and 24 months respectively from the date of the Company's announcement of the registration of the transfer of the last tranche of the Underlying Shares to the ESOP, and the proportion of the Underlying Shares to be unlocked for each tranche is 50% and 50%, respectively. The actual proportion and number of shares to be unlocked for each tranche are determined according to the Company's performance and the results of the individual performance of the Participants.

Regarding the Underlying Shares transferred to the ESOP, the shares derived from the situations including distribution of dividends and the capitalization of capital reserves of the Company, etc. shall also be subject to the above-mentioned lock-up arrangements.

### *III. Performance Appraisal of the ESOP*

#### **(I) Company-level performance appraisal**

The ESOP is based on two accounting years from 2023 to 2024 as the performance appraisal years, and the proportion to be unlocked at the company level is determined according to the completion of the Company's performance targets in each appraisal year. The performance appraisal indicators for each year are shown in the table below:

| <b>Selection of performance indicators</b> | <b>Sales volume</b>   | <b>Net profit</b>  |
|--|---|--|
| Weights of performance indicators          | 55%   | 45%  |
| Completion rate of performance targets (P) | $\sum$ (actual value of performance indicator/target value of performance indicator) $\times$ weight of performance indicator |  |
| First unlocking period                     | The sales volume of automobiles of the Company shall not be less than 1.60 million units in 2023                              | The net profit shall not be less than RMB6 billion in 2023 |

## LETTER FROM THE BOARD

| Selection of performance indicators | Sales volume   | Net profit   |
|-------------------------------------|--|--|
| Second unlocking period             | The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2024 | The net profit shall not be less than RMB7.2 billion in 2024 |

*Note:* The “net profit” mentioned above refers to the audited net profit attributable to shareholders of the listed company. The “sales volume” mentioned above refers to the annual sales volume as disclosed in the annual report of the Company.

| Completion rate of performance targets (P) | Unlocking proportion at company level (X) |
|--|---|
| $P \geq 100\%$                             | $X=100\%$                                 |
| $80\% \leq P < 100\%$                      | $X=P$                                     |
| $P < 80\%$                                 | $X=0$                                     |

If the company-level performance appraisal indicators meet the unlocking conditions, the equity interest in Underlying Shares for such unlocking period will be unlocked in proportion accordingly. The portion that is not unlocked shall be recovered by the Management Committee. If the company-level performance appraisal indicators fail to meet the unlocking conditions, the equity interest in Underlying Shares for such unlocking period shall not be unlocked, and shall be recovered by the Management Committee. The recovery price of the above equity interest that is not unlocked shall be equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period. The amount of recovery price shall be returned to the Holders after the corresponding Underlying Shares are disposed of as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

### (II) Individual-level performance appraisal

The ESOP will assess unlocking proportion of individual (N) in accordance with the results of the individual-level performance appraisal, with details as follows:

| Annual performance appraisal results      | A    | B    | C   | D  | E  |
|---|------|------|-----|----|----|
| Individual-level unlocking proportion (N) | 100% | 100% | 80% | 0% | 0% |

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## LETTER FROM THE BOARD

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Subject to the achievement of the above-mentioned company-level performance appraisal indicators, the actual amount of the Underlying Share equity to be unlocked by the Participants for the period = the amount of Underlying Share equity to be unlocked by the Participants for the period × the company-level unlocking proportion (X) × the individual-level unlocking proportion (N).

The equity interest in Underlying Share that cannot be unlocked due to the results of the individual-level performance appraisal shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and returned the amount of recovery price to the Holders after disposing the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

#### *IV. Trading restrictions of the ESOP*

The implementation of ESOP will strictly abide by the market trading rules, and comply with the provisions of the CSRC and the SSE on the prohibition of trading of stocks during the sensitive period of information. No person is permitted to engage in insider trading, market manipulation and other securities fraud through the ESOP. The ESOP shall not deal in the shares of the Company during the following periods:

- (I) within 60 days preceding the announcement of the Company's annual report, 30 days preceding the announcement of the semi-annual report and quarterly report, if the date of the annual report is postponed due to special reasons, it shall be from 60 days preceding the original announcement date to the date of publication of the announcement; if the announcement date of the semi-annual report and quarterly report is postponed due to special reasons, it shall be from 30 days preceding the original announcement date of the semi-annual report and quarterly report to the date of publication of the announcement;
- (II) within 10 days preceding the announcement of results forecast or preliminary results of the Company;
- (III) from the date of a major event which may have a material impact on the trading price of the shares or derivatives of the Company or during the relevant decision-making process until the date of the legal disclosure thereof; and
- (IV) other periods as may be required by the CSRC, the SSE and the Stock Exchange.

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## LETTER FROM THE BOARD

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### ***10.5 Management Model***

The ESOP shall be managed by the Company itself. The Holders' Meeting is the highest internal management authority of the ESOP. The Holders' Meeting shall establish the Management Committee and authorize the Management Committee as the management body of the ESOP to supervise the daily management of the ESOP and exercise Shareholders' rights on behalf of the Holders. The Board is responsible for drafting and amending the Plan and handling other relevant matters of the ESOP within the scope authorized by the general meeting.

### ***10.6 Amendment and Termination of the ESOP and Measures for the Disposition of Holders' Interests***

#### ***I. Amendment to the ESOP***

Any amendment to the ESOP shall be passed by more than two-thirds (inclusive) of the units held by the Holders attending the Holders' Meeting and be submitted to the Board for consideration and approval.

#### ***II. Termination of the ESOP***

- (I) The ESOP will be automatically terminated if it fails to extend upon expiry;
- (II) If all the assets of the ESOP are monetary assets upon the expiry of the lock-up period, the ESOP may be terminated early;
- (III) Subject to the requirements of the policy, the ESOP may be terminated early upon proposal by the Management Committee, the approval by more than two-thirds (inclusive) of the units held by the Holders attending the Holders' Meeting and the submission to the Board for consideration and approval.

#### ***III. Disposition of the Holders' interests***

- (I) Within the term of the ESOP, unless otherwise stipulated in laws, administrative regulations, and departmental rules or upon approval of the Management Committee, the units of the ESOP held by the Holders shall not be transferred, used for guarantee, repayment of debts or other similar disposals.
- (II) Within the lock-up period of the ESOP, the Holders shall not request the distribution of rights and interests of the ESOP.

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## LETTER FROM THE BOARD

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- (III) During the lock-up period, when the Company converts capital reserve into share capital and distributes bonus shares, the newly acquired shares under the ESOP due to the holding of shares of the Company shall be locked up together. The unlocking period of such shares is the same as the corresponding Underlying Shares.
- (IV) Upon expiration of the lock-up period of the ESOP, the Management Committee shall realize the assets under the ESOP successively and distribute them to the Holders in proportion to their units; or the Management Committee shall apply to the securities depository and clearing institution to transfer the Underlying Shares to the personal account of the Holders according to the proportion of their units pursuant to the requirements of relevant laws and regulations for the Holders to dispose at their own discretion.
- (V) If all Underlying Shares held under the ESOP are sold and the liquidation and distribution of the assets under the ESOP have been completed according to the preceding paragraph, the ESOP shall be terminated immediately upon being approved by the Management Committee and filed with the Board.
- (VI) During the term of the ESOP, cash dividends received by the ESOP for holding the Underlying Shares are included in the assets of the ESOP. The Management Committee has the right to decide whether to allocate cash dividends.
- (VII) During the term of the ESOP, if cash or other distributable proceeds are obtained from the sale of the Company's shares held by the ESOP, they shall be used in priority to pay the relevant taxes, transaction costs and other expenses incurred by the ESOP.
- (VIII) Disposal of Interests under the ESOP in Special Circumstances
- (1) During the term of the ESOP, in the event of demotion and removal of any Holder, the Management Committee shall have the right to re-approve the locked units which could be held by such Holder; if the locked units held by the Holder are more than the locked units after reapproval, the Management Committee shall be entitled to recover the surplus units at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company; the Holder may continue to enjoy the unlocked share equity under the ESOP held by him/her.

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## LETTER FROM THE BOARD

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- (2) If any Holder is involved in one of the following circumstances within the term of the ESOP, the units under the ESOP held by the Holder shall remain the same, the unlocking procedures shall be conducted as stipulated in the ESOP, and their individual performance appraisal shall not be included in the unlocking conditions:
  - 1) where the Holder loses working capacity due to work;
  - 2) where the Holder died due to work (his/her legal heirs will inherit and continue to enjoy such share equity and such heirs are not subject to the qualifications to participate in the ESOP).
- (3) If the Holder retires within the term of the ESOP:
  - 1) If the Holder leaves the Company due to retirement, he/she shall continue to enjoy the rights of the unlocked units; the units granted but locked shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and returned the recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.
  - 2) where the Holder is reappointed after his/her retirement, the granted units shall be handled in accordance with the procedures and appraisal conditions as stipulated in the ESOP.
- (4) Where the Holder terminates the employment contract with the Company other than due to (2) and (3) above during the term of the ESOP, the Management Committee has the right to disqualify the Holder from participating in the ESOP, recover all the units held by such Holder (whether unlocked or not) at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

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## LETTER FROM THE BOARD

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- (5) During the term of the ESOP, if one of the following circumstances occurs, the Management Committee has the right to disqualify the Holder from participating in the ESOP, and the Holder shall continue to enjoy the rights of the unlocked units; the units granted but locked shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.
- 1) where the Holder ceases to work in Great Wall Motor but still holds a position within the group due to job rotation;
  - 2) Where the Holder holds a position in a wholly-owned or majority-controlled subsidiary of Great Wall Motor, Great Wall Motor loses control over such subsidiary and the Holder still works in such subsidiary;
  - 3) Other circumstances as determined by the Management Committee.
- (6) During the term of the ESOP, in the event of violation of laws, regulations and bottom lines of the Company or negligence or dereliction of duty by the Holder during his/her term, the Management Committee has the right to disqualify the Holder from participating in the ESOP, recover all the units held by such Holder (whether unlocked or not) at a price equal to the lower of the original contribution for the Underlying Shares corresponding to the units and the selling amount, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company; where significant economic losses and serious harm are caused to the Company, the Company has the right to investigate the legal liability of the Holder.
- (7) If the Holder violates non-competition restrictions after leaving the Company or is found to be involved in the disclosure of business secrets of the Company, serious violation of laws and regulations, cross of the bottom line of Company and other negligence or dereliction of duty, causing serious losses or damaging the reputation of the Company, the

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## LETTER FROM THE BOARD

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Company shall have the right to request the Holder to return all his/her income from the units under the ESOP and reserve the right to hold such Holder liable for legal responsibilities.

- (8) During the term of the ESOP, in the event of other circumstances not expressly agreed in the ESOP or the Management Measures, the disposal of the interests held by the Holder under the ESOP shall be determined by the Management Committee.

For the full text of the ESOP, please refer to Appendix VI to this circular.

### *Reasons and Benefits of the Adoption of the ESOP*

The ESOP aims to enhance the cohesion of employees and the competitiveness of the Company. By adopting the ESOP, the Company is able to further improve the corporate governance structure, improve the Company's long-term incentive and restraint mechanism, ensure the Company's long-term, stable and healthy development, improve mechanisms for sharing benefits between workers and owners, achieve the long-term interests of the Company, shareholders, and employees as a whole, and promote the Company's long-term and sustainable development, so as to bring returns to shareholders. Also, the adoption and implementation of the ESOP can help the Company to attract and retain outstanding management and business key staffs, meet the Company's demand for core technical talents and management talents through comprehensive and accurate coverage of high-value positions and key talents, establish the Company's human resources advantages, further stimulate the Company's innovation vitality, and inject new impetus into the sustained and rapid development of the Company.

The Company considers that the adoption of the ESOP can achieve the above purposes and the terms and conditions of the ESOP are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole. As Participants of the ESOP, Ms. Li Hong Shuan, an executive Director, has abstained from voting on the relevant Board resolutions to approve the ESOP, and Ms. Lu Cai Juan, a Supervisor of the Company, has abstained from voting on the relevant resolutions of the Supervisory Committee to approve the ESOP. Save as disclosed above, no Directors or Supervisors are required to abstain from voting on the relevant Board resolutions or resolutions of the Supervisory Committee for their participation in the ESOP. Saved as disclosed above, no Directors or Supervisors have material interests in the ESOP.

### *Hong Kong Listing Rules Implication*

The ESOP will involve existing A shares repurchased by the Company. The ESOP does not involve any grant of new A shares or options over new A shares or any issuance of new A shares by the Company. As the ESOP only involves existing A shares of the Company, it is subject to Rule 17.12 of Chapter 17 of the Hong Kong Listing Rules.



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## LETTER FROM THE BOARD

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As certain Holders are Directors and Supervisors of the Company and directors, supervisors and chief executives of the subsidiaries of the Company, such Holders' participation in the ESOP shall constitute a connected transaction under Chapter 14A of the Hong Kong Listing Rules. As the applicable percentage ratios (as defined under Hong Kong Listing Rules) on an individual basis are less than 0.1%, thus they are fully exempted from shareholders' approval, annual review and all disclosure requirements. Save for the above fully exempted connected transaction, other Holders' participation in the ESOP does not constitute a connected transaction under Chapter 14A of the Hong Kong Listing Rules.

### **11. PROPOSED ADOPTION OF MANAGEMENT MEASURES FOR 2023 ESOP (REVISED)**

To standardize the implementation of the ESOP, the Management Measures for the ESOP (Revised) is prepared in accordance with the requirements of the Company Law, the Securities Law, the Guiding Opinions, the Self-regulatory Guidelines for the Companies Listed on the Shanghai Stock Exchange No. 1 – Standardized Operation, relevant laws, administrative regulations, rules, normative documents, the Articles of Association and the 2023 ESOP. For the full text of the Management Measures for the ESOP (Revised), please refer to Appendix VII to this circular.

### **12. PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH MATTERS IN RELATION TO 2023 ESOP**

The Board proposed that the general meeting authorizes the Board to handle all matters in relation to the ESOP in full discretion, including but not limited to the following:

- (I) to authorize the Board to handle matters in relation to the establishment, amendment and termination of the ESOP;
- (II) to authorize the Board to make decisions on the term extension of the ESOP;
- (III) to authorize the Board to go through the procedures for the securities accounts and capital accounts involved in the ESOP and to handle all matters concerning the lock-up and unlocking of the shares purchased under the ESOP;
- (IV) upon approval at the general meeting, to authorize the Board to make corresponding adjustments to the ESOP according to new policies in the event of any change to the relevant laws, regulations or policies during the term of implementation;
- (V) to authorize the Board to change the Participants and the determination criteria for the ESOP;
- (VI) to authorize the Board to sign agreements and documents related to the ESOP; and

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## LETTER FROM THE BOARD

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(VII) to authorize the Board to handle other matters necessary for the ESOP, except for those rights to be exercised by the general meeting that are expressly provided in the relevant documents.

The above authorizations shall be valid from the date when the ESOP is considered and approved at the general meeting of the Company to the completion of the implementation of the ESOP. The above-mentioned authorized matters, except for those to be resolved and approved by the Board as expressly required by laws, administrative regulations, rules of the CSRC, the ESOP and the Articles of Association, may be directly handled by the chairman of the Board or any appropriate person authorized by the chairman on behalf of the Board.

### **13. THE AGM AND THE CLASS MEETINGS**

The AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting will be held at 2:00 p.m., 3:00 p.m. and 4:00 p.m. respectively on Friday, 16 June 2023 at the Company's Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the PRC. The notices of convening the AGM and the H Shareholders' Class Meeting are set out on pages 123 to 140 of this circular.

Shareholders of the Company who are Participants of the 2023 ESOP and hold a total of 37,883,320 A shares, representing approximately 0.45% of the total issued shares of the Company as at the Latest Practicable Date, are required to abstain from voting on all the resolutions related to the 2023 ESOP (i.e. the proposed adoption of 2023 ESOP (Revised), the proposed adoption of Management Measures for 2023 ESOP (Revised), and the proposed authorization to the Board to handle matters related to 2023 ESOP) at the AGM. Save as disclosed above, to the best knowledge of the Directors after having made all reasonable enquiries, no other Shareholder is required to abstain from voting on the resolutions at the AGM and the Class Meetings.

### **14. BOOK CLOSURE PERIOD**

In order to determine the list of Shareholders who will be entitled to attend and vote at the AGM and/or the Class Meetings (as the case may be), the H Share register of members of the Company will be closed from Saturday, 10 June 2023 to Friday, 16 June 2023 (both days inclusive), during which no transfer of H Shares will be effected. H Shareholders whose names appear on the H Share register of members of the Company at 4:30 p.m. on Friday, 9 June 2023 shall be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting. In order for the H Shareholders to qualify for attending and voting at the AGM and the H Shareholders' Class Meeting, all completed share transfer documents accompanied by the relevant H Share certificates must be lodged with the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Friday, 9 June 2023.

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## LETTER FROM THE BOARD

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### 15. VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Hong Kong Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to vote at the AGM and the Class Meetings in accordance with the Articles of Association. An announcement on the poll results will be made by the Company after the AGM and the Class Meetings in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules.

H Shareholders who wish to appoint a proxy/proxies to attend the AGM and/or the H Shareholders' Class Meeting are requested to complete and sign the proxy form in accordance with the instructions contained therein, and deliver the forms to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time designated for the commencement of the AGM and/or the H Shareholders' Class Meeting.

### 16. RECOMMENDATION

The Directors believe that the proposed resolutions are either necessary or in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM and to the extent applicable, the Class Meetings.

### 17. ADDITIONAL INFORMATION

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

Yours faithfully,  
By Order of the Board  
**Wei Jian Jun**  
*Chairman*

Baoding, Hebei Province, the People's Republic of China

*In accordance with the Hong Kong Listing Rules, this Appendix serves as an explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the special resolution(s) to be proposed at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting for the grant of the A Share and H Share Repurchase Mandates to the Directors.*

## **A SHARE AND H SHARE REPURCHASE MANDATES**

### **1. Reasons for Repurchasing A Shares and H Shares**

The Directors believe that the flexibility afforded by the A Share and H Share Repurchase Mandates would be beneficial to and in the best interests of the Company and its Shareholders. Such repurchases may, depending on the then market conditions and funding arrangements, lead to an enhancement of the net asset value per Share and/or earnings per Share of the Company. Such repurchases will only be made when the Directors believe that the repurchases of A Shares and H Shares will benefit the Company and its Shareholders.

### **2. Registered Capital**

As at the Latest Practicable Date, the registered capital of the Company was RMB8,505,631,977 comprising 2,318,776,000 H Shares of RMB1.00 each and 6,186,855,977 A Shares of RMB1.00 each.

### **3. Exercise of the A Share and H Share Repurchase Mandates**

Subject to the passing of the relevant special resolution(s) set out in the notice of AGM, the special resolution(s) approving the grant to the Board of the A Share and H Share Repurchase Mandates proposed at the H Shareholders' Class Meeting and A Shareholders' Class Meeting, respectively, the Board will be granted the A Share and H Share Repurchase Mandates until the earlier of (a) the conclusion of the next AGM of the Company following the passing of the relevant special resolution(s) at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting; (b) the expiration of a period of twelve months following the passing of the relevant special resolution(s) at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting; or (c) the date on which the authority conferred by the relevant special resolution(s) is revoked or varied by a special resolution of the Shareholders at a general meeting or by the H Shareholders or the A Shareholders at their respective class meetings (the "**Relevant Period**"). The exercise of the A Share and H Share Repurchase Mandates is subject to (i) the approvals of all the regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and (ii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under the Articles of Association.

The exercise in full of the H Share Repurchase Mandate (on the basis of 2,318,776,000 H Shares in issue as at the Latest Practicable Date provided that no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting) would result in a maximum of 231,877,600 H Shares being repurchased by the Company during the Relevant Period, being the maximum of 10% of the total H Shares in issue as at the date of passing the relevant resolution(s).

The exercise in full of the A Share Repurchase Mandate (on the basis of 6,186,855,977 A Shares in issue as at the Latest Practicable Date provided that no A Shares will be allotted and issued or repurchased by the Company on or prior to the date of the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting) would result in a maximum of 618,685,597 A Shares being repurchased by the Company during the Relevant Period, being the maximum of 10% of the total A Shares in issue as at the date of passing the relevant resolution(s).

#### **4. Funding of Repurchases**

In repurchasing its A Shares and H Shares, the Company intends to apply funds from its internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, regulations and rules of the PRC.

The Company is empowered by its Articles of Association to repurchase its A Shares and H Shares. Any repurchases by the Company may only be made either out of the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of the issuance of new Shares made for such purpose. Under the relevant laws of the PRC, H Shares so repurchased will be treated as cancelled and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company may not repurchase securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange from time to time. A Shares so repurchased will be handled in accordance with PRC laws and regulations, the Articles of Association and the SSE Listing Rules.

#### **5. General**

The Directors consider that there would not be any material adverse impact on the working capital or the gearing ratio of the Company (as compared with those disclosed in the published audited accounts contained in the annual report of the Company for the year ended 31 December 2022) in the event that the A Share and H Share Repurchase Mandates were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the A Share and H Share Repurchase Mandates to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements or the gearing levels which in the opinion of the Directors are from time to time

appropriate for the Company. The number of A Shares and H Shares to be repurchased and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing, in the best interests of the Company.

The Directors have undertaken to the Hong Kong Stock Exchange that they will exercise the powers of the Company to make repurchases under the A Share and H Share Repurchase Mandates in accordance with the Hong Kong Listing Rules, the SSE Listing Rules, the Articles of Association and the applicable laws, regulations and rules of the PRC.

## 6. H Shares Prices

The highest and lowest prices at which the A Shares and H Shares have been traded on the Hong Kong Stock Exchange during each of the twelve months prior to the Latest Practicable Date are as follows:

|  | H Shares Prices        |                       | A Shares Prices       |                      |
|--|------------------------|-----------------------|-----------------------|----------------------|
|  | Highest<br><i>HK\$</i> | Lowest<br><i>HK\$</i> | Highest<br><i>RMB</i> | Lowest<br><i>RMB</i> |
| <b>2022</b>                                |                        |                       |                       |                      |
| June                                       | 17.96                  | 13.50                 | 44.52                 | 33.22                |
| July                                       | 16.26                  | 12.14                 | 37.81                 | 33.08                |
| August                                     | 13.66                  | 10.52                 | 36.46                 | 30.53                |
| September                                  | 12.02                  | 8.87                  | 33                    | 27.68                |
| October                                    | 9.46                   | 6.9                   | 30.09                 | 25.49                |
| November                                   | 11.34                  | 8.26                  | 32.22                 | 27.59                |
| December                                   | 12.08                  | 9.75                  | 33.9                  | 28.78                |
| <b>2023</b>                                |                        |                       |                       |                      |
| January                                    | 12.04                  | 9.69                  | 32.44                 | 28.4                 |
| February                                   | 12.66                  | 10.06                 | 35.97                 | 30.56\               |
| March                                      | 11.12                  | 8.07                  | 35.73                 | 25.97                |
| April                                      | 10.74                  | 8.6                   | 30.08                 | 25.7                 |
| May (up to the Latest<br>Practicable Date) | 10.3                   | 8.84                  | 29.12                 | 25.95                |

## 7. A Shares and H Shares Repurchased by the Company

For the six months preceding the Latest Practicable Date, the H Shares repurchased by the Company on the Hong Kong Stock Exchange are as follows:

| <b>Date</b>      | <b>Number of Shares repurchased (Share)</b> | <b>Purchase price or highest price paid per Share (HK\$)</b> | <b>Lowest price paid (HK\$)</b> |
|------------------|---|--|---------------------------------|
| 18 November 2022 | 30,000,000                                  | 10.20  | 9.85                            |
| 21 November 2022 | 24,362,000                                  | 10.10  | 9.79                            |
| 22 November 2022 | 23,544,500                                  | 10.10  | 9.75                            |
| 23 November 2022 | 22,602,500                                  | 10.00  | 9.73                            |
| 28 November 2022 | 9,667,500                                   | 9.38   | 9.04                            |
| 29 November 2022 | 15,993,000                                  | 10.08  | 9.26                            |
| 9 December 2022  | 16,069,500                                  | 10.72  | 10.50                           |
| 12 December 2022 | 29,452,000                                  | 10.66  | 10.14                           |
| 13 December 2022 | 7,100,000                                   | 10.68  | 10.32                           |
| 14 December 2022 | 15,000,000                                  | 10.46  | 10.04                           |
| 15 December 2022 | 10,901,500                                  | 10.50  | 10.02                           |
| 16 December 2022 | 10,806,000                                  | 10.68  | 10.26                           |
| 19 December 2022 | 15,000,000                                  | 10.82  | 10.32                           |
| 20 December 2022 | 15,000,000                                  | 10.36  | 9.94                            |
| 21 December 2022 | 15,000,000                                  | 10.30  | 9.92                            |
| 22 December 2022 | 18,000,000                                  | 10.74  | 10.34                           |
| 13 February 2023 | 30,000,000                                  | 10.9   | 10.1                            |
| 14 February 2023 | 11,330,000                                  | 11.18  | 10.84                           |
| 15 February 2023 | 7,226,500                                   | 11.28  | 11.18                           |
| 16 February 2023 | 5,979,000                                   | 11.42  | 11.4                            |
| 17 February 2023 | 11,901,500                                  | 11.58  | 11.4                            |
| 20 February 2023 | 21,048,000                                  | 11.44  | 11.02                           |
| 21 February 2023 | 40,000,000                                  | 11.9   | 11.22                           |
| 22 February 2023 | 30,170,000                                  | 12.04  | 11.54                           |
| 23 February 2023 | 1,268,000                                   | 12.2   | 11.96                           |
| 24 February 2023 | 33,500,000                                  | 12.42  | 11.14                           |

*Note:* The above repurchased Shares have all been cancelled.

As at the six months preceding the Latest Practicable Date, the A Shares repurchased by the Company on the Shanghai Stock Exchange are as follows:

| <b>Date</b>      | <b>Number of Shares repurchased (Share)</b> | <b>Purchase price or highest price paid per Share (RMB)</b> | <b>Lowest price paid (RMB)</b> |
|------------------|---|---|--------------------------------|
| 24 November 2022 | 1,390,200                                   | 28.99   | 28.75                          |
| 25 November 2022 | 2,272,107                                   | 28.78   | 28.35                          |
| 28 November 2022 | 927,600                                     | 28.49   | 27.69                          |
| 21 December 2022 | 1,420,500                                   | 29.40   | 29.14                          |
| 23 December 2022 | 1,783,400                                   | 30.33   | 29.40                          |

*Note:* The above repurchased Shares will be used for the implementation of the ESOP scheme and/or share incentive schemes.

## **8. Disclosure of Interests**

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their close associates presently intends to sell A Shares and H Shares to the Company under the A Share and H Share Repurchase Mandates in the event that the A Share Repurchase Mandate and the H Share Repurchase Mandate are approved by the Shareholders and the conditions (if any) to which the A Share and H Share Repurchase Mandates are subject are fulfilled.

The Company has not been notified by any core connected persons of the Company that they have a present intention to sell any A Shares and H Shares to the Company, or that they have undertaken not to sell any A Shares and H Shares held by them to the Company in the event that the A Share and H Share Repurchase Mandates are approved by the Shareholders and the conditions (if any) to which the A Share and H Share Repurchase Mandates are subject are fulfilled.

## **9. Takeovers Code**

If as a result of a share repurchase by the Company, a substantial 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. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company or become obligated to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.



As at the Latest Practicable Date, Innovation GW is interested in approximately 60.14% of the Company's total registered capital. Innovation GW is controlled by Great Wall Holdings, which in turn is controlled by Mr. Wei Jian Jun. In the event that the Directors exercise in full the power to repurchase A Shares and H Shares in accordance with the terms of the A Share and H Share Repurchase Mandates to be proposed at the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting, the total interests of Innovation GW in the total registered capital of the Company would be increased to approximately 66.82%.

The Directors are not aware of any consequences which will arise under the Takeovers Code and/or any similar applicable law, as a result of any repurchases to be made under the A Share and H Share Repurchase Mandates. Moreover, the Directors will not make share repurchase on the Hong Kong Stock Exchange if such repurchase would result in the requirements under Rule 8.08 of the Hong Kong Listing Rules not being complied with.

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## APPENDIX II      BIOGRAPHICAL DETAILS OF DIRECTOR CANDIDATES

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*Biographical details of the Director candidates proposed to be elected and appointed at the AGM of the Company are as follows:*

### EXECUTIVE DIRECTORS

**Mr. Wei Jian Jun (魏建軍先生) (“Mr. Wei”)**, aged 59, is the chairman and executive Director of the Company. He graduated from the Committee College of Hebei Province of the PRC Communist Party (中共河北省委黨校) in 1999 majoring in corporate management studies. Mr. Wei joined Baoding Great Wall Motor Industry Company (保定長城汽車工業公司) (the predecessor of the Company) as the general manager in 1990. He has been the chairman of the Company since June 2001. He is responsible for the overall strategic planning and business development of the Group. Mr. Wei was appointed as a representative to the Ninth and Tenth National People’s Congress of Hebei Province, as well as a representative to the Eighteenth National Congress of the Communist Party of China. Since April 2004, Mr. Wei has been concurrently serving as a director and general manager of the Company’s substantial shareholder, Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司).

Save as disclosed above, Mr. Wei does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed public companies in the last three years preceding the Latest Practicable Date. Save as disclosed herein, Mr. Wei does not have any other major appointments or qualifications.

Subject to his re-appointment as a Director at the AGM, Mr. Wei will enter into a service agreement with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Board. Unless determined otherwise, Mr. Wei will not receive any fee as an executive Director of the Company, and will only receive remuneration as a management personnel. The remuneration package will mainly consist of basic salary, performance-based salary, various social insurances, employee benefits, and the employer’s contribution to the housing provident fund, which will be determined according to applicable regulations of the Company and annual assessment results. Once the remuneration is determined, the Company will disclose Mr. Wei’s remuneration in the annual report to be published by the Company in due course.

As at the Latest Practicable Date, as Mr. Wei controlled Baoding Great Wall Holdings Company Limited (“**Great Wall Holdings**”, holding 37,998,500 H Shares of the Company), which in turn controlled Baoding Innovation Great Wall Asset Management Company Limited (“**Innovation GW**”), a substantial shareholder (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”)) holding 5,115,000,000 A Shares of the Company. Therefore Mr. Wei is deemed to be interested in the 5,115,000,000 A Shares held by Innovation GW and 37,998,500 H Shares held by Great Wall Holdings pursuant to the SFO. Save as disclosed above, as at the Latest Practicable Date, Mr. Wei does not have any interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, Mr. Wei is not connected with any directors, senior management, substantial shareholders or controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Mr. Wei confirms that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders, and that there is no information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

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## APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTOR CANDIDATES

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**Mr. Zhao Guo Qing** (趙國慶先生) (“Mr. Zhao”), aged 45, is the vice chairman, an executive Director, and a deputy general manager of the Company. He joined the Company in 2000 and acted as the director of the lean promotion department, the deputy director of the technology research institute, the director of the supporting facilities management department and the deputy director of the technology centre of the Company. He is currently in charge of Mind Electronics Appliances Co., Ltd. He has been acting as the deputy general manager of the Company since June 2010 and as the vice chairman and an executive Director of the Company since 18 March 2022.

Save as disclosed above, Mr. Zhao does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed companies in the last three years preceding the Latest Practicable Date, nor did he have other major appointments or qualifications.

Subject to his re-appointment as a Director at the AGM, Mr. Zhao will enter into a service agreement with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Board. Unless determined otherwise, Mr. Zhao will not receive any fee as the executive Director of the Company, and will only receive remuneration as a management personnel of the Company. The remuneration package will mainly consist of basic salary, performance-based salary, various social insurances, employee benefits, and the employer’s contribution to the housing provident fund, which will be determined according to applicable regulations of the Company and annual assessment results. Once the remuneration is determined, the Company will disclose Mr. Zhao’s remuneration in the annual report to be published by the Company in due course.

As at the Latest Practicable Date, Mr. Zhao holds 1,035,000 A shares of the Company. Save as disclosed above, as at the Latest Practicable Date, Mr. Zhao does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, Mr. Zhao is not connected with any directors, members of senior management, substantial shareholders and controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Mr. Zhao confirms that there is no other matter that needs to be brought to the attention of the Shareholders in relation to his appointment and there is no information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

**Ms. Li Hong Shuan** (李紅栓女士) (“Ms. Li”), aged 39, is an executive Director, the chief financial officer, and the secretary to the Board of the Company. She is qualified as a PRC registered accountant. She joined the Company in 2007 and engaged in financial management for 13 years. Ms. Li worked as an assistant to the division head of the finance division of the Company and the chief financial controller of Great Wall Holdings presiding over the establishment and reform of financial organization as well as the establishment and implementation of financial system and risk control system in Great Wall Holdings. Ms. Li has been acting as the chief financial officer of the Company since June 2020, as an executive Director of the Company since 18 March 2022, as the secretary to the Board and joint company secretary of the Company since 23 September 2022.

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## APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTOR CANDIDATES

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Save as disclosed above, Ms. Li does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed companies in the last three years preceding the Latest Practicable Date, nor did she have other major appointments or qualifications.

Subject to her re-appointment as a Director at the AGM, Ms. Li will enter into a service agreement with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Board. Unless determined otherwise, Ms. Li will not receive any fee as the executive Director of the Company, and will only receive remuneration as a management personnel of the Company. The remuneration package will mainly consist of basic salary, performance-based salary, various social insurances, employee benefits, and the employer's contribution to the housing provident fund, which will be determined according to applicable regulations of the Company and annual assessment results. Once the remuneration is determined, the Company will disclose Ms. Li's remuneration in the annual report to be published by the Company in due course.

As at the Latest Practicable Date, Ms. Li holds 172,123 A shares of the Company, of which 108,000 Shares have not been unlocked. As Mr. Wang Xiao Zu, the spouse of Ms. Li, holds 82,100 A shares of the Company, Ms. Li is deemed to be interested in such shares pursuant to the Securities and Futures Ordinance. Save as disclosed above, as at the Latest Practicable Date, Ms. Li does not have any interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, Ms. Li is not connected with any directors, members of senior management, substantial shareholders and controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Ms. Li confirms that there is no other matter that needs to be brought to the attention of the Shareholders in relation to her appointment and there is no information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

### NON-EXECUTIVE DIRECTOR

**Mr. He Ping** (何平先生) (“**Mr. He**”), aged 46, is a non-executive Director of the Company. Mr. He graduated from Fudan University (復旦大學) with a major in international economic law in 1997 and obtained a bachelor's degree in law. Since June 1997, Mr. He had worked in the investment banking headquarters of China Southern Securities Company Limited (南方證券有限責任公司). From March 2002 to December 2005, Mr. He successively acted as the deputy general manager and general manager at the investment banking headquarters of Guodu Securities Company Limited (國都證券有限責任公司). Mr. He was appointed as the director of the investment department of Beijing Hony Future Investment Advisor Ltd. (北京弘毅遠方投資顧問有限公司) in December 2010. From October 2012 to April 2014, Mr. He was appointed as the general manager of the risk control and compliance department. Since October 2014, Mr. He has been serving as an executive director and the general manager of Wuhu Zhuohui Chuangshi Investment Management Company Limited (蕪湖卓輝創世投資管理有限公司). Since October 2015, Mr. He has been serving as a director of Changchun Changsheng Bio-Technology Co., Ltd. (長春長生生物科技有限責任公司). Mr. He has been acting as a non-executive Director of the Company since May 2002.

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## APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTOR CANDIDATES

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Save as disclosed above, Mr. He does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed public companies in the last three years preceding the Latest Practicable Date, nor did he have any other major appointments or qualifications.

Subject to his re-appointment as a Director at the AGM, Mr. He will enter into an appointment letter with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Board. Unless determined otherwise, Mr. He shall be paid a Director's emolument of RMB60,000 (before tax) per annum, which is determined by the Board with reference to, among other things, his qualifications, experience, responsibilities, potential contribution to the Company and prevailing market conditions. Save for the above Director's emolument, Mr. He is not expected to receive any other remuneration for holding his office as a non-executive Director of the Company.

As at the Latest Practicable Date, Mr. He has no interests in the Shares of the Company within the meaning of Part XV of the SFO. Mr. He is not connected with any directors, senior management, substantial shareholders or controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Mr. He confirms that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders, and that there is no information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. Yue Ying (樂英女士) ("Ms. Yue")**, aged 51, is an independent non-executive Director of the Company. She is an associate professor. Ms. Yue graduated from North China Electric Power University with a major in mechanical manufacturing technology and equipment in 1993 and obtained a master's degree in engineering from the university in 1996, and served as its teaching staff. Ms. Yue obtained a doctoral degree in thermal engineering from the university in 2011. She is currently an associate professor of the university's department of mechanical engineering. Ms. Yue has been acting as an independent non-executive Director of the Company since June 2020.

Save as disclosed above, Ms. Yue does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed public companies in the last three years preceding the Latest Practicable Date, nor did she have any other major appointments or qualifications.

The Board considers that Ms. Yue is independent and is able to carry out her duties as an independent non-executive Director of the Company for the following reasons:

- (a) Ms. Yue is able to confirm her independence to the Company in respect of each of the factors set out in Rule 3.13 of the Hong Kong Listing Rules;

- (b) Since the listing of the Company, Ms. Yue has not had and does not have any executive or management role or functions in the Company or its subsidiaries, nor has she been employed by any member of the Group;
- (c) Ms. Yue does not have any familial or contractual relationships with any directors, senior management or substantial or controlling shareholders of the Company or any of their respective close associates, nor does she hold any other positions with the Company or its core connected persons, or any of their respective holding companies or subsidiaries; and
- (d) After due and careful consideration, the Board considers Ms. Yue suitably independent to carry out her duties as an independent non-executive Director.

Subject to her appointment as a Director at the AGM, Ms. Yue will enter into an appointment letter with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Board. Unless determined otherwise, Ms. Yue shall be paid a Director's emolument of RMB60,000 (before tax) per annum, which is determined by the Board with reference to, among other things, her qualifications, experience, responsibilities, potential contribution to the Company and prevailing market conditions. Save for the above Director's emolument, Ms. Yue is not expected to receive any other remuneration for holding her office as an independent non-executive Director of the Company.

As at the Latest Practicable Date, Ms. Yue has no interests in the Shares of the Company within the meaning of Part XV of the SFO. Ms. Yue is not connected with any directors, senior management, substantial shareholders or controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Ms. Yue confirms that there are no other matters relating to her election that need to be brought to the attention of the Shareholders, and that there is no information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

**Mr. Tom Siulun Chau** (鄒兆麟先生) (“**Mr. Chau**”), aged 58, is qualified as solicitor in Hong Kong and England and Wales. Mr. Chau graduated from The University of Hong Kong with a Bachelor of Arts degree (Honors) in 1987, and obtained a Postgraduate Certificate in Laws from The University of Hong Kong in 1994. Mr. Chau was a fellow of the Hong Kong Chartered Governance Institute with the designations of Chartered Secretary and Corporate Governance Professional by the Institute. Mr. Chau has been a Council Member of the Institute since 2021. Mr. Chau joined Herbert Smith Freehills LLP in 1997, became a partner of the firm in 2006, and served as the Head and Chief Representative of the firm's Beijing representative office from 2011 to November 2022. Mr. Chau is mainly engaged and specializes in practice areas including the listing of mainland Chinese companies in Hong Kong, secondary equity and debt financing, mergers and acquisitions, restructuring and spin-offs, corporate governance, ESG disclosure and compliance matters of listed companies. The Board proposes to appoint Mr. Chau as an independent non-executive Director of the Company.

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## APPENDIX II      BIOGRAPHICAL DETAILS OF DIRECTOR CANDIDATES

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Save as disclosed above, Mr. Chau does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed public companies in the last three years preceding the Latest Practicable Date, nor did he have any other major appointments or qualifications.

The Board considers that Mr. Chau is independent and is able to carry out his duties as an independent non-executive Director of the Company for the following reasons:

- (a) Mr. Chau is able to confirm his independence to the Company in respect of each of the factors set out in Rule 3.13 of the Hong Kong Listing Rules;
- (b) Since the listing of the Company, Mr. Chau has not had and does not have any executive or management role or functions in the Company or its subsidiaries, nor has he been employed by any member of the Group;
- (c) Mr. Chau does not have any familial or contractual relationships with any directors, senior management or substantial or controlling shareholders of the Company or any of their respective close associates, nor does he hold any other positions with the Company or its core connected persons, or any of their respective holding companies or subsidiaries; and
- (d) After due and careful consideration, the Board considers Mr. Chau suitably independent to carry out his duties as an independent non-executive Director.

Subject to his appointment as a Director at the AGM, Mr. Chau will enter into an appointment letter with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Board. Unless determined otherwise, Mr. Chau shall be paid a Director's emolument of RMB120,000 (after tax) per annum, which is determined by the Board with reference to, among other things, his qualifications, experience, responsibilities, potential contribution to the Company and prevailing market conditions. Save for the above Director's emolument, Mr. Chau is not expected to receive any other remuneration for holding his office as an independent non-executive Director of the Company.

As at the Latest Practicable Date, Mr. Chau has no interests in the Shares of the Company within the meaning of Part XV of the SFO. Mr. Chau is not connected with any directors, senior management, substantial shareholders or controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Mr. Chau confirms that there are no other matters relating to his election that need to be brought to the attention of the Shareholders, and that there is no information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

## APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTOR CANDIDATES

**Mr. Fan Hui** (范輝先生) (“**Mr. Fan**”), aged 45, is a certified public accountant in the PRC. He graduated from the Department of Taxation of the Central University of Finance and Economics with a major in taxation in 2000, and graduated from the Beijing Technology and Business University with a major in accounting in 2003. From September 2000 to May 2005, Mr. Fan served as a senior project manager at Pan-China Certified Public Accountants. From June 2005 to April 2010, he served as a senior manager at Deloitte Touche Tohmatsu Certified Public Accountants. From May 2010 to December 2012, he served as a vice president at JD Capital Co., Ltd. (昆吾九鼎投資管理有限公司). From January 2013 to November 2015, he served as the executive vice president and the chairman of the Investment Decision-making Committee of Capital East Coast International (東海岸國際投資(北京)有限公司). Since December 2015, he has served as a founding partner of Econowledge Capital Co., Ltd. (易科縱橫投資管理(北京)有限公司). Since July 2018, he has served as an executive director at Beijing Quanfang Huitong Investment Management Co., Ltd. (北京全方匯通投資管理有限公司). Since June 2020, he has served as an independent director at Noble Family Wine And Liquor Co., Ltd. (名品世家酒業連鎖股份有限公司) (a company listed on the NEEQ, stock code: 835961). Since September 2021, he has served as an independent director at XuZhou ZM-Besta Heavy Steel Structure Co., Ltd. (徐州中煤百甲重鋼科技股份有限公司) (a company listed on the NEEQ, stock code:835857). Since January 2022, he has served as an independent director at Aura International Education Technology Co., Ltd. (北京光環國際教育科技股份有限公司) (a company listed on the NEEQ, stock code: 838504). On 19 January 2023, he was appointed as an independent non-executive director of YH Entertainment Group (樂華娛樂集團) (a company listed on the Hong Kong Stock Exchange, stock code: 2306). The Board proposes to appoint Mr. Fan as an independent non-executive Director of the Company.

Save as disclosed above, Mr. Fan does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed public companies in the last three years preceding the Latest Practicable Date, nor did he have any other major appointments or qualifications.

The Board considers that Mr. Fan is independent and is able to carry out his duties as an independent non-executive Director of the Company for the following reasons:

- (a) Mr. Fan is able to confirm his independence to the Company in respect of each of the factors set out in Rule 3.13 of the Hong Kong Listing Rules;
- (b) Since the listing of the Company, Mr. Fan has not had and does not have any executive or management role or functions in the Company or its subsidiaries, nor has he been employed by any member of the Group;
- (c) Mr. Fan does not have any familial or contractual relationships with any directors, senior management or substantial or controlling shareholders of the Company or any of their respective close associates, nor does he hold any other positions with the Company or its core connected persons, or any of their respective holding companies or subsidiaries; and



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**APPENDIX II      BIOGRAPHICAL DETAILS OF DIRECTOR CANDIDATES**

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- (d) After due and careful consideration, the Board considers Mr. Fan suitably independent to carry out his duties as an independent non-executive Director.

Subject to his appointment as a Director at the AGM, Mr. Fan will enter into an appointment letter with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Board. Unless determined otherwise, Mr. Fan shall be paid a Director's emolument of RMB60,000 (before tax) per annum, which is determined by the Board with reference to, among other things, his qualifications, experience, responsibilities, potential contribution to the Company and prevailing market conditions. Save for the above Director's emolument, Mr. Fan is not expected to receive any other remuneration for holding his office as an independent non-executive Director of the Company.

As at the Latest Practicable Date, Mr. Fan has no interests in the Shares of the Company within the meaning of Part XV of the SFO. Mr. Fan is not connected with any directors, senior management, substantial shareholders or controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Mr. Fan confirms that there are no other matters relating to his election that need to be brought to the attention of the Shareholders, and that there is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

*Biographical details of the independent Supervisor candidates proposed to be re-elected and re-appointed at the AGM of the Company are as follows:*

**Ms. Liu Qian** (劉倩女士) (“**Ms. Liu**”), aged 41, is an associate professor, and a Supervisor of the Company. She graduated with a bachelor’s degree in statistics from Hebei University in 2003 and obtained a master’s degree in statistics from the same in 2006. She has been teaching in the Department of Statistics, School of Economics, Hebei University since July 2003. Ms. Liu has been acting as a Supervisor of the Company since May 2019.

Save as disclosed above, Ms. Liu does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any listed public companies in the last three years preceding the Latest Practicable Date, nor did she have any other major appointments or qualifications.

Subject to her re-appointment as an independent Supervisor at the AGM, Ms. Liu will enter into a service agreement with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Supervisory Committee. Unless otherwise determined, Ms. Liu shall be paid a Supervisor’s emolument of RMB18,000 (after tax) per annum, which is determined by the Supervisory Committee with reference to, among other things, her qualifications, experience, responsibilities, potential contribution to the Company and prevailing market conditions.

As at the Latest Practicable Date, Ms. Liu has no Shares of the Company within the meaning of Part XV of the SFO. Ms. Liu is not connected with any directors, senior management, substantial shareholders or controlling shareholders (within the meaning of the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Ms. Liu confirms that there is no other matter that needs to be brought to the attention of the Shareholders in relation to her re-election and there is no information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

**Mr. Ma Yu Bo** (馬宇博先生) (“**Mr. Ma**”), aged 38, is a Doctor of Economics. He graduated from the School of Economics and Management of Taiyuan University of Technology (太原理工大學) in 2009 with a bachelor’s degree, from the Business School of the University of Queensland of Australia in 2012 with a master’s degree in economics, and from the School of Economics of Hebei University (河北大學) in 2020 with a PhD in economics. Since July 2013, he has been teaching at Hebei Finance University (河北金融學院). Mr. Ma has been acting as a Supervisor of the Company since 29 October 2021.

Save as disclosed above, Mr. Ma does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any other listed companies in the last three years preceding the Latest Practicable Date, nor did he have any other major appointments and professional qualifications.

Subject to his re-appointment as an independent Supervisor at the AGM, Mr. Ma will enter into a service agreement with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Supervisory Committee. Unless otherwise determined, Mr. Ma shall be paid a Supervisor's emolument of RMB18,000 (after tax) per annum, which is determined by the Supervisory Committee with reference to, among other things, his qualifications, experience, responsibilities, potential contribution to the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Ma has no Shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Ma is not connected with any directors, members of senior management, substantial shareholders and controlling shareholders (within the meaning of Hong Kong Listing Rules) of the Company.

Save as disclosed above, Mr. Ma confirms that there is no other matter that needs to be brought to the attention of the Shareholders in relation to his election and there is no information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

*Biographical details of the employee representative Supervisor candidate proposed to be re-elected and re-appointed at the employee representative meeting to be held on 16 June 2023 are as follows:*

**Ms. Lu Cai Juan (盧彩娟女士) (“Ms. Lu”)**, aged 55, is a certified public accountant in the PRC. She joined the Company in 2003 and has been engaged in financial management for 18 years. Ms. Lu used to serve as the head of the finance division of the Company, leading financial management and tax risk prevention and control of the Company. She currently serves as an expert of the Company on financial analysis and management. She has been acting as the employee representative Supervisor and the chairman of the Supervisory Committee of the Company since 12 May 2021.

Save as disclosed above, Ms. Lu does not hold any position with the Company or any of its subsidiaries, and did not hold any directorship in any listed companies in the last three years preceding the Latest Practicable Date, nor did she have any other major appointments or qualifications.

Ms. Lu will enter into a service agreement with the Company for a term of three years commencing from 16 June 2023 until the expiry of the eighth session of the Supervisory Committee of the Company. Unless determined otherwise, Ms. Lu will not receive any Supervisor’s emolument.

As at the Latest Practicable Date, Ms. Lu has no Shares of the Company within the meaning of Part XV of the SFO. Ms. Lu is not connected with any directors, senior management, substantial shareholders or controlling shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Save as disclosed above, Ms. Lu confirms that there are no other matters relating to her re-election that need to be brought to the attention of the Shareholders, and that there is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

The details of the amendments are set out below:

| Before Amendment  | After Amendment  |
|---|--|
| <p data-bbox="240 359 368 387">Article 41</p> <p data-bbox="240 442 785 910">The Company may, in accordance with mutual understanding and agreements made between the securities regulatory authority under the State Council and overseas securities regulatory authorities, maintain the register of shareholders of Overseas-Listed Foreign Shares overseas and appoint overseas agent(s) to manage such register of shareholders. The original register of shareholders of Overseas-Listed H Shares listed on the Hong Kong Stock Exchange shall be maintained in Hong Kong.</p> <p data-bbox="240 963 785 1229">A duplicate copy of the register of shareholders of Overseas-Listed H Shares shall be maintained at the Company. The appointed overseas agent(s) shall ensure consistency between the original and the duplicate copy of the register of shareholders at all times.</p> <p data-bbox="240 1283 785 1474">If there is any inconsistency between the original and the duplicate copy of the register of shareholders of Overseas-Listed H Shares, the original register of shareholders shall prevail.</p> | <p data-bbox="809 359 936 387">Article 41</p> <p data-bbox="809 442 1353 910">The Company may, in accordance with mutual understanding and agreements made between the securities regulatory authority under the State Council and overseas securities regulatory authorities, maintain the register of shareholders of Overseas-Listed Foreign Shares overseas and appoint overseas agent(s) to manage such register of shareholders. The original register of shareholders of Overseas-Listed H Shares listed on the Hong Kong Stock Exchange shall be maintained in Hong Kong.</p> <p data-bbox="809 963 1353 1229">A duplicate copy of the register of shareholders of Overseas-Listed H Shares shall be maintained at the Company. The appointed overseas agent(s) shall ensure consistency between the original and the duplicate copy of the register of shareholders at all times.</p> <p data-bbox="809 1283 1353 1474">If there is any inconsistency between the original and the duplicate copy of the register of shareholders of Overseas-Listed H Shares, the original register of shareholders shall prevail.</p> <p data-bbox="809 1527 1353 1793"><b><u>The branch register of shareholders in Hong Kong shall be open for inspection by shareholders but the issuer may be permitted to close the register on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).</u></b></p> |

| Before Amendment   | After Amendment  |
|--|--|
| <p>Article 56</p> <p>The holders of ordinary shares of the Company shall have the following rights:</p> <p>(1) the right to receive dividends and other distributions in proportions to the number of shares held;</p> <p>(2) the right to requisition, hold, preside at, attend or appoint a proxy to attend and vote any general meeting according to the laws;</p> <p>.....</p> | <p>Article 56</p> <p>The holders of ordinary shares of the Company shall have the following rights:</p> <p>(1) the right to receive dividends and other distributions in proportions to the number of shares held;</p> <p>(2) the right to requisition, hold, preside at, attend or appoint a proxy to attend, speak and vote at any general meeting according to the laws (<b><u>except where a holder is required, by the Hong Kong Listing Rules, to abstain from voting to approve the matter under consideration</u></b>);</p> <p>.....</p> |
| <p>Article 67</p> <p>The general meeting shall have the following functions and powers:</p> <p>.....</p> <p>(9) to decide on matters such as merger, division, dissolution and liquidation or conversion of the Company;</p> <p>.....</p>  | <p>Article 67</p> <p>The general meeting shall have the following functions and powers:</p> <p>.....</p> <p>(9) to decide on matters such as merger, division, dissolution <del>and liquidation,</del> <b><u>liquidation and voluntary winding up</u></b> or conversion of the Company;</p> <p>.....</p>   |

| Before Amendment  | After Amendment   |
|---|---|
| <p data-bbox="240 280 368 306">Article 85</p> <p data-bbox="240 359 783 708">Any shareholder who is entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one (1) or more persons (whether such person is a shareholder or not) as his proxy to attend and vote on his behalf, and a proxy so appointed shall be entitled to exercise the following rights pursuant to the authorizations from that shareholder:</p> <ul style="list-style-type: none"> <li data-bbox="240 761 783 832">(1) the shareholder's right to speak at the meeting;</li> <li data-bbox="240 885 783 955">(2) the right to demand or join in demand for a poll;</li> <li data-bbox="240 1008 783 1151">(3) the right to vote by hand or by poll, but the proxies of a shareholder who has appointed more than one (1) proxy may only vote by poll.</li> </ul> <p data-bbox="240 1204 783 1717">If a shareholder is a Recognised Clearing House (or its nominee), it may, as it sees fit, appoint one (1) or more persons as its proxies to attend and vote at any shareholders' general meeting or class meeting. However, if more than one (1) person is appointed, the form of proxy shall specify the number and class of the shares relating to each such proxy. Such proxy may exercise the rights of the Recognised Clearing House (or its nominee) on its behalf as if it is the individual shareholder of the Company.</p> | <p data-bbox="812 280 940 306">Article 85</p> <p data-bbox="812 359 1355 708">Any shareholder who is entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one (1) or more persons (whether such person is a shareholder or not) as his proxy to attend and vote on his behalf, and a proxy so appointed shall be entitled to exercise the following rights pursuant to the authorizations from that shareholder:</p> <ul style="list-style-type: none"> <li data-bbox="812 761 1355 832">(1) the shareholder's right to speak at the meeting;</li> <li data-bbox="812 885 1355 955">(2) the right to demand or join in demand for a poll;</li> <li data-bbox="812 1008 1355 1151">(3) the right to vote by hand or by poll, but the proxies of a shareholder who has appointed more than one (1) proxy may only vote by poll.</li> </ul> <p data-bbox="812 1204 1355 1717">If a shareholder is a Recognised Clearing House (or its nominee), it may, as it sees fit, appoint one (1) or more persons as its proxies to attend and vote at any shareholders' general meeting or class meeting <b>or creditors' meeting</b>. However, if more than one (1) person is appointed, the form of proxy shall specify the number and class of the shares relating to each such proxy. Such proxy may exercise the rights of the Recognised Clearing House (or its nominee) on its behalf as if it is the individual shareholder of the Company.</p> |

| Before Amendment   | After Amendment  |
|--|--|
| <p>Article 86</p> <p>Shareholders, whose names appear on the register of members on the record date for the entitlements to the shares, or their proxies, shall be entitled to attend the general meeting and exercise their voting rights in accordance with relevant laws, regulations and the Articles of Association. Shareholders may attend the general meeting in person, or appoint proxy to attend and vote on their behalf. The appointment of a proxy by a shareholder shall be in writing and signed by the appointer or his attorney duly authorised in writing, or in the case of a legal person, shall be either affixed with its legal person seal or signed by a director or an officer or a duly authorised attorney. The proxy form shall specify the number of shares represented by the proxy. In the event that more than one person is appointed as proxy, such proxy form shall specify the respective number of shares represented by each proxy.</p> | <p>Article 86</p> <p>Shareholders, whose names appear on the register of members on the record date for the entitlements to the shares, or their proxies, shall be entitled to attend the general meeting and exercise their voting rights in accordance with relevant laws, regulations and the Articles of Association. Shareholders may attend the general meeting in person, or appoint proxy to attend and vote on their behalf. The appointment of a proxy by a shareholder shall be in writing and signed by the appointer or his attorney duly authorised in writing, or in the case of a legal person, shall be either affixed with its legal person seal or signed by a director or an officer or a duly authorised attorney. The proxy form shall specify the number of shares represented by the proxy. In the event that more than one person is appointed as proxy, such proxy form shall specify the respective number of shares represented by each proxy. <b><u>If the legal person shareholder has appointed a representative to attend any meeting, it shall be deemed to be present in person. A legal person shareholder may execute a form of proxy by a duly authorized person.</u></b></p> |



| Before Amendment   | After Amendment   |
|--|---|
| <p>Article 102</p> <p>The following matters shall be resolved by special resolutions at general meetings:</p> <p>(1) the increase or reduction of share capital and the issue of shares of any class, warrants and other similar securities;</p> <p>(2) the issue of corporate bonds of the Company;</p> <p>(3) the division, merger, dissolution and liquidation of the Company;</p> <p>.....</p> | <p>Article 102</p> <p>The following matters shall be resolved by special resolutions at general meetings:</p> <p>(1) the increase or reduction of share capital and the issue of shares of any class, warrants and other similar securities;</p> <p>(2) the issue of corporate bonds of the Company;</p> <p>(3) the division, merger, dissolution <b>and liquidation, <u>liquidation and voluntary winding up</u></b> of the Company;</p> <p>.....</p>  |
| <p>Article 125</p> <p>A director shall be elected at a general meeting for a term of office of three years. At the expiry of the term of a director’s office, he is eligible for re-election. A director may not be dismissed by a general meeting without cause prior to the expiry of his term.</p> <p>.....</p>   | <p>Article 125</p> <p>A director shall be elected at a general meeting for a term of office of three years. At the expiry of the term of a director’s office, he is eligible for re-election. <del>A director may not be dismissed by a general meeting without cause prior to the expiry of his term</del><b><u>At the general meeting, shareholders are entitled, by way of ordinary resolution, to remove any director before the expiration of his/her term of office (without prejudice to any claim of damages by such director under any contract).</u></b></p> <p>.....</p> |

| Before Amendment   | After Amendment   |
|--|---|
| <p>Article 200</p> <p>If there is a vacancy in the position of auditor of the Company, the Board of Directors may engage an accounting firm to fill such vacancy before the convening of the shareholders' general meeting. Any other accounting firm which has been engaged by the Company may continue to act during the period during which a vacancy exists.</p> | <p>Article 200</p> <p>If there is a vacancy in the position of auditor of the Company, the Board of Directors may engage an accounting firm to fill such vacancy before the convening of the shareholders' general meeting, <b><u>but such appointment shall be confirmed in the next shareholders' general meeting.</u></b> Any other accounting firm which has been engaged by the Company may continue to act during the period during which a vacancy exists.</p> |
| <p>Article 202</p> <p>The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by the shareholders in a general meeting. The remuneration of an accounting firm engaged by the Board of Directors shall be determined by the Board of Directors.</p>   | <p>Article 202</p> <p>The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by the shareholders in a general meeting. The remuneration of an accounting firm engaged by the Board of Directors <b><u>to fill the vacancy</u></b> shall be determined by the Board of Directors <b><u>and approved by the shareholders at general meeting along with the confirmation of its appointment.</u></b></p>       |

**THE EMPLOYEE STOCK OWNERSHIP PLAN FOR 2023  
OF  
GREAT WALL MOTOR COMPANY LIMITED (REVISED  
DRAFT)**

GREAT WALL MOTOR COMPANY LIMITED

May 2023

**STATEMENT**

The Board of Directors, the Supervisory Committee and all Directors and Supervisors of the Company hereby represent that this Employee Stock Ownership Plan and its summary are free from false or misleading statements or material omissions, and assume several and joint legal responsibilities for the truthfulness, accuracy and completeness of their contents.

**SPECIAL NOTICE**

The abbreviations used in this part shall have the same meanings as defined in the “Definitions”.

- I. The Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited (Revised Draft) is prepared in accordance with the requirements of the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Guiding Opinions on the Pilot Implementation of Employee Stock Ownership Plans by Listed Companies, the Self-regulatory Guidelines for the Companies Listed on the Shanghai Stock Exchange No. 1 – Standardized Operation, other relevant laws, regulations, normative documents, and the Articles of Association of Great Wall Motor Company Limited.
- II. The Employee Stock Ownership Plan follows the principle of legal compliance, voluntary participation and risk-taking, and no employees are forced to participate in the ESOP, such as mandatory distribution and allocation.
- III. The total number of Participants of the ESOP is expected to be no more than 3,640, including Directors (excluding independent Directors), Supervisors and senior management, core management and key employees of the Company, among which, 2 are Directors (excluding independent Directors), Supervisors or senior management of the Company, and 3,638 are other employees in aggregate. The final number of Participants and name list are subject to the selection and allocation by the Company and the actual payment by employees.
- IV. The source of funds for the ESOP shall be the legitimate salary of the employees, their self-raised funds and funds raised from other sources as permitted under relevant laws and regulations.
- V. The shares of the ESOP come from the ordinary A shares of Great Wall Motor in the Company’s special securities account for repurchase, which is expected to be no more than 40,000,043 shares, representing 0.471% of the total share capital of the Company. The final number of Shares held by this ESOP shall be subject to the actual number of Shares transferred, and the Company will fulfill information disclosure obligations according to the relevant requirements in a timely manner.

Upon completion of the implementation of the ESOP, the total number of all valid shares held under the ESOP of the Company will not exceed 10% of the total share capital of the Company in aggregate, and the total number of shares corresponding to the equity interest in shares of any individual Participant shall not exceed 1% of the total share capital of the Company in aggregate. The total number of the shares held under the ESOP does not include the shares acquired by Participants prior to the initial public offering for listing, the shares purchased by Participants on secondary market, and the shares acquired by Participants through equity incentives.

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**APPENDIX VI THE EMPLOYEE STOCK OWNERSHIP PLAN FOR 2023 OF  
GREAT WALL MOTOR COMPANY LIMITED (REVISED DRAFT)**

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VI. The ESOP will transfer the ordinary A shares repurchased by the Company through non-trading transfer and other methods permitted by laws and regulations. The transfer price is RMB13.82 per share, which is 50% of average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft).

The transfer price shall not be lower than the nominal value of the shares and shall not be lower than the higher of the following:

- (1) 50% of the average trading price of the Company's shares on the trading day preceding the announcement of the ESOP (Revised Draft), being RMB13.09 per share;
- (2) 50% of the average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft), being RMB13.82 per share.

In the event of any ex-rights or ex-dividend matters of the Company, such as distribution of dividends or shares, conversion of capital reserve into share capital, during the period from the pricing reference date to the date of transferring the Underlying Shares to the ESOP, the above transfer price shall be adjusted accordingly.

VII. The term of the ESOP shall be 36 months commencing from the date on which the ESOP is considered and approved at the general meeting and the Company announces the last tranche of the Underlying Shares has been transferred to the ESOP. The term of the ESOP may be extended before the expiry of the term of the ESOP, as agreed by the Holders holding more than two-thirds (inclusive) of the total units and attending the Holders' Meeting, and as considered and approved by the Board.

VIII. The lock-up period of the ESOP is 12 months. The equity of Underlying Shares held shall be unlocked in two tranches. The time point of unlocking is 12 months and 24 months respectively from the date of the Company's announcement of the registration of the transfer of the last tranche of the Underlying Shares to the ESOP, and the proportion of the Underlying Shares to be unlocked for each tranche is 50% and 50%, respectively. The actual proportion and number of shares to be unlocked for each tranche are determined according to the Company's performance and the results of the individual performance of the Participants.

IX. The ESOP will be managed by the Company itself. The highest authority for the internal management of the ESOP is the Holders' Meeting. A Management Committee will be established for the ESOP to supervise the daily management of the ESOP and exercise the rights of Shareholders on behalf of the Holders, effectively safeguarding the legal rights and interests of the Holders of the ESOP.

- X. After the ESOP is considered and approved by the Board, the Company shall convene a general meeting to consider the ESOP. The implementation of the ESOP is subject to approval at general meeting of the Company. Such general meeting will adopt the combination of on-site voting and online voting.
- XI. The Company's implementation of the ESOP shall be subject to the relevant financial system, accounting standards and tax regulations, and the relevant personal income tax to be paid by the Holders due to the implementation of the ESOP shall be borne by the employees themselves.
- XII. The shareholding structure of the Company will remain in compliance with the listing requirements after the implementation of the ESOP.

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**APPENDIX VI THE EMPLOYEE STOCK OWNERSHIP PLAN FOR 2023 OF  
GREAT WALL MOTOR COMPANY LIMITED (REVISED DRAFT)**

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**DEFINITIONS**

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

|  |  |
|--|--|
| Great Wall Motor or Company                    | Great Wall Motor Company Limited   |
| Shares of the Company                          | ordinary A Shares of Great Wall Motor Company Limited  |
| Underlying Shares                              | the ordinary A shares repurchased by the Company and to be transferred to the ESOP through non-trading transfer or other means permitted by laws and regulations |
| Plan or ESOP                                   | the Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited (Revised Draft)   |
| Management Measures                            | Management Measures for the Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited (Revised)   |
| Holders/Participants                           | employees of the Company and its subsidiaries who shall participate in the ESOP as determined by the Board   |
| Holders' Meeting                               | meeting of holders of the ESOP   |
| Management Committee                           | the management committee of the ESOP   |
| CSRC   | China Securities Regulatory Commission   |
| SSE  | the Shanghai Stock Exchange  |
| Stock Exchange                                 | The Stock Exchange of Hong Kong Limited  |
| Securities Depository and Clearing Corporation | Shanghai Branch of China Securities Depository and Clearing Corporation Limited  |
| Company Law                                    | the Company Law of the PRC   |
| Securities Law                                 | the Securities Law of the PRC  |
| Guiding Opinions                               | the Guiding Opinions on the Pilot Implementation of Employee Stock Ownership Plans by Listed Companies   |



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**APPENDIX VI THE EMPLOYEE STOCK OWNERSHIP PLAN FOR 2023 OF  
GREAT WALL MOTOR COMPANY LIMITED (REVISED DRAFT)**

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Regulatory Guidelines the Self-regulatory Guidelines for the Companies Listed on the Shanghai Stock Exchange No. 1 – Standardized Operation

Articles of Association articles of association of Great Wall Motor Company Limited

RMB, RMB0'000 RMB yuan, RMB ten thousand yuan

*Notes:* 1. Unless otherwise stated, the financial data and financial indicators referenced herein shall mean the financial data prepared on a consolidation basis and the financial indicators calculated based on such financial data, respectively.

2. Some figures shown as totals herein may not be an arithmetic aggregation of the figures preceding them due to rounding adjustments.

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## **CHAPTER 1 GENERAL PROVISIONS**

The ESOP (Draft) was formulated by the Company in accordance with the Company Law, the Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, regulations, normative documents and the Articles of Association.

### **I. Purposes of the ESOP**

- (I) To further improve the corporate governance structure, improve the Company's long-term incentive and restraint mechanism, and ensure the Company's long-term, stable and healthy development;
- (II) To improve mechanisms for sharing benefits between workers and owners, align the long-term interests of the Company, Shareholders, and employees, and promote the Company's long-term and sustainable development, so as to bring returns to Shareholders;
- (III) To attract and to retain outstanding management and business key staffs, meet the Company's demand for core technical talents and management talents through comprehensive and accurate coverage of high-value positions and key talents, establish the Company's human resources advantages, further stimulate the Company's innovation vitality, and inject new impetus into the sustained and rapid development of the Company.

### **II. Basic Principles to be Followed by the ESOP**

#### **(I) Legal compliance**

The Company implements the ESOP and follows the procedures in strict compliance with relevant requirements under the laws and administrative regulations, which require the Company to disclose true, accurate and complete information in a timely manner. No person is permitted to engage in insider trading, manipulation of the securities market, and other fraudulent actions through the ESOP.

#### **(II) Voluntary participation**

This ESOP is implemented in compliance with principles including lawfulness, compliance, voluntary participation and self-bearing of risk. The Company will not adopt such means as apportion, forced allocation, etc. to compel employees to participate in this ESOP.

#### **(III) Self-bearing of risk**

The Participants under the ESOP shall be responsible for their own profits and losses, bear their own risks, and have equal rights with other investors.

**CHAPTER 2 PARTICIPANTS AND DETERMINATION CRITERIA OF THE ESOP**

**I. Legal Basis for Determining Participants**

The Participants of this ESOP are determined by the Company in accordance with the provisions of the Company Law, the Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, regulations, normative documents and the Articles of Association, and with consideration of the actual situations.

**II. Determination of the Scope of Participants**

Participants under the ESOP shall be either:

- (I) Directors (excluding independent Directors), Supervisors and senior management of the Company; or
- (II) core management and key employees.

All the Participants must have entered into labor contracts or employment contracts with the Company or its subsidiaries during the term of the ESOP.

Qualified employees' participation in the ESOP complies with the principles of lawfulness, voluntary participation and self-bearing of risk. There is no apportionment, forced allocation or other circumstances in which employees are forced to participate in the ESOP. The Company will decide the short list of Participants from qualified employees.

**III. Verification of Participants**

The Supervisory Committee of the Company shall verify the list of Participants and state the verification results at the general meeting. The lawyers engaged by the Company shall issue their legal opinions on whether the qualifications and other conditions of the Participants comply with the Company Law, the Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, administrative regulations, rules, normative documents and the Articles of Association as well as the ESOP.

**IV. Allocation under the ESOP**

The total number of Participants of the ESOP shall be no more than 3,640, among which 2 are Directors (excluding independent Directors), Supervisors or senior management of the Company, and 3,638 are other employees in aggregate.

The ESOP is held in units, with 1 unit for 1 share. The number of Underlying Shares under the ESOP will be no more than 40,000,043 shares.

**APPENDIX VI THE EMPLOYEE STOCK OWNERSHIP PLAN FOR 2023 OF  
GREAT WALL MOTOR COMPANY LIMITED (REVISED DRAFT)**

The Participants of the ESOP and the allocation of shares are as follows:

| No.   | Participants  | Shares to be<br>allocated<br>(shares) | Proposed<br>proportion to<br>the total<br>shares |
|-------|---|---------------------------------------|--|
| 1     | Li Hong Shuan (executive Director, chief financial officer, and the secretary to the Board) and Lu Cai Juan (chairman of the Supervisory Committee) | 117,000                               | 0.29%  |
| 2     | 3,638 core management and key employees   | 39,883,043                            | 99.71%   |
| Total |   | <u>40,000,043</u>                     | <u>100%</u>                                      |

*Note:* The final number of Participants and the allocation under the ESOP shall be subject to the actual implementation.

Upon completion of the implementation of the ESOP, the total number of all valid shares held under the ESOP of the Company will not exceed 10% of the total share capital of the Company in aggregate, and the total number of shares corresponding to the equity interest in shares of any individual Participant shall not exceed 1% of the total share capital of the Company in aggregate. The total number of the shares held under the ESOP does not include the shares acquired by Participants prior to the initial public offering for listing, the shares purchased by Participants on secondary market, and the shares acquired by Participants through equity incentives. No Shareholders holding more than 5% of the Company's shares or de facto controller participate in the ESOP.

If the Participants fail to pay the subscription funds on time and in full, they shall be deemed to have automatically waived the subscription rights of corresponding shares. The Board may: (1) adjust the size of the Participants of the ESOP and the actual number of the Underlying Shares to be transferred; or (2) directly grant such equity interest in shares to other qualified employees without adjusting the size of the Participants of the ESOP.

**CHAPTER 3 SOURCE OF FUNDS, SOURCE AND NUMBER OF SHARES AND  
TRANSFER PRICE OF THE ESOP**

**I. Source of Funds**

The source of funds for the ESOP shall be the legitimate salary of the employees, their self-raised funds and funds raised from other sources as permitted under relevant laws and regulations.

Participants of the ESOP shall pay the subscription amount in full and on time, and the payment schedule of the ESOP will be notified and arranged by the Company. Any Holder who fails to pay the subscription amount on time and in full will automatically lose his/her corresponding right of subscription.

**II. Source and Number of Shares**

**(I) Source of Shares**

The shares of the ESOP come from the ordinary A shares of Great Wall Motor repurchased in the Company's special securities account for repurchase. After the ESOP is considered and approved by the general meeting, repurchased shares of the Company will be transferred to the ESOP through non-trading transfer and other methods permitted by laws and regulations.

On 15 July 2022, the Company held the 44th meeting of the seventh session of the Board and the 40th meeting of the seventh session of the Supervisory Committee of the Company, at which the Plan on Repurchase of A Shares by Way of Centralized Bidding was considered and approved, pursuant to which the Company can use its own funds to repurchase the Company's shares through centralized bidding, with a repurchase amount not less than 10 million shares (inclusive) and not more than 15 million shares (inclusive). For details, please refer to the Announcement on Plan for Repurchase of A Shares through Centralized Price Bidding published by the Company on 15 July 2022. As of 15 September 2022, the Company had repurchased 12,000,089 A shares in aggregate through the special securities account for repurchase through centralized bidding, accounting for 0.13% of the Company's total share capital. The highest repurchase price was RMB35.04 per share, the lowest repurchase price was RMB30.22 per share, and the average repurchase price was RMB32.71 per share, with a total amount of funds used of RMB392,565,200 (net of transaction expenses). The repurchase plan has been completed.

On 14 October 2022, the Company held the 51st meeting of the seventh session of the Board and the 44th meeting of the seventh session of the Supervisory Committee of the Company, at which the Plan on Repurchase of A Shares by Way of Centralized Bidding was considered and approved, pursuant to which the Company can use its own funds to repurchase the Company's shares through centralized bidding, with a repurchase amount not less than 20 million shares (inclusive) and not more than 40 million shares (inclusive). For details, please refer to the Announcement on Plan for Repurchase of A Shares through Centralized Price Bidding published by the Company on 16 October 2022. As of 21 February 2023, the Company had repurchased 27,999,954 A shares in aggregate through the special securities account for

repurchase through centralized bidding, accounting for 0.32% of the Company's total share capital. The highest repurchase price was RMB31.00 per share, the lowest repurchase price was RMB27.60 per share, and the average repurchase price was RMB29.35 per share, with a total amount of funds used of RMB821,854,000 (net of transaction expenses). The repurchase plan has been completed.

## **(II) Number of Shares**

The number of Underlying Shares under the ESOP shall be no more than 40,000,043 shares, representing 0.471% of the total share capital of the Company. The final number of Underlying Shares held by the ESOP shall be subject to the actual number of shares transferred, and the Company will fulfill information disclosure obligations according to the requirements of relevant laws and regulations in a timely manner.

During the period between the pricing reference date and the date on which the shares repurchased by the Company are transferred to the ESOP through non-trading transfer or other methods permitted by laws and regulations, in the event of any ex-rights or ex-dividend matters of the Company, such as conversion of capital reserve into share capital and distribution of shares or dividends, the number and price of the Underlying Shares shall be adjusted accordingly. After the ESOP is approved at the general meeting, the ESOP shall receive the Underlying Shares from the Company's special securities account for share repurchase through non-trading transfer or other methods permitted by laws and regulations.

## **III. Explanation on the Transfer Price, Pricing Basis and the Reasonableness of Price**

### **(I) Purchase Price and Pricing Basis**

The ESOP shall transfer the ordinary A shares repurchased by the Company through non-trading transfer and other methods permitted by laws and regulations. The transfer price is RMB13.82 per share, which is 50% of average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft).

The transfer price shall not be lower than the nominal value of the shares and shall not be lower than the higher of the following:

1. 50% of the average trading price of the Company's shares on the trading day preceding the announcement of the ESOP (Revised Draft), being RMB13.09 per share;
2. 50% of the average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft), being RMB13.82 per share.

In the event of any ex-rights or ex-dividend matters of the Company, such as distribution of dividends or shares, conversion of capital reserve into share capital, during the period from the pricing reference date to the date of transferring the Underlying Shares to the ESOP, the above transfer price shall be adjusted accordingly.

**(II) Explanation on the Reasonableness of Price**

In recent years, the competition in the industry in which the Company operates has been increasingly intense despite new development opportunities being emerging. How to achieve better results in the fierce industry competition depends on the quality and competence of the Company's talents to a large extent. On top of the existing remuneration and incentive system, the Company further improves the long-term incentive mechanism making the interests of employees aligned with that of Shareholders, which is conducive to fully mobilizing the initiative, enthusiasm and creativity of existing employees, and also attracting high-skilled talents in the industry to join the Company and enhancing its core competitiveness.

The Participants to the ESOP include Directors, Supervisors, senior management, core management and key employees of the Company, all of whom are the key employees in the strategic development and industrial layout of the Company and play a vital role in the overall performance and long-term sustainable and stable development of the Company. With reference to relevant regulations and market practices and taking into consideration the development trend of the industry and the actual operation situation of the Company, the Company determined that the transfer price of the ESOP is RMB13.82 per share.

Targets of the Company's performance appraisal and individual performance appraisal have been set based on the principle of reciprocity between incentive and restraint. The equities will be unlocked in tranches and can only be unlocked if the targets of the Company's performance appraisal and individual performance appraisal have been achieved. The performance appraisal target of the Company is set to be challenging, and the gains of the Participants depend on the achievement of the future performance of the Company, which ensures that the long-term interests of employees and Shareholders are aligned, so that it will bring positive impact on the achievement of the Company's development goals and the rights and interests of all Shareholders, and will not prejudice the interests of the Company and its Shareholders as a whole.

Based on the foregoing, the pricing principle of the ESOP is in line with the actual incentive needs of the Company, which can further stimulate the enthusiasm and potential of the Company's employees, and promote the sustainable and stable development of the Company, thus is considered reasonable and scientific and is aligned with the basic principle that Participants "shall be responsible for their own profits and losses, bear their own risks, and have equal rights with other investors".



**CHAPTER 4 DURATION, LOCK-UP PERIOD, PERFORMANCE APPRAISAL AND  
TRADING RESTRICTIONS OF THE ESOP**

**I. Duration**

- (I) The term of the ESOP shall be 36 months commencing from the date on which the ESOP is considered and approved at the general meeting and the Company announces the last tranche of the Underlying Shares has been transferred to the ESOP.
- (II) The term of the ESOP may be extended before the expiry of the term of the ESOP, as agreed by the Holders holding more than two-thirds (inclusive) of the total units and attending the Holders' Meeting, and as considered and approved by the Board.

**II. Lock-up Periods**

The lock-up period of the ESOP is 12 months commencing from the date when the Company announces the registration of the transfer of the last tranche of the Underlying Shares to the ESOP. The equity of Underlying Shares held shall be unlocked in two tranches. The time point of unlocking is 12 months and 24 months respectively from the date of the Company's announcement of the registration of the transfer of the last tranche of the Underlying Shares to the ESOP, and the proportion of the Underlying Shares to be unlocked for each tranche is 50% and 50%, respectively. The actual proportion and number of shares to be unlocked for each tranche are determined according to the Company's performance and the results of the individual performance of the Participants.

Regarding the Underlying Shares transferred to the ESOP, the shares derived from the situations including distribution of dividends and the capitalization of capital reserves of the Company, etc. shall also be subject to the above-mentioned lock-up arrangements.

**III. Performance Appraisal**

**(I) Company-level performance appraisal**

The ESOP is based on two accounting years from 2023 to 2024 as the performance appraisal years, and the proportion to be unlocked at the company level is determined according to the completion of the Company’s performance targets in each appraisal year. The performance appraisal indicators for each year are shown in the table below:

| <b>Selection of performance indicators</b> | <b>Sales volume</b>   | <b>Net profit</b>  |
|--|---|--|
| Weights of performance indicators          | 55%   | 45%  |
| Completion rate of performance targets (P) | $\sum$ (actual value of performance indicator/target value of performance indicator) $\times$ weight of performance indicator |  |
| First unlocking period                     | The sales volume of automobiles of the Company shall not be less than 1.60 million units in 2023                              | The net profit shall not be less than RMB6 billion in 2023   |
| Second unlocking period                    | The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2024                              | The net profit shall not be less than RMB7.2 billion in 2024 |

*Note:* The “net profit” mentioned above refers to the audited net profit attributable to shareholders of the listed company. The “sales volume” mentioned above refers to the annual sales volume as disclosed in the annual report of the Company.

| <b>Completion rate of performance targets (P)</b> | <b>Unlocking proportion at company level (X)</b> |
|---|--|
| $P \geq 100\%$                                    | $X=100\%$  |
| $80\% \leq P < 100\%$                             | $X=P$  |
| $P < 80\%$  | $X=0$  |

If the company-level performance appraisal indicators meet the unlocking conditions, the equity of Underlying Shares for such unlocking period will be unlocked in proportion accordingly. The portion that is not unlocked shall be recovered by the Management Committee. If the company-level performance appraisal indicators fail to meet the unlocking conditions, the equity interest in Underlying Shares for such unlocking period shall not be unlocked, and shall be recovered by the Management Committee. The recovery price of the above equity interest that is not unlocked shall be equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period. The amount of recovery price shall be returned to the Holders after the

corresponding Underlying Shares are disposed of as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

**(II) Individual-level performance appraisal**

The ESOP will assess unlocking proportion of individual (N) in accordance with the results of the individual-level performance appraisal, with details as follows:

| <b>Annual performance appraisal results</b> | <b>A</b> | <b>B</b> | <b>C</b> | <b>D</b> | <b>E</b> |
|---|----------|----------|----------|----------|----------|
| Individual-level unlocking proportion (N)   | 100%     | 100%     | 80%      | 0%       | 0%       |

Subject to the achievement of the above-mentioned company-level performance appraisal indicators, the actual amount of the Underlying Share equity to be unlocked by the Participants for the period = the amount of Underlying Share equity to be unlocked by the Participants for the period × the company-level unlocking proportion (X) × the individual-level unlocking proportion (N).

The equity interest in Underlying Share that cannot be unlocked due to the results of the individual-level performance appraisal shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and returned the amount of recovery price to the Holders after disposing the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

**IV. Trading Restrictions of the ESOP**

The implementation of ESOP will strictly abide by the market trading rules, and comply with the provisions of the CSRC and the SSE on the prohibition of trading of stocks during the sensitive period of information. No person is permitted to engage in insider trading, market manipulation and other securities fraud through the ESOP. The ESOP shall not deal in the shares of the Company during the following periods:

- (I) within 60 days preceding the announcement of the Company’s annual report, and 30 days preceding the announcement of the semi-annual report and quarterly report; if the date of the annual report is postponed due to special reasons, it shall be from 60 days preceding the original announcement date to the date of publication of the announcement; if the announcement date of the semi-annual report and quarterly report is postponed due to special reasons, it shall be from 30 days preceding the original announcement date of the semi-annual report and quarterly report to the date of publication of the announcement;

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- (II) within 10 days preceding the announcement of results forecast or preliminary results of the Company;
- (III) from the date of a major event which may have a material impact on the trading price of the shares or derivatives of the Company or during the relevant decision-making process until the date of the legal disclosure thereof;
- (IV) other periods as may be required by the CSRC, the SSE and the Stock Exchange.

**CHAPTER 5 MANAGEMENT MODEL OF THE ESOP**

The ESOP shall be managed by the Company itself. The Holders' Meeting is the highest internal management authority of the ESOP. The Holders' Meeting shall establish the Management Committee and authorize the Management Committee as the management body of the ESOP to supervise the daily management of the ESOP and exercise Shareholders' rights on behalf of the Holders. The Board is responsible for drafting and amending the draft of the Plan and handling other relevant matters of the ESOP within the scope authorized by the general meeting.

**I. The Holders**

(I) Participants will become the Holders of the ESOP after being granted with the units of the ESOP. The rights of Holders are as follows:

1. enjoying the rights and interests in the assets of the Plan according to their units of the Plan;
2. participating in or appointing their agents to attend the Holders' Meeting, and exercise the corresponding voting rights;
3. supervising the management of the ESOP and making suggestions or inquiries;
4. waiving the voting right in the Company's Underlying Shares indirectly held through their participation in the ESOP, and authorizing the Management Committee to exercise voting rights and other rights on behalf of all Holders;
5. other rights as stipulated by laws, administrative regulations, departmental rules, or the ESOP.

(II) The obligations of Holders are as follows:

1. abiding by laws, administrative regulations, departmental rules, and relevant provisions of the ESOP and Management Measures;
2. during the term of the ESOP, except as reviewed and approved by the Management Committee, the units of the ESOP held by the Holders shall not be transferred, used for guarantee, repayment of debts or other similar disposal;
3. undertaking the relevant risks of the ESOP based on their units of the ESOP;
4. bearing the corresponding taxes stipulated by the State and other relevant laws and regulations as a result of participation in the ESOP;
5. other obligations as specified by laws, administrative regulations and the ESOP.

**II. Holders' Meeting**

(I) Holders' Meeting of the ESOP is comprised of all Holders of the ESOP and is the internal management authority of the ESOP. The Holders may attend and vote at Holders' meetings in person, or entrust a proxy to attend and vote on his/her behalf. The expenses of travel, board and lodging, etc. incurred by the Holders and their proxies to attend the Holders' Meeting shall be borne by the Holders themselves.

(II) The following matters shall be considered and discussed at the Holders' Meeting:

1. Election and removal of any members of the Management Committee;
2. Amendment, extension and early termination of the term of the ESOP;
3. During the term of the ESOP, when the Company raises funds by placement of Shares, issuance of new Shares, etc., the Management Committee will discuss whether to participate and submit to the Holders' Meeting for consideration;
4. Amendment to the Management Measures (Revised);
5. Authorization to the Management Committee to supervise the daily management of the ESOP;
6. Authorization to the Management Committee to exercise Shareholders' rights;
7. Authorization to the Management Committee to take charge of the collaboration with the professional advisors;
8. Authorization to the Management Committee to be responsible for the liquidation and distribution of assets of the ESOP;
9. Other matters deemed to be necessary for consideration at the Holders' Meeting by the Management Committee.

(III) Convention Procedures of the Holders' Meeting

1. The first Holders' Meeting shall be convened by the Chairman of the Company or its designated person, and the subsequent Holders' Meeting will be convened by the Management Committee. When the chairman of the Management Committee is unable to perform his/her duty, he/she shall appoint a member of the Management Committee to preside over the meeting.

2. To convene a Holders' Meeting, the Management Committee shall send out a notice of meeting 3 days prior to the meeting to all the Holders through direct delivery, mail, facsimile, e-mail or other means. The notice of meeting shall at least include the following details:
  - 1) time and location of the meeting;
  - 2) means of convening;
  - 3) matters to be considered (proposals);
  - 4) convener and presider of the meeting, proposer of and written proposal for the provisional meeting;
  - 5) necessary materials for the meeting;
  - 6) requirements as to the Holders to attend the meeting in person or entrust other Holders to attend the meeting on their behalf;
  - 7) contact person and contact information;
  - 8) date of issuance of the notice.

In case of emergency, a Holders' Meeting can be convened by a verbal notice. The verbal meeting notice shall at least include the above clauses of (1) and (2) and an explanation on the emergency and necessity to convene a Holders' Meeting.

#### (IV) Voting Procedures of the Holders' Meeting

1. After each proposal has been fully discussed, the host shall invite Holders present at the meeting to vote in a timely manner. The host may also invite the Holders present at the meeting to vote only after all proposals have been discussed. Voting shall be carried out by written ballot or other methods of voting;
2. The Holders of the ESOP shall exercise the corresponding voting rights entitled by their units;
3. The Holders may propose to vote "agree, disagree or abstain". The Holders present at the meeting shall select one of the voting options, and any vote with no selection or more than two selections will be deemed as abstention. Unfilled, incorrectly filled, or illegible voting ballots or uncast ballots shall be deemed as abstention from voting. Any vote made after the host announces the voting result or after the prescribed voting time shall not be counted;

4. The host of the meeting shall announce the voting results at the venue of the meeting. Unless otherwise stipulated by the Plan, a proposed resolution shall become a valid resolution of the Holders' Meeting upon approval by more than 1/2 (inclusive) of the total units held by the Holders present at the Holder's Meeting;
5. In the event that a proposal of the Holders' Meeting should be submitted to the Board and the general meeting of the Company for consideration, it shall be submitted to the Board and the general meeting of the Company for consideration in accordance with the provisions of the Articles of Association;
6. Holders who individually or collectively hold over 30% of the units under the ESOP may propose to convene a Holders' Meeting;
7. The presider of the meeting shall arrange for record keeping for the Holders' Meeting.

### III. Management Committee

- (I) The ESOP shall set up a Management Committee which is responsible for the ESOP, is the daily supervision and management organization of the ESOP and exercises or authorizes the asset management agencies to exercise the Shareholders' rights on behalf of Holders.
- (II) The Management Committee of the ESOP comprises of five members including one chairman. All members of the Management Committee shall be elected by the Holders' Meeting. The chairman of the Management Committee shall be elected by more than half of all members of the Management Committee. The term of office of members of the Management Committee shall be the term of the ESOP.
- (III) Members of the Management Committee have the following fiduciary duties to the ESOP in accordance with laws, administrative regulations and the Management Measures:
  1. not to take advantage of their position and authority to accept bribes or other illegal income; not to occupy any property of the ESOP;
  2. not to misappropriate funds of the ESOP;
  3. without the consent of the Management Committee, not to open account under his or her own name or others' names for depositing the assets or funds of the ESOP;



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4. without the consent of the Holders' Meeting, not to lend the funds of the ESOP to others or provide guarantee for others with the properties of the ESOP;
5. not to take advantage of their positions and authority to jeopardize the interests of the ESOP;
6. other obligations as specified by laws, administrative regulations, departmental rules and the Management Measures;

Where a member of the Management Committee causes any loss to the ESOP due to his or her breach of fiduciary duties, such member shall be liable for indemnification.

(IV) The Management Committee shall discharge the following functions and authority:

1. convene the Holders' Meetings;
2. supervise the daily management of the ESOP on behalf of all Holders;
3. handle matters in relation to the grant of the units under the ESOP;
4. exercise the Shareholders' rights on behalf of all Holders and manage the assets of the ESOP;
5. manage the allocation of interests of the ESOP, and decide on the disposal, sales and allocation and other matters of the Underlying Shares upon the expiry of the lock-up period of the ESOP;
6. the Management Committee may engage professional institutions such as securities companies, fund management firms, law firms and accounting firms, to provide consulting services for the ESOP, and is responsible for the collaboration with them;
7. sign relevant agreements or contracts with external parties on behalf of the ESOP;
8. decide on the disposal of the units recovered under the ESOP;
9. handle inheritance registration of the units under the ESOP;
10. other functions and authority as delegated by the Holders' Meeting;
11. other responsibilities to be performed by the Management Committee according to relevant laws and regulations and the provisions of the Plan.

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(V) The chairman of the Management Committee shall discharge the following functions and authority:

1. convene and preside over the Holders' Meetings and the Management Committee meetings;
2. supervise and inspect the execution of resolutions of the Holders' Meetings and the Management Committee meetings;
3. other functions and authority as delegated by the Management Committee.

(VI) Convention Procedures for the Management Committee Meetings

The Management Committee meetings shall be convened by the chairman of the Management Committee. Notice of the meeting shall be sent to all members of the Management Committee 3 days prior to the meeting. The content of the notice shall include the following:

1. date and venue of the meeting;
2. reasons for and agenda of the meeting;
3. materials necessary for the meeting;
4. date of issuance of the notice.

(VII) Convention and Voting Procedures for the Management Committee Meetings

1. Management Committee meetings shall be held only when more than half of the members of the Management Committee are present;
2. A resolution made by the Management Committee must be approved by more than half of all members of the Management Committee;
3. One member of the Management Committee will enjoy one vote regarding the voting on resolutions at the Management Committee meetings, and the voting shall be conducted by open ballot;
4. On the premise that the members of the Management Committee can fully express their opinions, the Management Committee meetings can be held by fax, etc. to adopt resolutions which shall be signed by the members of the Management Committee attending the meeting;

5. The members of the Management Committee shall attend the Management Committee meetings in person. If the members of the Management Committee are unable to attend the meeting, they may entrust other members of the Management Committee to attend the meeting on their behalf in writing. The power of attorney shall specify the name, entrusting matters, scope of authorization and term of validity, and shall be signed or sealed by the principal. Members of the Management Committee who attend the meeting on their behalf shall exercise the rights of members of the Management Committee within the scope of authorization. If a member of the Management Committee does not attend a meeting of the Management Committee or entrust a proxy to attend, he/she shall be deemed to have given up his/her right to vote at the meeting;
6. The Management Committee shall make minutes of the decisions on the matters discussed at the meeting, which shall be signed by the members of the Management Committee present at the meeting.

#### **IV. Authorization to the Board by the General Meeting**

The general meeting authorizes the Board to handle all matters in relation to the ESOP in full discretion, including but not limited to the following:

- (I) to authorize the Board to handle matters in relation to the establishment, amendment and termination of the ESOP;
- (II) to authorize the Board to make decisions on the term extension of the ESOP;
- (III) to authorize the Board to go through the procedures for the securities accounts and capital accounts involved in the ESOP and to handle all matters concerning the lock-up and unlocking of the shares purchased under the ESOP;
- (IV) upon approval of the ESOP at the general meeting, the Board is authorized to make corresponding adjustments to the ESOP accordingly in the event of any adjustments to the relevant laws, regulations or policies during the term of implementation;
- (V) to authorize the Board to change the Participants and the determination criteria for the ESOP;
- (VI) to authorize the Board to sign agreements and documents related to the ESOP;
- (VII) to authorize the Board to handle other matters necessary for the ESOP, except for those rights to be exercised by the general meeting that are expressly provided in the relevant documents.

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The above authorizations shall take effect from the date when the ESOP is considered and approved at the general meeting of the Company to the completion of the implementation of the ESOP. The above-mentioned authorized matters, except for those matters need to be resolved by the Board as expressly required by laws, administrative regulations, rules of the CSRC, the ESOP and the Articles of Association, may be directly handled by the chairman of the Board or any appropriate person authorized by the chairman on behalf of the Board.

**CHAPTER 6 ASSET COMPOSITION AND MEASURES FOR THE DISPOSITION OF  
HOLDERS' INTERESTS OF THE ESOP**

**I. Asset Composition of the ESOP**

- (I) The interests corresponding to the Underlying Shares held by the ESOP;
- (II) Cash deposits and interest accrued thereon;
- (III) Other assets, such as gains derived from asset management.

The assets under the ESOP are independent of the assets owned by the listed company. The listed company shall not include the assets of the ESOP into its own assets. The assets and revenues obtained from the management, utilization, or other means of the ESOP shall be included in the assets of the ESOP.

**II. Disposition of the Holders' Interests**

- (I) Within the term of the ESOP, unless otherwise stipulated in laws, administrative regulations, and departmental rules or upon approval of the Management Committee, the units of the ESOP held by the Holders shall not be transferred, used for guarantee, repayment of debts or other similar disposals.
- (II) Within the lock-up period of the ESOP, the Holders shall not request the distribution of rights and interests of the ESOP.
- (III) During the lock-up period, when the Company converts capital reserve into share capital and distributes bonus shares, the newly acquired shares under the ESOP due to the holding of shares of the Company shall be locked up together. The unlocking period of such shares is the same as the corresponding Underlying Shares.
- (IV) Upon expiration of the lock-up period of the ESOP, the Management Committee shall realize the assets under the ESOP successively and distribute them to the Holders in proportion to their units; or the Management Committee shall apply to the securities depository and clearing institution to transfer the Underlying Shares to the personal account of the Holders according to the proportion of their units pursuant to the requirements of relevant laws and regulations for the Holders to dispose at their own discretion.
- (V) If all Underlying Shares held under the ESOP are sold and the liquidation and distribution of the assets under the ESOP have been completed according to the preceding paragraph, the ESOP shall be terminated immediately upon being approved by the Management Committee and filed with the Board.
- (VI) During the term of the ESOP, cash dividends received by the ESOP for holding the Underlying Shares are included in the assets of the ESOP. The Management Committee has the right to decide whether to allocate cash dividends.

(VII) During the term of the ESOP, if cash or other distributable proceeds are obtained from the sale of the Company's shares held by the ESOP, they shall be used in priority to pay the relevant taxes, transaction costs and other expenses incurred by the ESOP.

(VIII) Disposal of Interests under the ESOP in Special Circumstances

1. During the term of the ESOP, in the event of demotion and removal of any Holder, the Management Committee shall have the right to re-approve the locked units which could be held by such Holder; if the locked units held by the Holder are more than the locked units after reapproval, the Management Committee shall be entitled to recover the surplus units at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company; the Holder may continue to enjoy the unlocked share equity under the ESOP held by him/her.
2. If any Holder is involved in one of the following circumstances within the term of the ESOP, the units under the ESOP held by the Holder shall remain the same, the unlocking procedures shall be conducted as stipulated in the ESOP, and their individual performance appraisal shall not be included in the unlocking conditions:
  - 1) where the Holder loses working capacity due to work;
  - 2) where the Holder died due to work (his/her legal heirs will inherit and continue to enjoy such share equity and such heirs are not subject to the qualifications to participate in the ESOP).
3. If the Holder retires within the term of the ESOP:
  - 1) if the Holder leaves the Company due to retirement, he/she shall continue to enjoy the rights of the unlocked units; the units granted but locked shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and returned the recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company;
  - 2) where the Holder is reappointed after his/her retirement, the granted units shall be handled in accordance with the procedures and appraisal conditions as stipulated in the ESOP.

4. Where the Holder terminates the employment contract with the Company other than due to 2 and 3 above during the term of the ESOP, the Management Committee has the right to disqualify the Holder from participating in the ESOP, recover all the units held by such Holder (whether unlocked or not) at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.
5. During the term of the ESOP, if one of the following circumstances occurs, the Management Committee has the right to disqualify the Holder from participating in the ESOP, and the Holder shall continue to enjoy the rights of the unlocked units; the units granted but locked shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.
  - 1) where the Holder ceases to work in Great Wall Motor but still holds a position within the group due to job rotation;
  - 2) where the Holder holds a position in a wholly-owned or majority-controlled subsidiary of Great Wall Motor, Great Wall Motor loses control over such subsidiary and the Holder still works in such subsidiary;
  - 3) other circumstances as determined by the Management Committee.
6. During the term of the ESOP, in the event of violation of laws, regulations and bottom lines of the Company or negligence or dereliction of duty by the Holder during his/her term, the Management Committee has the right to disqualify the Holder from participating in the ESOP, recover all the units held by such Holder (whether unlocked or not) at a price equal to the lower of the original contribution for the Underlying Shares corresponding to the units and the selling amount, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company; where significant economic losses and serious harm are caused to the Company, the Company has the right to investigate the legal liability of the Holder.

7. If the Holder violates non-competition restrictions after leaving the Company or is found to be involved in the disclosure of business secrets of the Company, serious violation of laws and regulations, cross of the bottom line of Company and other negligence or dereliction of duty, causing serious losses or damaging the reputation of the Company, the Company shall have the right to request the Holder to return all his/her income from the units under the ESOP and reserve the right to hold such Holder liable for legal responsibilities.
  
8. During the term of the ESOP, in the event of other circumstances not expressly agreed in the ESOP or the Management Measures, the disposal of the interests held by the Holder under the ESOP shall be determined by the Management Committee.



**CHAPTER 7 AMENDMENT AND TERMINATION OF THE ESOP**

**I.    Amendment to the ESOP**

Any amendment to the ESOP shall be passed by more than two-thirds (inclusive) of the units held by the Holders attending the Holders' Meeting and be submitted to the Board for consideration and approval.

**II.   Termination of the ESOP**

- (I)   The ESOP will be automatically terminated if it fails to extend upon expiry.
  
- (II)  If all the assets of the ESOP are monetary assets upon the expiry of the lock-up period, the ESOP may be terminated early;
  
- (III) Subject to the requirements of the policy, the ESOP may be terminated early upon proposal by the Management Committee, the approval by more than two-thirds (inclusive) of the units held by the Holders attending the Holders' Meeting and the submission to the Board for consideration and approval.

**CHAPTER 8 ESOP'S PARTICIPATION IN FINANCING ARRANGEMENTS  
OF THE COMPANY**

When the Company raises funds by placement of Shares, issuance of new Shares, issuance of convertible bonds, etc., the Management Committee will decide whether to participate and determine relevant funding plan, and submit to the Holders' Meeting for consideration.

**CHAPTER 9 RELATED-PARTY RELATIONSHIP AND ACTING-IN-CONCERT  
RELATIONSHIP UNDER THE ESOP**

- I. The controlling Shareholder and the de facto controller of the Company did not participate in the ESOP.
- II. The Holders of the ESOP include an aggregate of 2 Directors, Supervisors and senior management of the Company who are related persons of the ESOP.
- III. The highest internal management authority of the ESOP is the Holders' Meeting. A Management Committee will be elected by the Holders' Meeting to supervise the daily management of the ESOP. Meanwhile, the ESOP has not entered into any acting-in-concert agreement or any acting-in-concert arrangement with the controlling Shareholder, de facto controller and Directors, Supervisors and senior management of the Company. In this regard, there are no acting-in-concert relationship between the ESOP and the controlling Shareholder, de facto controller, Directors, Supervisors or senior management.
- IV. The Directors, Supervisors and senior management participating in the ESOP shall abstain from voting when the matters in connection with the ESOP are reviewed at the general meeting and the meeting of the Supervisory Committee.
- V. Holders of the ESOP will abstain from voting when the matters in connection with the ESOP and the matters in connection with the Company's Shareholders, Directors, Supervisors and senior management participating in the ESOP are reviewed at the general meeting.

**CHAPTER 10 ACCOUNTING TREATMENT OF THE ESOP**

In accordance with the relevant provisions of the Accounting Standard for Business Enterprises No. 11 – Share-based Payments: as to an equity-settled share-based payment in return for services of employees, if the right cannot be exercised until the vesting period comes to an end or until the prescribed performance conditions are met, then on each balance sheet date within the vesting period, the services obtained in the current period should, based on the best estimate of the number of vested equity instruments, be stated in relevant costs or expenses and the capital reserves at the fair value of the equity instruments on the date of grant.

Assuming that the ESOP would be considered and approved at the general meeting of the Company to be held at the beginning of June 2023, and then the Company will transfer 40,000,043 shares of the Company held in the designated repurchase account of the Company to the ESOP through non-trading transfer and other methods permitted by laws and regulations. As estimated based on closing price (RMB26.23 per share) on the day when the Board will consider and approve the ESOP (Draft), it is expected that the Company should recognize the expenses involved in the ESOP of RMB496,400,500, and the amortization of the expenses of the ESOP is calculated as follows:

*Unit: RMB0'000*

| <b>Total expenses expected to be amortized</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|--|-------------|-------------|-------------|
| 49,640.05                                      | 21,717.52   | 22,751.69   | 5,170.84    |

*Note:* The final impact on the operating results of the Company shall be subject to the annual audit report issued by the accounting firm.

The cost of the ESOP shall be charged to the costs and expenses. Without considering the impact of the ESOP on the Company’s performance, the amortization of expenses under the ESOP has a certain impact on the net profit of each year during the term of the Plan. If the positive effect of the ESOP on the development of the Company is considered, the ESOP will effectively stimulate the enthusiasm of the Company’s employees and improve operational efficiency.

**CHAPTER 11 PROCEDURES FOR IMPLEMENTATION OF THE ESOP**

- I. The Board is responsible for formulating the draft of the ESOP, seeking opinions from employees via the staff representative meeting, and submitting it to the Board for consideration.
- II. When the Board is considering and adopting the draft of the ESOP, related Directors shall abstain from voting and independent Directors shall deliver their independent opinions on the following matters: whether the ESOP is beneficial to the sustainable development of the Company; whether it will impair the interests of the Company and the Shareholders as a whole; whether there is any apportionment, forced allocation, etc., to force the employees to participate in the ESOP.
- III. The Supervisory Committee is responsible for verifying the list of Holders, and expressing opinions on whether the ESOP is conducive to the sustainable development of the Company, whether it is detrimental to the interests of the Company and its Shareholders as a whole and whether employees are forced to participate in the Plan by way of apportionment, forced allocation, etc.
- IV. The Board will, within 2 trading days from consideration and approval of the ESOP at the meeting, publish the resolution of the Board, the draft and abstract of ESOP, the opinions of independent Directors and the Supervisory Committee.
- V. The Company issues the notice of convening the general meeting.
- VI. The Company shall appoint a law firm to issue legal opinions on the ESOP, and make public the legal opinion before the general meeting of Shareholders to review the ESOP.
- VII. The Company shall convene a general meeting to consider the ESOP and authorize the Board to implement the Plan. The general meeting will adopt the combination of on-site voting and online voting. Shareholders, Directors, Supervisors, senior management and other related parties who are involved in the ESOP shall abstain from voting. Resolutions on the ESOP made at the general meeting are subject to approval by more than half of the voting rights held by the non-affiliated Shareholders attending such meeting.
- VIII. The ESOP shall only be implemented after approval by the general meeting.
- IX. Other procedures that shall be performed as stipulated by the CSRC and the stock exchange.

**CHAPTER 12 OTHER IMPORTANT MATTERS**

- I. The ESOP shall take effect on the date of approval by the general meeting.
- II. The adoption of the ESOP by the Board and the general meeting does not constitute a commitment of employment for a fixed term by the Company. The employment relationship between the Company and the Holders is determined in the employment contracts entered into with the Holders. For the ESOP, there is no third party to provide incentives, subsidies, and allowances for employees to participate in the Plan.
- III. The financial, accounting, and tax matters related to the implementation of the ESOP shall be handled in accordance with laws and regulations, the relevant financial rules, accounting standards, and tax system.
- IV. The Board shall hold the right to interpret the ESOP.

Board of Great Wall Motor Company Limited  
8 May 2023

## CHAPTER 1 GENERAL PROVISIONS

I. To standardize the implementation of the Employee Stock Ownership Plan for 2023 (the “ESOP” or the “Plan”) of Great Wall Motor Company Limited (“Great Wall Motor” or the “Company”), the Management Measures for the Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited (Revised) (the “Management Measures” or the “Management Measures for the ESOP (Revised)”) is prepared in accordance with the requirements of the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Guiding Opinions on the Pilot Implementation of Employee Stock Ownership Plans by Listed Companies (the “Guiding Opinions”), the Self-regulatory Guidelines for the Companies Listed on the Shanghai Stock Exchange No. 1 – Standardized Operation (the “Guidelines for Standardized Operation”), relevant laws, administrative regulations, normative documents, the Articles of Association of Great Wall Motor Company Limited (the “Articles of Association”) and the Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited (Revised Draft) (the “ESOP (Revised Draft)”).

### II. Basic Principles to be Followed by the ESOP

#### (I) Legal compliance

The Company implements the ESOP and follows the procedures in strict compliance with relevant requirements under the laws and administrative regulations, which require the Company to disclose true, accurate and complete information in a timely manner. No person is permitted to engage in insider dealing, manipulation of the securities market, and other fraudulent actions through the ESOP.

#### (II) Voluntary participation

This ESOP is implemented in compliance with principles including lawfulness, compliance, voluntary participation and self-bearing of risk. The Company will not adopt such means as apportionment, forced allocation, etc. to compel employees to participate in this ESOP.

#### (III) Self-bearing of risk

The Participants under the ESOP shall be responsible for their own profits and losses, bear their own risks, and have equal rights with other investors.

**CHAPTER 2 PARTICIPANTS AND DETERMINATION CRITERIA OF THE ESOP**

**I.    Legal Basis for Determining Participants**

The Participants of this ESOP are determined by the Company in accordance with the provisions of the Company Law, the Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, regulations, normative documents and the Articles of Association, and with consideration of the actual situations.

**II.   Determination of the Scope of Participants**

Participants under the ESOP shall be either:

- (I)   Directors (excluding independent Directors), Supervisors and senior management of the Company; or
  
- (II)  core management and key employees.

All the Participants must have entered into labor contracts or employment contracts with the Company or its subsidiaries during the term of the ESOP.



**CHAPTER 3 SOURCE OF FUNDS, SOURCE AND NUMBER OF SHARES,  
TRANSFER PRICE OF THE ESOP**

**I. Source of Funds**

The source of funds for the ESOP shall be the legitimate salary of the employees, their self-raised funds and funds raised from other sources as permitted under relevant laws and regulations.

Participants of the ESOP shall pay the subscription amount in full and on time, and the payment schedule of the ESOP will be notified and arranged by the Company. Any Holder who fails to pay the subscription amount on time and in full will automatically lose his/her corresponding right of subscription.

**II. Source and Number of Shares**

**(I) Source of Shares**

The shares of the ESOP come from the ordinary A shares of Great Wall Motor repurchased in the Company's special securities account for repurchase. After the ESOP is considered and approved by the general meeting, repurchased shares of the Company will be transferred to the ESOP through non-trading transfer and other methods permitted by laws and regulations.

On 15 July 2022, the Company held the 44th meeting of the seventh session of the Board and the 40th meeting of the seventh session of the Supervisory Committee of the Company, at which the Plan on Repurchase of A Shares by Way of Centralized Bidding was considered and approved, pursuant to which the Company can use its own funds to repurchase the Company's shares through centralized bidding, with a repurchase amount not less than 10 million shares (inclusive) and not more than 15 million shares (inclusive). For details, please refer to the Announcement on Plan for Repurchase of A Shares through Centralized Price Bidding published by the Company on 15 July 2022. As of 15 September 2022, the Company had repurchased 12,000,089 A shares in aggregate through the special securities account for repurchase through centralized bidding, accounting for 0.13% of the Company's total share capital. The highest repurchase price was RMB35.04 per share, the lowest repurchase price was RMB30.22 per share, and the average repurchase price was RMB32.71 per share, with a total amount of funds used of RMB392,565,200 (net of transaction expenses). The repurchase plan has been completed.

On 14 October 2022, the Company held the 51st meeting of the seventh session of the Board and the 44th meeting of the seventh session of the Supervisory Committee of the Company, at which the Plan on Repurchase of A Shares by Way of Centralized Bidding was considered and approved, pursuant to which the Company can use its own funds to repurchase the Company's shares through centralized bidding, with a repurchase amount not less than 20 million shares (inclusive) and not more than 40 million shares (inclusive). For details, please

refer to the Announcement on Plan for Repurchase of A Shares through Centralized Price Bidding published by the Company on 16 October 2022. As of 21 February 2023, the Company had repurchased 27,999,954 A shares in aggregate through the special securities account for repurchase through centralized bidding, accounting for 0.32% of the Company's total share capital. The highest repurchase price was RMB31.00 per share, the lowest repurchase price was RMB27.60 per share, and the average repurchase price was RMB29.35 per share, with a total amount of funds used of RMB821,854,000 (net of transaction expenses). The repurchase plan has been completed.

## **(II) Number of Shares**

The number of Underlying Shares under the ESOP shall be no more than 40,000,043 shares, representing 0.471% of the total share capital of the Company. The final number of Underlying Shares held by the ESOP shall be subject to the actual number of shares transferred, and the Company will fulfill information disclosure obligations according to the requirements of relevant laws and regulations in a timely manner.

During the period between the pricing reference date and the date on which the shares repurchased by the Company are transferred to the ESOP through non-trading transfer or other methods permitted by laws and regulations, in the event of any ex-rights or ex-dividend matters of the Company, such as conversion of capital reserve into share capital and distribution of shares or dividends, the number and price of the Underlying Shares shall be adjusted accordingly. After the ESOP is approved at the general meeting, the ESOP shall receive the Underlying Shares from the Company's special securities account for share repurchase through non-trading transfer or other methods permitted by laws and regulations.

## **III. Description of Transfer Price, Pricing Basis and the Reasonableness of Price**

### **(I) Purchase Price and Pricing Basis**

The ESOP shall transfer the ordinary A shares repurchased by the Company through non-trading transfer and other methods permitted by laws and regulations. The transfer price is RMB13.82 per share, which is 50% of average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft).

The transfer price shall not be lower than the nominal value of the shares and shall not be lower than the higher of the following:

1. 50% of the average trading price of the Company's shares on the trading day preceding the announcement of the ESOP (Revised Draft), being RMB13.09 per share;

2. 50% of the average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft), being RMB13.82 per share.

In the event of any ex-rights or ex-dividend matters of the Company, such as distribution of dividends or shares, conversion of capital reserve into share capital, during the period from the pricing reference date to the date of transferring the Underlying Shares to the ESOP, the above transfer price shall be adjusted accordingly.

## **(II) Explanation on the Reasonableness of Price**

In recent years, the competition in the industry in which the Company operates has been increasingly intense despite new development opportunities being emerging. How to achieve better results in the fierce industry competition depends on the quality and competence of the Company's talents to a large extent. On top of the existing remuneration and incentive system, the Company further improves the long-term incentive mechanism making the interests of employees aligned with that of Shareholders, which is conducive to fully mobilizing the initiative, enthusiasm and creativity of existing employees, and also attracting high-skilled talents in the industry to join the Company and enhancing its core competitiveness.

The Participants to the ESOP include Directors, Supervisors, senior management, core management and key employees of the Company, all of whom are the key employees in the strategic development and industrial layout of the Company and play a vital role in the overall performance and long-term sustainable and stable development of the Company. With reference to relevant regulations and market practices and taking into consideration the development trend of the industry and the actual operation situation of the Company, the Company determined that the transfer price of the ESOP is RMB13.82 per share.

Targets of the Company's performance appraisal and individual performance appraisal have been set based on the principle of reciprocity between incentive and restraint. The equities will be unlocked in tranches and can only be unlocked if the targets of the Company's performance appraisal and individual performance appraisal have been achieved. The performance appraisal target of the Company is set to be challenging, and the gains of the Participants depend on the achievement of the future performance of the Company, which ensures that the long-term interests of employees and Shareholders are aligned, so that it will bring positive impact on the achievement of the Company's development goals and the rights and interests of all Shareholders, and will not prejudice the interests of the Company and its Shareholders as a whole.

Based on the foregoing, the pricing principle of the ESOP is in line with the actual incentive needs of the Company, which can further stimulate the enthusiasm and potential of the Company's employees, and promote the sustainable and stable development of the Company, thus is considered reasonable and scientific and is aligned with the basic principle that Participants "shall be responsible for their own profits and losses, bear their own risks, and have equal rights with other investors".

**CHAPTER 4 DURATION, LOCK-UP PERIOD, PERFORMANCE APPRAISAL AND  
TRADING RESTRICTIONS OF THE ESOP**

**I. Duration**

- (I) The term of the ESOP shall be 36 months commencing from the date on which the ESOP is considered and approved at the general meeting and the Company announces the last tranche of the Underlying Shares has been transferred to the ESOP.
- (II) The term of the ESOP may be extended before the expiry of the term of the ESOP, as agreed by the Holders holding more than two-thirds (inclusive) of the total units and attending the Holders' Meeting, and as considered and approved by the Board.

**II. Lock-up Periods**

The lock-up period of the ESOP is 12 months commencing from the date when the Company announces the registration of the transfer of the last tranche of the Underlying Shares to the ESOP. The equity of Underlying Shares held shall be unlocked in two tranches. The time point of unlocking is 12 months and 24 months respectively from the date of the Company's announcement of the registration of the transfer of the last tranche of the Underlying Shares to the ESOP, and the proportion of the Underlying Shares to be unlocked for each tranche is 50% and 50%, respectively. The actual proportion and number of shares to be unlocked for each tranche are determined according to the Company's performance and the results of the individual performance of the Participants.

Regarding the Underlying Shares transferred to the ESOP, the shares derived from the situations including distribution of dividends and the capitalization of capital reserves of the Company, etc. shall also be subject to the above-mentioned lock-up arrangements.

**III. Performance Appraisal**

**(I) Company-level performance appraisal**

The ESOP is based on two accounting years from 2023 to 2024 as the performance appraisal years, and the proportion to be unlocked at the company level is determined according to the completion of the Company's performance targets in each appraisal year. The performance appraisal indicators for each year are shown in the table below:

| <b>Selection of performance indicators</b> | <b>Sales volume</b> | <b>Net profit</b> |
|--|---------------------|-------------------|
| Weights of performance indicators          | 55%                 | 45%               |

**APPENDIX VII MANAGEMENT MEASURES FOR THE EMPLOYEE STOCK OWNERSHIP PLAN FOR 2023 OF GREAT WALL MOTOR COMPANY LIMITED (REVISED)**

| Selection of performance indicators        | Sales volume  | Net profit   |
|--|---|--|
| Completion rate of performance targets (P) | $\sum$ (actual value of performance indicator/target value of performance indicator) $\times$ weight of performance indicator |  |
| First unlocking period                     | The sales volume of automobiles of the Company shall not be less than 1.60 million units in 2023                              | The net profit shall not be less than RMB6 billion in 2023   |
| Second unlocking period                    | The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2024                              | The net profit shall not be less than RMB7.2 billion in 2024 |

*Note:* The “net profit” mentioned above refers to the audited net profit attributable to shareholders of the listed company. The “sales volume” mentioned above refers to the annual sales volume as disclosed in the annual report of the Company.

| Completion rate of performance targets (P) | Unlocking proportion at company level (X) |
|--|---|
| $P \geq 100\%$                             | $X=100\%$                                 |
| $80\% \leq P < 100\%$                      | $X=P$                                     |
| $P < 80\%$                                 | $X=0$                                     |

If the company-level performance appraisal indicators meet the unlocking conditions, the equity of Underlying Shares for such unlocking period will be unlocked in proportion accordingly. The portion that is not unlocked shall be recovered by the Management Committee. If the company-level performance appraisal indicators fail to meet the unlocking conditions, the equity of Underlying Shares for such unlocking period shall not be unlocked, and shall be recovered by the Management Committee. The recovery price of the above equity interest that is not unlocked shall be equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period. The amount of recovery price shall be returned to the Holders after the corresponding Underlying Shares are disposed of as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

**(II) Individual-level performance appraisal**

The ESOP will assess unlocking proportion of individual (N) in accordance with the results of the individual-level performance appraisal, with details as follows:

| Annual performance appraisal results      | A    | B    | C   | D  | E  |
|---|------|------|-----|----|----|
| Individual-level unlocking proportion (N) | 100% | 100% | 80% | 0% | 0% |

Subject to the achievement of the above-mentioned company-level performance appraisal indicators, the actual amount of the Underlying Share equity to be unlocked by the Participants for the period = the amount of Underlying Share equity to be unlocked by the Participants for the period × the company-level unlocking proportion (X) × the individual-level unlocking proportion (N).

The equity of Underlying Share that cannot be unlocked due to the results of the individual-level performance appraisal shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and returned the amount of recovery price to the Holders after disposing the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

#### **IV. Trading Restrictions of the ESOP**

The implementation of ESOP will strictly abide by the market trading rules, and comply with the provisions of the CSRC and the SSE on the prohibition of trading of stocks during the sensitive period of information. No person is permitted to engage in insider trading, market manipulation and other securities fraud through the ESOP. The ESOP shall not deal in the shares of the Company during the following periods:

- (I) within 60 days preceding the announcement of the Company's annual report, and 30 days preceding the announcement of the semi-annual report and quarterly report; if the date of the annual report is postponed due to special reasons, it shall be from 60 days preceding the original announcement date to the date of publication of the announcement; if the announcement date of the semi-annual report and quarterly report is postponed due to special reasons, it shall be from 30 days preceding the original announcement date of the semi-annual report and quarterly report to the date of publication of the announcement;
- (II) within 10 days preceding the announcement of results forecast or preliminary results of the Company;
- (III) from the date of a major event which may have a material impact on the trading price of the shares or derivatives of the Company or during the relevant decision-making process until the date of the legal disclosure thereof;
- (IV) other periods as may be required by the CSRC, the SSE and the Stock Exchange.

**CHAPTER 5 MANAGEMENT MODEL OF THE ESOP**

The ESOP shall be managed by the Company itself. The Holders' Meeting is the highest internal management authority of the ESOP. The Holders' Meeting shall establish the Management Committee and authorize the Management Committee as the management body of the ESOP to supervise the daily management of the ESOP and exercise Shareholders' rights on behalf of the Holders. The Board is responsible for drafting and amending the draft of the Plan and handling other relevant matters of the ESOP within the scope authorized by the general meeting.

**I. The Holders**

(I) Participants will become the Holders of the ESOP after being granted with the units of the ESOP. The rights of Holders are as follows:

1. enjoying the rights and interests in the assets of the Plan according to their units of the Plan;
2. participating in or appointing their agents to attend the Holders' Meeting, and exercise the corresponding voting rights;
3. supervising the management of the ESOP and making suggestions or inquiries;
4. waiving the voting right in the Company's Underlying Shares indirectly held through their participation in the ESOP, and authorizing the Management Committee to exercise voting rights and other rights on behalf of all Holders;
5. other rights as stipulated by laws, administrative regulations, departmental rules, or the ESOP.

(II) The obligations of Holders are as follows:

1. abiding by laws, administrative regulations, departmental rules, and relevant provisions of the ESOP and Management Measures;
2. during the term of the ESOP, except as reviewed and approved by the Management Committee, the units of the ESOP held by the Holders shall not be transferred, used for guarantee, repayment of debts or other similar disposal;
3. undertaking the relevant risks of the ESOP based on their units of the ESOP;
4. bearing the corresponding taxes stipulated by the State and other relevant laws and regulations as a result of participation in the ESOP;
5. other obligations as specified by laws, administrative regulations and the ESOP.

**II. Holders' Meeting**

(I) Holders' Meeting of the ESOP is comprised of all Holders of the ESOP and is the internal management authority of the ESOP. The Holders may attend and vote at Holders' meetings in person, or entrust a proxy to attend and vote on his/her behalf. The expenses of travel, board and lodging, etc. incurred by the Holders and their proxies to attend the Holders' Meeting shall be borne by the Holders themselves.

(II) The following matters shall be considered and discussed at the Holders' Meeting:

1. Election and removal of any members of the Management Committee;
2. Amendment, extension and early termination of the term of the ESOP;
3. During the term of the ESOP, when the Company raises funds by placement of Shares, issuance of new Shares, etc., the Management Committee will discuss whether to participate and submit to the Holders' Meeting for consideration;
4. Amendment to the Management Measures (Revised);
5. Authorization to the Management Committee to supervise the daily management of the ESOP;
6. Authorization to the Management Committee to exercise Shareholders' rights;
7. Authorization to the Management Committee to take charge of the collaboration with the professional advisors;
8. Authorization to the Management Committee to be responsible for the liquidation and distribution of assets of the ESOP;
9. Other matters deemed to be necessary for consideration at the Holders' Meeting by the Management Committee.

(III) Convention Procedures of the Holders' Meeting

1. The first Holders' Meeting shall be convened by the Chairman of the Company or its designated person, and the subsequent Holders' Meeting will be convened by the Management Committee. When the chairman of the Management Committee is unable to perform his/her duty, he/she shall appoint a member of the Management Committee to preside over the meeting.



2. To convene a Holders' Meeting, the Management Committee shall send out a notice of meeting 3 days prior to the meeting to all the Holders through direct delivery, mail, facsimile, e-mail or other means. The notice of meeting shall at least include the following details:
  - 1) time and location of the meeting;
  - 2) means of convening;
  - 3) matters to be considered (proposals);
  - 4) convener and presider of the meeting, proposer of and written proposal for the provisional meeting;
  - 5) necessary materials for the meeting;
  - 6) requirements as to the Holders to attend the meeting in person or entrust other Holders to attend the meeting on their behalf;
  - 7) contact person and contact information;
  - 8) date of issuance of the notice.

In case of emergency, a Holders' Meeting can be convened by a verbal notice. The verbal meeting notice shall at least include the above clauses of (1) and (2) and an explanation on the emergency and necessity to convene a Holders' Meeting.

#### (IV) Voting Procedures of the Holders' Meeting

1. After each proposal has been fully discussed, the host shall invite Holders present at the meeting to vote in a timely manner. The host may also invite the Holders present at the meeting to vote only after all proposals have been discussed. Voting shall be carried out by written ballot or other methods of voting;
2. The Holders of the ESOP shall exercise the corresponding voting rights entitled by their units;
3. The Holders may propose to vote "agree, disagree or abstain". The Holders present at the meeting shall select one of the voting options, and any vote with no selection or more than two selections will be deemed as abstention. Unfilled, incorrectly filled, or illegible voting ballots or uncast ballots shall be deemed as abstention from voting. Any vote made after the host announces the voting result or after the prescribed voting time shall not be counted;

4. The host of the meeting shall announce the voting results at the venue of the meeting. Unless otherwise stipulated by the Plan, a proposed resolution shall become a valid resolution of the Holders' Meeting upon approval by more than 1/2 (inclusive) of the total units held by the Holders present at the Holder's Meeting;
5. In the event that a proposal of the Holders' Meeting should be submitted to the Board and the general meeting of the Company for consideration, it shall be submitted to the Board and the general meeting of the Company for consideration in accordance with the provisions of the Articles of Association;
6. Holders who individually or collectively hold over 30% of the units under the ESOP may propose to convene a Holders' Meeting;
7. The presider of the meeting shall arrange for record keeping for the Holders' Meeting.

### **III. Management Committee**

- (I) The ESOP shall set up a Management Committee which is responsible for the ESOP, is the daily supervision and management organization of the ESOP and exercises or authorizes the asset management agencies to exercise the Shareholders' rights on behalf of Holders.
- (II) The Management Committee of the ESOP comprises of five members including one chairman. All members of the Management Committee shall be elected by the Holders' Meeting. The chairman of the Management Committee shall be elected by more than half of all members of the Management Committee. The term of office of members of the Management Committee shall be the term of the ESOP.
- (III) Members of the Management Committee have the following fiduciary duties to the ESOP in accordance with laws, administrative regulations and the Management Measures:
  1. not to take advantage of their position and authority to accept bribes or other illegal income; not to occupy any property of the ESOP;
  2. not to misappropriate funds of the ESOP;
  3. without the consent of the Management Committee, not to open account under his or her own name or others' names for depositing the assets or funds of the ESOP;

4. without the consent of the Holders' Meeting, not to lend the funds of the ESOP to others or provide guarantee for others with the properties of the ESOP;
5. not to take advantage of their positions and authority to jeopardize the interests of the ESOP;
6. other obligations as specified by laws, administrative regulations, departmental rules and the Management Measures.

Where a member of the Management Committee causes any loss to the ESOP due to his or her breach of fiduciary duties, such member shall be liable for indemnification.

(IV) The Management Committee shall discharge the following functions and authority:

1. convene the Holders' Meetings;
2. supervise the daily management of the ESOP on behalf of all Holders;
3. handle matters in relation to the grant of the units under the ESOP;
4. exercise the Shareholders' rights on behalf of all Holders and manage the assets of the ESOP;
5. manage the allocation of interests of the ESOP, and decide on the disposal, sales and allocation and other matters of the Underlying Shares upon the expiry of the lock-up period of the ESOP;
6. the Management Committee may engage professional institutions such as securities companies, fund management firms, law firms and accounting firms, to provide consulting services for the ESOP, and is responsible for the collaboration with them;
7. sign relevant agreements or contracts with external parties on behalf of the ESOP;
8. decide on the disposal of the units recovered under the ESOP;
9. handle inheritance registration of the units under the ESOP;
10. other functions and authority as delegated by the Holders' Meeting;
11. other responsibilities to be performed by the Management Committee according to relevant laws and regulations and the provisions of the Plan.

(V) The chairman of the Management Committee shall discharge the following functions and authority:

1. convene and preside over the Holders' Meetings and the Management Committee meetings;
2. supervise and inspect the execution of resolutions of the Holders' Meetings and the Management Committee meetings;
3. other functions and authority as delegated by the Management Committee.

(VI) Convention Procedures for the Management Committee Meetings

The Management Committee meetings shall be convened by the chairman of the Management Committee. Notice of the meeting shall be sent to all members of the Management Committee 3 days prior to the meeting. The content of the notice shall include the following:

1. date and venue of the meeting;
2. reasons for and agenda of the meeting;
3. materials necessary for the meeting;
4. date of issuance of the notice.

(VII) Convention and Voting Procedures for the Management Committee Meetings

1. Management Committee meetings shall be held only when more than half of the members of the Management Committee are present;
2. A resolution made by the Management Committee must be approved by more than half of all members of the Management Committee;
3. One member of the Management Committee will enjoy one vote regarding the voting on resolutions at the Management Committee meetings, and the voting shall be conducted by open ballot;
4. On the premise that the members of the Management Committee can fully express their opinions, the Management Committee meetings can be held by fax, etc. to adopt resolutions which shall be signed by the members of the Management Committee attending the meeting;

5. The members of the Management Committee shall attend the Management Committee meetings in person. If the members of the Management Committee are unable to attend the meeting, they may entrust other members of the Management Committee to attend the meeting on their behalf in writing. The power of attorney shall specify the name, entrusting matters, scope of authorization and term of validity, and shall be signed or sealed by the principal. Members of the Management Committee who attend the meeting on their behalf shall exercise the rights of members of the Management Committee within the scope of authorization. If a member of the Management Committee does not attend a meeting of the Management Committee or entrust a proxy to attend, he/she shall be deemed to have given up his/her right to vote at the meeting;
6. The Management Committee shall make minutes of the decisions on the matters discussed at the meeting, which shall be signed by the members of the Management Committee present at the meeting.

#### **IV. Authorization to the Board by the General Meeting**

The general meeting authorizes the Board to handle all matters in relation to the ESOP in full discretion, including but not limited to the following:

- (I) to authorize the Board to handle matters in relation to the establishment, amendment and termination of the ESOP;
- (II) to authorize the Board to make decisions on the term extension of the ESOP;
- (III) to authorize the Board to go through the procedures for the securities accounts and capital accounts involved in the ESOP and to handle all matters concerning the lock-up and unlocking of the shares purchased under the ESOP;
- (IV) upon approval of the ESOP at the general meeting, the Board is authorized to make corresponding adjustments to the ESOP accordingly in the event of any adjustments to the relevant laws, regulations or policies during the term of implementation;
- (V) to authorize the Board to change the Participants and the determination criteria for the ESOP;
- (VI) to authorize the Board to sign agreements and documents related to the ESOP;
- (VII) to authorize the Board to handle other matters necessary for the ESOP, except for those rights to be exercised by the general meeting that are expressly provided in the relevant documents.

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**APPENDIX VII                    MANAGEMENT MEASURES FOR THE EMPLOYEE STOCK OWNERSHIP  
PLAN FOR 2023 OF GREAT WALL MOTOR COMPANY LIMITED (REVISED)**

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The above authorizations shall take effect from the date when the ESOP is considered and approved at the general meeting of the Company to the completion of the implementation of the ESOP. The above-mentioned authorized matters, except for those matters need to be resolved by the Board as expressly required by laws, administrative regulations, rules of the CSRC, the ESOP and the Articles of Association, may be directly handled by the chairman of the Board or any appropriate person authorized by the chairman on behalf of the Board.

**CHAPTER 6 ASSET COMPOSITION AND MEASURES FOR THE DISPOSITION OF  
HOLDERS' INTERESTS OF THE ESOP**

**I. Asset Composition of the ESOP**

- (I) The interests corresponding to the Underlying Shares held by the ESOP;
- (II) Cash deposits and interest accrued thereon;
- (III) Other assets, such as gains derived from asset management.

The assets under the ESOP are independent of the assets owned by the listed company. The listed company shall not include the assets of the ESOP into its own assets. The assets and revenues obtained from the management, utilization, or other means of the ESOP shall be included in the assets of the ESOP.

**II. Disposition of the Holders' Interests**

- (I) Within the term of the ESOP, unless otherwise stipulated in laws, administrative regulations, and departmental rules or upon approval of the Management Committee, the units of the ESOP held by the Holders shall not be transferred, used for guarantee, repayment of debts or other similar disposals.
- (II) Within the lock-up period of the ESOP, the Holders shall not request the distribution of rights and interests of the ESOP.
- (III) During the lock-up period, when the Company converts capital reserve into share capital and distributes bonus shares, the newly acquired shares under the ESOP due to the holding of shares of the Company shall be locked up together. The unlocking period of such shares is the same as the corresponding Underlying Shares.
- (IV) Upon expiration of the lock-up period of the ESOP, the Management Committee shall realize the assets under the ESOP successively and distribute them to the Holders in proportion to their units; or the Management Committee shall apply to the securities depository and clearing institution to transfer the Underlying Shares to the personal account of the Holders according to the proportion of their units pursuant to the requirements of relevant laws and regulations for the Holders to dispose at their own discretion.
- (V) If all Underlying Shares held under the ESOP are sold and the liquidation and distribution of the assets under the ESOP have been completed according to the preceding paragraph, the ESOP shall be terminated immediately upon being approved by the Management Committee and filed with the Board.

(VI) During the term of the ESOP, cash dividends received by the ESOP for holding the Underlying Shares are included in the assets of the ESOP. The Management Committee has the right to decide whether to allocate cash dividends.

(VII) During the term of the ESOP, if cash or other distributable proceeds are obtained from the sale of the Company's shares held by the ESOP, they shall be used in priority to pay the relevant taxes, transaction costs and other expenses incurred by the ESOP.

(VIII) Disposal of Interests under the ESOP in Special Circumstances

1. During the term of the ESOP, in the event of demotion and removal of any Holder, the Management Committee shall have the right to re-approve the locked units which could be held by such Holder; if the locked units held by the Holder are more than the locked units after reapproval, the Management Committee shall be entitled to recover the surplus units at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company; the Holder may continue to enjoy the unlocked share equity under the ESOP held by him/her.
2. If any Holder is involved in one of the following circumstances within the term of the ESOP, the units under the ESOP held by the Holder shall remain the same, the unlocking procedures shall be conducted as stipulated in the ESOP, and their individual performance appraisal shall not be included in the unlocking conditions:
  - 1) where the Holder loses working capacity due to work;
  - 2) where the Holder died due to work (his/her legal heirs will inherit and continue to enjoy such share equity and such heirs are not subject to the qualifications to participate in the ESOP).
3. If the Holder retires within the term of the ESOP:
  - 1) if the Holder leaves the Company due to retirement, he/she shall continue to enjoy the rights of the unlocked units; the units granted but locked shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and returned the recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the



ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.

- 2) where the Holder is reappointed after his/her retirement, the granted units shall be handled in accordance with the procedures and appraisal conditions as stipulated in the ESOP;
4. Where the Holder terminates the employment contract with the Company other than due to 2 and 3 above during the term of the ESOP, the Management Committee has the right to disqualify the Holder from participating in the ESOP, recover all the units held by such Holder (whether unlocked or not) at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.
5. During the term of the ESOP, if one of the following circumstances occurs, the Management Committee has the right to disqualify the Holder from participating in the ESOP, and the Holder shall continue to enjoy the rights of the unlocked units; the units granted but locked shall be recovered by the Management Committee at a price equal to the sum of the original contribution for the Underlying Shares corresponding to the units and the interest on bank deposit for the same period, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company.
  - 1) where the Holder ceases to work in Great Wall Motor but still holds a position within the group due to job rotation;
  - 2) where the Holder holds a position in a wholly-owned or majority-controlled subsidiary of Great Wall Motor, Great Wall Motor loses control over such subsidiary and the Holder still works in such subsidiary;
  - 3) other circumstances as determined by the Management Committee.
6. During the term of the ESOP, in the event of violation of laws, regulations and bottom lines of the Company or negligence or dereliction of duty by the Holder during his/her term, the Management Committee has the right to disqualify the

Holder from participating in the ESOP, recover all the units held by such Holder (whether unlocked or not) at a price equal to the lower of the original contribution for the Underlying Shares corresponding to the units and the selling amount, and return the amount of recovery price to the Holders after disposing of the corresponding Underlying Shares as appropriate within the term of the ESOP and after the conclusion of the lockup period. If there is any remaining amount after returning to the Holders, the remaining amount shall be attributable to the listed company; where significant economic losses and serious harm are caused to the Company, the Company has the right to investigate the legal liability of the Holder.

7. If the Holder violates non-competition restrictions after leaving the Company or is found to be involved in the disclosure of business secrets of the Company, serious violation of laws and regulations, cross of the bottom line of Company and other negligence or dereliction of duty, causing serious losses or damaging the reputation of the Company, the Company shall have the right to request the Holder to return all his/her income from the units under the ESOP and reserve the right to hold such Holder liable for legal responsibilities.
8. During the term of the ESOP, in the event of other circumstances not expressly agreed in the ESOP or the Management Measures, the disposal of the interests held by the Holder under the ESOP shall be determined by the Management Committee.

**CHAPTER 7 AMENDMENT AND TERMINATION OF THE ESOP**

**I. Amendment to the ESOP**

Any amendment to the ESOP shall be passed by more than two-thirds (inclusive) of the units held by the Holders attending the Holders' Meeting and be submitted to the Board for consideration and approval.

**II. Termination of the ESOP**

- (I) The ESOP will be automatically terminated if it fails to extend upon expiry.
- (II) If all the assets of the ESOP are monetary assets upon the expiry of the lock-up period, the ESOP may be terminated early;
- (III) Subject to the requirements of the policy, the ESOP may be terminated early upon proposal by the Management Committee, the approval by more than two-thirds (inclusive) of the units held by the Holders attending the Holders' Meeting and the submission to the Board for consideration and approval.

**CHAPTER 8 ESOP'S PARTICIPATION IN FINANCING ARRANGEMENTS  
OF THE COMPANY**

When the Company raises funds by placement of Shares, issuance of new Shares, issuance of convertible bonds, etc., the Management Committee shall decide whether to participate and determine relevant funding plan, and submit to the Holders' Meeting for consideration.

**CHAPTER 9 OTHER IMPORTANT MATTERS**

- I. The Management Measures shall take effect on the date of approval by the general meeting of the Company.
  
- II. The adoption of the ESOP by the Board or the general meeting does not constitute a commitment of employment for a fixed term by the Company. The employment relationship between the Company and the Holders is determined in the employment contracts entered into with the Holders. There is no third party to provide incentives, subsidies, and allowances for employees to participate in the ESOP.
  
- III. The financial, accounting, and tax matters related to the implementation of the ESOP shall be handled in accordance with laws and regulations, the relevant financial rules, accounting standards, and tax requirements.
  
- IV. The Board shall hold the right to interpret the Management Measures.

Board of Great Wall Motor Company Limited  
8 May 2023

GREAT WALL MOTOR COMPANY LIMITED  
PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS  
FOR THE YEAR 2022

Dear Shareholders and Shareholders' representatives,

As independent Directors of Great Wall Motor Company Limited (the "Company"), in 2022, we scrupulously and diligently fulfilled our duties and responsibilities and provided independent opinions to safeguard the interests of the Company and Shareholders as a whole in strict compliance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Governance Standards for Listed Companies, the Guidelines for the Articles of Association of Listed Companies, the Rules for General Meetings of Listed Companies, the Guiding Opinions on the Establishment of an Independent Director System in Listed Companies, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other laws and regulations, as well as the Articles of Association of Great Wall Motor Company Limited (the "Articles of Association"). We, as independent Directors (independent non-executive Directors) of the Board of the Company, hereby report on our performance in 2022 as follows:

#### I. BASIC INFORMATION OF INDEPENDENT DIRECTORS

In 2022, three independent Directors of the Company performed their duties, namely Mr. Li Wan Jun, Mr. Ng Chi Kit, and Ms. Yue Ying:

- (I) **Mr. Li Wan Jun** (李萬軍) ("Mr. Li"), aged 59, is an independent non-executive Director of the Company. He is a member of the Communist Party. He obtained a master's degree in management and is a senior accountant, certified public accountant and registered tax advisor. Mr. Li has been acting as an independent director of Shijiazhuang Changshan Beiming Technology Co., Ltd. (石家莊常山北明科技股份有限公司) since October 2018. Currently, he works as a partner of Asia Pacific (Group) CPAs (special general partnership) (亞太(集團)會計師事務所(特殊普通合夥)), and the legal representative, manager and an executive director of Hebei Liqin Tax Accountant Office Co., Ltd. (河北力勤稅務師事務所有限公司). Mr. Li has been acting as an independent non-executive Director of the Company since May 2017.
- (II) **Mr. Ng Chi Kit** (吳智傑) ("Mr. Ng"), aged 49, is an independent non-executive Director of the Company. Mr. Ng graduated from the Hong Kong Polytechnic University in Hong Kong with a Bachelor of Arts in Accountancy in November 1997. Mr. Ng has been an associate member of Hong Kong Institute of Certified Public Accountants since January 2003 and a fellow member of the Association of Chartered Certified Accountants since June 2006. From March 2000 to December 2009, Mr. Ng worked in the Assurance and Advisory Business Services Department

of Ernst & Young and was a senior manager of Ernst & Young from October 2006 to November 2009. From December 2010 to February 2017, Mr. Ng acted as a non-executive director and a member of the audit committee of Chaowei Power Holdings Limited, and was redesignated as an independent non-executive director on 10 February 2017. He is responsible for oversight of financial management and reporting. From December 2013 to July 2022, Mr. Ng acted as the chief financial officer and the company secretary of Suchuang Gas Corporation Limited (蘇創燃氣股份有限公司). Since February 2019, he has been acting as an independent director of Frontier Biotechnologies (Nanjing) Inc. (前沿生物藥業(南京)股份有限公司). Since June 2020, he has been acting as an independent non-executive director of Immunotech Biopharm Ltd (永泰生物製藥有限公司). Mr. Ng has been acting as an independent non-executive Director of the Company since May 2017.

- (III) **Ms. Yue Ying** (樂英女士) (“**Ms. Yue**”), aged 51, is an independent non-executive Director of the Company. She is an associate professor. Ms. Yue graduated from North China Electric Power University with a major in mechanical manufacturing technology and equipment in 1993 and obtained a master’s degree in engineering from the university in 1996, and serves as its teaching staff. Ms. Yue obtained a doctoral degree in thermal engineering from the university in 2011. She is currently an associate professor of the university’s department of mechanical engineering. Ms. Yue has been acting as an independent non-executive Director of the Company since June 2020.

We have not held any positions in the Company other than independent Directors, nor have we held any positions in the Company’s major corporate Shareholders. There is no relationship between us and the Company and its major Shareholders or related institutional and individual stakeholders that would prejudice our independent and objective judgment. We have never obtained any additional, undisclosed benefits from the Company and its major Shareholders or related institutional and individual stakeholders. Therefore, there are no circumstances that affect our independence as independent Directors of the Company.

## II. PERFORMANCE

In 2022, the Company held a total of 25 Board meetings. Details of the attendance of independent Directors are as follows:

| Name       | Required presence (meetings) | Presence in person (meetings) | Presence by proxy (meetings) | Absence (meetings) |
|------------|------------------------------|-------------------------------|------------------------------|--------------------|
| Li Wan Jun | 25                           | 25                            | 0                            | 0                  |
| Ng Chi Kit | 25                           | 25                            | 0                            | 0                  |
| Yue Ying   | 25                           | 25                            | 0                            | 0                  |

In 2022, the Company held a total of 1 meeting of the Strategy and Sustainable Development Committee. Details of the attendance of independent Directors are as follows:

| <b>Name</b> | <b>Required presence (meetings)</b> | <b>Presence in person (meetings)</b> | <b>Presence by proxy (meetings)</b> | <b>Absence (meetings)</b> |
|-------------|-------------------------------------|--------------------------------------|-------------------------------------|---------------------------|
| Li Wan Jun  | 1                                   | 1                                    | 0                                   | 0                         |
| Yue Ying    | 1                                   | 1                                    | 0                                   | 0                         |

In 2022, the Company held a total of 10 meetings of the Remuneration Committee. Details of the attendance of independent Directors are as follows:

| <b>Name</b> | <b>Required presence (meetings)</b> | <b>Presence in person (meetings)</b> | <b>Presence by proxy (meetings)</b> | <b>Absence (meetings)</b> |
|-------------|-------------------------------------|--------------------------------------|-------------------------------------|---------------------------|
| Yue Ying    | 10                                  | 10                                   | 0                                   | 0                         |
| Li Wan Jun  | 10                                  | 10                                   | 0                                   | 0                         |

In 2022, the Company held a total of 3 meetings of the Nomination Committee. Details of the attendance of independent Directors are as follows:

| <b>Name</b> | <b>Required presence (meetings)</b> | <b>Presence in person (meetings)</b> | <b>Presence by proxy (meetings)</b> | <b>Absence (meetings)</b> |
|-------------|-------------------------------------|--------------------------------------|-------------------------------------|---------------------------|
| Ng Chi Kit  | 3                                   | 3                                    | 0                                   | 0                         |
| Yue Ying    | 3                                   | 3                                    | 0                                   | 0                         |

In 2022, the Company held a total of 8 meetings of the Audit Committee. Details of the attendance of independent Directors are as follows:

| <b>Name</b> | <b>Required presence (meetings)</b> | <b>Presence in person (meetings)</b> | <b>Presence by proxy (meetings)</b> | <b>Absence (meetings)</b> |
|-------------|-------------------------------------|--------------------------------------|-------------------------------------|---------------------------|
| Li Wan Jun  | 8                                   | 8                                    | 0                                   | 0                         |
| Ng Chi Kit  | 8                                   | 8                                    | 0                                   | 0                         |
| Yue Ying    | 8                                   | 8                                    | 0                                   | 0                         |

Prior to the meetings of the Board and Board committees, we will review the materials concerning the meetings sent in advance by the Company to gain a detailed understanding of the Company's production and operation, obtain sufficient information, and make necessary preparations for decisions at the meetings. During the meetings, we will carefully review every resolution, actively participate in the discussion and put forward reasonable suggestions, which is conducive to improving the decision-making of the Board and Board committees.



In 2022, the Company held 8 general meetings, of which Ms. Yue Ying attended and presided over the 2022 first extraordinary general meeting and was absent from the other 7 meetings. However, we attended Board meetings related to matters discussed at the general meetings and were aware of the need to attend such meetings and to hear from Shareholders.

In 2022, each of Ms. Yue Ying, Mr. Li Wan Jun and Mr. Ng Chi Kit expressed independent opinions for 45 times respectively on the matters proposed at Board meetings of the Company. Upon sufficient communication and discussion, we voted for all the matters proposed at meetings of the Board and Board committees, and all resolutions proposed thereat were passed by a unanimous vote.

### III. IMPORTANT MATTERS OF CONCERN

#### (I) Related-party (connected) transactions

We believe that the related-party (connected) transactions on disposal of equity interest and ordinary related-party (connected) transactions of the Company in 2022 were fair, just and open, in line with market principles, and the transaction prices were fair and reasonable.

In strict accordance with the requirements of the laws and regulations of regulatory authorities and the Company's relevant regulations, we comprehensively reviewed the implementation of ordinary related-party (connected) transactions in respect of A shares and H shares in 2022. We carried out a review on the related-party (connected) transactions in the ordinary course of business of the Company in accordance with the procedures in terms of their necessity and objectivity and whether their transaction prices were fair and reasonable, and whether they prejudiced the interests of the Company and its shareholders. The voting procedures of the Board for considering the above matters complied with the relevant requirements of the regulatory authorities and the Company. Related directors abstained from voting when considering proposals on related-party (connected) transactions. The related-party (connected) transactions in the year complied with the relevant requirements of Hong Kong and Mainland listing rules, and their prices were fair and reasonable, without prejudicing the legitimate interests of the Company and its shareholders. The total amount of ordinary related-party (connected) transactions between the Company and related (connected) parties in 2022 did not exceed the estimated cap for 2022.

#### (II) External guarantees and appropriation of funds

The Company was able to strictly comply with the requirements of relevant laws and regulations and did not provide illegal guarantees for the controlling shareholder and other related parties. The Company did not directly or indirectly provide the controlling shareholder and other related parties with funds for their use.

In 2022, the Company's external guarantees were all guarantees for the Company's holding subsidiaries. The amount of guarantees did not exceed the planned amount of guarantees for 2022. The items and procedures of the guarantees complied with the requirements of laws and regulations currently in force and the relevant internal requirements of the Company, without prejudicing the interests of the Company and its shareholders, especially small and medium shareholders. The procedures for consideration of and decision-making on items of the guarantees complied with the requirements of relevant laws, regulations and regulatory documents, and information disclosure was sufficient.

(III) Appointment and dismissal of senior management personnel and their remuneration

The procedures for the appointment and dismissal of the senior management personnel of the Company were carried out in strict accordance with relevant provisions and requirements, with independent opinions given and no violation of rules and regulations in the appointment and dismissal of the senior management personnel of the Company.

The remuneration paid by the Company to senior management personnel complied with the requirements of the Company's remuneration system and was paid in strict accordance with assessment results, and the relevant information was true and accurate, with no violation of rules and regulations.

(IV) Announcement on preliminary results and pre-announcement of results

In 2022, in accordance with the provisions of the Listing Rules of Shanghai Stock Exchange Stock, the Company issued a total of 1 announcement on preliminary results and 1 pre-announcement of results, and there was no data adjustment or correction.

(V) Appointment or replacement of accounting firm

In 2022, the external auditor engaged by the Company completed various audit tasks with due diligence, and it was agreed to re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Company's external auditor. The above matter was reviewed and approved by the Board's Audit Committee and the Board of the Company, and will be submitted to the annual general meeting of the company for consideration.

(VI) Cash dividends and other investor returns

The Company formulates a plan for shareholder returns each year in accordance with the laws and regulations of regulatory authorities, the Articles of Association and actual operating results.

After comprehensive consideration of the Company's actual operating conditions, the Company intends to use the total share capital on the record date when it implements profit distribution less the total number of shares in the Company's special securities account for repurchase as the basis for distributing cash dividends for 2022, and cash dividends for the year ended 31 December 2022 of RMB0.3 per share (tax inclusive) will be distributed to all shareholders.

In accordance with relevant requirements including Guideline No. 7 on Self-Regulatory Supervision of Companies Listed on Shanghai Stock Exchange – Repurchase of Shares, shares in the special account for repurchase of a listed company are not entitled to profit distribution.

Up to 30 March 2023, the Company's special account for repurchase held 40,000,043 shares of the Company. If the special account for repurchase changes due to reasons such as equity incentive repurchase, the Company's shares actually held by the special account for repurchase will not participate in profit distribution.

All shareholders of H shares of the Company registered with Computershare Hong Kong Investor Services Limited at the close of business hours 16:30 p.m. on 5 July 2023 (Wednesday) can receive cash dividends, and the record date for entitlement to receive cash dividends by shareholders of A shares will be determined after the general meeting.

If there is any change in the Company's total share capital from the date of disclosure of the plan and the record date for implementation of equity distribution, the Company will maintain the distribution amount per share and adjust the total distribution amount accordingly. If there is any subsequent change in the Company's total share capital, the specific adjustments will be announced separately.

We concur with the Company's 2022 profit distribution plan and agree that the Board can, after consideration and approval, submit it to the Company's general meeting for consideration.

#### (VII) Performance of commitments by the Company and its shareholders

The Company publicly disclosed the commitments made by the Company and its shareholders in previous years. The Company and its shareholders did not breach the commitments in 2022.

#### (VIII) Implementation of information disclosure

In 2022, The Company performed its information disclosure obligations in strict accordance with the requirements of the laws and regulations of regulatory authorities and the Company's relevant systems. As independent directors of the Company, we effectively supervised and examined the Company's disclosure to ensure that its information disclosure was timely, true, accurate and complete, and earnestly safeguarded the legitimate rights and interests of investors and public shareholders.

## (IX) Implementation of internal control

The Company established internal control systems of Great Wall Motor in strict accordance with the Basic Standards for Internal Control of Enterprises and related supporting guidelines, and formulated documents for internal control systems including Self-evaluation Management System on Internal Control of Great Wall Motor Company Limited and Internal Control Management System of Great Wall Motor Company Limited to stringently control the Company's key business processes and key control stages, and no major defects in internal control design or implementation were found.

## (X) Operation of the board of directors and its special committees

The Company's board of directors has four special committees, namely, Audit Committee, Remuneration Committee, Strategy and Sustainable Development Committee and Nomination Committee. During the reporting period, the Company's board of directors and its committees considered matters in its specific areas and operated in a regulated manner.

## (XI) Purchase of wealth management products

The Company used its own idle funds to purchase capital-guaranteed wealth management products with controllable risk from banks/securities companies, which was conducive to improving the efficiency in the use of funds and obtaining certain investment returns, without affecting the development of the Group's principal business, without adverse effects on the Group's operating activities, without prejudicing the interests of the Group and all shareholders, especially small and medium shareholders, and was in the interests of the Group and all shareholders.

## (XII) Equity incentives

In accordance with the requirements of the laws and regulations of regulatory authorities and the Company's relevant systems, we comprehensively reviewed the Company's grant, registration, repurchase and cancellation, adjustment of restricted share repurchase price and option exercise price, etc. in respect of equity incentives in 2022. We believe that the Company strictly complied with the relevant requirements of the Company Law of the People's Republic of China, Securities Law of the People's Republic of China, Administrative Measures for Equity Incentives of Listed Companies, Articles of Association of Great Wall Motor Company Limited, 2020 Restricted Share and Share Option Incentive Plan, 2021 Restricted Share Incentive Plan and 2021 Share Option Incentive Plan, and the procedures were legal and valid, without prejudicing the interests of the Company and its shareholders.

## (XIII) Launching of bill pool business by the Company

Currently, the Company's operating conditions are sound and its financial status is stable. The Company's bill pool business can coordinate and manage the Company's bills receivable and pending bills payable, revive the Company's bills assets, reduce appropriation of the Company's funds, enhance its financial structure and improve the rate of use of funds, without prejudicing the interests of the Company and all shareholders.

## (XIV) Foreign exchange derivative transactions

The foreign exchange derivative transactions carried out by the Group were closely related to the Company's business, aimed at further improving the Company's ability to deal with the risk of foreign exchange fluctuations, better avoiding and preventing the risk of foreign exchange rate fluctuations faced by the Company, and enhancing its financial stability. The Company formulated the Foreign Exchange Derivative Transaction Business Management System of Great Wall Motor Company Limited and related risk control measures, which will help safeguard the risk management and control of foreign exchange derivative transactions. The Company performed the necessary consideration, decision-making procedures and information disclosure obligations, without prejudicing the interests of the Company and all shareholders, especially small and medium shareholders. Therefore, we concur with the foreign exchange derivative transaction business carried out by the Group.

**IV. OVERALL EVALUATION AND RECOMMENDATION**

During the Reporting Period, we strictly adhered to regulatory laws and the requirements of the Company's relevant regulations and faithfully fulfilled the responsibilities of independent Directors according to the principles of objectivity, fairness, and independence, fully playing the role of independent Directors. During our term of office, we will continue to fully exercise the powers and responsibilities of independent Directors, striving to enhance the decision-making capabilities of the Board and safeguard the legitimate rights and interests of all investors.

Independent non-executive Directors:  
Yue Ying   Li Wan Jun   Ng Chi Kit  
30 March 2023

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## NOTICE OF THE ANNUAL GENERAL MEETING

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長城汽車股份有限公司  
**GREAT WALL MOTOR COMPANY LIMITED\***

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

**(Stock Code: 2333)**

### NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of Great Wall Motor Company Limited (the “Company”) for the year ended 31 December 2022 will be held at 2:00 p.m. on Friday, 16 June 2023 at the Company’s Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the People’s Republic of China (the “PRC”) to consider, approve and authorise the following:

#### ORDINARY RESOLUTIONS

1. to consider and approve the audited financial report for the year 2022 (details of which were stated in the annual report of the Company for the year 2022);
2. to consider and approve the Report of the Board for the year 2022 (details of which were stated in the annual report of the Company for the year 2022);
3. to consider and approve the profit distribution proposal for the year 2022 (details of which were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
4. to consider and approve the annual report of the Company for the year 2022 and its summary (full text of which was published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
5. to consider and approve the Performance Report of the Independent Directors for the year 2022 (details of which were stated in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
6. to consider and approve the Report of the Supervisory Committee for the year 2022 (details of which were stated in the annual report of the Company for the year 2022);

\* *For identification purposes only*

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## NOTICE OF THE ANNUAL GENERAL MEETING

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7. to consider and approve the operating strategies of the Company for the year 2023 (details of which were stated in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
8. to consider and approve the re-appointment of Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Company's external auditor for the year ending 31 December 2023 for the audit and review of the financial statements and audit of internal control (the term of such re-appointment shall commence from the date on which this resolution is passed until the date of the convening of the 2023 AGM) and to authorise the board of directors (the "**Board**") of the Company to fix its remunerations not exceeding RMB3.5 million (details of which were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
9. to consider and approve the proposed adoption of 2023 ESOP (Revised Draft) and its Summary (details of which were stated in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn))).
10. to consider and approve the proposed adoption of Management Measures for 2023 ESOP (Revised) (details of which were stated in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn))).
11. to consider and approve the proposed authorization to the Board to deal with matters in relation to 2023 ESOP (details of which were stated in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn))).

### SPECIAL RESOLUTIONS

12. to consider the mandate to the Board to issue A Shares and H Shares of the Company.

An unconditional general mandate shall be granted to the Board to separately or concurrently allot, issue and/or deal with additional shares, whether A Shares or H Shares, in the share capital of the Company, which can be exercised once or more during the Relevant Period, subject to the following conditions:

- (a) the effect of such mandate must not extend beyond the Relevant Period except that the Board may during the Relevant Period enter into or grant offer proposals, agreements or options which may require the exercise of such mandate after the end of the Relevant Period;

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (b) the aggregate nominal amount of A Shares and H Shares, including but not limited to ordinary shares, preference shares, securities convertible into shares, options, warrants or similar rights for subscription of any shares or of such convertible securities, approved to be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Board under such mandate must not respectively exceed:
  - (i) 20% of the aggregate nominal amount of A Shares of the Company in issue; and/or
  - (ii) 20% of the aggregate nominal amount of H Shares of the Company in issue,in each case as at the date of this resolution; and
- (c) the Board of the Company will only exercise such rights in accordance with the Company Law of the People's Republic of China (the "PRC") and The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time), and only if approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained.

A mandate shall be granted to the Board, subject to issuance of shares mentioned above of this resolution, to:

- (a) approve, sign, act and procure to sign and act on all such documents, deeds and matters it considers relevant to the issuance of such new shares, including but not limited to:
  - (i) determining the type and number of shares to be issued;
  - (ii) determining the pricing method, target subscribers and issue interest rate of the new shares and issue/conversion/exercise price (including the price range);
  - (iii) determining the commencement and closing dates for offering new shares;
  - (iv) determining the use of the proceeds from offering new shares;
  - (v) determining the type and number of new shares (if any) to be issued to existing shareholders;
  - (vi) entering into or granting such offer proposals, agreements or share options that may be required as a result of the exercise of such rights; and



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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (vii) excluding shareholders residing in places outside the PRC or the Hong Kong Special Administrative Region of the PRC (“**Hong Kong**”) due to prohibitions or requirements enacted by overseas laws or regulations on offering or placing shares to shareholders of the Company and as considered necessary or appropriate by the Board after making inquiries on such ground;
- (b) engage intermediaries in relation to the issuance, approve and sign all acts, agreements, documents and other relevant matters necessary, appropriate and desirable for or related to the issuance; consider and approve and sign on behalf of the Company agreements related to the issuance, including but not limited to underwriting agreements, placement agreements and intermediaries engagement agreements;
- (c) consider and approve and sign on behalf of the Company issuance documents related to the issuance for delivery to the relevant regulatory authorities, perform relevant approval procedures in accordance with the requirements of the regulatory authorities and places where the shares of the Company are listed, and carry out necessary procedures including filing, registration and recording with the relevant government departments in Hong Kong and/or any other regions and jurisdictions (if applicable);
- (d) make amendments to the relevant agreements and statutory documents in accordance with the requirements of domestic and foreign regulatory authorities;
- (e) register the increase in capital with the relevant PRC authorities based on the actual increase in registered capital of the Company due to issuance of shares in accordance with sub-paragraph I of this resolution, and make amendments to the articles of association of the Company as it considers appropriate to reflect the additional registered capital; and
- (f) carry out all necessary filing and registration in the PRC and Hong Kong and/or do the same with other relevant authorities. For the purpose of this resolution:

“**A Shares**” means the domestic shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and traded in RMB by PRC investors;

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

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

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## NOTICE OF THE ANNUAL GENERAL MEETING

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“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of the following three dates:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (ii) the expiration of a period of twelve months following the passing of this resolution; or
- (iii) the date on which the authority conferred by this resolution is revoked or varied by a special resolution of shareholders of the Company at a general meeting.

13. “**THAT** the Board be and is hereby authorised to repurchase A Shares and H Shares of the Company:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period of all the powers of the Company to repurchase H Shares with a nominal value of RMB1 each of the Company in issue and listed on the Hong Kong Stock Exchange and A Shares with a nominal value of RMB1 each of the Company in issue and listed on the Shanghai Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange, the Shanghai Stock Exchange or any other governmental or regulatory body be and is hereby approved;
- (b) The aggregate nominal amount of H Shares and A Shares authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the number of H Shares in issue as at the date of the passing of this resolution and the passing of the relevant resolutions at the class meetings of shareholders of the Company and 10% of the number of A Shares in issue as at the date of the passing of this resolution and the passing of the relevant resolutions at the class meetings of shareholders of the Company;
- (c) the approval in paragraph (a) above shall be conditional upon:
  - (i) the passing of a special resolution on the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the H Shareholders’ Class Meeting of the Company to be held on Friday, 16 June 2023 (or on such adjourned date as may be applicable) and the A Shareholders’ Class Meeting of the Company to be held on Friday, 16 June 2023 (or on such adjourned date as may be applicable);

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (ii) the approvals of all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
  - (iii) the Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under article 29 of the articles of association of the Company as described above. If the Company determines to repay any amount to any of its creditors in circumstances described under this sub-paragraph (c) (iii), it is expected that the Company will do so out of its internal funds;
- (d) subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the above-mentioned conditions, the Board be and is hereby authorised to:
- (i) determine the time, duration, price and number of shares of the repurchase;
  - (ii) notify creditors and issue announcements;
  - (iii) open overseas share accounts and carry out related change of foreign exchange registration procedures;
  - (iv) carry out relevant approval and filing procedures as required by regulatory authorities and the stock exchanges where the shares of the Company are listed;
  - (v) execute, do, sign and take all such documents, acts, things and steps as it considers desirable, necessary or expedient in connection with and to give effect to the repurchase of shares contemplated under paragraph (a) above in accordance with the applicable laws, regulations and rules;
  - (vi) carry out cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the articles of association of the Company to reflect the new capital structure of the Company, and carry out statutory registration and filing procedures; and
  - (vii) execute and handle other documents and matters related to the share repurchase;

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## NOTICE OF THE ANNUAL GENERAL MEETING

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(e) for the purpose of this resolution:

“**A Shareholders’ Class Meeting**” means the class meeting of A Shareholders;

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

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

“**H Shareholders’ Class Meeting**” means the class meeting of H Shareholders;

“**Hong Kong Stock Exchange**” means The Stock Exchange of Hong Kong Limited; and

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

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
- (ii) the expiration of a period of twelve months following the passing of this resolution at the annual general meeting, and the relevant resolutions at the H Shareholders’ Class Meeting and the A Shareholders’ Class Meeting; or
- (iii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of shareholders at a general meeting, or by a special resolution of shareholders at an H Shareholders’ Class Meeting or an A Shareholders’ Class Meeting.”

Specific authorisation for the Board to handle the repurchase of A Shares and H Shares: that a mandate be granted for any Director of the Company to act on behalf of the Board, based on the Company’s needs and market conditions and subject to obtaining approval from relevant regulatory authorities and compliance with laws, administrative regulations and the Articles of Association of Great Wall Motor Company Limited (“**Articles of Association**”), to make timely decision on matters relating to the repurchase of H Shares not exceeding 10% of the total number of issued H Shares of the Company as at the date of passing this resolution and A Shares not exceeding 10% of the total number of issued A Shares of the Company as at the date of passing this resolution during the period of the relevant mandate (including but not limited to determining the timing, quantity and price of share repurchase, opening overseas securities account and going through the corresponding procedures for changes of foreign exchange registration, informing creditors and making announcement, cancelling the repurchased shares,

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## NOTICE OF THE ANNUAL GENERAL MEETING

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reducing the registered capital, amending the Articles of Association, and going through procedures for changes of registration and executing and handling other documents and matters related to the share repurchase).

14. to consider and approve the amendments to the articles of association of the Company (details of which were set out in the circular published by the Company on 25 May 2023 on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.gwm.com.cn](http://www.gwm.com.cn))) and to authorize any one of the executive directors of the Company to apply, on behalf of the Company, to the relevant authorities for handling the amendments, application for approval, registration, filing procedures and other relevant matters for the amendments to the articles of association of the Company.

### ORDINARY RESOLUTIONS

15. Election of executive and non-executive directors of the eighth session of the Board
  - 15.01. to re-elect Mr. Wei Jian Jun as an executive director of the eighth session of the Board. Subject to his appointment as an executive director at the AGM, Mr. Wei Jian Jun will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Board, and to authorise the Board to determine his remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company([www.gwm.com.cn](http://www.gwm.com.cn)));
  - 15.02. to re-elect Mr. Zhao Guo Qing as an executive director of the eighth session of the Board. Subject to his appointment as an executive director at the AGM, Mr. Zhao Guo Qing will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Board, and to authorise the Board to determine his remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- 15.03. to re-elect Ms. Li Hong Shuan as an executive director of the eighth session of the Board. Subject to her appointment as an executive director at the AGM, Ms. Li Hong Shuan will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Board, and to authorise the Board to determine her remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company([www.gwm.com.cn](http://www.gwm.com.cn)));
- 15.04. to re-elect Mr. He Ping as a non-executive director of the eighth session of the Board. Subject to his appointment as a non-executive director at the AGM, Mr. He Ping will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Board, and to authorise the Board to determine his remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
16. Election of independent non-executive directors of the eighth session of the Board
- 16.01. to re-elect Ms. Yue Ying as an independent non-executive director of the eighth session of the Board. Subject to her appointment as an independent non-executive director at the AGM, Ms. Yue Ying will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Board, and to authorise the Board to determine her remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- 16.02. to elect Mr. Tom Siulun Chau as an independent non-executive director of the eighth session of the Board. Subject to his appointment as an independent non-executive director at the AGM, Mr. Tom Siulun Chau will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Board, and to authorise the Board to determine his remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
- 16.03. to elect Mr. Fan Hui as an independent non-executive director of the eighth session of the Board. Subject to his appointment as an independent non-executive director at the AGM, Mr. Fan Hui will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Board, and to authorise the Board to determine his remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)) and in the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));
17. Election of Supervisors of the eighth session of the Supervisory Committee
- 17.01 to re-elect Ms. Liu Qian as an independent Supervisor of the eighth session of the Supervisory Committee. Subject to her appointment as an independent Supervisor at the AGM, Ms. Liu Qian will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Supervisory Committee, and to authorise the Supervisory Committee to determine her remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)), and the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));

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## NOTICE OF THE ANNUAL GENERAL MEETING

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17.02 to re-elect Mr. Ma Yu Bo as an independent Supervisor of the eighth session of the Supervisory Committee. Subject to his appointment as an independent Supervisor at the AGM, Mr. Ma Yu Bo will enter into a service agreement with the Company for a term of office commencing from 16 June 2023 and ending on the expiry of the term of the eighth session of the Supervisory Committee, and to authorise the Supervisory Committee to determine his remuneration (biographical details were stated in the announcement of the Company dated 30 March 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)), and the circular of the Company dated 25 May 2023 and published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.gwm.com.cn](http://www.gwm.com.cn)));

By Order of the Board  
**Wei Jian Jun**  
*Chairman*

Baoding, Hebei Province, the People's Republic of China  
25 May 2023



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## NOTICE OF THE ANNUAL GENERAL MEETING

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*Notes:*

- (A) The register of members of the Company will be closed from Saturday, 10 June 2023 to Friday, 16 June 2023 (both days inclusive), during which no transfer of shares will be effected. H shareholders of the Company, whose names appear on the Company's register of members at the close of business on Friday, 9 June 2023, are entitled to attend and vote at the AGM after completing the registration procedures for attending the meeting. In order to be entitled to attend and vote at the AGM, all completed share transfer documents should be lodged with the Company's H share registrar not later than 4:30 p.m. on Friday, 9 June 2023 (Hong Kong time).

The address of the share registrar for the Company's H shares is as follows:  
Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

- (B) Holders of H shares, who intend to attend the AGM, must complete the reply slips for attending the AGM and return them to the office of the secretary to the Board not later than Friday, 9 June 2023.

Details of the office of the secretary to the Board are as follows:  
No. 2266 Chaoyang Road South Baoding, Hebei Province  
the People's Republic of China  
Tel: (86-312) 2197813  
Fax: (86-312) 2197812

- (C) Each holder of H shares who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxy(ies), whether a shareholder or not, to attend and vote on his/her behalf at the AGM. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll.
- (D) The instrument appointing a proxy must be in writing under the hand of the appointor or his/her attorney duly authorised in writing. If the instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (E) To be valid, the proxy form, and if the proxy form is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof.
- (F) If a proxy attends the AGM on behalf of a shareholder, he/she should produce his/her ID card and the instrument signed by the proxy or his/her legal representative, which specifies the date of its issuance. If the legal representative of a legal person shareholder attends the AGM, such legal representative should produce his/her ID card and valid documents evidencing his/her capacity as such legal representative. If a legal person shareholder appoints a representative of the company other than its legal representative to attend the AGM, such representative should produce his/her ID card and an authorisation instrument affixed with the seal of the legal person shareholder and duly signed by its legal representative.
- (G) The on-site registration for attending the AGM will open from 1:00 p.m. to 1:50 p.m. on Friday, 16 June 2023, after which no registration in respect of shareholders' attendance of the meeting will be accepted. The place of registration is at the Company's Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the PRC.
- (H) The AGM is expected to last for half a day. Shareholders attending the AGM shall bear their own transportation and accommodation expenses.
- (I) For information on the attendance meetings by A shareholders, please refer to the Notices of the 2022 AGM, 2023 Third H Shareholders' Class Meeting and 2023 Third A Shareholders' Class Meeting of Great Wall Motor Company Limited (長城汽車股份有限公司關於召開2022年年度股東大會、2023年第三次H股類別股東會議及2023年第三次A股類別股東會議的通知) published on the website of the Shanghai Stock Exchange (website: www.sse.com.cn) and the official website of the Company (website: www.gwm.com.cn) on 16 June 2023.

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## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

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長城汽車股份有限公司  
**GREAT WALL MOTOR COMPANY LIMITED\***

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

**(Stock Code: 2333)**

### NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

**NOTICE IS HEREBY GIVEN** that a class meeting of the holders of H shares (the “**H Shareholders' Class Meeting**”) of Great Wall Motor Company Limited (the “**Company**”) will be held at 3:00 p.m. on Friday, 16 June 2023 (or as soon as the annual general meeting of the Company shall have been concluded or adjourned) or any adjournment thereof at the Company's Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the People's Republic of China (the “**PRC**”) for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolution:

#### SPECIAL RESOLUTION

1. “**THAT** the Board be and is hereby authorised to repurchase the A Shares and H Shares of the Company:
  - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period of all the powers of the Company to repurchase H Shares with a nominal value of RMB1 each of the Company in issue and listed on the Hong Kong Stock Exchange and A Shares with a nominal value of RMB1 each of the Company in issue and listed on the Shanghai Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange, the Shanghai Stock Exchange or any other governmental or regulatory body be and is hereby approved;
  - (b) the aggregate nominal amount of H Shares authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the number of H Shares in issue as at the date of the passing of this resolution and the passing of the relevant resolutions at the annual general meeting of the Company and the A Shareholders' Class Meeting, and that the aggregate nominal amount of A Shares shall not exceed 10% of the number of A Shares in issue as at the date of the passing of this resolution and the passing of the relevant resolutions at the class meetings of shareholders of the Company;

\* *For identification purposes only*

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## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

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- (c) the approval in paragraph (a) above shall be conditional upon:
  - (i) the passing of a special resolution on the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the annual general meeting of the Company to be held on Friday, 16 June 2023 (or on such adjourned date as may be applicable); and the A Shareholders' Class Meeting of the Company to be held on Friday, 16 June 2023 (or on such adjourned date as may be applicable);
  - (ii) the approvals of all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
  - (iii) the Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under article 29 of the articles of association of the Company as described above. If the Company determines to repay any amount to any of its creditors in circumstances described under this sub-paragraph (c)(iii), it is expected that the Company will do so out of its internal funds.
- (d) subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the above-mentioned conditions, the Board be and is hereby authorised to:
  - (i) determine the time, duration, price and number of shares of the repurchase;
  - (ii) notify creditors and issue announcements;
  - (iii) open overseas share accounts and carry out related change of foreign exchange registration procedures;
  - (iv) carry out relevant approval and filing procedures as required by regulatory authorities and the stock exchanges where the shares of the Company are listed;
  - (v) execute, do, sign and take all such documents, acts, things and steps as it considers desirable, necessary or expedient in connection with and to give effect to the repurchase of shares contemplated under paragraph (a) above in accordance with the applicable laws, regulations and rules;

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## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

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- (vi) carry out cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the articles of association of the Company to reflect the new capital structure of the Company, and carry out statutory registration and filing procedures; and
  - (vii) execute and handle other documents and matters related to the share repurchase.
- (e) for the purpose of this resolution:

“**A Shareholders' Class Meeting**” means the class meeting of A Shareholders;

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

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

“**H Shareholders' Class Meeting**” means the class meeting of H Shareholders;

“**Hong Kong Stock Exchange**” means The Stock Exchange of Hong Kong Limited; and

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

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
- (ii) the expiration of a period of twelve months following the passing of this resolution at the H Shareholders' Class Meeting and the relevant resolutions at the annual general meeting and the A Shareholders' Class Meeting; or
- (iii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of shareholders at a general meeting, or by a special resolution of shareholders at an H Shareholders' Class Meeting or an A Shareholders' Class Meeting.”

Specific authorisation for the Board to handle the repurchase of A Shares and H Shares: that a mandate be granted for any Director of the Company to act on behalf of the Board, based on the Company's needs and market conditions and subject to obtaining approval from relevant regulatory authorities and compliance with laws, administrative regulations and the Articles of Association of Great Wall Motor Company Limited (“**Articles of Association**”), to make

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## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

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timely decision on matters relating to the repurchase of H Shares not exceeding 10% of the total number of issued H Shares of the Company as at the date of passing this resolution and A Shares not exceeding 10% of the total number of issued A Shares of the Company as at the date of passing this resolution during the period of the relevant mandate (including but not limited to determining the timing, quantity and price of share repurchase, opening overseas securities account and going through the corresponding procedures for changes of foreign exchange registration, informing creditors and making announcement, cancelling the repurchased shares, reducing the registered capital, amending the Articles of Association, and going through procedures for changes of registration and executing and handling other documents and matters related to the share repurchase).

By Order of the Board  
**Wei Jian Jun**  
*Chairman*

Baoding, Hebei Province, the People's Republic of China  
25 May 2023

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## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

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*Notes:*

### **1. Eligibility for attending the H Shareholders' Class Meeting**

Holders of H shares whose names appear on the H shares register maintained by Computershare Hong Kong Investor Services Limited as at 4:30 p.m. on Friday, 9 June 2023 (Hong Kong time) are eligible to attend the H Shareholders' Class Meeting.

To qualify for attendance and vote at the H Shareholders' Class Meeting to be held on Friday, 16 June 2023, all transfers of H shares accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 9 June 2023 (Hong Kong time).

### **2. Proxy**

- (1) A member eligible to attend and vote at the H Shareholders' Class Meeting is entitled to appoint, in written form, one or more proxies to attend and vote on his/her behalf. A proxy needs not be a shareholder.
- (2) A proxy shall be appointed by a written instrument signed by the appointor or its attorney duly authorised in writing. If the form of proxy is signed by the attorney of the appointor, the power of attorney authorising that attorney to sign or other authorisation document(s) shall be notarially certified.
- (3) To be valid, the power of attorney or other authorisation document(s) which have been notarially certified together with the completed form of proxy must be delivered to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time designated for holding of the H Shareholders' Class Meeting.

### **3. Registration procedures for attending the H Shareholders' Class Meeting**

- (1) A shareholder or his/her proxy shall produce proof of identity when attending the H Shareholders' Class Meeting. If a shareholder is a legal person, his/her legal representative or other persons authorised by the board of directors or other governing body of such shareholder may attend the H Shareholders' Class Meeting by producing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person(s) to attend the meeting.
- (2) Holders of H shares who intend to attend the H Shareholders' Class Meeting (or any adjournment thereof) should complete the reply slips for attending the H Shareholders' Class Meeting (or any adjournment thereof) and return them to the office of the secretary to the Board of the Company not later than Friday, 9 June 2023.
- (3) Shareholders may send the reply slip to the Company in person, by post or by fax.

### **4. Closure of register of members**

The register of members of the Company will be closed from Saturday, 10 June 2023 to Friday, 16 June 2023 (both days inclusive).

### **5. Other businesses**

- (1) The on-site registration for attending the H Shareholders' Class Meeting will open from 1:00 p.m. to 1:50 p.m. on Friday, 16 June 2023, after which no registration in respect of Shareholders' attendance of the meeting will be accepted. The place of registration is at the Company's Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the PRC.
- (2) The H Shareholders' Class Meeting will last for approximately half a day. Shareholders attending the meeting shall bear their own travelling and accommodation expenses.

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## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

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- (3) The address of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, is:

Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai Hong Kong

- (4) The registered address of the Company is:

No. 2266 Chaoyang Road South, Baoding  
Hebei Province the PRC  
Tel: (86-312) 2197813  
Fax: (86-312) 2197812

- (5) In this notice, the following expression shall have the following meaning unless the context otherwise requires:

“**RMB**” means Renminbi, the lawful currency of the People's Republic of China