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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)

- (1) PROPOSED A SHARE ISSUE**
- (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
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PROPOSED A SHARE ISSUE

The Board is pleased to announce that at a meeting of the Board held on 10 October 2010, it was resolved that, subject to Shareholders' approval, the Company shall apply to the relevant authorities in the PRC for the allotment and issue of not more than 121,697,000 A Shares to qualified price consultation participants, and natural persons, legal persons and other investors which have maintained share accounts with the Shanghai branch of China Securities Depository and Clearing Corporation Limited (except those who are prohibited by PRC laws and regulations and other regulatory requirements from participating in the proposed A Share issue), and the listing of, and permission to deal in, such A Shares on the Shanghai Stock Exchange at such time as considered appropriate and in the best interest of the Company.

The amount of funds to be raised from the proposed issue of A Shares cannot be confirmed as at the date of this announcement. However, the Company intends to apply the proceeds from the Proposed A Share Issue, after deducting offering expenses, on projects on the production of diesel engines, EG engines, six-speed manual transmissions, aluminum alloy casting, axles and brakes, interior and exterior decorations; and automotive lightings.

In the event that the proceeds from the Proposed A Share Issue are not sufficient to finance the above projects, the shortfall, after deducting offering expenses, in the proposed capital injection into the above projects will be covered by the Group's internal resources or bank loans. If there is any surplus, after deducting offering expenses, it will be applied to supplement the working capital of the Company. Further details in relation to the Proposed A Share Issue will be disclosed in the circular to be dispatched to Shareholders.

The Proposed A Share is subject to (i) approval by Shareholders at the EGM and Class Meetings, and (ii) the approval of the CSRC, and other regulatory authorities.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In light of the Proposed A Share Issue, certain amendments are proposed to be made to the Articles of Association. Pursuant to the requirements of the Company Law of the PRC and the 《上市公司章程指引(2006年修訂)》 (Guidelines on Articles of Association for Listed Companies (2006 Revision)) promulgated by the CSRC, the Company will make necessary amendments to the relevant provisions of the Articles of Association.

A special resolution to consider and approve the proposed amendments to the Articles of Association will be proposed at the EGM, and will be conditional upon the Company obtaining any approval, endorsement or registration as may be necessary from the relevant PRC authorities.

Such amendments are made on the basis of the existing Articles of Association. The amended Articles of Association will comply with the relevant laws and regulations applicable to companies with listed H Shares and A Shares and will safeguard the interest of both H Shareholders and A Shareholders.

RESIGNATION AND APPOINTMENT OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR

Pursuant to the Guiding Opinions Regarding the Establishment of Systems of Independent Directors by Listed Companies (《關於在上市公司建立獨立董事制度的指導意見》) issued by the CSRC, independent directors shall in principle act as independent directors of no more than five listed companies. In view of the guidance opinion, Mr. Chan Yuk Tong (“**Mr. Chan**”) tendered his resignation as an independent non-executive Director and audit committee member of the Company, which will become effective upon Shareholders’ approval at the EGM. Mr. Chan confirmed that he has no disagreement with the Board and there are no other matters in respect of his resignation that need to be brought to the attention of the Shareholders of the Company.

The Board nominates Mr. Wong Chi Hung, Stanley (“**Mr. Wong**”) as an independent non-executive Director and audit committee member of the Company to fill the seats left vacant by Mr. Chan. The Board proposes that, subject to Shareholders’ approval at the EGM, Mr. Wong be elected as an independent non-executive Director of the Company for a term of commencing from the date of approval of the relevant resolution and ending on the expiry of the third session of the Board.

PROPOSED CHANGE OF AUDITORS

The Company proposed to change its auditors as it could not reach an agreement on the audit fees with its incumbent domestic and overseas auditors, namely Ernst & Young Hua Ming and Ernst & Young.

The Board proposed that Deloitte Touche Tohmatsu Certified Public Accountants Ltd. & Deloitte Touche Tohmatsu be nominated for appointment as the Company's domestic and overseas auditors for the year ending 31 December 2010, in place of the outgoing domestic and overseas auditors of the Company, Ernst & Young Hua Ming and Ernst & Young. Subject to Shareholders' approval at the EGM, the proposed appointment of Deloitte Touche Tohmatsu Certified Public Accountants Ltd. & Deloitte Touche Tohmatsu will be for a term commencing from the date of approval of the relevant resolution and ending on the next annual general meeting of the Company. Ernst & Young Hua Ming and Ernst & Young, which have tendered their respective resignation as the Company's domestic and overseas auditors for the year ending 31 December 2010, have each provided a confirmation that there are no matters that need to be brought to the attention of Shareholders. It is proposed that, subject to Shareholders' approval at the EGM, the Board be authorised to determine the respective remunerations of Deloitte Touche Tohmatsu Certified Public Accountants Ltd. and Deloitte Touche Tohmatsu.

BOOK CLOSURE PERIOD AND RECORD DATE

In order to determine the list of Shareholders who will be entitled to attend and vote at the EGM and the Class Meetings, the register of members of the Company will be closed from Thursday, 28 October 2010 to Friday, 26 November 2010 (both days inclusive) during which period no transfer of Shares will be effected. Holders of H Shares and Domestic Shares whose names appear on the register of members of the Company at 4:30 p.m. on 27 October 2010 shall be entitled to attend and vote at the EGM and the respective class meetings. In order for the H Shareholders to qualify for attending and voting at the EGM and the H Shares class meeting, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, and in any case no later than 4:30 p.m. on 27, October 2010. Shareholders registered as at the record date will be entitled to attend and vote at the EGM and to the extent applicable, the class meetings.

CIRCULAR

A circular containing, among other things, details of the Proposed A Share Issue, the proposed grant of authority to the Board in connection with the Proposed A Share Issue, the proposed amendments to the Articles of Association, and the rules and procedures of meetings of the Board, and the proposed administrative rules for use of proceeds from fund raisings, the proposed system for the administration of external guarantees, the proposed external investment management system, the proposed sharing of undistributed retained profits, the resignation and appointment of an independent non-executive director and the proposed change of auditors, and notices of EGM and Class Meetings will be despatched to Shareholders as soon as practicable.

RESUMPTION OF TRADING

At the request of the Company, trading in the H Shares on the Stock Exchange has been suspended with effect from 2:30 p.m. on 11 October 2010 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the H Shares on the Stock Exchange with effect from 9:30 a.m. on 12 October 2010.

There is no assurance that the Proposed A Share Issue will proceed. Investors are advised to exercise caution in dealing in the H Shares. Further details about the A Share Issue will be disclosed by the Company in the PRC when the Proposed A Share Issue materializes and appropriate disclosure will be made by the Company in Hong Kong concurrently in accordance with the Listing Rules.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

A. INTRODUCTION

The Board announces that the Company intends to apply to the relevant authorities in the PRC for the issue of not more than 121,697,000 A Shares to qualified price consultation participants, and natural persons, legal persons and other investors which have maintained share accounts with the Shanghai branch of China Securities Depository and Clearing Corporation Limited (except those who are prohibited by PRC laws and regulations and other regulatory requirements from participating in the proposed A Share issue), and the listing of, and permission to deal in, such A Shares on the Shanghai Stock Exchange at such time as considered appropriate and in the best interest of the Company.

The Proposed A Share Issue is subject to (i) approval by Shareholders at the EGM and Class Meetings, and (ii) the approvals of the CSRC, and other regulatory authorities.

In light of the Proposed A Share Issue and pursuant to the requirements of the applicable PRC laws and regulations, the Board further proposed to make certain amendments to the Articles of Association, and the rules and procedures of meetings of the Board, and adopt the proposed administrative rules for use of proceeds from fund raisings, the proposed system for the administration of external guarantees, the proposed external investment management system, and the proposed sharing of undistributed retained profits. The aforesaid proposals are subject to the conditions respectively set out in this announcement. The Company will also seek Shareholders' approval at the EGM on the resignation and appointment of an independent non-executive director and the proposed change of auditors.

B. PROPOSED A SHARE ISSUE

(1) General

At the Board meeting of the Company held on 10 October 2010, it was resolved that, subject to Shareholders' approval, the Company will apply (i) to the relevant regulatory authorities in the PRC, including the CSRC, for the allotment and issue of not more than 121,697,000 A Shares (not exceeding approximately 11.12% of the existing total issued share capital and not exceeding approximately 10.01% of the total issued share capital of the Company upon the issue of the A Shares) to qualified price consultation participants, and natural persons, legal persons and other investors which have maintained share accounts with the Shanghai branch of China Securities Depository and Clearing Corporation Limited (except those who are prohibited by PRC laws and regulations and other regulatory requirements from participating in the proposed A Share issue), and (ii) to the Shanghai Stock Exchange for the listing of, and dealing in, its A Shares at such time as considered appropriate and in the best interest of the Company.

It is expected that such investors will not include connected persons (as defined under the Listing Rules) of the Company. If any of such investors shall include connected persons of the Company, the Company shall take steps to comply with the relevant connected transaction requirements under the Listing Rules. At present, the H Shares of the Company are listed on the main board of the Hong Kong Stock Exchange.

Since the issue price of the A Shares will be determined at the time for the issue of A Shares, the total amount of the proceeds from the Proposed A Share Issue cannot be determined at the present stage. The size and pricing of the Proposed A Share Issue will be determined based on the PRC securities market condition at that time and subject to approvals by all relevant PRC regulatory authorities, including the CSRC. A further announcement will be made when more details are available.

(2) Structure of the Proposed A Share Issue

Type of securities to be issued: A Shares

Number of A Shares to be issued: Not more than 121,697,000 A Shares (not exceeding approximately 11.12% of the existing total issued share capital and not exceeding approximately 10.01% of the total issued share capital of the Company upon the issue of the A Shares). The final number of A Shares to be issued shall be subject to the approval by the CSRC, and subject to adjustment by the Board, as authorized by the Shareholders at the EGM and the Class Meetings, and within the range approved by the CSRC having regard to the relevant circumstances and in consultation with the lead underwriter.

Nominal value: RMB1.00 each

Rights attached to A Share: The A Shares to be issued are listed Domestic Shares and, except as otherwise provided for in the applicable laws, rules and regulations and the Articles of Association, will rank *pari passu* with the existing Domestic Shares and H Shares in all respects.

Target subscribers: Qualified price consultation participants, and natural persons, legal persons and other investors which have maintained A share accounts with the Shanghai branch of China Securities Depository and Clearing Corporation Limited (except those who are prohibited by PRC laws or regulations and other regulatory requirements from participating in the proposed A Share issue).

Method of issue: The issue will be conducted by a combination of placement of shares to participants through offline price consultation and a public offering of shares through online subscriptions (or such other way(s) as shall be approved by the CSRC).

Basis for determining the issue price: The issue price of A Shares will be determined on the basis of market conditions and the price of the H Shares of the Company, and in accordance with the relevant requirements under the “Administrative Measures on the Offering and Underwriting of Securities” issued by the CSRC and other relevant PRC regulations. Upon publication of the A Share prospectus for initial public offering of A Shares and the relevant announcement, the issue price range will be determined by making preliminary price consultations with qualified price consultation participants, and the issue price will be determined within the issue price range based on the cumulative bidding price consultations (or by other means of determining the issue price recognized by the CSRC.)

Price consultation participants refer to investment fund management companies, securities companies, trust investment companies, deposit-taking companies, investors from insurance companies and qualified overseas institutional investors and other institutional investors recognised by the CSRC.

The market conditions which the Company will make reference to shall include but not limited to the following:

- (1) the overall capital market conditions such as total market capitalization;
- (2) the market capitalization of the A-Share listed companies within the automobile manufacturing industry;
- (3) the investors’ structure in the A Share market;
- (4) judgment on the future trends of the A Share market; and
- (5) the issue price and market capitalization of similar enterprises before the Company’s proposed A Share Issue.

The issue price and the amount to be raised from the Proposed A Share Issue cannot be ascertained as at the date of this announcement because the market consultation can only be conducted after all the requisite approvals have been obtained. The Company will make the requisite announcement once the issue price is confirmed.

Proposed place of listing:

Shanghai Stock Exchange

Use of Proceeds:

The amount of funds to be raised from the proposed Issue of A Shares cannot be confirmed at the date of this announcement. However, the Company intends to apply the proceeds from the Proposed A Share Issue, after deducting offering expenses, on the following projects of the Group with a total estimated investment amount of approximately RMB3,170,000,000:

- (a) annual production of 100,000 sets of diesel engines of model number GW4D20, with an estimated investment amount of approximately RMB410 million;
- (b) annual production of 300,000 sets of EG engines, with an estimated investment amount of approximately RMB570 million;
- (c) annual production of 200,000 sets of six-speed manual transmissions, with an estimated investment amount of approximately RMB520 million;
- (d) annual production of 400,000 sets of aluminum alloy casting, with an estimated investment amount of approximately RMB420 million;
- (e) annual production of 400,000 sets of axles and brakes, with an estimated investment amount of approximately RMB570 million;
- (f) annual production of 400,000 sets of interior and exterior decorations, with an estimated investment amount of approximately RMB490 million; and

- (g) annual production of 400,000 sets of automotive lightings, with an estimated investment amount of approximately RMB190 million.

In the event that the proceeds from the Proposed A Share Issue are not sufficient to finance the above projects, the shortfall, after deducting offering expenses, in the proposed capital injection into the above projects will be covered by the Group's internal resources or bank loans. If there is any surplus, after deducting offering expenses, it will be applied to supplement the working capital of the Company.

(3) Shareholders' approval and other approvals

The EGM and the Class Meetings will be held on Friday, 26 November 2010 to consider and, if thought fit, approve, among other things, the Proposed A Share Issue and to authorise the Board to determine and deal with at its discretion and with full authority, matters relating to the A Share Issue (including but not limited to the specific timing of the issue, the number of A Shares to be issued, offering mechanism, issue price, target subscribers, the number and proportion of A Shares to be issued to each subscriber and the timing and other details in relation to the use of proceeds).

It should be noted that the Proposed A Share Issue, upon approval by Shareholders at the EGM and at the Class Meetings, is still subject to the approval of the CSRC and other relevant regulatory authorities, as required. In addition, the approval of the Shanghai Stock Exchange for the listing of and dealing in the A Shares is required. As at the date of this announcement, no application has been made by the Company to any PRC authorities in relation to the Proposed A Share Issue. The Company shall submit an application to the CSRC for the Proposed A Share Issue after approvals have been obtained from the Shareholders at the EGM and the Class Meetings. The EGM and the Class Meetings are convened under the requirements of the regulations promulgated by the CSRC for the purpose of approving the Proposed A Share Issue.

(4) Effect of the Proposed A Share Issue on the Company's Shareholding Structure

Set out below is the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Proposed A Share Issue based on the assumption that a maximum aggregate of 121,697,000 A Shares (which represent approximately 11.11% of the existing total share capital and approximately 10.00% of the

total issued share capital of the Company upon the issue of the A Shares) will be issued under the Proposed A Share Issue:

	As at the date of this announcement		Immediately after completion of the Proposed A Share Issue	
	Number of shares	As a percentage of total issued capital (%)	Number of shares	As a percentage of total issued capital (%)
(1) Domestic Shares	682,000,000	62.27	803,697,000	66.04
保定創新長城資產管理 有限公司 (Baoding Innovation Great Wall Asset Management Company Limited)	417,610,760	38.13	417,610,760	34.32
保定市瑞豐企業策劃有限公司 (Boading Ruifeng Corporation Plan Company)	264,389,240	24.14	264,389,240	21.72
A Shares to be issued	—	—	121,697,000	10.00
(2) H Shares	<u>413,272,000</u>	<u>37.73</u>	<u>413,272,000</u>	<u>33.96</u>
Total number of Shares	<u><u>1,095,272,000</u></u>	<u><u>100.00</u></u>	<u><u>1,216,969,000</u></u>	<u><u>100.00</u></u>

As advised by King and Wood, the Company's PRC lawyers, according to the relevant PRC laws and regulations and the relevant requirements of the CSRC and the Shanghai Stock Exchange, Domestic Shares issued before the Proposed A Share Issue may be freely tradable conditional upon fulfilment of certain conditions. Except for the relevant requirements relating to the lock-up period under the relevant laws and regulations and the listing rules of the Shanghai Stock Exchange, such A Shares shall carry the same rights as the other A Shares issued by the Company. It is expected that the conversion of the existing issued Domestic Shares into A Shares will not involve any payment of compensation by the holders of such Domestic Shares to the holders of A Shares issued under the Proposed A Share Issue.

(5) Reasons for and benefits of the Proposed A Share Issue

The Board believes that the Proposed A Share Issue will establish a new financing platform for the Company to finance the Company's ongoing business development, and boost the Company's competitiveness. The Board also believes that the Proposed A Share Issue will help strengthen the Company's position in the PRC automobile industry and enhance its brand name and reputation. The Directors believe that the Proposed A Share Issue will benefit the Company and Shareholders as a whole.

(6) Ancillary matters relating to the Proposed A Share Issue

6.1 Sharing of undistributed retained profits

After completion of the Proposed A Share Issue, the existing and new Shareholders shall, subject to the approval by the Shareholders at the EGM and the Class Meetings, be entitled to share the Company's undistributed retained profits as at the date of the A Share Issue upon completion of the Proposed A Share Issue.

6.2 Taking of necessary actions by the Directors

In connection with the Proposed A Share Issue, the Company proposed to authorise the Board to determine and deal with at its discretion and with full authority, matters relating to the A Share Issue and the proposed listing of such A Shares to be issued in the PRC on the Shanghai Stock Exchange (including but not limited to the specific timing of the issue, number of A Shares to be issued, method of issue, issue price, issue targets, the number and proportion of A Shares to be issued to respective issue targets, and adjustments on the project amount, timing and method of the implementation within the scope of the usage of proceeds approved by Shareholders at the EGM) under the proposal of the A Share Issue considered and approved by Shareholders at the EGM and permitted by the CSRC. The authorization of the Board to determine and deal with matters relating to the A Share Issue is subject to approvals by (a) Shareholders at the EGM and (b) the H Shareholders and Domestic Shareholders at the respective Class Meetings.

6.3 Proposed amendments to the Articles of Association

In light of the Proposed A Share Issue, certain amendments are proposed to be made to the Articles of Association. Pursuant to the requirements of the Company Law of the PRC and the 《上市公司章程指引(2006年修訂)》 (Guidelines on Articles of Association for Listed Companies (2006 Revision)) promulgated by the CSRC, the Company will make necessary amendments to the relevant provisions of the Articles of Association.

A special resolution to consider and approve the proposed amendments to the Articles of Association will be proposed at the EGM, and will be conditional upon the Company obtaining any approval, endorsement or registration as may be necessary from the relevant PRC authorities.

Such amendments are made on the basis of the existing Articles of Association. The amended Articles of Association will comply with the relevant laws and regulations applicable to companies with listed H Shares and A Shares and will safeguard the interest of both H Shareholders and A Shareholders.

6.4 Proposed amendments to the rules and procedures of meetings of the Board

Pursuant to the relevant laws, rules and regulations of the PRC in respect of domestic issue of A Shares, the Company has to lay down the rules and procedures of meetings of the Board. Ordinary resolutions to consider, approve and adopt such rules and procedures will be proposed at the EGM.

6.5 Proposed usage management methods of funds raised

Pursuant to the relevant laws, rules and regulations of the PRC and the requirements of CSRC and the Shanghai Stock Exchange in respect of domestic issue of A Shares, the Company has to lay down the proposed usage management methods of funds raised from the A Share Issue. Ordinary resolutions to consider, approve and adopt the proposed usage management methods of funds raised will be proposed at the EGM.

6.6 Proposed system for the administration of external guarantees and proposed external investment management

Pursuant to the relevant laws, rules and regulations of the PRC and the requirements of CSRC and the Shanghai Stock Exchange in respect of domestic issue of A Shares, the Company has to lay down the proposed system for the administration of external guarantees and proposed external investment management system. Ordinary resolutions to consider, approve and adopt the proposed will be proposed at the EGM.

C. RESIGNATION AND APPOINTMENT OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chan Yuk Tong (“**Mr. Chan**”) was appointed as an independent non-executive Director of the Company at the annual general meeting held on 18 May 2010 for a term from the date of being elected and ending on the expiry of the third session of the Board. Pursuant to the Guiding Opinions Regarding the Establishment of Systems of Independent Directors by Listed Companies (《關於在上市公司建立獨立董事制度的指導意見》) issued by the CSRC, independent directors shall in principle act as independent directors of no more than five listed companies. In view of the guidance opinion, Mr. Chan tendered his resignation as an independent non-executive Director and audit committee member of the Company, which will become effective upon Shareholders’ approval at the EGM. Mr. Chan confirmed that he has no disagreement with the Board and there are no other matters in respect of his resignation that need to be brought to the attention of the Shareholders of the Company.

The Board nominates Mr. Wong Chi Hung, Stanley (“**Mr. Wong**”) as an independent non-executive Director and audit committee member of the Company to fill the seats left vacant by Mr. Chan. The biography of Mr. Wong is set out as follows:

Mr. Wong, 47, is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Wong holds a Bachelor's degree in Accounting from the University of Kent at Canterbury, the United Kingdom. Mr. Wong has more than 23 years of experience in auditing, accounting and financial advisory services. In November 2009, Mr. Wong joined Hongri International Company Limited (紅日國際控股有限公司) as the chief financial officer. Mr. Wong shall be appointed as a member of the audit committee of the Company.

Mr. Wong did not hold any directorship in any listed public companies in the last three years preceding the date of this announcement. Save as disclosed herein, Mr. Wong does not have any other major appointments and qualifications.

As at the date of this announcement, Mr. Wong has no interest in the Shares or underlying Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Wong is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company (within the meaning of the Listing Rules).

There is no service contract between Mr. Wong and the Company. Unless determined otherwise, Mr. Wong shall be paid a director's fee of RMB120,000 per annum. The Director's fee of Mr. Wong is determined by the Board with reference to his duties and responsibilities. Save for the Director's fee, Mr. Wong is not expected to receive any other remuneration for holding his office as an independent non-executive Director of the Company.

Save as disclosed above, Mr. Wong confirms that there are no matters relating to his appointment that need to be brought to the attention of the Shareholders, and there is no information to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules.

The Board proposes that Mr. Wong be elected as an independent non-executive Director of the Company for a term commencing from the date of approval of the relevant resolution and ending on the expiry of the third session of the Board.

D. PROPOSED CHANGE OF AUDITORS

At the annual general meeting of the Company on 18 May 2010, Ernst & Young Hua Ming and Ernst & Young were appointed as the Company's domestic and overseas auditors respectively for the Company's 2010 financial reporting, from the date of passage of the relevant resolution until the next annual general meeting. Ernst & Young Hua Ming has tendered its resignation as the Company's PRC auditors. The Company proposed to change its auditors as it could not reach an agreement on the audit fees with its incumbent domestic and overseas auditors, namely Ernst & Young Hua Ming and Ernst & Young.

The Board proposed that Deloitte Touche Tohmatsu Certified Public Accountants Ltd. & Deloitte Touche Tohmatsu be nominated for appointment as the Company's domestic and overseas auditors for the year ending 31 December 2010, in place of the outgoing domestic and overseas auditors of the Company, Ernst & Young Hua Ming and Ernst & Young. Subject to

Shareholders' approval at the EGM, the proposed appointment of Deloitte Touche Tohmatsu Certified Public Accountants Ltd. & Deloitte Touche Tohmatsu will be for a term commencing from the date of approval of the relevant resolution and ending on the next annual general meeting of the Company. Ernst & Young Hua Ming and Ernst & Young, which have tendered their respective resignation as the Company's domestic and overseas auditors for the year ending 31 December 2010, have each provided a confirmation that there are no matters that need to be brought to the attention of Shareholders. It is proposed that, subject to Shareholders' approval at the EGM, the Board be authorised to determine the respective remunerations of Deloitte Touche Tohmatsu Certified Public Accountants Ltd. and Deloitte Touche Tohmatsu.

E. BOOK CLOSURE PERIOD AND RECORD DATE

In order to determine the list of Shareholders who will be entitled to attend and vote at the EGM and the Class Meetings, the register of members of the Company will be closed from Thursday, 28 October 2010 to Friday, 26 November 2010 (both days inclusive) during which period no transfer of Shares will be effected. Holders of H Shares and Domestic Shares whose names appear on the register of members of the Company at 4:30 p.m. on 27 October 2010 shall be entitled to attend and vote at the EGM and the respective class meetings. In order for the H Shareholders to qualify for attending and voting at the EGM and the H Shares class meeting, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, and in any case no later than 4:30 p.m. on 27, October 2010. Shareholders registered as at the record date will be entitled to attend and vote at the EGM and to the extent applicable, the class meetings.

F. EGM AND CLASS MEETINGS

The EGM, the H Shareholder class meeting and the Domestic Shareholder class meeting will be convened on Friday, 26 November 2010 at Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the PRC.

The Proposed A Share Issue, proposed amendments to the Articles of Association, and the rules and procedures of meetings of the Board will be proposed at the EGM and, to the extent applicable, the Class Meetings.

G. CIRCULAR

A circular containing, among other things, details of the Proposed A Share Issue, the proposed grant of authority to the Board in connection with the Proposed A Share Issue, the proposed amendments to the Articles of Association, and the rules and procedures of meetings of the Board, and the proposed administrative rules for use of proceeds from fund raisings, the proposed system for the administration of external guarantees, the proposed external investment management system, the proposed sharing of undistributed retained profits, the resignation and appointment of an independent non-executive director and the proposed change of auditors, and notices of EGM and Class Meetings will be despatched to Shareholders as soon as practicable.

As at the date of this announcement, no application has been made by the Company to any PRC authorities in relation to the Proposed A Share Issue. The Company shall submit an application to the CSRC for the Proposed A Share Issue after approvals have been obtained from the Shareholders at the EGM and the Class Meetings.

H. GENERAL

There is no assurance that the Proposed A Share Issue will proceed. Investors are advised to exercise caution in dealing in the H Shares. Further details about the A Share Issue will be disclosed by the Company in the PRC when the Proposed A Share Issue materializes and appropriate disclosure will be made by the Company in Hong Kong concurrently in accordance with the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the H Shares on the Stock Exchange has been suspended with effect from 2:30 p.m. on 11 October 2010 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the H Shares on the Stock Exchange with effect from 9:30 a.m. on 12 October 2010.

DEFINITIONS

In this announcement, the following terms have the following meanings unless the context requires otherwise:

“A Shares”	the ordinary shares to be subscribed for in RMB, which are proposed to be allotted and issued by the Company to qualified price consultation participants, and natural persons, legal persons and other investors which have maintained share accounts with the Shanghai branch of China Securities Depository and Clearing Corporation Limited (except those who are prohibited by PRC laws and regulations and other regulatory requirements from participating in the proposed A Share Issue), and to be listed on the Shanghai Stock Exchange;
“Articles of Association”	the 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 class meeting of the H Shareholders and the class meeting of the Domestic Shareholders to be held on Friday, 26 November 2010;
“Company”	長城汽車股份有限公司(Great Wall Motor Company Limited), a company incorporated in the PRC with limited liability, the H Shares of which are listed on the Hong Kong Stock Exchange;

“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會);
“Directors”	the directors of the Company;
“Domestic Shareholders”	holders of Domestic Shares;
“Domestic Shares”	the ordinary shares of RMB1.00 each issued by the Company under PRC law, which are subscribed for or credited as fully paid up in Renminbi;
“EGM”	the extraordinary general meeting of the Company to be held on Friday, 26 November 2010 at 9 a.m. at Conference Room, No. 2266 Chaoyang Road South, Baoding, Hebei Province, the PRC, to consider, and if thought fit, to approve, inter alia, the Proposed A Share Issue;
“Group”	the Company and its subsidiaries;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“H Shareholders”	holders of H Shares;
“H Shares”	overseas listed foreign invested shares 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;
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan;
“Proposed A Share Issue”	the proposed allotment and issue of not more than 121,697,000 A Shares (not exceeding approximately 11.12% of the existing total issued share capital and not exceeding approximately 10.01% of the total issued share capital of the Company upon the issue of A Shares) to qualified price consultation participants, and natural persons, legal persons and other investors which have maintained A share accounts with the Shanghai branch of China Securities Depository and Clearing Corporation Limited (except those who are prohibited by PRC laws and regulations and other regulatory requirements from participating in the proposed A Share issue), which A Shares are proposed to be listed on the Shanghai Stock Exchange;

“RMB”	Renminbi yuan, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of the Company’s Shares; and
“Shares”	ordinary share(s) of RMB1.00 each in the share capital of the Company;

This announcement will be available for viewing on the Hong Kong Stock Exchange’s website (www.hkexnews.hk) and the Company’s website (www.gwm.com.cn).

By Order of the Board
Great Wall Motor Company Limited
Wei Jian Jun
Chairman

Baoding, the People’s Republic of China, 11 October 2010.

As at the date of this announcement, members of the Board are as follows:

Executive Directors: Mr. Wei Jian Jun, Mr. Liu Ping Fu, Ms. Wang Feng Ying, Mr. Hu Ke Gang and Ms. Yang Zhi Juan;

Non-executive Directors: Mr. He Ping and Mr. Niu Jun;

Independent non-executive Directors: Mr. He Bao Yin, Ms. Wei Lin, Mr. Li Ke Qiang and Mr. Chan Yuk Tong.

* *For identification purposes only*