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**DONGFENG MOTOR GROUP COMPANY LIMITED\***

**東風汽車集團股份有限公司**

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

**(Stock Code: 489)**

**PROPOSED CHANGE OF A SHARE OFFERING PLAN AND  
PROPOSED FURTHER AMENDMENTS  
TO THE ARTICLES OF ASSOCIATION**

**PROPOSED CHANGE OF A SHARE OFFERING PLAN**

References are made to the announcements of the Company dated 27 July 2020, 28 August 2020, 25 September 2020, 23 October 2020, 18 November 2020 and 11 December 2020, and the circular dated 10 September 2020 (the “**Circular**”), in relation to, among other things, the Company’s proposed application for the initial public offering of RMB ordinary shares (A Shares) and issuance and listing on the GEM of SZSE.

The Company applied to SZSE for the initial public offering of RMB ordinary shares (A Shares) and listing on the GEM on 9 October 2020, and obtained the decision of the SZSE Listing Review Center on approving the Company’s issuance of Shares and listing on the GEM on 11 December 2020. As of the date of this announcement, the Company has yet to obtain the CSRC’s approval for the registration decision. Based on the Company’s business decision and strategic adjustment, combined with the actual market situation, the Company decided to withdraw the application documents for listing on the GEM from the SZSE, and proposed to apply for the initial public offering of RMB ordinary shares (A Shares) and listing on the Main Board of the SZSE.

## **SHAREHOLDERS' APPROVAL AND GENERAL INFORMATION**

The Company will convene the EGM, Domestic Shareholders' Class Meeting and H Shareholders' Class Meeting to seek approvals from the Shareholders in respect of proposals regarding the proposed A Share Offering and other relevant proposals. A circular containing further details on the proposed A Share Offering and other relevant proposals will be despatched by the Company to the Shareholders in due course.

**Shareholders and potential investors should be aware that the proposed A Share Offering is subject to approvals or decisions made by relevant regulatory authorities and may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company. Further announcement(s) will be made to disclose any major updates and developments in respect of the A Share Offering in accordance with the Listing Rules and other applicable laws and regulations. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.**

### **I. PROPOSED CHANGE OF A SHARE OFFERING PLAN**

Based on the Company's management decisions and strategic adjustment, combining with the actual market conditions, the Company decided to withdraw the application documents for listing on the GEM from the SZSE, and proposed to apply for the initial public offering of RMB ordinary shares (A Shares) and listing on the Main Board of the SZSE. According to the Company Law of the People's Republic of China, the Securities Law, the Administrative Measures for the Initial Public Offering and Listing of Stocks, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Opinions of the CSRC on Further Promoting the Reform of New Share Offering Scheme and other relevant provisions of laws, administrative regulations, departmental rules and normative documents, formation of the Company's plans for the Issuance and Listing are as follows:

#### **1. Type of shares and nominal value per share**

The shares to be issued under the Issuance are domestic listed Renminbi ordinary Shares (A Shares) with the nominal value of RMB1.00 per share.

## **2. The number of Issuance**

Subject to the regulatory requirements of the place where the Company's A Shares are to be listed such as the minimum issuance ratio, the number of Shares to be issued under the Issuance shall not exceed 957,346,666 Renminbi ordinary shares (A Shares), i.e. not exceeding 10% of the total share capital of the Company upon completion of the Issuance, excluding any shares which may be issued pursuant to the over-allotment option. Subject to compliance with laws, regulations and regulatory requirements, the Company may authorise the lead underwriters to over-sell shares no more than 15% of the underwriting amount at the same issuance price.

If any ex-right events, such as bonus shares and conversion of capital reserve into share capital, happen prior to the Issuance, the number of A Shares of the Issuance will be adjusted accordingly. The Issuance is limited to the issuance of new shares, and there is no transfer of the Company's Shares (existing Shares) held by the existing Shareholders of the Company to investors. The ultimate number of Issuance, over-allotment matters and placement ratio will be negotiated by the Board and the sponsoring authorities (lead underwriters) as authorized by the Shareholders' general meeting in accordance with the capital needs of the Company as well as the communications with the regulatory authorities and the actual market conditions upon the Issuance.

## **3. Target subscribers**

The Issuance's target subscribers are natural persons, legal persons and other institutional investors (except those prohibited by the PRC laws, administrative regulations, departmental rules, regulatory documents and other regulatory requirements binding to the Company) holding a securities account at the Main Board of the SZSE who are qualified as price inquiry parties under the laws, regulations and requirements by the regulatory authorities.

If any of the above A Share Offering's target subscriber is a related/connected person of the Company, the Company will take all reasonable measures to comply with the relevant requirements of the CSRC and other regulatory authorities as well as the listing rules of the places where the Company's Shares are listed.

#### **4. Strategic placement**

Subject to compliance with laws, regulations and regulatory requirements, the Company may implement strategic placement at the time of the Issuance in accordance with the Company's needs for business cooperation and financing scale. Certain Shares may be placed to investors who meet the requirements of laws and regulations and the Company's development strategy. The specific placement ratio shall be determined by the Board as authorized by the Shareholders' general meeting pursuant to the laws and regulations and market conditions at that time.

#### **5. Issuance method**

The Issuance will be conducted through a combination of offline placement to price inquiry parties and online subscriptions at market value, or through other issuance methods recognized by the regulatory authorities.

#### **6. Pricing method**

The Issuance will be determined by making inquiries to price inquiry parties or by other means approved by PRC laws, administrative regulations, departmental rules, normative documents and relevant securities regulatory authorities. The ultimate pricing method will be determined by the Board as authorized by the Shareholders' general meeting of the Company in accordance with PRC laws, administrative regulations, departmental rules, normative documents and relevant requirements of the securities regulatory authorities.

#### **7. Use of proceeds**

After deducting the Issuance expenses, the proceeds to be raised from the Issuance and Listing are to be used for (1) new brand high-end new energy passenger vehicles project; (2) new-generation vehicles and forward-looking technological development projects; (3) replenishing working capital.

If the amount of actual proceeds raised (net of issuance expenses) exceeds the actual amount of funds required for the above mentioned intended use, the excess will be used to supplement the Company's working capital or for the purposes as required by the relevant regulatory authorities. If the actual amount of proceeds raised (net of issuance expenses) is insufficient to meet the actual funding required for the intended use as described above, the Company will make up the shortfall by its self-raised funds.

Prior to receiving the proceeds from the Issuance and Listing, the Company may support the implementation of the above-mentioned projects with its own funds based on the actual progress of such projects. Upon receiving the proceeds, the Company will use such proceeds to reimburse the funds previously committed.

## **8. Place of listing**

The place of listing of the Issuance will be the SZSE.

## **9. Valid period of the resolution**

The resolution in relation to the Issuance and Listing valid within twelve months from the date of consideration and approval at the EGM, Domestic Shareholders' Class Meeting and H Shareholders' Class Meeting of the Company.

The aforesaid resolution for the A Share Offering will be submitted to the EGM, Domestic Shareholders' Class Meeting and H Shareholders' Class Meeting, respectively, for consideration and approval.

The Board agreed to authorize the chairman of the Board to make necessary adjustments to the plan for the Issuance and Listing to be submitted to the Shareholders' general meeting and the Class Meetings for consideration in accordance with the opinions and recommendations of the Hong Kong Stock Exchange and other relevant regulatory authorities and the actual situation of the Issuance and Listing prior to the submission of the plan for the Issuance and Listing to the Shareholders' general meeting and the Class Meetings for consideration.

## **II. PROPOSED TO AUTHORIZE THE BOARD OF DIRECTORS AND PERSONS AUTHORISED BY THE BOARD OF DIRECTORS THE DISCRETION TO DEAL WITH THE MATTERS RELATED TO A SHARE OFFERING AND LISTING BY THE EGM AND SHAREHOLDERS' CLASS MEETINGS**

The Board hereby proposes to the EGM and the Shareholders' Class meetings to authorize the Board of Directors the discretion to deal with the matters related to the A Share Offering and Listing, including but not limited to:

1. According to the plan for the Issuance and Listing considered and approved at the EGM and the Shareholders' Class meetings, the requirements of domestic and overseas laws, administrative regulations and departmental rules and regulatory documents, and the opinions of domestic and overseas regulatory authorities as well as the market conditions, determining or adjusting the specific plan for the Issuance and Listing, and taking sole responsibilities for the specific implementation of the plan, including but not limited to, the specific listing segment, date of issuance, the number of shares to be issued, pricing method, over-allotment and strategic placement (including placing ratio and target subscribers), and specific allocation proportion of the proceeds for use and other matters related to the Issuance

and Listing; in the event of any changes in the laws, administrative regulations, departmental rules or normative documents related to the A Share Offering and Listing, as well as the policies from regulatory authorities related to the A Share Offering and Listing, or any changes in market conditions, making adjustments accordingly to the specific plan for the Issuance and Listing (suspension or termination of the implementation of the Issuance plan is also referred to as adjustments), except for matters which shall be re-voted at the general meeting and Shareholders' Class Meetings of the Company in accordance with the relevant laws, administrative regulations, departmental rules, normative documents and the Articles of Association;

2. Based on the plan for the Issuance and Listing considered and approved at the EGM and the Shareholders' Class Meetings, in accordance with the requirements of PRC laws, administrative regulations, departmental rules and normative documents as well as the requirements of regulatory authorities (including the comments and feedback on the application for the A Share Offering and Listing) and the market conditions and considering the actual progress and priorities of the projects to be funded by the proceeds, adjusting the projects to be funded by the proceeds, determining and making adjustments accordingly to the specific use plan for the proceeds;
3. Drafting, supplementing, amending, signing, delivering, publishing, disclosing, implementing, suspending and terminating any agreements, contracts, announcements, circulars or other documents relating to the A Share Offering and Listing, including but not limited to the application report, prospectus, listing documents, sponsorship agreements, underwriting agreements, etc.;
4. Engaging intermediaries in connection with the Issuance and Listing and signing the engaging or appointment agreement; determining and paying expenses relating to the Issuance and Listing;
5. In accordance with the Issuance and Listing plan considered and approved by the EGM and the Shareholders' Class Meetings, handling application issues for the A Share Offering and Listing, including but not limited to the review, registration, filing, approval and consent procedures related to the Issuance and Listing at the relevant government departments, domestic and overseas regulatory authorities, the SZSE and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited; determining the special account for the proceeds before the Issuance and Listing if necessary; making declarations and undertakings related to the Issuance and Listing and performing necessary, proper or appropriate actions related to the Issuance and Listing;



6. Making adjustments and amendments to the Articles of Association and other corporate governance documents as drafted or amended by the Company pursuant to domestic and foreign laws, administrative regulations, departmental rules and other normative documents for the purpose of the A Share Offering and Listing which have been considered and approved by the EGM and the Shareholders' Class Meetings, Board of Directors in accordance with any changes in domestic and foreign laws, administrative regulations, departmental rules and other normative documents and the requirements and suggestions of the relevant domestic and overseas governmental entities and regulatory authorities, and the actual situation of the Issuance and Listing; making corresponding amendments to the Articles of Association with respect to the registered capital and shareholding structure of the Company and handling the modification, filing and registration procedures with the company registration authorities and other relevant governmental departments upon the completion of the Issuance and Listing, and dealing with matters in relation to application for the listing of A Shares on the SZSE;
7. Handling the capital verification, stock custody and other procedures, and the approval, filing and change registration procedures for the change of registered capital of the Company at the market supervision and administration department and other relevant regulatory authorities in accordance with the actual situation of the Issuance and Listing;
8. Handling other matters relating to the A Share Offering and Listing to the extent permitted by PRC laws, administrative regulations, departmental rules, normative documents and the Articles of Association.

Meanwhile, the Board of Directors also proposes that the EGM and the Shareholders' Class Meetings agree to authorize the Board of Directors, subject to the Board of Directors being granted all authorizations set out in this resolution, except as otherwise provided in the relevant laws, administrative regulations, departmental rules and normative documents and the Articles of Association, to delegate the power of exercise of all authorizations set out in this resolution to the chairman of the Board of Directors of the Company.

This authorization is valid for twelve months from the date of being considered and approved at the EGM and the Shareholders' Class Meetings.

The proposal on proposing the EGM and Shareholders' Class Meetings to authorize the Board of Directors and persons authorized by the Board of Directors the discretion to the matters related to A Share Offering and Listing will be proposed to the EGM, the Domestic Shareholders' Class Meeting and H Shareholders' Class Meeting for consideration and approval.

### **III. PROPOSED FURTHER AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

To satisfy relevant needs for corporate governance and normative operations after the Issuance and Listing of the Company, in accordance with the Company Law of the Peoples Republic of China, the Guidance on Articles of Association of Listed Companies(Revision 2019), the Administrative Measures for the Initial Public Offering and Listing of Stocks, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and other laws, administrative regulations, departmental rules and normative documents, and in combination with the actual situation of the Company, the Company proposed to further amend the Articles of Association on the basis of the amendment of the Articles of Association set out in the Circular.

The revision of Articles of Association contained in the Circular and the revised Articles of Association shall come into effect from the date of the Issuance and Listing of the Company after being considered and approved by the Shareholders' General Meeting of the Company.

The Board agrees with the amendment to the Articles of Association of the Company and agrees to submit it to the Shareholders' General Meeting for consideration, and requests the Shareholders' General Meeting to authorize the Board and the Chairman of the Board with the authorization from the Board make corresponding adjustments and amendments to the Articles of Association (including but not limited to adjustments and amendments to the wordings, sections, terms, conditions of effect and others) for the purpose of the Issuance and Listing and based on the changes in relevant laws and regulations and relevant policies, the requirements and recommendations from relevant domestic and overseas government agencies and regulatory authorities as well as the actual conditions of the Issuance and Listing.

The proposals on the further amendments to the Articles of Association will be submitted to the EGM for consideration and approval.



#### IV. IMPACT OF THE A SHARE OFFERING ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

For reference and illustration purposes only, assuming that a total of 957,346,666 A Shares are issued under the A Share Offering (a total of 1,100,947,666 A Shares are to be issued if the over-allotment options are exercised in full) and there is no change to the share capital of the Company prior to the completion of the A Share Offering, the shareholding structure of the Company as at the date of this announcement and immediately following completion of the A Share Offering will be as follows:

	As of the date of this announcement		Immediately following completion of the A Share Offering <sup>(1)</sup> (Assuming that the over-allotment option has not been exercised)		Immediately following completion of the A Share Offering <sup>(1)</sup> (Assuming all over-allotment options are exercised)	
	Approximate percentage of the issued		Approximate percentage of the issued		Approximate percentage of the issued	
	Number of Shares	Share capital of the Company (%)	Number of Shares	Share capital of the Company (%)	Number of Shares	Share capital of the Company (%)
<b>Domestic Shares</b>						
– Domestic Shares/A Shares converted from Domestic Shares held by Dongfeng Motor Corporation Ltd. <sup>(2)</sup>	5,760,388,000	66.86	5,760,388,000	60.17	5,760,388,000	59.28
– A Shares to be newly issued under the A Share Offering <sup>(3)</sup>	–	–	957,346,666	10.00	1,100,947,666	11.33
<b>Sub-total</b>	<b>5,760,388,000</b>	<b>66.86</b>	<b>6,717,734,666</b>	<b>70.17</b>	<b>6,861,335,666</b>	<b>70.61</b>
<b>H Shares</b>						
– H Shares held by non-public Shareholders <sup>(4)</sup>	38,580,000	0.45	38,580,000	0.40	38,580,000	0.40
– H Shares held by the public	2,817,152,000	32.70	2,817,152,000	29.43	2,817,152,000	28.99
<b>Sub-total</b>	<b>2,855,732,000</b>	<b>33.14</b>	<b>2,855,732,000</b>	<b>29.83</b>	<b>2,855,732,000</b>	<b>29.39</b>
<b>Total</b>	<b>8,616,120,000</b>	<b>100.00</b>	<b>9,573,466,666</b>	<b>100.00</b>	<b>9,717,067,666</b>	<b>100.00</b>

*Notes:*

- (1) The issued Domestic Shares will be converted into A Shares immediately following completion of the A Share Offering;
- (2) As at the date of this announcement, Dongfeng Motor Corporation Ltd., the controlling Shareholder of the Company, holds 5,760,388,000 Domestic Shares of the Company. Assuming all of the 957,346,666 A Shares are to be issued to non-core connected persons of the Company (if the over-allotment option is fully exercised, 1,100,947,666 A Shares will be issued), except for the 5,760,388,000 A Shares held by Dongfeng Motor Corporation Ltd., the controlling Shareholder of the Company, all other A Shares will be held by the public after the completion of the A Share Offering;
- (3) The A Shares are expected to be held by independent third parties and will be counted as part of the public float;
- (4) The number of H Shares held by non-public Shareholders refers to 38,480,000 H Shares held by Dongfeng Asset Management Co., Ltd. (a subsidiary of the controlling Shareholder of the Company), a connected person of the Company, 100,000 H Shares held by Mr. He Wei, the Supervisor of the Company;
- (5) The sum of equity percentages might not be in line with the total due to rounding.

As of the date of this announcement, based on the information available to the Company and the knowledge of the Directors, the Company has sufficient public float, which is in compliance with the minimum requirements for public float under Rule 8.08 of the Listing Rules. Assuming a total of 957,346,666 A Shares are approved to be issued under the A Share Offering (a total of 1,100,947,666 A Shares are to be approved to issue if the over-allotment options are exercised in full), and are issued to non-connected persons of the Company in full, the expected percentage of H Shares held by the public to the total number of shares after the Issuance is approximately 29.43% (assuming that the over-allotment options are not exercised) and 28.99% (assuming that all over-allotment options are fully exercised); the expected percentage of Shares (A Shares and H Shares in aggregate) held by the public is approximately 39.43% (assuming that the over-allotment options are not exercised) and 40.32% (assuming that the over-allotment options are fully exercised) of the total number of Shares after the Issuance. The Company undertakes to continue to comply with the public float requirement under Rule 8.08 of the Listing Rules during the application process of the A Share Offering and after the completion of the A Share Offering.

As at the date of this announcement, the Company has not entered into or intends to enter into any agreement with any connected persons of the Company in connection with the subscription of A Shares.

## **V. REASONS FOR AND PURPOSE OF THE A SHARE OFFERING**

In order to further improve the corporate governance structure and build domestic and overseas financing platforms, the Company intends to apply for an initial public offering of RMB ordinary shares (A Shares) and listing on the main board of the SZSE.

All Directors (including independent non-executive Directors) are of the view that the A Share Offering is in the interest of the Company and the Shareholders as a whole.

## **VI. EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company did not conduct any equity fund raising activities or issue any equity securities within the 12 months immediately preceding the date of this announcement.

## **VII. SHAREHOLDERS' APPROVAL AND GENERAL INFORMATION**

The Company will convene EGM, Domestic Shareholders' Class Meeting and H Shareholders' Class Meeting to seek approvals from the Shareholders on the proposed A Share Offering and other relevant proposals. A circular containing details on the proposed A Share Offering and other relevant proposals relating to the A Share Offering will be despatched by the Company to the Shareholders in due course.

**Shareholders and potential investors should be aware that the proposed A Share Offering is subject to approvals or decisions made by relevant regulatory authorities and may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company. Further announcement(s) will be made to disclose any major updates and developments in respect of the A Share Offering in accordance with the Listing Rules and other applicable laws and regulations. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.**

## VIII. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“A Share(s)”	ordinary share(s) that are proposed to be issued by the Company under the A Share Offering, which will be listed on the Main Board of the SZSE and traded in RMB
“A Share Offering”, “A Share Offering and Listing”, “the Issuance” or “the Issuance and Listing”	proposed initial public offering in the PRC of not more than 957,346,666 A Shares (1,100,947,666 A Shares if the over-allotment options are fully exercised) by the Company to be listed on the Main Board of the SZSE
“Articles of Association”	the Articles of Association of Dongfeng Motor Group Company Limited, as amended from time to time
“Board” or “Board of Directors”	the board of Directors of the Company
“Company”	Dongfeng Motor Group Company Limited, a joint stock limited liability company incorporated in the PRC and whose H Shares are listed on the Hong Kong Stock Exchange
“connected person(s)”	has the meaning as ascribed thereto in the Listing Rules
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	issued ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) subscribed for or credited as fully paid in RMB
“Domestic Shareholder(s)”	holder(s) of Domestic Shares

“Domestic Shareholders’ Class Meeting”	the class meeting of Domestic Shareholders to be held by the Company on the date of the EGM, at which the Domestic Shareholders will consider and approve the proposed A Share Offering and other relevant proposals
“EGM”	the extraordinary general meeting of the Company to consider and approve the proposed A Share Offering and other relevant proposals
“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each
“H Shareholder(s)”	holder(s) of the H Share(s)
“H Shareholders’ Class Meeting”	the class meeting of H Shareholders to be held by the Company on the date of the EGM, at which the H Shareholders will consider and approve the proposed A Share Offering and other relevant proposals
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented and otherwise modified from time to time
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the People’s Republic of China, as amended, supplemented and otherwise modified from time to time
“Share(s)”	the Domestic Share(s) and H Share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Shareholders’ Class Meetings”

collectively, the Domestic Shareholders’ Class Meeting and the H Shareholders’ Class Meeting

“SZSE”

Shenzhen Stock Exchange

By order of the Board of Directors

**ZHU YANFENG**

*Chairman*

Wuhan, the PRC, 26 September 2021

*As at the date of this announcement, Mr. Zhu Yanfeng, Mr. Yang Qing and Mr. You Zheng are the executive Directors of the Company; Mr. Huang Wei is the non-executive Director of the Company; and Mr. Zong Qingsheng, Mr. Liang Weili and Mr. Hu Yiguang are the independent non-executive Directors of the Company.*