

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**VOLUNTARY ANNOUNCEMENT
CAPITAL INCREASE INTO
HEBEI YOGOMO MOTORS CO., LTD.**

Great Wall Motor Company Limited (the “**Company**”) entered into the Joint Venture Framework Agreement with Hebei Yogomo Motors Co., Ltd.* (河北御捷車業有限公司) (“**Hebei Yogomo**” or the “**Investee**”) and its shareholders, pursuant to which the Company obtained 25% of the equity interests in Hebei Yogomo by way of capital increase.

I. SUMMARY OF INVESTMENT

1. Basics of the Investment

In order to meet the needs for the development of its new energy vehicles, the Company has entered into the Joint Venture Framework Agreement with Hebei Yogomo and its shareholders, pursuant to which the Company obtained 25% of the equity interests in Hebei Yogomo by way of capital increase. The amount will be determined through negotiation between the Company and Hebei Yogomo based on the audit and assessment of the corporate value of Hebei Yogomo by qualified auditor and assessment agency jointly engaged by both parties.

2. The investment does not constitute a material asset reorganisation nor does it constitute a related party transaction under the Rules Governing the Listing of Stocks on Shanghai Stock Exchange or a connected transaction under Chapter 14A or a notifiable transaction under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

II. BASICS OF THE INVESTEE

1. Basic Information

Company name	Hebei Yogomo Motors Co., Ltd.* (河北御捷車業有限公司)
Registered address	No. 36 Lijiang Street, Qinghe County
Date of incorporation	22 May 2009
Legal representative	Zhang Liping (張立平)
Registered capital	RMB100,000,000
Principal business	Research, development, manufacture and sales of cargo trucks, multi-purpose vehicles, motor tricycles and electric vehicles; research, development, manufacture and sales of bodies, frame, engines, motors and controllers of vehicles; import and export of goods and technology.

2. Equity Structure

The current shareholding of Hebei Yogomo is as follows:

Shareholders	Contribution (RMB ten thousand)
Zhang Liping (張立平)	7,900
Yin Changjing (尹長敬)	2,100
Total	10,000

III. SUBJECT MATTERS OF THE JOINT VENTURE AGREEMENT

1. The Company obtained 25% of the equity interests in Hebei Yogomo by way of cash capital increase, the amount of which will be determined through negotiation between the Company and Hebei Yogomo based on the audit and assessment of the corporate value of Hebei Yogomo by qualified auditor and assessment agency jointly engaged by both parties;
2. The Company and Hebei Yogomo have recognised their respective advantages in respect of new energy vehicle and would conduct joint research and cooperate in various aspects, including but not limited to research and development of new energy technology, manufacturing and production techniques, supply of parts and components, establishment of channels and promotion of brand. The Company would discuss on the matters regarding the trademark application for “Greatwall Yogomo” and “Yogomo Greatwall” by Hebei Yogomo provided that the rights and interests of the Company for its brand and trademarks shall not be affected.
3. Hebei Yogomo shall directly transfer all the fuel consumption credit to the Company without any fees and undertakes to sell the new energy vehicle credit to the Company in priority on same conditions;
4. The Company has the right of first refusal when a shareholder of Hebei Yogomo transfers the equity interest to outside party;
5. The Company has the right to nominate one director to the board of directors of Hebei Yogomo.

IV. IMPACTS OF INVESTMENT ON THE LISTED COMPANY

1. Hebei Yogomo is an innovative enterprise which is committed to the development of compact and light intelligent new energy pure electric passenger car series. Having acquired the qualifications for manufacturing other passenger vehicles, van logistics cars, pickup trucks and other new energy pure electric passenger cars in the end of 2014, the Company is also likely to acquire the production qualification of new energy passenger cars in the second half of this year. The Company and Hebei Yogomo are endeavouring to develop new energy vehicle business and their cooperation can create business synergies and bring better economic and social benefits.
2. Upon equity investment in Hebei Yogomo, its average fuel consumption credit will be directly transferred to the Company, which can reduce the fuel consumption level of the Company. In addition, the Company shall have the right of first refusal with regard to the new energy vehicle credit gained by Hebei Yogomo under same conditions, allowing the Company to better satisfy the requirements of the Chinese government on the new energy vehicle credits.

V. INVESTMENT RISK ANALYSIS

Currently, both parties have only entered into this Joint Venture Framework Agreement, pursuant to which other legal documents, including but not limited to the articles of association of the joint venture and the resolutions of the shareholders' general meetings, shall also be executed. Therefore, the cooperation may be subject to the risk of interruption as a result of any disagreement on the details thereof. Investors are advised to be aware of the investment risks.

This announcement will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Shanghai Stock Exchange (www.sse.com.cn) and the official website of the Company (www.gwm.com.cn).

By order of the Board
Great Wall Motor Company Limited
Xu Hui
Company Secretary

Baoding, Hebei Province, the PRC, 16 July 2017

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

Executive Directors: Mr. Wei Jian Jun, Ms. Wang Feng Ying and Ms. Yang Zhi Juan.

Non-executive Director: Mr. He Ping.

Independent Non-executive Directors: Mr. Ma Li Hui, Mr. Li Wan Jun and Mr. Ng Chi Kit.

* *For identification purpose only*