



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)

ANNOUNCEMENT

Continuing Connected Transactions with

天津天汽集團美亞汽車制造有限公司 (Tianjin Tianqi Group Meiya Automobile Manufacturing Company Limited)
高碑店市中客華北汽車有限責任公司 (Gaobeidian Shi Zhong Ke Huabei Automobile Company Limited)
保定太行鋼結構工程有限公司 (Baoding Tai Hang Steel Structure Construction Co., Ltd.)
保定市螞蟻物流網絡有限公司 (Baoding Ants Logistics Network Company Limited)
保定太行熱士美工業有限公司 (Baoding Tai Hang Reshimei Industrial Company Limited)

The Board would like to announce that on 20 January 2006 the Company entered into a framework agreement with each of (1) Zhong Ke Huabei and (2) Tianqi Meiya, respectively, for the sale of the Group's automobile components; (3) Baoding Tai Hang for building construction services; (4) Baoding Ants Logistics for transportation of automobile and automobile components; and (5) Baoding Tai Hang Reshimei for purchase of heating facilities.

The prices at which the Company and its subsidiaries will charge Zhong Ke Huabei and Tianqi Meiya, respectively, for the products shall not be less than the price that the Company and its subsidiaries will charge for similar products sold to Independent Third Parties. Likewise, the construction fees and transportation fees payable by the Company and its subsidiaries to Baoding Tai Hang and Baoding Ants Logistics, respectively, shall not be more than the price that the Company and its subsidiaries will be charged for similar services provided by Independent Third Parties. The prices at which the Company will pay Baoding Tai Hang Reshimei for their products shall not be more than the price that the Company will pay for similar products bought from Independent Third Parties.

The Zhong Ke Huabei Agreement, Tianqi Agreement and the Baoding Tai Hang Reshimei Agreement will expire on 31 December 2006, subject to renewal by agreement of the parties thereto. The Baoding Tai Hang Agreement and the Baoding Ants Logistics Agreement will expire on 31 December 2008, subject to renewal by agreement of the parties thereto. The aggregate value of considerations in respect of the transactions contemplated under the Zhong Ke Huabei Agreement, Tianqi Agreement, Baoding Tai Hang Agreement, Baoding Ants Logistics Agreement and Baoding Tai Hang Reshimei Agreement are capped at RMB10.5 million, RMB38.5 million, RMB55 million, RMB60 million and RMB4.5 million, respectively, annually.

Each of Zhong Ke Huabei, Tianqi Meiya, Baoding Tai Hang, Baoding Ants Logistics and Baoding Tai Hang Reshimei is a connected person (as defined under the Listing Rules) of the Company. The transactions contemplated under each Agreement constitute continuing connected transactions of the Company under Rule 14A.34 of the Listing Rules and each of the applicable percentage ratios (other than the profits ratio) is on an annual basis less than 2.5%. The transactions contemplated under each Agreement are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and are exempt from the independent shareholders' approval requirements under the Listing Rules.

The Directors (including the independent non-executive Directors) are of the view that the transactions and the annual cap amounts contemplated under each of the Zhong Ke Huabei Agreement, the Tianqi Agreement, the Baoding Tai Hang Agreement, the Baoding Ants Logistics Agreement and the Baoding Tai Hang Reshimei Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole, and in the ordinary and usual course of business of the Company and the terms of the Agreements are on normal commercial terms.

The Board would like to announce that on 20 January 2006 the Company entered into a framework agreement with each of (1) Zhong Ke Huabei and (2) Tianqi Meiya, respectively, for the sale of the Group's automobile components; (3) Baoding Tai Hang for building construction services; (4) Baoding Ants Logistics for transportation of automobile and automobile components; and (5) Baoding Tai Hang Reshimei for purchase of heating facilities. As described above, the nature and the purposes of the transactions under the above Agreements are separate and distinct.

ZHONG KE HUABEI AGREEMENT

On 20 January 2006, the Company and Zhong Ke Huabei entered into the Zhong Ke Huabei Agreement.

Parties

The Company and its subsidiaries (as the suppliers) and Zhong Ke Huabei (as the purchaser).

Relationship

Zhong Ke Huabei is a company controlled as to 40.5% by 高碑店市華北汽車製造廠 (清算) (Gaobeidian Huabei Motor Production Factory (in liquidation)), which is a substantial shareholder (as defined in the Listing Rules) of (Baoding Great Wall Huabei Automobile Company Limited) ("Great Wall Huabei"), a 51% subsidiary of the Company. As such, Zhong Ke Huabei is a connected person (as defined under the Listing Rules) of the Company.

Terms

The Company and its subsidiaries, on one part, and Zhong Ke Huabei, on the other part, entered into the Zhong Ke Huabei Agreement to set out the principal terms for the sale of automobile components by the Company and its subsidiaries to Zhong Ke Huabei. The prices at which the Company and its subsidiaries will charge Zhong Ke Huabei for the products shall not be less than the price that the Company and its subsidiaries will charge for similar products sold to Independent Third Parties. The particulars of each transaction contemplated under the Zhong Ke Huabei Agreement such as specifications, quantity, price, quality, warranties, payments and delivery will be determined by the parties based on the principles set out in the Zhong Ke Huabei Agreement. The aggregate amount of all transactions under this Zhong Ke Huabei Agreement for the year ending 31 December 2006 is not to exceed the maximum cap stated below.

The Zhong Ke Huabei Agreement will expire on 31 December 2006 (subject to renewal by agreement of the parties).

Consideration

The maximum amount of RMB10.5 million, being the cap amount for the year ending 31 December 2006, has been determined by taking into account the nature and quantity of automobile components that may be required by Zhong Ke Huabei, the Company's estimation of the likelihood of Zhong Ke Huabei to meet its internal estimation of the market demand for the year ending 31 December 2006 and the estimated aggregate amount of all transactions contemplated between the Company and Zhong Ke Huabei for the year 2006. The substantial increase in the cap as compared against the actual amount for the year ended 31 December 2005 is based on the purchase plan of Zhong Ke Huabei as supplied by Zhong Ke Huabei. Based on the purchase plan of Zhong Ke Huabei for the year ending 31 December 2006, the estimated transaction amount in respect of the transactions between the Company and Zhong Ke Huabei is approximately RMB13.9 million. The Company understands that Zhong Ke Huabei has based its estimation on its internal estimation of the market demand for the year ending 31 December 2006.

Zhong Ke Huabei has always paid for its orders by cheque upon delivery and will continue to do so.

No framework agreement was entered into for the years ended 31 December 2002 and 2003. As announced by the Company on 7 June 2004, Zhong Ke Huabei and the Company entered into a similar framework agreement for the year ended 31 December 2004 on 7 June 2004 with a maximum cap set at RMB60 million. As announced by the Company on 27 May 2005, Zhong Ke Huabei and the Company entered into a similar framework agreement for the year ended 31 December 2005 on 27 May 2005 with a maximum cap set at RMB50 million. There were no transactions between the Company and Zhong Ke Huabei for the year ended 31 December 2002. Transactions between Zhong Ke Huabei and the Company commenced in January 2003 and the aggregate transaction amounts between the Company and Zhong Ke Huabei for the three years ended 31 December 2005 were RMB828,000, RMB6,211,000 and RMB408,000 (unaudited), respectively.

TIANQI AGREEMENT

On 20 January 2006, the Company and Tianqi Meiya entered into the Tianqi Agreement.

Parties

The Company and its subsidiaries (as the suppliers) and Tianqi Meiya (as the purchaser).

Relationship

Tianqi Meiya is a company indirectly controlled as to 34.37% by 李金祥先生 (Mr. Li Jin Xiang) who is a director of 保定長城內燃機製造有限公司 (Baoding Great Wall Internal Combustion Engine Manufacturing Company Limited), a 51% subsidiary of the Company. As such, Tianqi Meiya is a connected person (as defined under the Listing Rules) of the Company.

Terms

The Company and its subsidiaries, on one part, and Tianqi Meiya, on the other part, entered into the Tianqi Agreement to set out the principal terms for the sale of automobile components by the Company and its subsidiaries to Tianqi Meiya. The prices at which the Company and its subsidiaries will charge Tianqi Meiya for the products shall not be less than the price that the Company and its subsidiaries will charge for similar products sold to Independent Third Parties. The particulars of each transaction contemplated under the Tianqi Agreement such as specifications, quantity, price, quality, warranties, payments and delivery will be determined by the parties based on the principles set out in the Tianqi Agreement. The aggregate amount of all transactions under this Tianqi Agreement for the year ending 31 December 2006 is not to exceed the maximum cap stated below.

The Tianqi Agreement will expire on 31 December 2006 (subject to renewal by agreement of the parties).

Consideration

The maximum amount of RMB38.5 million, being the cap amount for the year ending 31 December 2006, has been determined by taking into account the nature and quantity of automobile components that may be required by Tianqi Meiya, the Company's estimation of the likelihood of Tianqi Meiya to meet its internal estimation of the market demand for the year ending 31 December 2006 and the estimated aggregate amount of all transactions contemplated between the Company and Tianqi Meiya for the year 2006. The substantial increase in the cap as compared against the actual amount for the year ended 31 December 2005 is based on the purchase plan of Tianqi Meiya as supplied by Tianqi Meiya. Based on the purchase plan of Tianqi Meiya for the year ending 31 December 2006, the estimated transaction amount in respect of the transactions between the Company and Tianqi Meiya is approximately RMB52.9 million. The Company understands that Tianqi Meiya has based its estimation on its internal estimation of the market demand for the year ending 31 December 2006.

Tianqi Meiya has always paid for its orders by cheque upon delivery and will continue to do so.

There were no transactions between the Company and Tianqi Meiya for the years ended 31 December 2002 and 2003. As announced by the Company on 7 June 2004 and 27 May 2005, respectively, Tianqi Meiya and the Company entered into a similar framework agreement for the year ended 31 December 2004 on 7 June 2004 with a maximum cap set at RMB90 million and a similar framework agreement for the year ended 31 December 2005 on 27 May 2005 with a maximum cap set at RMB64 million. The aggregate transaction amounts between the Company and Tianqi Meiya for the two years ended 31 December 2005 were approximately RMB13,250,000 and RMB18,639,000 (unaudited), respectively.

BAODING TAI HANG AGREEMENT

On 20 January 2006, the Company and Baoding Tai Hang entered into the Baoding Tai Hang Agreement.

Parties

The Company and its subsidiaries (as the consumer) and Baoding Tai Hang (as the service provider).

Relationship

Baoding Tai Hang is a company ultimately controlled as to 52% by 魏建軍先生 (Mr. Wei Jian Jun) who is a director of the Company through other companies controlled by him. As such, Baoding Tai Hang is a connected person (as defined under the Listing Rules) of the Company.

As described below, Baoding Ants Logistics and Baoding Tai Hang Reshimei are connected persons of the Company by reason of its association, directly or indirectly, with Mr. Wei Jian Jun. Baoding Tai Hang is independent from Zhong Ke Huabei and Tianqi Meiya. As described above, the nature and the purposes of the transactions contemplated under the Baoding Tai Hang Agreement, Baoding Ants Logistics Agreement and the Baoding Tai Hang Reshimei Agreement are separate and distinct.

Terms

The Company and its subsidiaries, on one part, and Baoding Tai Hang, on the other part, entered into the Baoding Tai Hang Agreement to set out the principal terms for the provision of buildings construction services by Baoding Tai Hang to the Company and its subsidiaries. The construction fees payable by the Company and its subsidiaries to Baoding Tai Hang shall not be more than the price that the Company and its subsidiaries will be charged for similar services provided by Independent Third Parties. The particulars of each transaction contemplated under the Baoding Tai Hang Agreement such as specifications, selection of building materials, price, quality, warranties and payment will be determined by the parties based on the principles set out in the Baoding Tai Hang Agreement. The annual cap of all transactions under the Baoding Tai Hang Agreement for three years ending 31 December 2008 is not to exceed the maximum cap stated below.

The Baoding Tai Hang Agreement will expire on 31 December 2008 (subject to renewal by agreement of the parties).

Consideration

The maximum amount of RMB55 million, being the annual cap amount for the three years ending 31 December 2008, has been determined by taking into account the size and scale of the estimated facility and auxiliary facilities required to be built in accordance with the business development plan of the Company for the three years ending 31 December 2008 relating to the construction of new production facilities. The substantial increase in the cap as compared against the actual amount of fees charged by Baoding Tai Hang for the year ended 31 December 2005 is based on the fact that the Group's development plan relating to the expansion of production facilities would result in substantial increase in the Group's demand of construction services from Baoding Tai Hang. The gross floor area of our production facilities will increase by approximately 50,000 sq.m.

The Company has always paid for Baoding Tai Hang's construction services by instalments upon completion of each respective stage of the construction projects and will continue to do so.

Upon its listing in December 2003, the Company was granted a waiver by the Stock Exchange from strict compliance with the relevant requirements of the Listing Rules for continuing connected transactions not exceeding RMB35,000,000, RMB35,000,000 and RMB10,000,000, respectively, for the connected transactions between Baoding Tai Hang and the Company for the three years ended 31 December 2005. No similar framework agreement for the years ended 31 December 2002, 2003 and 2004 were entered into. As announced by the Company on 27 May 2005, a similar framework agreement for the year ended 31 December 2005 was entered into on 27 May 2005 by the Company and its subsidiaries and Baoding Tai Hang. The aggregate value of considerations in respect of the transactions contemplated thereunder were capped at RMB25 million for the year ending 31 December 2005.

The aggregate transaction amounts between the Company and Baoding Tai Hang for the three years ended 31 December 2005 are as follows:

1 January to 31 December (approximate figures)		
2003 (audited) <i>(RMB)</i>	2004 (audited) <i>(RMB)</i>	2005 (unaudited) <i>(RMB)</i>
34,512,000	34,848,000	13,013,000

BAODING ANTS LOGISTICS AGREEMENT

On 20 January 2006, the Company and Baoding Ants Logistics entered into the Baoding Ants Logistics Agreement.

Parties

The Company and its subsidiaries (as the consumer) and Baoding Ants Logistics and its subsidiary 順平安特運輸有限公司 (Shunping Ante Transport Company Limited ("Shunping Ante") (as the service provider).

Relationship

魏建軍先生 (Mr. Wei Jian Jun) and his associates (as defined in the Listing Rules) are the beneficial owners of all of the equity interest in Baoding Ants Logistics which in turn holds 90% of the equity interest in Shunping Ante. As such, Baoding Ants Logistics and Shunping Ante are associates of Mr. Wei Jian Jun and therefore connected persons of the Company. Save for Baoding Ants Logistics' association with Baoding Tai Hang and Baoding Tai Hang Reshimei in the manner described above, it is otherwise independent of Zhong Ke Huabei and Tianqi Meiya.

Terms

The Company and its subsidiaries, on one part, and Baoding Ants Logistics, on the other part, entered into the Baoding Ants Logistics Agreement to set out the principal terms for the provision of services relating to the transportation and delivery of parts and finished products of the Group. The transportation fees payable by the Company and its subsidiaries to Baoding Ants Logistics shall not be more than the price that the Company and its subsidiaries will be charged for the similar services provided by Independent Third Parties. The particulars of each transaction contemplated under the Baoding Ants Logistics Agreement such as the products for delivery, the transportation route, other relevant requirements and payment will be determined by the parties based on the principles set out in Baoding Ants Logistics Agreement. The annual cap of all transactions under this Baoding Ants Logistics Agreement for the three years ended 31 December 2008 is not to exceed the maximum cap stated below.

The Baoding Ants Logistics Agreement will expire on 31 December 2008 (subject to renewal by agreement of the parties).

Consideration

The maximum amount of RMB60 million, being the annual cap amount for the three years ending 31 December 2008, has been determined by taking into account the scale of production and the anticipated demands from the customers for the three years ending 31 December 2008.

The Company has always paid for Baoding Ants Logistics transportation services by cheque or by bank transfer upon receipt of invoices from Baoding Ants Logistics.

Upon its listing in December 2003, the Company was granted a waiver by the Stock Exchange from strict compliance with the relevant requirements of the Listing Rules for continuing connected transactions not exceeding 3% of the Group's turnover, for the connected transactions between Baoding Ants Logistics and the Company for the three years ending 31 December 2005.

The aggregate transaction amounts between the Company and Baoding Ants Logistics for the three years ended 31 December 2005 are as follows:

1 January to 31 December (approximate figures)		
2003 (audited) <i>(RMB)</i>	2004 (audited) <i>(RMB)</i>	2005 (unaudited) <i>(RMB)</i>
72,739,000	74,213,000	90,381,822

The aggregate transaction amounts between the Company and Baoding Ants Logistics for the year ended 31 December 2003 and 31 December 2004 does not exceed 3% of the Group's turnover for the years ended 31 December 2003 and 31 December 2004, respectively. The aggregate transaction amounts between the Company and Baoding Ants Logistics for the year ended 31 December 2005 does not exceed 3% of the Group's turnover (unaudited) for the year ended 31 December 2005.

The substantial decrease in the cap as compared against the actual amount of fees charged by Baoding Ants Logistics for the year ended 31 December 2005 is based on the fact that the Group intends to engage other service providers for the purposes of transportation and delivery of parts and finished products of the Group as the transportation network offered by other service providers can provide better integrated services for the Group. In addition, the Group expect that the Group's sales to overseas markets will increase. As such, the Group's demand for domestic transportation services will decrease accordingly.

BAODING TAI HANG RESHIMEI AGREEMENT

On 20 January 2006, the Company and Baoding Tai Hang Reshimei entered into the Baoding Tai Hang Reshimei Agreement.

Parties

The Company and its subsidiaries (as the purchasers) and Baoding Tai Hang Reshimei (as the supplier).

Relationship

Baoding Tai Hang Reshimei is a company indirectly controlled as to 45% by 魏德義先生 (Mr. Wei De Yi), who is the father of 魏建軍先生 (Mr. Wei Jian Jun), a director of the Company. As such, Baoding Tai Hang Reshimei is a connected person (as defined under the Listing Rules) of the Company. Save for Baoding Tai Hang Reshimei's association with Baoding Tai Hang and Baoding Ants Logistics in the manner described above, it is otherwise independent of Zhong Ke Huabei and Tianqi Meiya.

Terms

The Company and its subsidiaries, on one part, and Baoding Tai Hang Reshimei, on the other part, entered into the Baoding Tai Hang Reshimei Agreement to set out the principal terms for the sale of heating facilities by Baoding Tai Hang Reshimei to the Company. The prices at which the Company will pay Baoding Tai Hang Reshimei for their products shall not be more than the price that the Company will pay for similar products bought from Independent Third Parties. The particulars of each transaction contemplated under the Baoding Tai Hang Reshimei Agreement such as specifications, quantity, price, quality, warranties, payments and delivery will be determined by the parties based on the principles set out in the Baoding Tai Hang Reshimei Agreement. The aggregate amount of all transactions under this Baoding Tai Hang Reshimei Agreement for the year ending 31 December 2006 is not to exceed the maximum cap stated below.

The Baoding Tai Hang Reshimei Agreement will expire on 31 December 2006 (subject to renewal by agreement of the parties).

Consideration

The maximum amount of RMB4.5 million, being the cap amount for the year ending 31 December 2006, has been determined by taking into account the size and scale of the estimated facility and auxiliary facilities required to be built in accordance with the business development plan of the Company for the year ending 31 December 2006 relating to the construction of new production facilities.

The Company has always paid Baoding Tai Hang Reshimei by instalments and will settle all the payments upon the expiry of the term of the Baoding Tai Hang Reshimei Agreement.

The transactions between the Company and Baoding Tai Hang Reshimei for the years ended 31 December 2002, 2003 and 2004 were de minimis transactions for the purpose of the Listing Rules and the aggregate transaction amounts were RMB218,000, RMB538,000 and RMB803,000, respectively. The transactions between the Company and Baoding Tai Hang Reshimei for the year ended 31 December 2005 were de minimis transactions and the aggregate transaction amount was RMB203,318 (unaudited).

The substantial increase in the cap as compared against the actual amount of fees charged by Baoding Tai Hang Reshimei for the year ended 31 December 2005 is based on the fact that the Group's plan to build new production facilities would result in a substantial increase in the Group's demand for heating facilities.

INFORMATION OF THE PARTIES INVOLVED

The Company is an integrated automobile manufacturer and together with its subsidiaries, the Group also engages in the production and sales of certain automotive parts and components. Zhong Ke Huabei is a company engaged in the production and sale of passenger cars and automotive parts and also the maintenance of automobiles. Tianqi Meiya is a company engaged in the design, development, production, sale of automobiles (except small passenger cars) and

automotive parts, and also the maintenance and repair of automobiles. Baoding Tai Hang is a company engaged in steel frame engineering and the construction and installation of steel structures. Baoding Ants Logistics is a company engaged in the business of cargo transportation, storage and delivery. Baoding Tai Hang Reshimei is a company engaged in the production of heating radiator, grill and refrigerating equipment, cable stand, and air treatment equipment, sales of products manufactured by the Company and development and research of new products. Each of Zhong Ke Huabei, Tianqi Meiya, Baoding Tai Hang, Baoding Ants Logistics and Baoding Tai Hang Reshimei is a connected person (as defined under the Listing Rules) of the Company but are otherwise independent of each other.

Although the Company, Zhong Ke Huabei and Tianqi Meiya are automobile producers, the Company does not consider Zhong Ke Huabei and Tianqi Meiya as competitors as their products are sold to customers with lower consumption power at lower prices which are different from the Company's target customers.

REASONS FOR THE TRANSACTIONS

The Directors (including the independent non-executive Directors) are of the view that the transactions and the annual cap amounts contemplated under each of the Zhong Ke Huabei Agreement, the Tianqi Agreement, the Baoding Tai Hang Agreement, the Baoding Ants Logistics Agreement and the Baoding Tai Hang Reshimei Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole and in the ordinary and usual course of business of the Company and the terms of the Agreements are on normal commercial terms. The Zhong Ke Huabei Agreement and the Tianqi Agreement will further enhance the revenue generated by and the use of automobile components produced by the Group in other automobiles. The caps of RMB10.5 million and RMB38.5 million for the Zhong Ke Huabei Agreement and the Tianqi Agreement, respectively, are arrived based on the Zhong Ke Huabei's and Tianqi Meiya's respective estimates of the nature and quantity of automobile components that may be required by each of them, respectively, for the year 2006.

The Baoding Tai Hang Agreement will provide quality assurance to the Company and its subsidiaries as the Company has previously engaged Baoding Tai Hang for its design and construction services prior to the Company's listing on the Stock Exchange for the purposes of constructing production facilities, factories, offices and auxiliary facilities. The annual cap of RMB55 million is arrived at based on the estimation derived from the current construction services provided by Baoding Tai Hang and the size and scale of the estimated facility and auxiliary facilities required to be built in accordance with the business development plan of the Company for the three years ending 31 December 2008.

The Baoding Ants Logistics Agreement will enable the Company and its subsidiaries to deliver the products to the customer in a timely manner. The annual cap of RMB60 million is arrived at based on the scale of production and the anticipated demands from the customers for the three years ending 31 December 2008.

The Baoding Tai Hang Reshimei Agreement will provide the Group with heating facilities in its production facilities during winter. The cap of RMB4.5 million is based on the size and scale of the estimated facility for the year ending 31 December 2006.

The Company confirms that, save as to their relationship with the Company as disclosed above, to the best of the Director's knowledge, information and belief, having made all reasonable enquiries, Zhong Ke Huabei, Tianqi Meiya, Baoding Tai Hang, Baoding Ants Logistics and Baoding Tai Hang Reshimei and their respective ultimate beneficial owners are Independent Third Parties.

CONTINUING CONNECTED TRANSACTIONS

The transactions contemplated under each Agreement constitute continuing connected transactions of the Company under Rule 14A.34 of the Listing Rules and each of the applicable percentage ratios (other than the profits ratio) is on an annual basis less than 2.5%. The transactions contemplated under each Agreement are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and are exempt from the independent shareholders' approval requirements under the Listing Rules.

In the event that the cap amount in any of the Agreement is exceeded or may be exceeded or when there is a material change to the terms of any of the Agreement, the Company shall comply with the relevant requirements of the Listing Rules.

DEFINITIONS

"Agreements"	the Zhong Ke Huabei Agreement, Tianqi Agreement, Baoding Tai Hang Agreement, Baoding Ants Logistics Agreement and Baoding Tai Hang Reshimei Agreement and "Agreement" shall mean any one of them as the context may require
"Associate(s)"	has the meaning ascribed to it under the Listing Rules
"Baoding Ants Logistics"	means 保定市螞蟻物流網絡有限公司 (Baoding Ants Logistics Network Company Limited), Baoding Ants Logistics is a connected person (as defined under the Listing Rules) of the Company
"Baoding Ants Logistics Agreement"	means the framework transportation agreement entered into between the Company and Baoding Ants Logistics on 20 January 2006
"Baoding Tai Hang"	means 保定太行鋼結構工程有限公司 (Baoding Tai Hang Steel Structure Construction Co., Ltd.), Baoding Tai Hang is a connected person (as defined under the Listing Rules) of the Company
"Baoding Tai Hang Agreement"	means the framework building construction service agreement entered into between the Company and Baoding Tai Hang on 20 January 2006
"Baoding Tai Hang Reshimei"	means 保定太行熱士美工業有限公司 (Baoding Tai Hang Reshimei Industrial Company Limited), Baoding Tai Hang Reshimei is a connected person (as defined under the Listing Rules) of the Company
"Baoding Tai Hang Reshimei Agreement"	means the framework heating facilities agreement entered into between the Company and Baoding Tai Hang Reshimei on 20 January 2006
"Board"	means the board of directors of the Company
"Company"	means 長城汽車股份有限公司 (Great Wall Motor Company Limited)
"Directors"	means the directors of the Company
"Group"	means the Company and its subsidiaries
"Independent Third Parties"	means person(s) or company(ies) who/which is/are independent from and not related to any Directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or any of their respective Associates
"Listing Rules"	means the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	means the People's Republic of China
"RMB"	means renminbi yuan, the lawful currency of the PRC
"sq.m."	means square metres
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tianqi Agreement"	means the framework sale and purchase agreement entered into between the Company and Tianqi Meiya on 20 January 2006
"Tianqi Meiya"	means 天津天汽集團美亞汽車制造有限公司 (Tianjin Tianqi Group Meiya Automobile Manufacturing Company Limited), Tianqi Meiya is a connected person (as defined under the Listing Rules) of the Company but is otherwise independent of Baoding Tai Hang, Baoding Ants Logistics, Baoding Tai Hang Reshimei and Zhong Ke Huabei
"Zhong Ke Huabei"	means 高碑店市中客華北汽車有限責任公司 (Gaobeidian Shi Zhong Ke Huabei Automobile Company Limited), Zhong Ke Huabei is a connected person (as defined under the Listing Rules) of the Company but is otherwise independent of Baoding Tai Hang, Tianqi Meiya, Baoding Ants Logistics and Baoding Tai Hang Reshimei
"Zhong Ke Huabei Agreement"	means the framework sale and purchase agreement entered into between the Company and Zhong Ke Huabei on 20 January 2006

By the order of the Board
Bai Xue Fei
Company Secretary

Baoding, PRC, 23 January 2006

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 Liang He Nian and Ms Yang Zhi Juan.

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

Independent non-executive Directors: Mr Han Chuan Mo, Mr Zhang Ming Yu, Mr Zhao Yu Dong and Mr Wong Chi Keung.

* For identification purposes only