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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)

PROGRESS ANNOUNCEMENT

AMENDMENT TO PSA SHARE REPURCHASE AGREEMENT

Reference was made to the announcement of the Company dated 18 December 2019 (the "**First Announcement**") and the circular dated 17 June 2020 (the "**Circular**"), in relation to, amongst others, the undertaking in relation to combination of PSA and FCA and the PSA Share Repurchase Agreement which in aggregation constitutes a major and connected transaction.

On 23 September 2020, the Company sold 10 million PSA shares to PSA at a price of €16.385 per share, which was the highest closing price of PSA Share on the regulated market of Euronext in Paris during a reference period of 5 trading days following the delivery by the Company of a sale notice as provided in the PSA Share Repurchase Agreement. On 25 September 2020, the Company and PSA entered into the Amendment and Restated Share Repurchase Agreement (the "**Amendment**"), in relation to, among others, amendments and restatements to the PSA Share Repurchase Agreement.

INTRODUCTION

Reference was made to the announcement of the Company dated 18 December 2019 and the circular dated 17 June 2020, in relation to, amongst others, the undertaking in relation to combination of PSA and FCA and the PSA Share Repurchase Agreement which in aggregation constitutes a major and connected transaction. Unless otherwise defined, all capitalized terms used herein shall have the respective meanings ascribed to them in the Circular.

On 23 September 2020, the Company sold 10 million PSA shares to PSA at a price of €16.385 per share, which was the highest closing price of PSA Share on the regulated market of Euronext in Paris during a reference period of 5 trading days following the delivery by the Company of a sale notice as provided in the PSA Share Repurchase Agreement. As COVID-19 has evolved into a global pandemic and governments around the world have enforced various measures to curb its spread and impact, the global economic and the global automobile industry including the stock price of PSA were therefore affected, and the Company has been seeking appropriate opportunities or ways to proceed with the transaction contemplated under the PSA Share Repurchase Agreement. On 25 September 2020, the Company and PSA entered into the Amendment and Restated Share Repurchase Agreement, in relation

to, among others, the extension of the period for the Company to sell the rest of the Repurchase Shares (i.e. 20,700,000 PSA shares).

AMENDMENTS TO PSA SHARE REPURCHASE AGREEMENT

The principal amendment to the Share Repurchase Agreement are as follows:

As previously disclosed in the Circular, if DMHK has not sold all of the Repurchase Shares by the date which is one trading day prior to the Sale Long Stop Date, DMHK shall on such date deliver notice to PSA to such effect specifying the number of Repurchase Shares that have not been sold by such date (the “**Unsold Repurchase Shares**”), and DMHK shall sell, transfer and deliver to the PSA and PSA shall purchase the Unsold Repurchase Shares from DMHK in accordance with the PSA Share Repurchase Agreement. As disclosed in the Circular, the above-mentioned Sale Long Stop Date is defined as the earlier of the date which is ten trading days prior to (i) December 31, 2020 and (ii) the date on which the Combination shall be completed.

Pursuant to the Amendment, the Company no longer remains entitled (and no longer under the obligation) to sell the Unsold Repurchase Shares to PSA before 31 December 2020. In addition, the Amendment provides that the Company is required to sell all the Unsold Repurchase Shares it holds as at the Sale Long Stop Date, on or before December 31, 2022, to one or several third parties, in one or several transactions. In the event that the Company decides to sell the Unsold Repurchase Shares to PSA before the Long Stop Date, PSA shall repurchase these shares according to the mechanism previously set out in the original PSA Share Repurchase Agreement.

The Amendment terminates and cancels in its entirety the PSA Share Repurchase Agreement, and other than the amendment stated in this announcement, all other principal terms and conditions of the PSA Share Repurchase Agreement as disclosed in the First Announcement and Circular were restated in the Amendment with no change.

REASONS AND BENEFITS FOR THE AMENDMENT

Taking into the consideration of the effect of COVID-19 on the global economic and global automobile industry, as well as the stock price of PSA, the Board is of the view that the extension of the period for the Company to sell the Unsold Repurchase Shares allows the Company more flexibility to seek appropriate market opportunities to sell PSA Shares, which is in the interest of the Company and its Shareholders as a whole. The Company will closely monitor the market status and proceed with the transactions contemplated under the Amendment and comply with the applicable requirements of the Listing Rules, if any.

By order of the Board of Directors

ZHU YANFENG

Chairman

Wuhan, the PRC, 25 September 2020

As at the date of this announcement, Mr. Zhu Yanfeng, Mr. Li Shaozhu and Mr. You Zheng are the executive Directors of the Company, Mr. Yang Qing is the nonexecutive Director of the Company, and

Mr. Leung Wai Lap, Philip, Mr. Zong Qingsheng and Mr. Hu Yiguang are the independent non-executive Directors of the Company.

** For identification purposes only*