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GUANGZHOU AUTOMOBILE GROUP CO., LTD.

廣州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: 2238)

**(1) POLL RESULTS OF 2015 ANNUAL GENERAL MEETING
HELD ON 27 MAY 2016**

(2) APPOINTMENT OF SUPERVISOR

**(3) PAYMENT OF 2015 FINAL DIVIDEND OF H SHARES
AND**

**(4) THE WITHHOLDING AND PAYMENT OF
ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISE
HOLDERS OF OVERSEAS H SHARES AND
INDIVIDUAL INCOME TAX FOR INDIVIDUAL HOLDERS OF
OVERSEAS H SHARES AND PROFIT APPROPRIATION FOR
INVESTORS IN NORTHBOUND TRADING OR SOUTHBOUND TRADING
IN RESPECT OF THE FINAL DIVIDEND**

The 2015 AGM of the Company was held on 27 May 2016 and resolutions as set out in the 2015 AGM Notice were duly passed at the 2015 AGM.

The resolution in relation to the election of Mr. WANG Junyang as a supervisor of the fourth session of the supervisory committee of the Company was passed at the 2015 AGM. His term of office will commence from 27 May 2016 to the fulfilment of the service term of the fourth session of the supervisory committee.

The resolution regarding the declaration of the Final Dividend for the year ended 31 December 2015 was put to vote at the 2015 AGM by poll and was approved by the Shareholders. The Board would like to hereby make a statement with regard to the payment of dividend and the withholding and payment of enterprise income tax for non-resident enterprise holders of H Shares and individual income tax for individual holders of H Shares and profit appropriation for investors in Northbound Trading or Southbound Trading in respect of the Final Dividend.

RESULTS OF THE 2015 AGM

Reference is made to the notice of the annual general meeting of 2015 (the “**2015 AGM Notice**”) of Guangzhou Automobile Group Co., Ltd. (the “**Company**”) dated 11 April 2016. Capitalised terms in this announcement shall have the same meanings as defined in the 2015 AGM Notice.

The board of directors of the Company (the “**Board**”) is pleased to announce that the 2015 AGM was held at Grand Ballroom (1), 1/F, Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong at 2:00 p.m. on Friday, 27 May 2016.

The holding of the 2015 AGM was in compliance with the requirements of the Company Law of the People’s Republic of China (the “**PRC**”, and the geographical reference in this announcement to the PRC excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan) and the provisions of the articles of association of the Company (the “**Articles of Association**”). The 2015 AGM was chaired by Mr. Zhang Fangyou, the Chairman of the Company.

In order to determine the list of Shareholders entitled to attend the 2015 AGM, the register of members of the Company was closed from 27 April 2016 to 27 May 2016 (both dates inclusive), during which period no transfer of shares of the Company (“**Shares**”) was registered. As at the date of the 2015 AGM, the total number of Shares in issue was 6,435,020,097, being the total number of Shares entitling the Shareholders to attend and vote on the resolutions at the 2015 AGM, of which 4,221,719,879 Shares were PRC-listed domestic shares of the Company (the “**A Shares**”), representing approximately 65.61% of the total number of Shares then in issue, and 2,213,300,218 Shares were overseas listed foreign shares of the Company (the “**H Shares**”), representing approximately 34.39% of the total number of Shares then in issue.

Shareholders and proxies who attended the 2015 AGM held 5,136,035,239 Shares with voting right, representing approximately 79.81% of the Company’s total number of Shares with voting right.

The resolutions at the 2015 AGM were put to vote by way of poll and were all approved by the Shareholders. The poll results of the resolutions voted at the 2015 AGM were as follows:

		No. of Shares voted and percentage of total number of Shares voted (approximate %)			
As more than one half (1/2) of the votes from the Shareholders who attended and voted at the 2015 AGM were cast in favour of the following resolutions respectively, the resolutions were duly passed as ordinary resolutions:					
Ordinary resolutions ^(Note)		For	Against	Abstain	Total
1.	Resolution on the annual report and its summary for the year 2015	5,135,732,830 (99.99%)	5 (0.00%)	302,404 (0.01%)	5,136,035,239 (100%)
2.	Resolution on the work report of the board of directors for the year 2015	5,135,732,830 (99.99%)	5 (0.00%)	302,404 (0.01%)	5,136,035,239 (100%)
3.	Resolution on the work report of the supervisory committee for the year 2015	5,135,732,830 (99.99%)	5 (0.00%)	302,404 (0.01%)	5,136,035,239 (100%)
4.	Resolution on the financial report for the year 2015	5,135,732,830 (99.99%)	5 (0.00%)	302,404 (0.01%)	5,136,035,239 (100%)
5.	Resolution on the profit distribution proposal for the year 2015	5,135,980,934 (99.99%)	5 (0.00%)	54,300 (0.01%)	5,136,035,239 (100%)
6.	Resolution on the appointment of the auditors for the year 2016	5,020,108,331 (97.74%)	76,454,474 (1.49%)	39,472,434 (0.77%)	5,136,035,239 (100%)
7.	Resolution on the appointment of the internal control auditors for the year 2016	5,048,094,983 (98.28%)	48,059,589 (0.94%)	39,880,667 (0.78%)	5,136,035,239 (100%)
8.	Resolution on the election of a supervisor of the Company	5,095,085,394 (99.20%)	40,219,208 (0.79%)	730,637 (0.01%)	5,136,035,239 (100%)

Note: The full text of the ordinary resolutions was set out in the 2015 AGM Notice.

There were no Shares entitling the holders to attend the 2015 AGM and abstain from voting in favour of the resolutions as set out in Rule 13.40 of the Listing Rules and there were no Shareholders which are required under the Listing Rules to abstain from voting at the 2015 AGM.

In compliance with the requirements of the Listing Rules, Tricor Investor Services Limited, the Company's share registrar for H Shares in Hong Kong, acted as scrutineer for the vote-taking of the 2015 AGM. Beijing Tian Yuan Law Firm acted as the witnessing lawyer at the 2015 AGM.

APPOINTMENT OF SUPERVISOR

The resolution in relation to the election of Mr. WANG Junyang as a supervisor of the fourth session of the supervisory committee of the Company was passed at the 2015 AGM. His term of office will commence from 27 May 2016 to the fulfilment of the service term of the fourth session of the supervisory committee.

Mr. WANG Junyang, aged 37, is a certified public accountant in the PRC. Currently, he is the deputy chief financial officer of Guangzhou Chime-Long Group Co., Ltd. Since March 2011, he worked in Guangzhou Chime-Long Group Co., Ltd., and served as deputy financial manager, management accounting manager and deputy chief financial officer. Mr. WANG Junyang was a senior audit manager and a signatory accountant for listed companies of BDO China Li Xin Da Hua CPA Co., Ltd., and graduated at Zhongnan University of Economics and Law and obtained a bachelor degree in Business Administration in January 2006.

Save as disclosed above, as at the date of this announcement, Mr. WANG Junyang:

- (1) does not hold any other positions with the Company or other members of the Group; nor have any experience of other directorships held in any public companies listed in Hong Kong or overseas in the three years preceding the date of this announcement;
- (2) has no relationship with any other directors, senior management, substantial or controlling shareholders of the Company;
- (3) does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong); and
- (4) does not receive any remunerations from the Company.

Save as disclosed above, there are no other matters relating to the appointment of Mr. WANG Junyang as the supervisor that are required to be brought to the attention of the Shareholders, or to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

PAYMENT OF 2015 FINAL DIVIDEND OF H SHARES

The proposal for the declaration of a final dividend of RMB0.12 (tax inclusive) per Share for the year ended 31 December 2015 (the “**Final Dividend**”) to holders of H Shares and A Shares as recommended by the Board was approved at the 2015 AGM. Shareholders whose names appear on the register of members of H Share of the Company on Monday, 20 June 2016 shall be entitled to receive the Final Dividend (Distribution of Final Dividend of A Shares shall be separately announced).

The method of payment of the dividend by the Company is as follows:

- (1) In accordance with the relevant requirements and the Articles of Association, dividend payable to holders of H Shares shall be calculated in Renminbi and paid in Hong Kong dollars. The following conversion formula shall apply:

$$\begin{array}{rcl} \text{Dividend in} & = & \text{Dividend in Renminbi} \\ \text{Hong Kong Dollar} & & \text{Average mean price in Hong Kong Dollar published} \\ & & \text{daily by The People's Bank of China over a period of one} \\ & & \text{calendar week prior to the declaration of the dividend} \end{array}$$

For the purpose of the Final Dividend, the date of declaration is 27 May 2016. The average mean price of one Hong Kong dollar published daily by The People's Bank of China over a period of one calendar week prior to the declaration of the dividend (i.e. 16 May 2016 to 20 May 2016) is RMB0.84176. Applying that average price to the above formula, the dividend for each H Share is HK\$0.14256.

- (2) Pursuant to the Articles of Association, the Company has appointed Bank of China (Hong Kong) Trustees Limited (the “**Receiving Agent**”), which is registered as a trust company under the Trustee Ordinance (Cap. 29 of the Laws of Hong Kong), to receive on behalf of holders of H Shares dividend declared in respect of the H Shares. The dividend warrants of the H Shares will be issued by the Receiving Agent and will be posted by ordinary mail to holders of H Shares at their own risk on or before Friday, 24 June 2016.

According to the Articles of Association, for the purpose of identifying holders of H Shares who are entitled to receive the Final Dividend, the register of members of H Shares will be closed from Tuesday, 14 June 2016 to Monday, 20 June 2016 (both days inclusive) during which period no registration of transfer of H Shares will be effected. In order to qualify for the Final Dividend mentioned above, holders of H Shares whose transfers have not been registered must lodge the transfer forms and the relevant share certificates at the Company's H Share registrar, Tricor Investor Services Limited (address: 22nd Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong), for registration no later than 4:30 p.m. on Monday, 13 June 2016.

THE WITHHOLDING AND PAYMENT OF ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISE HOLDERS AND INDIVIDUAL INCOME TAX FOR INDIVIDUAL HOLDERS OF OVERSEAS H SHARES IN RESPECT OF THE FINAL DIVIDEND

The Board would like to make the following statement with regard to the withholding and payment of income tax for non-resident enterprise holders and individual holders of overseas H Shares in respect of the Final Dividend.

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the Detailed Rules for the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) (collectively, the “**Enterprise Tax Law**”) which came into effect on 1 January 2008 and the relevant requirements of the tax supervisory authorities of the PRC, including, among others, the “Notification of Issues in relation to the Withholding and Payment of Enterprise Income Tax for Payment of Dividend to H Shareholders who are Overseas Non-resident Enterprises by Chinese Resident Enterprises” (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), the Company is required to withhold 10% enterprise income tax when it distributes the Final Dividend to all non-resident enterprise shareholders (including HKSCC Nominees Limited, other nominees, trustees or other entities and organisations, who will be deemed as non-resident enterprise shareholders) whose names appeared on the H Share register of members of the Company on 20 June 2016. The term “non-resident enterprise(s)” when used in this announcement has the same meaning as defined under the Enterprise Tax Law and its relevant rules and regulations.

According to the “Circular on the Questions Concerning Tax on the Profits Earned by Enterprises with Foreign Investment, Foreign Enterprises and Individual Foreigners from the Transfer of Stocks (Stock Rights) and on Dividend Income” (Guo Shui Fa [1993] No. 45) (《關於外商投資企業、外國企業和外籍個人取得股票(股權)轉讓收益和股息所得稅收問題的通知》(國稅發[1993]45號)) (the “**No. 45 Circular**”) issued by the State Administration of Taxation of the PRC (the “**State Administration of Taxation**”), individual foreigners who were holders of H Shares were temporarily exempted from PRC individual income tax for the dividends (bonus) paid by domestic enterprises which issued such H Shares. The No. 45 Circular was repealed by the State Administration of Taxation under the “Announcement on the List of Fully and Partially Invalid and Repealed Tax Regulatory Documents” (《關於公佈全文失效廢止、部份條款失效廢止的稅收規範性文件目錄的公告》) dated 4 January 2011. On 28 June 2011, the State Administration of Taxation issued the “Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Guo Shui Fa [1993] No. 045 Document” (Guo Shui Han [2011] No.348) (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)) (the “**No. 348 Circular**”). Pursuant to the No. 348 Circular, overseas resident individual shareholders holding the shares of a PRC non-foreign-invested enterprise is entitled to the relevant favourable tax treatments pursuant to the provisions in the tax treaties between the country(ies) in which they are domiciled and the PRC, and the tax arrangements between the PRC and Hong Kong (or Macau). Pursuant to the No. 348 Circular, individual income tax at a tax rate of 10% may in general be withheld in respect of the dividend or bonus income to be distributed by the PRC non-foreign-invested enterprises whose shares have been issued in Hong Kong to the overseas resident individual shareholders, without any application for favourable tax treatments. However, the tax rate for each overseas resident individual shareholder may vary depending on the relevant tax agreements between the countries of their domicile and the PRC.

Pursuant to the No. 348 Circular, the Board hereby announces that, unless otherwise required or provided by relevant tax regulations, agreements, notices or the supervisory authority, the Company will withhold 10% of the Final Dividend to be distributed to the individual shareholders who are holders of H Shares and whose names appear on the register of members of H Shares on 20 June 2016 (the “**Individual H Shareholders**”) as individual income tax, and pay such tax on behalf of the Individual H Shareholders to the relevant PRC tax authorities.

If an Individual H Shareholder considers that his/her individual income tax withheld by the Company does not comply with the tax rate stipulated in the tax treaties between country(ies) or region(s) in which he/she is domiciled and the PRC, he/she should lodge an authorisation letter together with the reporting material relating to his/her residency of the related country or region, to Tricor Investor Services Limited, the H Share registrar and transfer office of the Company in a timely manner, which will be submitted to the competent tax authority by the Company for subsequent taxation handling.

If non-resident enterprise shareholders or overseas resident individual shareholders of the Company have any queries on the above arrangements, they should seek advice from their tax advisors on the tax impact in the PRC, Hong Kong and other country(ies) or region(s) in relation to the holding and disposing of H Shares.

Investors and potential investors of the H Shares are recommended by the Company to consult professional tax advisors if they are in any doubt as to the implications of the abovementioned mechanism of withholding and payment of enterprise income tax and individual income tax. The Company assumes no liability whatsoever in respect of and will not entertain any requests or claims arising from any inaccurate determination of or untimely change in the status of the shareholders or any disputes over the abovementioned withholding and payment of enterprise income tax and individual income tax.

PROFIT APPROPRIATION FOR INVESTORS OF NORTHBOUND TRADING

For investors investing in the A Shares listed on the Shanghai Stock Exchange (the “**Northbound Trading**”) through The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (including enterprises and individuals), their dividends will be distributed in Renminbi by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for such withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded. The record date and the date of appropriation of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the holders of A Shares of the Company.

PROFIT APPROPRIATION FOR INVESTORS OF SOUTHBOUND TRADING

For investors investing in the H Shares of the Company listed on Hong Kong Stock Exchange through the Shanghai Stock Exchange (including enterprises and individuals) (the “**Southbound Trading**”), the Company has entered into the Agreement on Appropriation of Cash Dividends of H Shares for Southbound Trading (港 股 通 H 股 股 票 現 金 紅 利 派 發 協 議) with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. The cash dividends for the investors of H Shares of Southbound Trading will be paid in Renminbi. Pursuant to the relevant requirements under the “Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect” (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), for dividends received by domestic investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves. The record date and the date of appropriation of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares.

By order of the Board
Guangzhou Automobile Group Co., Ltd.
Zhang Fangyou
Chairman

Guangzhou, the PRC, 27 May 2016

As at the date of this announcement, the executive directors of the Company are ZHANG Fangyou, ZENG Qinghong, YUAN Zhongrong, FENG Xingya, LU Sa and WU Song, the non-executive directors of the Company are YAO Yiming, CHEN Maoshan, LI Pingyi and DING Hongxiang and the independent non-executive directors of the Company are FU Yuwu, LAN Hailin, LI Fangjin, LEUNG Lincheong and WANG Susheng.