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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Grand Baoxin Auto Group Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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GRAND BAOXIN AUTO GROUP LIMITED

廣匯寶信汽車集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1293)

PROPOSALS RELATING TO RE-ELECTION AND RE-DESIGNATION OF RETIRING DIRECTORS AND GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of Grand Baoxin Auto Group Limited to be held at No. 3998 Hongxin Road, Minhang District, Shanghai, The People's Republic of China on Friday, 8 June 2018 at 10:30 a.m. is set out on pages 13 to 17 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.klbaoxin.com/>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:30 a.m. on Wednesday, 6 June 2018 (Hong Kong time) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

The translation into Chinese language is for reference only. In case of inconsistency, the English version shall prevail.

References to time and dates in this circular are to Hong Kong time and dates.

24 April 2018

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at No. 3998 Hongxin Road, Minhang District, Shanghai, The People’s Republic of China on Friday, 8 June 2018 at 10:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 13 to 17 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors of the Company
“Close associate(s)”	has the meaning set out in Chapter 1 of the Listing Rules
“Company”	Grand Baoxin Auto Group Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange.
“Core connected person(s)”	has the meaning set out in Chapter 1 of the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 14 to 15 of this circular
“Latest Practicable Date”	18 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China and for sole purpose of this circular shall exclude Hong Kong and Macau Special Administrative Region and Taiwan

DEFINITIONS

“Proposed Extension Mandate”	A general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Proposed Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Proposed General Mandate
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 14 of this circular
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



GRAND BAOXIN AUTO GROUP LIMITED

廣匯寶信汽車集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1293)

Executive Directors:

Mr. LI Jianping (*Chairman*)

Mr. WANG Xinming (*President*)

Mr. LU Ao

Mr. QI Junjie

Non-executive Directors:

Mr. ZHOU Yu

Ms. XU Xing

Independent Non-executive Directors:

Mr. DIAO Jianshen

Mr. WANG Keyi

Mr. CHAN Wan Tsun Adrian Alan

Registered Office:

P.O. Box 309, Ugland House

Grand Cayman KY1-1104

Cayman Islands

Principal Place of Business and

Head Office in the PRC:

No. 3998 Hongxin Road

Minhang District

Shanghai, PRC

Principal Place of Business in

Hong Kong:

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

24 April 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSALS RELATING TO
RE-ELECTION AND RE-DESIGNATION OF RETIRING DIRECTORS
AND
GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 8 June 2018.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION AND RE-DESIGNATION OF RETIRING DIRECTORS

In accordance with Article 16.18 of the Articles of Association, Mr. Qi Junjie, Mr. Diao Jianshen and Mr. Chan Wan Tsun Adrian Alan shall retire at the Annual General Meeting. In addition, Ms. Xu Xing was appointed by the Board on 16 October 2017 shall hold office until the Annual General Meeting pursuant to Article 16.2 of the Company's Articles of Association. The Board will re-designate Ms. Xu Xing from a non-executive Director to an executive Director at the 2018 Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election, or re-election and re-designation, at the Annual General Meeting.

Details of the retiring Directors are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 28 June 2017, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting (i.e. a total of 283,731,142 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 28 June 2017, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 14 to 15 of this circular (i.e. a total of 567,462,284 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 13 to 17 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

For the purpose of ascertaining Shareholders who are entitled to attend and vote at the Annual General Meeting or any adjournment thereof, the register of members of the Company will be closed from Tuesday, 5 June 2018 to Friday, 8 June 2018, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the right to attend and vote at the AGM or any adjournment thereof, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 4 June 2018.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (www.klbaoxin.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:30 a.m. on Wednesday, 6 June 2018 (Hong Kong time) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

6. RECOMMENDATION

The Directors consider that the proposed re-election and re-designation of retiring Directors and granting of the Share Repurchase Mandate and the Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Grand Baoxin Auto Group Limited
LI Jianping
Chairman

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are details of the Directors who will retire and being eligible, offer themselves for re-election, or re-election and re-designation, at the Annual General Meeting.

(1) Mr. QI Junjie (戚俊傑)

Mr. Qi Junjie (戚俊傑), aged 45, has been appointed as an executive Director since 29 July 2016. Mr. Qi has been the secretary of the party committee of China Grand Automotive Services Co., Ltd. (廣匯汽車服務股份公司) (“CGA”), a company listed on Shanghai Stock Exchange (SSE Stock Code: 600297), since May 2016 and was the chairman of the board of Xinjiang Guanghui Liquefied Natural Gas Development Co., Ltd. (新疆廣匯液化天然氣發展有限責任公司) from September 2015 to July 2016. Mr. Qi has been a director of Xinjiang Guanghui Energy Company Limited (新疆廣匯能源股份有限公司) since October 2015. Mr. Qi served as the deputy county chief and deputy secretary of Xinjiang Jimunai County (新疆吉木乃縣) and the director of the National Border Co-operative District (國家邊境合作區) from July 2008 to September 2014. Mr. Qi was an official of the Forest Bureau of Xinjiang Aletai District (新疆阿勒泰地區林業局) from July 1994 to July 2008. Mr. Qi obtained a master degree in botanical architecture specialty from Xinjiang Agricultural University (新疆農業大學) in July 1997 and obtained a bachelor’s degree in plant protection specialty from Xinjiang Agricultural University (新疆農業大學) in July 1994.

Save as disclosed above, Mr. Qi did not hold any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Qi does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Mr. Qi has entered into a service contract with the Company for an initial term of three years commenced on 29 July 2016 and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting according to the Articles of Association. According to the service contract, Mr. Qi is entitled to an annual remuneration of RMB800,000 and a discretionary bonus based on the recommendation of the Remuneration Committee of the Company. All of the above remunerations were determined with reference to the duties and responsibilities of Mr. Qi with the Company, the Company’s performance and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Qi was deemed to be interested in 2,000,000 underlying Shares in respect of share options granted by the Company within the meaning of Part XV of the SFO.

There is no information which is disclosable nor is Mr. Qi involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters concerning Mr. Qi that need to be brought to the attention of the Shareholders of the Company.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

(2) Ms. XU Xing (許星)

Ms. XU Xing (許星), aged 40, was appointed as a non-executive Director on 16 October 2017. Ms. Xu was also appointed as the Vice President of the Company in May 2017. To cope with the needs of business operation and based on the recommendation of the Nomination Committee, Ms. Xu has been proposed to be re-designated from a non-executive Director to an executive Director of the Company at the 2018 Annual General Meeting. Ms. Xu has been the secretary of the board and assistant to the president of the Company's holding company, CGA (SSE Stock Code: 600297), since October 2016. Prior to joining CGA, Ms. Xu was the executive president of Shanghai Yanhua Smartech Group Co., Ltd (上海延華智能科技(集團)股份有限公司) ("SYSG"), a company listed on Shenzhen Stock Exchange (SHE: 002178) from January 2014 to October 2016. Ms. Xu was also the deputy general manager and secretary of the board of SYSG from December 2009 to August 2014. From November 2007 to May 2009, Ms. Xu was a senior consultant in Han Consulting (China) Ltd. (漢普管理諮詢(中國)有限公司). Ms. Xu has over 10 years of experience in senior management. Ms. Xu obtained a master's degree from University of Portsmouth, United Kingdom in 2006 and an MBA from Shanghai University of Finance and Economics (上海財經大學) in 2007. Ms. Xu also obtained a EMBA from China Europe International Business School (中歐國際工商學院) and the Certificate of Secretary of the Board (董事會秘書資格證書) issued by the Shenzhen Stock Exchange in 2009.

Save as disclosed above, Ms. Xu did not hold any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Ms. Xu does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Ms. Xu has entered into a service contract with the Company for an initial term of 3 years commenced on 16 October 2017 and shall hold office only until Annual General Meeting and be eligible for re-election in accordance with the Articles of Association. She is also subject to retirement by rotation and re-election at least once every three years at the annual general meeting according to the Articles of Association. According to the service contract, Ms. Xu is entitled to receive a director's fee of RMB500,000 per annum which is determined by the Remuneration Committee of the Company with reference to the duties and responsibilities of Ms. Xu as well as the prevailing market conditions.

As at the Latest Practicable Date, Ms. Xu was deemed to be interested in 2,000,000 underlying Shares in respect of share options granted by the Company within the meaning of Part XV of the SFO.

There is no information which is disclosable nor is Ms. Xu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters concerning Ms. Xu that need to be brought to the attention of the Shareholders of the Company.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

(3) Mr. DIAO Jianshen (刁建申)

Mr. DIAO Jianshen (刁建申), aged 64, is an independent non-executive Director, the Chairman of each of the Audit Committee and the Remuneration Committee, and a member of the Nomination Committee of the Company. Mr. Diao has been a vice president of the China Automobile Dealers Association since 2008. He was a director and executive deputy general manager of 華星新世界汽車服務有限公司 (Huaxing New World Auto Service Company Limited) from 2002 to 2008. From 1998 to 2002, he was a general manager of 中國汽車貿易華北公司 (China Automobile Trading (North China) Corporation). He graduated from 中共北京市委黨校 (CPC Beijing Municipal Party School) with a major in economic management in 1988 and from the Chinese Academy of Social Sciences with a major in business economics in 1998. Mr. Diao was appointed as an independent non-executive Director of the Company on 22 November 2011.

Save as disclosed above, Mr. Diao did not hold any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Diao does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Mr. Diao has an appointment letter with the Company for a term of one year commenced on 14 December 2011, subject to renewal. He is also subject to retirement by rotation and re-election at least once every three years at the annual general meeting according to the Articles of Association. According to the appointment letter, Mr. Diao is entitled to an annual directors' fee of HK\$300,000 (or RMB equivalent) and a discretionary bonus based on the recommendation of the Remuneration Committee of the Company. All of the above remunerations were determined with reference to the duties and responsibilities of Mr. Diao with the Company, the Company's performance and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Diao did not have any interest in Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

There is no information which is disclosable nor is Mr. Diao involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters concerning Mr. Diao that need to be brought to the attention of the Shareholders of the Company.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

(4) Mr. CHAN Wan Tsun Adrian Alan (陳弘俊)

Mr. CHAN Wan Tsun Adrian Alan (陳弘俊), aged 39, is an independent non-executive Director and a member of the Audit Committee of the Group. Mr. Chan has been the chief financial officer of Sun Ray Capital Investment Corporation since July 2015. From 2009 to June 2015, he was the chief financial officer of Enviro Energy International Holdings Limited (stock code: 1102), a company whose shares are listed on the Stock Exchange. He has over 15 years of experience in corporate finance. He was an associate director of UOB Asia (Hong Kong) Limited from 2005 to 2009, mainly responsible for the execution of financial advisory, initial public offering, merger and acquisitions, privatisation and other equity capital market transactions in the Greater China Region and Southeast Asia. He has also previously worked for the equity capital markets department of DBS Asia Capital Limited from 2002 to 2005, the corporate finance department of DBS Vickers Securities (formerly known as Vickers Ballas Holdings Limited) from 2000 to 2001, and as auditor for a top-tier international accounting firm. Mr. Chan graduated from the University of New South Wales, Australia with a Bachelor of Commerce degree in Accounting and Finance in 2000. He is a member of CPA Australia and the Hong Kong Institute of Certified Public Accountants, respectively. Mr. Chan was appointed as an independent non-executive Director of the Company on 22 November 2011.

Save as disclosed above, Mr. Chan did not hold any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Chan does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Mr. Chan has an appointment letter with the Company for a term of one year commenced on 14 December 2011, subject to renewal. He is also subject to retirement by rotation and re-election at least once every three years at the annual general meeting according to the Articles of Association. According to the appointment letter, Mr. Chan is entitled to an annual directors' fee of HK\$300,000 (or RMB equivalent) and a discretionary bonus based on the recommendation of the Remuneration Committee of the Company. All of the above remunerations were determined with reference to the duties and responsibilities of Mr. Chan with the Company, the Company's performance and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Chan did not have any interest in Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

There is no information which is disclosable nor is Mr. Chan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters concerning Mr. Chan that need to be brought to the attention of the Shareholders of the Company.

APPENDIX II EXPLANATORY STATEMENT ON THE SHARE REPURCHASE MANDATE

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,837,311,429 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 2,837,311,429 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 283,731,142 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Shares repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The company may only apply funds legally available for share repurchase in accordance with its Memorandum and Articles of Association, the laws of Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2017) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX II EXPLANATORY STATEMENT ON THE SHARE REPURCHASE MANDATE

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months (from April 2017 up to and including the Latest Practicable Date) were as follows:

Year	Month	Highest HK\$	Lowest HK\$
2017	April	4.00	3.49
	May	3.95	3.02
	June	4.27	3.22
	July	4.41	3.54
	August	4.45	3.60
	September	5.10	3.73
	October	5.00	4.03
	November	4.56	3.92
	December	4.03	3.47
2018	January	4.14	3.36
	February	3.71	2.88
	March	3.53	3.05
	April (<i>up to the Latest Practicable Date</i>)	3.75	3.10

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, China Grand Automotive Services (Hong Kong) Limited, the controlling shareholder of the Company (as defined in the Listing Rules), together control the exercise of voting rights of 1,917,983,571 Shares representing approximately 67.6% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the aggregate shareholding of China Grand Automotive Services (Hong Kong) Limited would be increased to approximately 75.1% of the issued share capital of the Company.

In the opinion of the Directors, such increase would not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code but will result in the amount of Shares held by the public being reduced to less than 25%. The Directors have no present intention to exercise the Share Repurchase Mandate to such extent so as to result in triggering takeover obligation or the public holding of Shares would be reduced below 25% of the issued share capital of the Company.

Save as the aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of an exercise of the Share Repurchase Mandate.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the 12 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



GRAND BAOXIN AUTO GROUP LIMITED

廣匯寶信汽車集團有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock code: 1293)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Grand Baoxin Auto Group Limited (the “**Company**”) will be held at No. 3998 Hongxin Road, Minhang District, Shanghai, The People’s Republic of China on Friday, 8 June 2018 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2017.
2. To declare a final dividend of HK\$0.1 per ordinary share for the year ended 31 December 2017.
- 3(a). To re-elect Mr. QI Junjie as an executive Director;
- 3(b). To re-elect Ms. XU Xing as a Director and re-designated as an executive Director;
- 3(c). To re-elect Mr. DIAO Jianshen as an independent non-executive Director;
- 3(d). To re-elect Mr. CHAN Wan Tsun Adrian Alan as an independent non-executive Director.
- 3(e). To authorize the board of directors of the Company to fix the respective directors’ remuneration.
4. To re-appoint Ernst & Young and to authorize the board of directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above , otherwise than pursuant to:

- (i) a Rights Issue (as defined below);
- (ii) the exercise of options under a share option scheme of the Company; and
- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
Grand Baoxin Auto Group Limited
LI Jianping
Chairman

Hong Kong, 24 April 2018

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.
3. Where there are joint registered holders of any share, any one of such persons may vote at the above meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the above meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members in respect of the relevant joint holding.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the above meeting (i.e. not later than 10:30 a.m. on Wednesday, 6 June 2018 (Hong Kong time) or the adjourned meeting (as the case may be)). Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

NOTICE OF ANNUAL GENERAL MEETING

5. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Tuesday, 5 June 2018 to Friday, 8 June 2018, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investors Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 4 June 2018.
6. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the Annual General Meeting), the Register of Members of the Company will be closed on 14 June 2018, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investors Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 13 June 2018.
7. A circular containing further details concerning items 3, 5, 6 and 7 set out in the above notice will be sent to all shareholders of the Company together with the 2017 Annual Report.
8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
9. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this circular, the Company's executive Directors are Mr. LI Jianping, Mr. WANG Xinming, Mr. LU Ao and Mr. QI Junjie; the non-executive Directors are Mr. ZHOU Yu and Ms. XU Xing; and the independent non-executive Directors are Mr. DIAO Jianshen, Mr. WANG Keyi and Mr. CHAN Wan Tsun Adrian Alan.