

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



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)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO ANNUAL REPORT OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2017

Reference is made to the (i) annual report of Grand Baoxin Auto Group Limited (the “**Company**”) for the year ended 31 December 2017 (the “**Annual Report**”) published on 23 April 2018; and (ii) the announcements of the Company dated 6 June 2017 and 14 June 2017 (the “**Announcements**”) in relation to the placing of 280,000,000 new shares of the Company (the “**Placing**”). Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the Annual Report.

In addition to the information disclosed in the Annual Report, the Board would like to provide additional information in relation to the use of net proceeds raised from the Placing.

The net proceeds raised from the Placing was approximately HK\$972,160,000. As at 31 December 2017, (i) approximately HK\$302,500,000 has been allocated to expansion and development of the Group’s business, including but not limited to acquiring 4S stores, upgrading some Audi and BMW Stores and building a second hand automobile showroom and (ii) approximately HK\$669,660,000 has been allocated to general working capital of the Group, including but not limited to the repayment of bank borrowings and daily operation expenses. As at 31 December 2017, the aforementioned net proceeds has been fully utilised in accordance with the intended use as disclosed in the Announcements.

The above additional information does not affect other information contained in the Annual Report and, save as disclosed in this announcement, the remaining contents of the Annual Report remain unchanged.

By order of the Board
Grand Baoxin Auto Group Limited
Mr. Li Jianping
Chairman

The PRC, 17 August 2018

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