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)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement of the unaudited consolidated interim results of Grand Baoxin Auto Group Limited (the "**Company**") and its subsidiaries for the six months ended 30 June 2017 published by the Company on 25 August 2017 (the "**Interim Results Announcement**"). Unless otherwise defined in this announcement, capitalized terms used herein shall have the same meanings as those defined in the Interim Results Announcement.

The Board would like to clarify that due to a clerical error, the paragraph under the section headed "REVENUE" on page 25 regarding the revenue generated from the sale of luxury and ultra-luxury brands and mid-to-upper market brands should be read as follows:

Automobile sales generated a substantial portion of our revenue, accounting for 88.7% of our revenue for the six months ended 30 June 2017. Revenue generated from the sale of luxury and ultra-luxury brands and our mid-to-upper market brands accounted for approximately **88.7**% (six months ended 30 June 2016: 93.7%) and **11.3**% (six months ended 30 June 2016: 6.3%), respectively, of our revenue from the sales of automobiles. The increase of revenue from the sales of automobiles of RMB4,370.4 million was mainly attributable to the increase in revenue generated from the sales of luxury and ultra-luxury cars.

Save as disclosed above, all other information contained in the Interim Results Announcement remains unchanged.

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

Shanghai, the PRC
25 August 2017

As at the date of this announcement, the 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 Mr. LU Linkui; and the independent non-executive Directors are Mr. DIAO Jianshen, Mr. WANG Keyi and Mr. CHAN Wan Tsun Adrian Alan.