
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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)

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**
-

The 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, 14 June 2024 at 10:30 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting 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, 12 June 2024 (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. For the avoidance of doubt, holders of treasury Shares (if any) shall abstain from voting at the Company's Annual General Meeting.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.klbaoxin.com>).

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.

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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, 14 June 2024 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 15 to 19 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Company”	Grand Baoxin Auto Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“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 (including any sale and transfer of treasury Shares out of treasury) of not exceeding 20% of the total number of issued shares (excluding any treasury 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
“Latest Practicable Date”	22 April 2024, 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 as amended from time to time
“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

“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of nominal value HK\$0.01 each in the issued capital of the Company or if there has been a subsequent subdivision, 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 (excluding any treasury Shares) of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on 11 June 2024
“%”	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. Ma Fujiang (Chairman)
Mr. Wang Sheng (President)
Mr. Ding Yu
Ms. Xu Xing

Independent Non-executive Directors:

Ms. Liu Wenji
Ms. Liu Yangfang
Mr. Ho Hung Tim Chester

Registered Office:

89 Nexus Way, Camana Bay
Grand Cayman, KY1-9009
Cayman Island

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:

5/F, Manulife Place
348 Kwun Tong Road
Kowloon
Hong Kong

26 April 2024

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES;
AND
(3) 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 14 June 2024.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 16.18 of the Articles of Association and following the review of the Board's composition by the nomination committee of the Company, Ms. Xu Xing, Ms. Liu Wenji and Ms. Liu Yangfang were nominated to the Board for re-election at the Annual General Meeting. In addition, Mr. Ding Yu and Mr. Wang Sheng who were appointed as an executive Director by the Board on 25 August 2023 and 27 December 2023 respectively shall hold office until the Annual General Meeting pursuant to Article 16.2 of the Articles of Association. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Each of Ms. Liu Yangfang and Ms. Liu Wenji, both being independent non-executive Directors, has made an annual confirmation of independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The nomination committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The nomination committee of the Company has recommended to the Board on re-election of all the retiring Directors including Mr. Wang Sheng and Mr. Ding Yu who shall hold office until the Annual General Meeting. The Company considers that all independent non-executive Directors are independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Details of the Directors proposed for re-election at the Annual General Meeting 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 15 June 2023, 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 (excluding any treasury Shares) of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting (i.e. a total of 283,751,142 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.

LETTER FROM THE BOARD

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 15 June 2023, 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 (including any sale or transfer of treasury Shares out of treasury) of not exceeding 20% of the total number of issued Shares (excluding any treasury 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 567,502,285 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.

As at the date of this circular, the proposed amendments to the Listing Rules in relation to treasury shares have not become effective. The Company will only use the Issuance Mandate to sell or transfer the treasury Shares held by the Company from time to time (if any) according to the needs of the Company after the relevant amendments to the Listing Rules relating to treasury Shares come into effect.

The Directors wish to state that they have no immediate plan to issue any new Shares (including to sell or transfer any treasury Shares out of treasury) pursuant to the Issuance Mandate.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 19 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, 11 June 2024 to Friday, 14 June 2024, 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 Annual General Meeting 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 Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 7 June 2024.

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 (<http://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

LETTER FROM THE BOARD

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, 12 June 2024 (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 of retiring Directors, 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
MA Fujiang
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 at the Annual General Meeting.

(1) Mr. Wang Sheng (王勝)

Mr. Wang, aged 50, has been an executive Director and the president of the Company since 27 December 2023, who has over ten years of experience in automobile operation and senior management. He currently serves as the president and director of China Grand Automotive Services Group Co., Ltd. (“CGA”), a company listed on the Shanghai Stock Exchange (SSE Stock Code: 600297) and a controlling Shareholder (as defined in the Listing Rules) of the Company. From December 2015 to October 2022, he served as the deputy general manager and general manager of the Northwest Region Operations of CGA as well as the general manager of the Audi Brand Business Unit of CGA. From October 2022 to December 2023, he has served as the vice president and general manager of the Operations and Management Department of CGA.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wang did not (i) hold any other major appointment and professional qualification; (ii) 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, or (iii) hold any position with the Company or any other member of the Group.

As at the Latest Practicable Date, Mr. Wang does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Mr. Wang has entered into a service contract with the Company on 27 December 2023 for an initial term of three years commenced on 27 December 2023 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. Wang is entitled to an annual director’s 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. Wang with the Company, the Company’s performance and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Wang is deemed to be interested in 90,000 underlying Shares in respect of the share options granted by the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”). Save as disclosed above, Mr. Wang does not have any other interests in the Shares or underlying Shares (as defined in Part XV of the SFO) of the Company as at the Latest Practicable Date.

There is no information which is discloseable nor is Mr. Wang 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. Wang 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) Mr. Ding Yu (丁瑜)

Mr. Ding, aged 49, has been an executive Director, vice president and chief financial officer of the Company since 25 August 2023. He currently serves as the vice president, director and the chief financial officer of CGA. From May 2019 to December 2019, he was the vice president of the China Zheng Tong Auto Services Holdings Limited, a company listed on the Stock Exchange (Stock Code: 1728). From April 2018 to April 2019, he was the chief financial officer of China New Higher Education Group Limited, a company listed on the Stock Exchange (Stock Code: 2001), and from July 2018 to April 2019, he was also as an executive director of such company. From July 2005 to January 2011, he was head of finance department and senior management of Guo Sheng Pawn Co., Ltd.(a subsidiary of Shanghai International Group), Meihao Holdings Group Co., Ltd., and Sinar Mas Paper (China) Investment Company Limited. Mr. Ding worked in two commercial banks, China Merchants Bank and Industrial Bank Co., Ltd., for ten years from July 1995 to June 2005.

Mr. Ding graduated from East China Normal University in July 1995, majored in International Accounting under the International Finance Faculty, and obtained a master degree in business administration from the University of Canberra, Australia, in November 2006. He is a fellow member of the Chartered Institute of Management Accountants and a member of the Association of International Accountants.

Save as disclosed above, as at the Latest Practicable Date, Mr. Ding did not (i) hold any other major appointment and professional qualification; (ii) 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, or (iii) hold any position with the Company or any other member of the Group.

As at the Latest Practicable Date, Mr. Ding does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Mr. Ding has entered into a service contract with the Company on 25 August 2023 for an initial term of three years commenced on 25 August 2023 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. Ding is entitled to an annual director's remuneration of RMB500,000 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. Ding with the Company, the Company's performance and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Ding did not have any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

There is no information which is discloseable nor is Mr. Ding 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. Ding 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) Ms. Xu Xing (許星)

Ms. Xu Xing (許星), aged 46, Ms. Xu has been the executive director of the Company since 8 June 2018 and was the non-executive Director of the Company from October 2017 to June 2018. She was also appointed as a joint company secretary of the Company on 20 November 2018 and the sole company secretary of the Company on 20 November 2021. Ms. Xu is primarily responsible for the corporate governance and capital market related matters of the Company and therefore has extensive experience in matters concerning the Board and the corporate governance of the Company. Ms. Xu was also appointed as the vice president of the Company in May 2017. Ms. Xu is the director and secretary of the board and vice president of the Company's holding company, CGA and was the assistant to the president of CGA from October 2016 to June 2018. 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, as at the Latest Practicable Date, Ms. Xu did not (i) hold any other major appointment and professional qualification; (ii) 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, or (iii) hold any position with the Company or any other member of the Group.

As at the Latest Practicable Date, 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 a term of three years commenced on 14 June 2019 and 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 1,800,000 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**

(4) Ms. Liu Wenji (劉文姬)

Ms. Liu Wenji (劉文姬), aged 60, has been an independent non-executive Director, the chairman of the audit committee, the chairman of the remuneration committee and a member of the nomination committee of the Company since 30 June 2021. Ms. Liu has over 30 years of professional management experience in government departments and companies. She has been the deputy secretary general of China Automobile Dealers Association since November 2007. She was the former deputy director of the Fuel Department of the Ministry of Domestic Trade from September 1990 to July 1999 and manager of Assets Department of China Automobile Trade General Corp (中國汽車貿易總公司) from July 1999 to June 2002. She was the assistant to the general manager of Huaxing New World Auto Service Company Limited* (華星新世界汽車服務有限公司) from June 2002 to July 2007.

Ms. Liu obtained a bachelor's degree of business management from the China University of Mining and Technology (中國礦業大學) in July 1985 and a master's degree of engineering from the same university in July 1990.

Save as disclosed above, as at the Latest Practicable Date, Ms. Liu did not (i) hold any other major appointment and professional qualification; (ii) 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, or (iii) hold any position with the Company or any other member of the Group.

As at the Latest Practicable Date, Ms. Liu does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Ms. Liu has entered into an appointment letter with the Company for an initial term of one year commenced on 30 June 2021, subject to renewal. 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. Ms. Liu is entitled to an annual director's fee of RMB100,000 (or HK\$ 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 Ms. Liu with the Company, the Company's performance and the prevailing market conditions.

As at the Latest Practicable Date, Ms. Liu did not have any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

There is no information which is discloseable nor is Ms. Liu 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. Liu that need to be brought to the attention of the Shareholders of the Company.

* For identification purpose only

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

(5) Ms. LIU Yangfang (劉陽芳)

Ms. LIU Yangfang (劉陽芳), aged 52, is an independent non-executive Director, the chairman of the nomination committee, and a member of each of the audit committee and the remuneration committee of the Company. Ms. Liu has been the managing partner and the deputy director of HENG TAI LAW OFFICES (“**HENG TAI**”) (Previously name as C & S Law Firm) since January 2016. She was the partner of HENG TAI from December 2008 to December 2015 and the practicing lawyer of HENG TAI from July 2000 to November 2008. She has been an independent director of Ningbo Vichnet Technology Co., Ltd. since December 2022. Ms. Liu has over 15 years of professional legal service experience in corporate law. Ms. Liu obtained a bachelor’s degree of law majoring in International Economic Law of Fudan University in July 2000 and a master’s degree (LLM) from Chicago-Kent College of Law of Illinois Institute of Technology in the United States of America in May 2010, respectively. Ms. Liu was appointed as an independent non-executive Director of the Company on 8 June 2018.

Save as disclosed above, as at the Latest Practicable Date, Ms. Liu did not (i) hold any other major appointment and professional qualification; (ii) 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, or (iii) hold any position with the Company or any other member of the Group.

As at the Latest Practicable Date, Ms. Liu does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Ms. Liu has entered into an appointment letter with the Company for an initial term of one year commenced on 8 June 2018, subject to renewal. 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. Ms. Liu is entitled to an annual director’s fee of RMB100,000 (or HK\$ 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 Ms. Liu with the Company, the Company’s performance and the prevailing market conditions.

As at the Latest Practicable Date, Ms. Liu did not have any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

There is no information which is discloseable nor is Ms. Liu 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. Liu that need to be brought to the attention of the Shareholders of the Company.

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 2,837,511,429 Shares.

Subject to the passing of the ordinary resolution set out in item 4 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 2,837,511,429 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 283,751,142 Shares, representing 10% of the total number of Shares (excluding treasury 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 2023) 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.

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 2023 up to and including the Latest Practicable Date) were as follows:

Year	Month	Highest HK\$	Lowest HK\$
2023	April	0.375	0.335
	May	0.380	0.250
	June	0.355	0.250
	July	0.345	0.285
	August	0.300	0.230
	September	0.250	0.219
	October	0.219	0.180
	November	0.233	0.190
	December	0.280	0.177
2024	January	0.250	0.183
	February	0.229	0.170
	March	0.185	0.150
	April (<i>up to the Latest Practicable Date</i>)	0.205	0.123

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 will 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. Neither the Explanatory Statement nor the proposed share repurchase has any unusual features.

The Company may cancel such repurchased Shares or hold them as treasury Shares (subject to the relevant Listing Rules relating to treasury Shares coming into effect), subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any treasury Shares deposited with Central Clearing and Settlement System (“CCASS”) pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares.

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 1,921,117,571 Shares representing approximately 67.70% 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 75.23% 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 6 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 the 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, 14 June 2024 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and auditors for the year ended 31 December 2023.
- 2(a). To re-elect Mr. Wang Sheng as an executive Director;
- 2(b). To re-elect Mr. Ding Yu as an executive Director;
- 2(c). To re-elect Ms. Xu Xing as an executive Director;
- 2(d). To re-elect Ms. Liu Wenji as an independent non-executive Director;
- 2(e). To re-elect Ms. Liu Yangfang as an independent non-executive Director; and
- 2(f). To authorize the board of Directors to fix the respective Directors’ remuneration.
3. To re-appoint Ernst & Young as auditors of the Company and to authorize the board of Directors to fix their remuneration.
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

NOTICE OF ANNUAL GENERAL MEETING

“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 (excluding any treasury shares) of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); 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.”

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 allot, issue and deal with additional shares (including any sale or transfer of treasury shares (which shall have the meaning ascribed to it under the Listing Rules coming into effect on 11 June 2024) out of treasury) in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) 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);

NOTICE OF ANNUAL GENERAL MEETING

- (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 (excluding any treasury shares) of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); 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.

“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

6. 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 4 and 5 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 5 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 4 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board
Grand Baoxin Auto Group Limited
Ma Fujiang
Chairman

Hong Kong, 26 April 2024

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 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 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, 12 June 2024 (Hong Kong time) or the adjourned meeting (as the case may be)). Completion and return 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 meeting, the register of members of the Company will be closed from Tuesday, 11 June 2024 to Friday, 14 June 2024, 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 Investor 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 Friday, 7 June 2024.
6. A circular containing further details concerning items 2, 4, 5 and 6 set out in the above notice will be sent to the shareholders of the Company together with the 2023 Annual Report.
7. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
8. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Company's executive Directors are Mr. MA Fujiang, Mr. WANG Sheng, Mr. DING Yu, and Ms. XU Xing; and the independent non-executive Directors are Ms. LIU Wenji, Ms. LIU Yangfang and Mr. HO Hung Tim Chester.