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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)

INSIDE INFORMATION COOPERATION FRAMEWORK AGREEMENT BETWEEN THE CONTROLLING SHAREHOLDERS AND THE COOPERATION PARTNERS; AND RESUMPTION OF TRADING

This announcement is made by Grand Baoxin Auto Group Limited (the **“Company”**, together with its subsidiaries, the **“Group”**) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE COOPERATION FRAMEWORK AGREEMENT

At 9:00 a.m. on 15 January 2025, the Company was informed by the Controlling Shareholders (as defined below) that, Xinjiang Guanghui Industry Investment Group Co., Ltd.* (新疆廣匯實業投資(集團)有限責任公司) (**“Xinjiang Guanghui”**) and China Grand Automotive Services Group Company Limited (廣匯汽車服務集團股份公司), the controlling shareholders of the Company (the **“Controlling Shareholders”**), had entered into a cooperation framework agreement (the **“Cooperation Framework Agreement”**) with Beijing Meiling Qingyuan Venture Capital Management Company Limited* (北京梅嶺青遠創業投資管理有限公司) (**“Beijing Meiling”**) and Hainan Songbai Canglang Investment Partnership Enterprise* (Limited Partnership) (海南松柏滄浪投資合夥企業(有限合夥)) (**“Hainan Songbai”**, together with Beijing Meiling, the **“Cooperation Partners”**).

Pursuant to the Cooperation Framework Agreement, the Cooperation Partners will, among others, assist the Controlling Shareholders and its subsidiaries (including the Group) on the following aspects:

1. Introduction of strategic partners in order to facilitate sharing of resources;
2. Commencement of second-hand car business and to start a nationwide sales network;
3. Commencement of overseas automobile business and to cooperate with local distributors;
4. Sharing of resources including land and properties to facilitate business operation.

The term of the Cooperation Framework Agreement is one year and is automatically renewed if there are no dispute between the parties.

The Board considers that the Cooperation Framework Agreement was entered into on normal commercial terms after an arm's length negotiation between the Controlling Shareholders and the Cooperation Partners, and such cooperation is beneficial to and in the interests of the Company and its shareholders as a whole.

INFORMATION OF THE COOPERATION PARTNERS

Beijing Meiling is a company established in the People's Republic of China with limited liability and it is principally engaged in investment. Its ultimate beneficial owner is Wu Shichun.

Hainan Songbai is a limited partnership established in the People's Republic of China and it is principally engaged in investment. Its ultimate beneficial owner is Xiong Xiaoyan.

To the best knowledge of the directors of the Company after making all reasonable enquiries, the Cooperation Partners and their ultimate beneficial owners are independent third parties.

GENERAL

The Board hereby announces that the Cooperation Framework Agreement is only a framework agreement with the purpose of setting out the intention of cooperative plans between the parties to facilitate further negotiations on specific cooperation projects. Detailed terms and conditions of the cooperation contemplated under the Cooperation Framework Agreement will be subject to further negotiations and to be agreed upon and confirmed in the definitive agreement(s) to be entered into by the parties in respect of the cooperation.

As at the date of this announcement, no definitive agreement in relation to the cooperation has been entered into by the Group. As such, the cooperation as stated in the Cooperation Framework Agreement may or may not materialise. In the event that the Group enters into any definitive agreement in relation to the cooperation, further announcement(s) will be made by the Company in accordance with the Listing Rules, if necessary.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted from 9:11 a.m. on 15 January 2025 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 1:00 p.m. on 15 January 2025.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

The PRC, 15 January 2025

As at the date of this announcement, the Company's executive directors are Mr. MA Fujiang, Mr. WANG Sheng, and Mr. DING Yu; and the independent non-executive directors are Ms. LIU Wenji, Ms. LIU Yangfang and Mr. HUANG Kai.