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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)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by Grand Baoxin Auto Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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).

Reference is made to the announcements of the Company dated 28 March 2025, 31 March 2025, 29 April 2025, 18 June 2025, 30 June 2025, 14 July 2025 and 19 August 2025 regarding, among other things, the delay in publication of the 2024 Annual Results and the suspension of trading in the shares of the Company on the Stock Exchange from 9:00 a.m. on 1 April 2025, the resumption guidance for the resumption of trading in the shares of the Company and the quarterly update on resumption progress (collectively, the “**Announcements**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

QUARTERLY UPDATE

In accordance with Rule 13.24A of the Listing Rules, the Company is required to provide quarterly updates on its developments, including, among other relevant matters, its business operations, resumption plan, progress in implementing the resumption plan, and any material changes to the resumption plan. The Company will continue to issue further announcements as appropriate to keep shareholders and potential investors informed of significant developments.

The Board hereby provides the following update on the developments and progress made by the Company as of the date of this announcement.

Business Operations

The Group is a prominent dealership group of luxury brands automobiles in the PRC and is principally engaged in the automobile sales and after-sales services business. The Group’s business mainly concentrates in the eastern part of the PRC, which acts as the axis for expanding into the southern, central and northern parts of the PRC and also the northeast and northwest.

As of the date of this announcement, save for the revocation (the “**Revocation**”) of authorisation for the dealership outlets of the Group by BMW Brilliance Automotive Ltd. and BMW China Automotive Trading Ltd. (collectively “**BMW**”), details of which is disclosed in the Company’s announcement dated 12 August 2025, the Group’s business operations continue as usual in all material respects. The Board will continue to closely monitor the financial condition and business operations of the Group.

Resumption Plan and Progress

Outstanding Audit Procedures and Matters of 2024 Annual Results

As at the date of this announcement, there are certain key audit procedure and matters outstanding. First, due to the resignation and replacement of core store personnel following the Revocation, there is short-term inability to complete necessary audit procedures such as obtaining bank confirmations and authorisations for corporate credit reports. Second, various impairment tests require the engagement of external institutions to conduct professional asset valuations for the dealership outlets affected by the Revocation, which is time-consuming. Therefore, to ensure the completeness and reasonableness of the Company’s 2024 annual results, the auditors, subject to the current conditions, made further adjustments to the audit procedures to perform and complete necessary audit procedures in respect of the 2024 Annual Results, and to ensure that changes to the industry and the Company are appropriately reflected in the consolidated financial statements of the Group for the year ended 31 December 2024.

Current Status and Progress of the Audit for the 2024 Annual Results

As at the date of this announcement, the Company is still in the process of completing the abovementioned outstanding audit procedures. The Company would like to emphasise despite the Company has acted promptly to provide requisite information and documents to auditors as requested, substantial part of the information and documents require collaborations from the external stakeholders of the Company, and the Company has been and is in the course of actively liaising with these stakeholders to respond to the auditors’ outstanding requests.

The Plan and Expected Timeline to Complete the Outstanding Audit Procedures

Based on the current audit work status and barring any unforeseen circumstances after the date of this announcement, it is expected that the necessary audit procedures such as obtaining bank confirmations and authorisations for corporate credit reports and the impairment tests will be completed by late November 2025.

The Company is working closely with its auditors with a view to resolving outstanding matters and completing the audit of the 2024 Annual Results as soon as practicable. As disclosed in the Announcement and as at the date of this announcement, according to the current development of the audit progress, subject to completion of all audit work as agreed with the auditors, the Company estimates that the 2024 Annual Results Announcement and the 2024 Annual Report will be published on or before 28 November 2025.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025, pending the publication of the 2024 Annual Results.

Shareholders of the Company and potential investors should exercise caution when dealing in the Company's shares.

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

Shanghai, the People's Republic of China, 3 October 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 Mr. HUANG Kai, Ms. LI Wenjun and Mr. CHEN Yuhang.