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GUANGZHOU AUTOMOBILE GROUP CO., LTD.

廣州汽車集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2238)

**(1) POLL RESULTS OF 2018 ANNUAL GENERAL MEETING
HELD ON 31 MAY 2019**

**(2) PAYMENT OF 2018 FINAL DIVIDEND OF H SHARES
AND**

**(3) THE WITHHOLDING AND PAYMENT OF ENTERPRISE INCOME TAX
FOR NON-RESIDENT ENTERPRISE HOLDERS OF OVERSEAS H SHARES
AND INDIVIDUAL INCOME TAX FOR INDIVIDUAL HOLDERS OF
OVERSEAS H SHARES AND PROFIT APPROPRIATION FOR INVESTORS
IN NORTHBOUND TRADING OR SOUTHBOUND TRADING
IN RESPECT OF THE FINAL DIVIDEND**

The 2018 AGM of the Company was held on 31 May 2019 and resolutions set out in the 2018 AGM Notice were duly passed at the 2018 AGM.

The resolution regarding the declaration of the Final Dividend for the year ended 31 December 2018 was put to vote at the 2018 AGM by poll and was approved by the Shareholders. The Board would like to hereby make a statement with regard to the payment of dividend and the withholding and payment of enterprise income tax for non-resident enterprise holders of overseas H Shares and individual income tax for individual holders of overseas H Shares and profit appropriation for investors in Northbound Trading or Southbound Trading in respect of the Final Dividend.

RESULTS OF THE 2018 AGM

Reference is made to the notice of the annual general meeting of 2018 dated 15 April 2019 (the “**2018 AGM Notice**”) of Guangzhou Automobile Group Co., Ltd. (the “**Company**”), and the circular dated 15 April 2019 (the “**Circular**”) of the Company. Unless the context otherwise requires, capitalised terms in this announcement shall have the same meanings as defined in the Circular.

The Board is pleased to announce that the 2018 AGM was held at Conference Room 1604, GAC Center, No. 23 Xingguo Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, PRC at 2:00 p.m. on Friday, 31 May 2019.

The holding of the 2018 AGM was in compliance with the requirements of the Company Law and the provisions of the Articles of Association. The 2018 AGM was chaired by Mr. ZENG Qinghong, the chairman of the Company. In compliance with the requirements of the Listing Rules, Tricor Investor Services Limited, the Company's H Share registrar, acted as scrutineer for the vote-taking of the 2018 AGM. Beijing Tian Yuan Law Firm acted as the witnessing lawyer at the 2018 AGM.

In order to determine the list of Shareholders entitled to attend the 2018 AGM, the register of members of the Company was closed from Wednesday, 1 May 2019 to Friday, 31 May 2019 (both days inclusive), during which no transfer of Shares was registered. The total number of Shares entitling the holders to attend and vote for or against the resolutions at the 2018 AGM was 10,233,724,819 Shares, including 7,135,104,514 A Shares and 3,098,620,305 H Shares. To the best knowledge, information and belief of the Directors, there were no Shares entitling the holders to attend the 2018 AGM and abstain from voting in favour of the resolutions as set out in Rule 13.40 of the Listing Rules and there were no Shares the holders of which were required under the Listing Rules to abstain from voting at the 2018 AGM. Shareholders and proxies who attended the 2018 AGM held an aggregate of 7,631,145,671 Shares with voting right, representing approximately 74.57% of the total number of Shares with voting right.

The resolutions at the 2018 AGM were put to vote by way of poll and were all approved by the Shareholders. The poll results of the resolutions voted at the 2018 AGM were as follows:

Resolutions ^(Note)		No. of Shares voted and percentage of total number of Shares voted (approximate %)			
		For	Against	Abstain	Total
As more than one half (1/2) of the votes from the Shareholders who attended and voted at the 2018 AGM were cast in favour of the following resolutions respectively, the following resolutions were duly passed as ordinary resolutions:					
1.	Resolution on the annual report and its summary for the year 2018	7,619,837,131 (99.8517%)	2,800 (0.0001%)	11,305,740 (0.1482%)	7,631,145,671 (100.00%)
2.	Resolution on the work report of the board of directors for the year 2018	7,619,837,131 (99.8517%)	2,800 (0.0001%)	11,305,740 (0.1482%)	7,631,145,671 (100.00%)
3.	Resolution on the work report of the supervisory committee for the year 2018	7,619,832,231 (99.8517%)	3,700 (0.0001%)	11,309,740 (0.1482%)	7,631,145,671 (100.00%)
4.	Resolution on the financial report for the year 2018	7,619,833,131 (99.8517%)	2,800 (0.0001%)	11,309,740 (0.1482%)	7,631,145,671 (100.00%)
As more than two-third (2/3) of the votes from the Shareholders who attended and voted at the 2018 AGM were cast in favour of the following resolutions respectively, the following resolutions were duly passed as special resolutions:					
5.	Resolution on the proposal for profit distribution for the year 2018	7,621,477,271 (99.8732%)	2,800 (0.0001%)	9,665,600 (0.1267%)	7,631,145,671 (100.00%)

Resolutions ^(Note)		No. of Shares voted and percentage of total number of Shares voted (approximate %)			
		For	Against	Abstain	Total
6.	Resolution on the proposal to be submitted to the general meeting in relation to the grant of general mandate to the board of directors of the Company to issue shares	6,588,059,030 (86.3312%)	1,033,417,041 (13.5421%)	9,669,600 (0.1267%)	7,631,145,671 (100.00%)
7.	Resolution on the proposal to be submitted to the general meeting in relation to the grant of general mandate to the board of directors of the Company to issue debt financing instruments	6,684,555,858 (87.5957%)	753,168,595 (9.8697%)	193,421,218 (2.5346%)	7,631,145,671 (100.00%)
As more than one half (1/2) of the votes from the Shareholders who attended and voted at the 2018 AGM were cast in favour of the following resolution, the following resolution was duly passed as an ordinary resolution:					
8.	Resolution on the purchase of liability insurance for directors	7,613,621,653 (99.7704%)	6,214,278 (0.0814%)	11,309,740 (0.1482%)	7,631,145,671 (100.00%)
As more than two-third (2/3) of the votes from the Shareholders who attended and voted at the 2018 AGM were cast in favour of the following resolution, the following resolution was duly passed as a special resolution:					
9.	Resolution on the proposed change of registered capital of the Company and amendments to the Articles of Association	7,611,011,407 (99.7362%)	10,464,664 (0.1371%)	9,669,600 (0.1267%)	7,631,145,671 (100.00%)
Resolutions ^(Note)				Number of cumulative shares voted for the resolution	Percentage of votes obtained over the total number of Shares with effective voting rights held by Shareholders attending the meeting (%)
By way of cumulative voting, as more than one half (1/2) of the votes from the Shareholders who attended and voted at the 2018 AGM were cast in favour of the following resolution, the following resolution was duly passed as an ordinary resolution:					
10.	Resolution on the election of supervisor				
10.01	Mr. Long Yong			7,388,450,868	96.8197

Note: The full text of the above resolutions was set out in the 2018 AGM Notice.

PAYMENT OF 2018 FINAL DIVIDEND OF H SHARES

The proposal for the declaration of a final dividend of RMB0.28 (tax inclusive) per Share for the year ended 31 December 2018 (the “**Final Dividend**”) to holders of H Shares and A Shares as recommended by the Board was approved at the 2018 AGM. Shareholders whose names appear on the register of members of H Shares of the Company on Monday, 24 June 2019 shall be entitled to receive the Final Dividend (Distribution of Final Dividend of A Shares will be separately announced).

The method of payment of the dividend by the Company is as follows:

- (1) In accordance with the relevant requirements and the Articles of Association, dividend payable to holders of H Shares shall be calculated in Renminbi and paid in Hong Kong dollars. The following conversion formula shall apply:

$$\begin{array}{l} \text{Dividend in} \\ \text{Hong Kong} \\ \text{Dollar} \end{array} = \frac{\text{Dividend in Renminbi}}{\text{Average mean price in Hong Kong Dollar published} \\ \text{daily by The People's Bank of China over a period of one calendar week prior} \\ \text{to the declaration of the dividend}}$$

For the purpose of the Final Dividend, the date of declaration is 31 May 2019. The average mean price of one Hong Kong dollar published daily by The People’s Bank of China over a period of one calendar week prior to the declaration of the dividend (i.e. 20 May 2019 to 24 May 2019) is RMB0.878978. Applying that average price to the above formula, the dividend for each H Share is HK\$0.318552.

- (2) Pursuant to the Articles of Association, the Company has appointed Bank of China (Hong Kong) Trustees Limited (the “**Receiving Agent**”), which is registered as a trust company under the Trustee Ordinance (Cap. 29 of the Laws of Hong Kong), to receive on behalf of holders of H Shares dividend declared in respect of the H Shares. The dividend warrants of the H Shares will be issued by the Receiving Agent and will be posted by ordinary mail to holders of H Shares at their own risk on or before Friday, 28 June 2019.

According to the Articles of Association, for the purpose of ascertaining holders of H Shares who are entitled to receive the Final Dividend, the register of members of H Shares will be closed from Tuesday, 18 June 2019 to Monday, 24 June 2019 (both days inclusive) during which period no registration of transfer of H Shares will be effected. In order to qualify for the Final Dividend mentioned above, holders of H Shares whose transfers have not been registered must lodge the transfer forms and the relevant share certificates at the Company’s H Share registrar, Tricor Investor Services Limited (Address: 22nd Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong), for registration no later than 4:30 p.m. on Monday, 17 June 2019.

THE WITHHOLDING AND PAYMENT OF ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISE HOLDERS AND INDIVIDUAL INCOME TAX FOR INDIVIDUAL HOLDERS OF OVERSEAS H SHARES IN RESPECT OF THE FINAL DIVIDEND

The Board would like to make the following statement with regard to the withholding and payment of enterprise income tax for non-resident enterprise holders and individual income tax for individual holders of overseas H Shares in respect of the Final Dividend.

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the Detailed Rules for the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) (collectively, the “**Enterprise Tax Law**”) which came into effect on 1 January 2008 and the relevant requirements of the tax supervisory authorities of the PRC, including, among others, the “Notification of Issues in relation to the Withholding and Payment of Enterprise Income Tax for Payment of Dividend to H Shareholders who are Overseas Non-resident Enterprises by Chinese Resident Enterprises” (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), the Company is required to withhold 10% enterprise income tax when it distributes the Final Dividend to all non-resident enterprise shareholders (including HKSCC Nominees Limited, other nominees, trustees or other entities and organisations, who will be deemed as non-resident enterprise shareholders) whose names appeared on the H Share register of members of the Company on 24 June 2019. The term “non-resident enterprise(s)” when used in this announcement has the same meaning as defined under the Enterprise Tax Law and its relevant rules and regulations.

According to the “Circular on the Questions Concerning Tax on the Profits Earned by Enterprises with Foreign Investment, Foreign Enterprises and Individual Foreigners from the Transfer of Stocks (Stock Rights) and on Dividend Income” (Guo Shui Fa [1993] No. 45) (《關於外商投資企業、外國企業和外籍個人取得股票(股權)轉讓收益和股息所得稅收問題的通知》(國稅發[1993]45號)) (the “**No. 45 Circular**”) issued by the State Administration of Taxation of the PRC (the “**State Administration of Taxation**”), individual foreigners who were holders of H Shares were temporarily exempted from PRC individual income tax for the dividends (bonus) paid by domestic enterprises which issued such H Shares. The No. 45 Circular was repealed by the State Administration of Taxation under the “Announcement on the List of Fully and Partially Invalid and Repealed Tax Regulatory Documents” (《關於公佈全文失效廢止、部份條款失效廢止的稅收規範性文件目錄的公告》) dated 4 January 2011. On 28 June 2011, the State Administration of Taxation issued the “Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Guo Shui Fa [1993] No. 045 Document” (Guo Shui Han [2011] No.348) (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)) (the “**No. 348 Circular**”). Pursuant to the No. 348 Circular, overseas resident individual shareholders holding the shares of a PRC non-foreign-invested enterprise is entitled to the relevant favourable tax treatments pursuant to the provisions in the tax treaties between the country(ies) in which they are domiciled and the PRC, and the tax arrangements between the PRC and Hong Kong (or Macau). Pursuant to the No. 348 Circular, individual income tax at a tax rate of 10% may in general be withheld in respect of the dividend or bonus income to be distributed by the PRC non-foreign-invested enterprises whose shares have been issued in Hong Kong to the overseas resident individual shareholders, without any application for favourable tax treatments. However, the tax rate for each overseas resident individual shareholder may vary depending on the relevant tax agreements between the countries of their domicile and the PRC.

Pursuant to the No. 348 Circular, the Board hereby announces that, unless otherwise required or provided by relevant tax regulations, agreements, notices or the supervisory authority, the Company will withhold 10% of the Final Dividend to be distributed to the individual shareholders who are holders of H Shares and whose names appear on the register of members of H Shares on 24 June 2019 (the “**Individual H Shareholders**”) as individual income tax, and pay such tax on behalf of the Individual H Shareholders to the relevant PRC tax authorities.

If an Individual H Shareholder considers that his/her individual income tax withheld by the Company does not comply with the tax rate stipulated in the tax treaties between country(ies) or region(s) in which he/she is domiciled and the PRC, he/she should lodge an authorisation letter together with the reporting material relating to his/her residency of the related country or region, to Tricor Investor Services Limited, the H Share registrar and transfer office of the Company in a timely manner, which will be submitted to the competent tax authority by the Company for subsequent taxation handling.

If non-resident enterprise shareholders or overseas resident individual shareholders of the Company have any queries on the above arrangements, they should seek advice from their tax advisors on the tax impact in the PRC, Hong Kong and other country(ies) or region(s) in relation to the holding and disposing of H Shares.

Investors and potential investors of the H Shares are recommended by the Company to consult professional tax advisors if they are in any doubt as to the implications of the abovementioned mechanism of withholding and payment of enterprise income tax and individual income tax. The Company assumes no responsibility whatsoever in respect of and will not entertain any requests or claims arising from any inaccurate determination of or untimely change in the status of the Shareholders or any disputes over the abovementioned withholding and payment of enterprise income tax and individual income tax.

PROFIT APPROPRIATION FOR INVESTORS OF NORTHBOUND TRADING

For investors investing in the A Shares listed on the SSE (the “**Northbound Trading**”) through the Stock Exchange (including enterprises and individuals), their dividends will be distributed in Renminbi by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for such withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded. The record date and the date of appropriation of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the holders of A Shares of the Company.

PROFIT APPROPRIATION FOR INVESTORS OF SOUTHBOUND TRADING

For investors investing in the H Shares of the Company listed on the Stock Exchange through the SSE and the Shenzhen Stock Exchange (including enterprises and individuals) (the “**Southbound Trading**”), the Company has entered into the Agreement on Appropriation of Cash Dividends of H Shares for Southbound Trading (《港股通H股股票現金紅利派發協議》) with China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shanghai Branch and Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. The cash dividends for the investors of H Shares of Southbound Trading will be paid in Renminbi. Pursuant to the relevant requirements under the “Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect” (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the “Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect” (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)): for dividends received by domestic investors from investing in H shares listed on the Stock Exchange through Southbound Trading, the H shares company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Stock Exchange through Southbound Trading, the tax payable shall be the same as that for individual investors. The H shares company will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves. The record date and the date of appropriation of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares.

By order of the Board
Guangzhou Automobile Group Co., Ltd.
ZENG Qinghong
Chairman

Guangzhou, the PRC, 31 May 2019

As at the date of this announcement, the executive directors of the Company are ZENG Qinghong and FENG Xingya, the non-executive directors of the Company are YAN Zhuangli, CHEN Maoshan, CHEN Jun, DING Hongxiang and HAN Ying and the independent non-executive directors of the Company are FU Yuwu, LAN Hailin, LEUNG Lincheong and WANG Susheng.