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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)**

**DISTRIBUTION OF INTERIM DIVIDEND OF H SHARES  
FOR THE SIX MONTHS ENDED 30 JUNE 2023  
AND  
THE WITHHOLDING AND PAYMENT OF  
ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISE HOLDERS  
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 INTERIM DIVIDEND**

The Board resolved on 25 August 2023 to recommend the distribution of the Interim Dividend for the six months ended 30 June 2023 and would like to make the following statement with regard to the payment of the Interim Dividend and the withholding and payment of enterprise income tax for non-resident enterprise holders 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 Interim Dividend.

**DISTRIBUTION OF INTERIM DIVIDEND OF H SHARES FOR 2023**

The board of directors (the “**Board**”) of Guangzhou Automobile Group Co., Ltd. (the “**Company**”) resolved on 25 August 2023 to recommend the distribution of interim dividend of RMB0.05 (tax inclusive) per share for the six months ended 30 June 2023 (the “**Interim Dividend**”). The Interim Dividend will be distributed on or before 28 September 2023 to holders of the overseas listed foreign shares of the Company (the “**H Shares**”) whose names appear on the register of members of the Company on 15 September 2023 (distribution of dividend of PRC-listed domestic shares of the Company (the “**A Shares**”) shall 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 of the Company (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:

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

For the purpose of the Interim Dividend, the date of declaration is 25 August 2023. 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. 14 August 2023 to 18 August 2023) is RMB0.91900. Applying that average price to the above formula, the dividend for each H Share is HK\$0.054407.

- (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 Thursday, 28 September 2023.

According to the Articles of Association, for the purpose of identifying holders of H Shares who are entitled to receive the Interim Dividend, the register of members of H Shares will be closed from Monday, 11 September 2023 to Friday, 15 September 2023 (both days inclusive) during which period no registration of transfer of H Shares will be effected. In order to qualify for the Interim 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: 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong), for registration no later than 4:30 p.m. on Friday, 8 September 2023.

#### **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 INTERIM 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 Interim Dividend.

### *Withholding and Payment of Enterprise Income Tax for Non-resident Enterprise Shareholders*

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》), 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》) and the relevant laws and regulations (collectively, the “**Enterprise Tax Law**”), the Company is required to withhold 10% enterprise income tax when it distributes the Interim 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 15 September 2023. 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.

### *Withholding and Payment of Individual Income Tax for Individual Non-resident Shareholders*

Pursuant to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》), unless otherwise required or provided by relevant tax regulations, agreements, notices or the supervisory authority, the Company will withhold 10% of the Interim 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 15 September 2023 (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.

Pursuant to the relevant laws and regulations, 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 relevant laws and regulations, 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.

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 of the Company on or before 28 September 2023. Upon examination of the reporting material by the relevant tax authority, the Company will follow the guidance given by the tax authority to implement relevant tax withholding and payment provisions and arrangements. Individual H Shareholder may either personally or appoint a representative to

attend to the relevant procedures in accordance with the relevant requirements under the tax treaties if he/she cannot provide the corresponding reporting material to the Company within the time period stated above.

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 liability 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 Shanghai Stock Exchange (the “**Northbound Trading**”) through The Stock Exchange of Hong Kong Limited (the “**Hong Kong 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 Hong Kong Stock Exchange through the Shanghai Stock Exchange 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 depositary 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, for dividends received by domestic investors from investing in H shares listed on the Hong Kong Stock Exchange through Southbound Trading, the 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 Hong Kong Stock Exchange through Southbound Trading, the tax payable shall be the same as that for individual investors. The 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 of the Company.

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

Guangzhou, the PRC, 25 August 2023

*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 CHEN Xiaomu, CHEN Maoshan, DING Hongxiang, GUAN Dayuan and LIU Zhijun, and the independent non-executive directors of the Company are ZHAO Fuquan, XIAO Shengfang, WONG Hakkun and SONG Tiebo.*