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G.A. HOLDINGS LIMITED
G.A. 控股有限公司

(incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong under the trading name of German Automobiles International Limited)

(Stock Code: 8126)

DISCLOSEABLE TRANSACTION
AND
RESUMPTION OF TRADING

THE ACQUISITION

On 24 October 2013, the Purchaser and the Vendor entered into the Agreement, pursuant to which the Vendor agreed to dispose of and the Purchaser agreed to acquire the Sale Interest at the consideration of RMB12.9 million (equivalent to approximately HK\$16.4 million).

IMPLICATIONS UNDER THE GEM LISTING RULES

As one of the applicable percentage ratios in relation to the Acquisition exceeds 5% but falls below 25%, the Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES OF THE COMPANY

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on 25 October 2013, pending the release of this announcement. An application has been made by the Company for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 28 October 2013.

The Board is pleased to announce that after the trading hours of the Stock Exchange on 24 October 2013, the Purchaser and the Vendor entered into the Agreement, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Interest, which represents the entire equity interest in the Target as at the date of the Agreement. The principal terms of the Agreement are set out below.

THE AGREEMENT

Date

24 October 2013

Parties

Purchaser : 福州寶馬汽車服務有限公司 (Fuzhou BMW Automobiles Service Co., Ltd.*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company

Vendor : 廈門中寶汽車有限公司 (Xiamen Zhong Bao Automobiles Co., Limited*), a company incorporated in the PRC with limited liability

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor is principally engaged in the trading of luxury motor vehicles in the PRC and, save for being a business partner of the Group, is a third party independent of the Company and its connected persons (as defined in the GEM Listing Rules).

Assets to be acquired

Pursuant to the terms of the Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Interest free from all liens, claims and encumbrances and with all rights attached thereto.

Consideration

The consideration for the Sale Interest is RMB12.9 million (equivalent to approximately HK\$16.4 million) and shall be payable in cash by the Purchaser to the Vendor within five days after the signing of the Agreement. The consideration for the Acquisition was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the net asset value of the Target of approximately RMB12.4 million (equivalent to approximately HK\$15.8 million) as at 30 September 2013.

INFORMATION ON THE TARGET

The Target is a company incorporated in the PRC with limited liability in 2003 and has not carried out any business since incorporation. The scope of the business licence of the Target includes, among other things, trading of motor vehicles and auto parts in the PRC.

The Target did not record any turnover for the two years ended 31 December 2011 and 2012. The Target recorded unaudited loss (both before and after taxation) of approximately RMB234,000 (equivalent to approximately HK\$297,000) and approximately RMB220,000 (equivalent to

approximately HK\$279,000) for each of the two years ended 31 December 2011 and 2012, respectively. The unaudited net asset value of the Target as at 30 September 2013 amounted to approximately RMB12.4 million (equivalent to approximately HK\$15.8 million).

REASONS FOR THE ACQUISITION

The Group is principally engaged in the sales of motor vehicles and provision of car-related technical services, servicing of motor vehicles and sales of auto parts in the PRC. The Purchaser is principally engaged in the provision of repair and maintenance services of high-end automobiles in the PRC.

As stated in the annual report of the Company for the year ended 31 December 2012, the revenue from the sales of motor vehicles represented approximately 34.4% of the total revenue of the Group and increased by approximately 78.2% to approximately HK\$135.7 million for the year ended 31 December 2012 primarily due to the introduction of a new distributorship business with a European brand in 2012. The introduction of the new distributorship allowed the Group to expand its business and offer a wider diversity of products and services that suit the needs of luxury car owners. Despite the slowdown of the PRC automobiles market in the first half of 2013 due to the introduction of new car policy by the government of the PRC which prohibited government officials of the PRC to buy luxurious imported cars in the PRC, the Directors are optimistic about the long term prospects of this business and seek to explore new opportunities to improve the segment performance of the sales of motor vehicles of the Group.

As informed by the Vendor, the Target is currently in negotiation with a European luxurious automobile manufacturer in relation to the distributorship of certain ultra-luxury European automobile brands in Fuzhou, the PRC. In view of the satisfactory progress of the negotiations between the Target and the European automobile manufacturer, the Vendor is hopeful that the distributorship would materialize in the near terms. In view of this, the Board considers the Acquisition would be an effective way for the Group to seize the opportunity to diversify the automobile brands under its distributorship portfolio, and improve its high-end automobile distributorship market share if the Target succeeds in securing the said distributorship.

After completion of the Acquisition, the Company may consider introducing investor(s) to the Target with a view to bringing in additional source of capital and expertise for the development of the distributorship business.

Based on the above, the Directors consider the terms of the Agreement to be fair and reasonable, and the Acquisition is in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in relation to the Acquisition exceeds 5% but falls below 25%, the Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules.

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DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this announcement:

“Acquisition”	the acquisition of the Sale Interest by the Purchaser pursuant to the terms and conditions of the Agreement
“Agreement”	the share transfer agreement dated 24 October 2013 entered into between the Vendor and the Purchaser in respect of the Acquisition
“Board”	the board of Directors
“Company”	G.A. Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“Purchaser”	福州寶馬汽車服務有限公司 (Fuzhou BMW Automobiles Service Co., Ltd.*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Sale Interest”	the entire equity interest in the Target as at the date of the Agreement to be acquired by the Purchaser
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	福州歐利行汽車銷售服務有限公司 (Fuzhou Furi Auto Sales and Services Co., Ltd.*), a company incorporated in the PRC with limited liability
“Vendor”	廈門中寶汽車有限公司 (Xiamen Zhong Bao Automobiles Co., Limited*), a company incorporated in the PRC with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

This announcement contains translation between RMB and HK\$ at the rate of RMB1.00 = HK\$1.27. The translation should not be taken as a representation that the relevant amounts in RMB could actually be converted into HK\$ at that rate or at all.

By Order of the Board
G.A. Holdings Limited
Loh Nee Peng
Executive Deputy Chairman

Hong Kong, 28 October 2013

As at the date of this announcement, the Board comprises Mr. Loh Boon Cha, Mr. Loh Nee Peng, Mr. Lin Ju Zheng, Mr. Choy Choong Yew, Mr. Tan Cheng Kim and Mr. Yeung Chak Sang Johnson as executive Directors; and Mr. Yin Bin, Mr. Lee Kwok Yung, Miss Song Qi Hong and Mr. Wong Jacob as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least seven days from the date of its posting and on the Company’s website at www.ga-holdings.com.hk.

* For identification purpose only