

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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)**

**MAJOR TRANSACTION – FACILITIES GUARANTEES  
UNDER THE REVISED GUARANTEE AGREEMENT**

The Board announces that the Company through its subsidiaries Xiamen BMW and GAPL entered into the Revised Guarantee Agreement on 29 April 2016 whereby Xiamen BMW and GAPL will during the period from 29 April 2016 to 31 December 2017 guarantee Xiamen Zhong Bao's banking facilities to be incurred in its ordinary course of business under the Facilities Framework Agreements in a maximum aggregate amount of RMB170 million (equivalent to approximately HK\$204.0 million).

**GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as set out and calculated under Rule 19.07 of the GEM Listing Rules) in respect of the Revised Guarantee Agreement exceed(s) 25% but is/are less than 75%, the Revised Guarantee Agreement constitutes a major transaction of the Company and will be subject to announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The Board would like to seek the approval from the Shareholders at the EGM on the Revised Guarantee Agreement and the transactions contemplated thereunder.

A circular containing further details of the Revised Guarantee Agreement and a notice of the EGM will be dispatched to the Shareholders for the Shareholders' information on or before 20 May 2016.

Reference is made to the Circular. On 18 November 2015, Xiamen BMW and Xiamen Zhong Bao entered into the Guarantee Agreement pursuant to which Xiamen BMW agreed to guarantee Xiamen Zhong Bao's banking facilities to be incurred in its ordinary course of business in a maximum aggregate amount of RMB190 million (equivalent to approximately HK\$228.0 million) in respect of

Facilities A, Facilities B and Facilities C from 1 January 2016 to 31 December 2017. On 29 April 2016 (after trading hours), Xiamen BMW, GAPL and Xiamen Zhong Bao entered into the Revised Guarantee Agreement. pursuant to which Xiamen BMW and GAPL will during the period from 29 April 2016 to 31 December 2017 guarantee Xiamen Zhong Bao's banking facilities to be incurred in its ordinary course of business in a maximum aggregate amount of RMB170 million (equivalent to approximately HK\$204.0 million). The Revised Guarantee Agreement shall supersede the Guarantee Agreement.

Subject to the approval by the Shareholders at the EGM, the Facilities Guarantees under the Revised Guarantee Agreement will be entered into among Xiamen BMW, GAPL and Xiamen Zhong Bao.

The principal terms of the Revised Guarantee Agreement are set out as follows.

## **THE REVISED GUARANTEE AGREEMENT**

### **Parties**

- (a) Xiamen BMW;
- (b) GAPL; and
- (c) Xiamen Zhong Bao

### **Date**

29 April 2016

### **Period**

From 29 April 2016 to 31 December 2017

### **Guarantee amount**

The guarantee amount was arrived at based on the estimated maximum aggregate principal amount of banking facilities of RMB150 million and possible interests and charges in any events of default payment to be incurred by Xiamen Zhong Bao under the Facilities Framework Agreements in the ordinary course of its business and guaranteed by Xiamen BMW and GAPL totaling of RMB170 million (equivalent to approximately HK\$204.0 million).

Please refer to the paragraphs headed "The background and the reasons for and benefits of the Revised Guarantee Agreement" and "The estimated maximum exposure and liabilities of the Facilities Guarantees" below in this announcement for further details.

## **Fees, charges and security**

Save for the pledge of the Property (which has a net book value amounted to RMB3.2 million), no fees, charges or security of any kind will be required from either party to the Revised Guarantee Agreement.

## **Conditions**

The transactions contemplated under the Revised Guarantee Agreement are conditional upon the Shareholders' approval on the same having been obtained at the EGM.

## **THE BACKGROUND AND THE REASONS FOR AND BENEFITS OF THE REVISED GUARANTEE AGREEMENT**

### **The Group's business model**

The Group is principally engaged in sales of motor vehicles, provision of car-related technical services and servicing of motor vehicles and sales of auto parts.

As part of the Group's business model since the Company's listing in 2002, the Group has always entered into technical and cooperation agreements with distribution agents for its motor vehicle trading business since in the past, due to certain PRC laws and regulations, foreign companies were not allowed to engage in the business of trading motor vehicles directly in the PRC. The Group has entered into technical and cooperation agreements with local distributors whereas the Group shall provide technical expertise and management service to these distribution agents and they shall pay technical fee to the Group in return, based on the number of motor vehicles sold to the customers in the PRC. The Group had cooperated and entered into agreements with a PRC distributor from January 2000 for a term of 5 years, under which the Group should provide management consultation and technical assistance to such PRC distributor and its distributing agents for the promotion and maintenance of locally manufactured passenger vehicles, in exchange for technical fees. Similar agreements have been entered into between the Group and Zhong Bao Group since 2003 and Zhong Bao Group (including Xiamen Zhong Bao) are currently the only partners cooperating with the Group under the technical and cooperation agreements. Pursuant to the technical and cooperation agreements between the Group and Zhong Bao Group, the Group shall provide technical expertise, financial assistance and management service to Zhong Bao Group and Zhong Bao Group shall pay technical fee to the Group in return based primarily on the number of motor vehicles sold. During the year ended 31 December 2015, the said fees received by the Group from Zhong Bao Group in the total of HK\$26,387,000 contributed approximately 5.3% of the Group's total revenue. Xiamen Zhong Bao was also one of the Group's top five customers, contributing more than 6% of the Group's total revenue during the year ended 31 December 2015. The Group generated income from car servicing and sale of auto parts of HK\$26,465,000 and earned technical fee income of HK\$5,573,000 from Xiamen Zhong Bao.

The financing arrangements under the technical and cooperation agreements include making advance payments and providing facility guarantees as financing support to the distribution agents for the purchase of motor vehicles which are part and parcel of the terms of the technical and cooperation agreements. Furthermore, the provision of facility guarantees are related to the principal activities of car trading business and are complementary to the ordinary and usual course of business of the Group.

## **The background**

Reference is made to the Circular. Following the entering into of the Guarantee Agreement which covered the Facilities A, Facilities B and Facilities C on 18 November 2015, Xiamen Zhong Bao intended to enter into the Facilities D Framework Agreement with BEA by June 2016 in respect of the granting of Facilities D with the principal amount of RMB30 million (equivalent to approximately HK\$36.0 million) in total by BEA, which shall require Xiamen BMW to guarantee the underlying banking facilities.

In respect of Facilities C, after the expiry of the Previous Facilities C Framework Agreement in January 2016, the Group was informed by Xiamen Zhong Bao that it has begun the negotiation with BOC for renewing the Facilities C and the entering into of the New Facility C Framework Agreement whereas, apart from the RMB70 million principal amount of Facilities C and the relevant interests, penalty and facility fee to be guaranteed by the Group, the Group was requested by BOC, as a security, to pledge the Property which is located at Chaoyang District, Beijing, the PRC held by the Group with a net book value amounted to RMB3.2 million as at 28 February 2016.

In respect of Facilities A with the principal amounted to RMB50 million (equivalent to approximately HK\$60.0 million) in total, Xiamen BMW was informed by Xiamen Zhong Bao that following the expiry of the Previous Facilities A Framework Agreement in May 2015, on 31 December 2015 Xiamen Zhong Bao received a written confirmation from CITIC Bank that CITIC Bank has confirmed there has been no amount outstanding from Xiamen Zhong Bao and agreed to release Xiamen BMW from the guarantee provided under the Previous Facilities A Guarantee Agreement. As such, Xiamen BMW is not required to guarantee for the principal of RMB50 million, interest and fees of the borrowings of Xiamen Zhong Bao under the Previous Facilities A Framework Agreement for the two-year guarantee period commencing from the settlement date of Facilities A which would subsist until May 2017.

In light of the above, Xiamen BMW, GAPL and Xiamen Zhong Bao entered into the Revised Guarantee Agreement to (i) cover the amount to be guaranteed in respect of Facilities D; (ii) include the possible pledge of the Property in respect of Facilities C although it is excepted that no additional exposure and liability will be arising therefrom; and (iii) reflect the release of the guarantee provided by Xiamen BMW in respect of Facilities A. The Group will also be expected to enter into the Facilities Guarantee Agreements.

In respect of Facilities B, Xiamen Zhong Bao as the borrower is expected to renew the banking facilities and will enter into the New Facility B Framework Agreement with CMS Bank after the expiry of the Previous Facilities B Framework Agreement. There is no difference between the guarantee provided by Xiamen BMW in respect of Facilities B under the Revised Guarantee Agreement and the Guarantee Agreement.

It is anticipated that the entry of the Revised Guarantee Agreement, if approved by the Shareholders, will give the Directors the flexibility to during the term of the Revised Guarantee Agreement guarantee Xiamen Zhong Bao's banking facilities to be incurred in its ordinary course of business in a maximum aggregate amount of RMB170 million (equivalent to approximately HK\$204.0 million) without having to seek Shareholders' approval for entering into guarantees expected to be required as and when the underlying facilities agreements expire.

Details of the principal terms of the Facilities Framework Agreements are set out in the paragraph headed "Details of the Facilities Framework Agreements" below in this announcement.

### **The Reasons for and benefits of the Revised Guarantee Agreement**

The provision of the facilities guarantees under the Revised Guarantee Agreement will help secure the source of technical service fee income for the Group. The Board also considers that the Group has been in this business cooperation to provide corporate guarantees for the aforesaid purpose to this business partner and similar corporate guarantees have been granted to the same banks. Taking into account the Group's business model and its long term cooperation with Xiamen Zhong Bao and in view of no fees, charges or securities (save for the pledge of the Property) of any kind are required under the Guarantee Agreement, the Board considers the entry of the Revised Guarantee Agreement promotes and maintains the business relationship with Xiamen Zhong Bao. As part of the Board's assessment on the credit risks in associated with Facility Guarantee, the Board, among other things, annually assesses Xiamen Zhong Bao's turnover of inventory and level of obsolete stock (by assessing the net realizable value and checking whether impairment are required) as well as assesses the ageing analysis of Xiamen Zhong Bao's debtors to ensure the recoverability of the debtors balance. To the best knowledge of the Company, Xiamen Zhong Bao has never been noted for any default in repayment. In light of the above, the Board is of the view that the said steps taken by the Company are sufficient to assess Xiamen Zhong Bao's credit risks and the credit risk in respect of the Xiamen Zhong Bao is low.

The Board considers that the terms of the Revised Guarantee Agreement are fair and reasonable and the entering into of the Revised Guarantee Agreement and the provision of the facilities guarantees under the Revised Guarantee Agreement are in the interests of the Company and the Shareholders as a whole.

## THE ESTIMATED MAXIMUM EXPOSURE AND LIABILITIES OF THE FACILITIES GUARANTEES

The total estimated maximum exposure for Facilities B, Facilities C and Facilities D is approximately RMB170 million (equivalent to approximately HK\$204.0 million) based on the following assumptions and calculations:

### (a) Assumptions

The calculation of the estimated maximum amount of interest and fees payable by the Group under the Facilities Framework Agreements in the scenario where no repayment (and the corresponding interests) is made by Xiamen Zhong Bao during the loan period is based on the following assumptions:

- (1) The maximum amount borrowed under Facilities B, Facilities C and Facilities D is drawn by Xiamen Zhong Bao on the first day when the relevant facilities agreements are entered into.
- (2) The Company assumes the duty to pay off the default facilities and the liabilities and repay all of the principal in its entirety immediately.

The interest rates of Facilities B, Facilities C and Facilities D will be the prevailing market bank loan rate in the PRC. The forecasted maximum market bank loan rate for 2016 is approximately 7.2%, with reference to the actual bank loan rate used in the facilities obtained by Xiamen Zhong Bao in 2015 ranged from approximately 6.1% to approximately 7.2%.

### (b) Calculation

The maximum exposure and liabilities under the Revised Guarantee Agreement is calculated based on the following:

	<b>Facilities B</b>	<b>Facilities C</b> <i>(Note 4)</i>	<b>Facilities D</b>
Principal (A)	RMB50 million	RMB70 million	RMB30 million
Facility period	1 year	1 year	1 year
Maximum loan interest (B) <i>(Note 1)</i>	RMB3.60 million	RMB5.04 million	RMB2.16million
Guarantee period	2 years	2 years	3 years
Maximum penalty <i>(Note 2)</i>	RMB1.80 million	RMB2.52 million	RMB1.08million
Facility fee (D) <i>(Note 3)</i>	RMB0.15 million	RMB0.21 million	RMB0.09 million

	Facilities B	Facilities C	Facilities D	Total of Facilities B, Facilities C and Facilities D
Total Principal (A)	RMB50 million	RMB70 million	RMB30 million	RMB150 million
Other liabilities (B+C+D)	RMB5.55 million	RMB7.77 million	RMB3.33 million	RMB16.65 million
<b>Estimated maximum exposure</b>	<b>RMB55.55 million</b>	<b>RMB77.77 million</b>	<b>RMB33.33 million</b>	<b>RMB166.65 million</b>

*Notes:*

- (1) Assuming the maximum market bank loan rate is approximately 7.2%.
- (2) Means the damages of the banks in relation to the borrower's breach of the facility agreement, calculated at 50% of the maximum loan interest.
- (3) Means the banks' fees and expenses in relation to the borrower's breach of the facility agreement, such as fees of the professional parties and administration fees, calculated at 0.3% of loan principal.
- (4) Apart from the corporate guarantee to be provided by the Group, as a security under the New Facilities C Guarantee Agreements, the Property will also be pledged to BOC.

The Company will re-comply with the relevant requirements under Chapter 19 of the GEM Listing Rules including applicable announcement and shareholders' approval requirements, if the annual cap in respect of the aggregate amount guaranteed by the Group under the Revised Guarantee Agreement (which is RMB170 million) is exceeded, or any of the annual cap in respect of the amount guaranteed by the Group in respect of each of Facilities B, Facilities C and Facilities D under relevant guarantee agreements (which is RMB55.55 million, RMB77.77 million and RMB33.33 million respectively) is exceeded, or when there is anything that came into the Company's knowledge which will lead to any material change to the parameter used in the above assumptions and calculation in determining the maximum exposure for Facilities B, Facilities C and Facilities D.

As at 28 February 2016, the aggregate principal amount guaranteed by the Group in favour of Xiamen Zhong Bao was RMB120 million (equivalent to approximately HK\$144.0 million).

## **DETAILS OF THE FACILITIES FRAMEWORK AGREEMENTS**

Xiamen Zhong Bao, as the borrower, in connection with the renewal of Facilities B and Facilities C, is expected to enter into the New Facilities B Framework Agreement and the New Facilities C Framework Agreement with CMS Bank and BOC respectively. Save for the possible pledges of the Property, it is anticipated that the New Facilities B Framework Agreement and the New Facilities C Framework Agreement shall be substantially the same terms with the Previous Facilities B Framework Agreement and the Previous Facilities C Framework Agreement respectively, which shall adopt the banks' standard form of facility framework agreement and shall contain the same principal terms with the previous agreement (except for period of the facility). The Company will review the agreements to be provided by the banks before approving the same to ensure they contain the same

principal terms. In case of any discrepancy, the Company will discuss and negotiate with the banks before entering into the same. The Company will also ensure that the New Facilities B Framework Agreement and the New Facilities C Framework Agreement will supersede the respective previous agreements.

Xiamen Zhong Bao also intended to enter into the Facilities D Framework Agreement with BEA in respect of Facilities D.

Set out below are the proposed principal terms of the New Facilities B Framework Agreement; the New Facilities C Framework Agreement and the Facilities D Framework Agreement:

### **The New Facilities B Framework Agreement**

#### ***Parties***

- (a) Xiamen Zhong Bao
- (b) CMS Bank

#### ***Proposed Principal Terms***

- (1) Xiamen Zhong Bao may borrow up to a maximum aggregated credit amount of RMB50 million during the usage period.
- (2) The maximum aggregated credit amount may be utilized in one or more types of borrowing such as loans, import and export documents, promissory notes, discounted bills, letters of credit, letters of guarantee, or any types of credit facilities accepted by CMS Bank.
- (3) The usage period of the maximum aggregated credit amount is one year which commences from the date of entering into the New Facilities B Framework Agreement.
- (4) The credit facilities under Facilities B are revolving facilities and can be reused during the usage period once repaid.
- (5) The fees of bills, bank guarantee, international trades and financing, discount rate of discounted bills, the interest rate and exchange rate in respect of loans and import and export documents chargeable by CMS Bank shall be determined in the contracts to be agreed between Xiamen Zhong Bao and CMS Bank.
- (6) CMS Bank, at any time it chooses to, has the rights to investigate into the use of the credit limit as specified in the New Facilities B Framework Agreement. Under certain circumstances, CMS Bank may also adjust the loan period of Facilities B.



- (7) CMS Bank may require Xiamen Zhong Bao to provide additional guarantee other than the one to be provided by the Group, including extending any guarantee provided in respect of Facilities B for a period of two years.
- (8) If Xiamen Zhong Bao fails to fulfil its obligations under the New Facilities B Framework Agreement, CMS Bank may terminate the use of the credit limit under the New Facilities B Framework Agreement.

### **The New Facilities C Framework Agreement**

#### ***Parties***

- (a) Xiamen Zhong Bao
- (b) BOC

#### ***Proposed Principal Terms***

- (1) Xiamen Zhong Bao may borrow up to a maximum aggregated credit amount of RMB70 million during the usage period.
- (2) The maximum aggregated credit amount may be utilised in one or more types of borrowing such as loans, import and export documents, promissory notes, discounted bills, letters of credit, letters of guarantee, or any types of credit facilities accepted by BOC.
- (3) The usage period of the maximum aggregated credit amount is one year which commences from the date of entering into the New Facilities C Framework Agreement.
- (4) The credit facilities under Facilities C are revolving facilities and can be reused during the usage period once repaid.
- (5) The fees of bills, bank guarantee, international trades and financing, discount rate of discounted bills, the interest rate and exchange rate in respect of loans and import and export documents chargeable by BOC shall be determined in the contracts to be agreed between Xiamen Zhong Bao and BOC.
- (6) BOC, at any time it chooses to, has the rights to investigate into the use of the credit limit as specified in the New Facilities C Framework Agreement. Under certain circumstances, BOC may also adjust the loan period of Facilities C.
- (7) BOC may require Xiamen Zhong Bao to provide additional guarantee other than those to be provided by the Group, including extending any guarantee provided in respect of Facilities C for a period of two years.

- (8) If Xiamen Zhong Bao fails to fulfil its obligations under the New Facilities C Framework Agreement, BOC may terminate the use of the credit limit under the New Facilities C Framework Agreement.

## **The Facilities D Framework Agreement**

### ***Parties***

- (a) Xiamen Zhong Bao
- (b) BEA

### ***Principal Terms***

- (1) Xiamen Zhong Bao may borrow up to a maximum aggregated credit amount of RMB30 million during the usage period.
- (2) The usage period of the maximum aggregated credit amount is one year which commences from the date of entering into the Facilities D Framework Agreement.
- (3) The credit facilities under Facilities D are revolving facilities and can be reused during the usage period once repaid.
- (4) The credit facilities under Facilities D shall be used for purchase payments or other purposes approved by BEA.
- (5) BEA, during the duration of Facilities D, has the rights to investigate the credit condition of Xiamen Zhong Bao annually. Under certain circumstances, BEA may terminate Facilities D and demand for early repayment.
- (6) Xiamen Zhong Bao shall provide guarantee in respect of Facilities D for a period of three years.
- (7) If Xiamen Zhong Bao fails to fulfil its obligations under the Facilities D Framework Agreement, BEA may terminate the use of the credit limit under the Facilities D Framework Agreement and terminate the Facilities D Framework Agreement.

## **INFORMATION OF THE PARTIES**

### **Xiamen BMW, GAPL and the Company**

Xiamen BMW, a wholly-owned subsidiary of the Company, is principally engaged in the provision of repair and maintenance and car-related technical services for high-end automobiles. GAPL is a wholly-owned subsidiary of the Company, the holding company of Xiamen BMW and is an

investment holding company. The Company is an investment holding company. The Group is principally engaged in the distribution of motor vehicles, provision of car-related technical services, servicing of motor vehicles and sales of auto parts.

### **Xiamen Zhong Bao**

Xiamen Zhong Bao is principally engaged in the business of dealership, sales, exhibitions, parts supplies, provision of automobiles after-sales service in Xiamen, the PRC.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, Xiamen Zhong Bao and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

References are made to the announcements of the Company dated 14 March 2016, 15 March 2016 and 21 March 2016 (the “**Clarification Announcements**”) in relation to, among other things, clarification of the relationship among the Zhong Bao Group, Mr. Zhao and the Group. As stated in the Clarification Announcements, Mr. Zhao was a connected person of the Company by virtue of his interests in Beijing Zhong Bao Excellent International Trading Co., Ltd.\* 北京中寶卓越國際貿易有限公司, the ultimate beneficial owner of the parent company of Xiamen Zhong Bao, and his position as a director of Fuzhou BMW during the period from 1 November 2009 to 26 April 2015. Mr. Zhao has ceased to be a connected person of the Company at the subsidiary level under the GEM Listing Rule 20.07(1) on 26 April 2016 following his resignation as a director of Fuzhou BMW on 26 April 2015. As such, Mr. Zhao was not a connected person as at the time of entering into the Revised Guarantee Agreement and the transactions contemplated under the Revised Guarantee Agreement are not subject to Chapter 20 of the GEM Listing Rules.

### **The Lenders to the Facilities**

CMS Bank, the lender to Facilities B, is a company incorporated in the PRC and is principally engaged in commercial banking.

BOC, the lender to Facilities C, is a company incorporated in the PRC and a branch company of Bank of China. Bank of China is principally engaged in banking and other related financial services.

BEA, the lender to Facilities D, is a company incorporated in the PRC and is principally engaged in commercial banking.

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, CMS Bank, BOC and BEA are third parties independent of the Company and the connected persons of the Company.

## GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as set out and calculated under Rule 19.07 of the GEM Listing Rules) in respect of the Revised Guarantee Agreement exceed(s) 25% but is/are less than 75%, the Revised Guarantee Agreement constitutes a major transaction of the Company and will be subject to the applicable announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The Board would like to seek the approval from the Shareholders at the EGM on the Revised Guarantee Agreement and the transactions contemplated thereunder.

A circular containing further details of the Revised Guarantee Agreement and a notice of the EGM will be despatched to the Shareholders as soon as practicable for the Shareholders' information on or before 20 May 2016.

**As the effectiveness of the Revised Guarantee Agreement is dependent upon the approval of the Shareholders at the EGM which approval may or may not be forthcoming, Shareholders and potential investors should exercise caution when dealing in the shares of the Company.**

## DEFINITIONS

The following expressions in this announcement have the meanings set out below unless the content requires otherwise:

“BEA”	The Bank of East Asia (China) Limited Xiamen Branch (東亞銀行(中國)有限公司廈門分行)
“BOC”	Bank of China Xiamen Branch (中國銀行股份有限公司廈門市分行)
“CITIC Bank”	China CITIC Bank Xiamen Branch (中信銀行股份有限公司廈門分行)
“CMS Bank”	China Minsheng Banking Corporation Limited (中國民生銀行股份有限公司)
“Circular”	The circular of the Company dated 14 December 2015 in relation to, among other things, the Guarantee Agreement
“Company”	G. A. Holdings Limited, a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the GEM
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules

“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and if thought fit, to approve the Revised Guarantee Agreement and the transactions contemplated thereunder
“Facilities A”	means the series of loans, notes, guarantees, and letters of credit entered into by CITIC Bank and Xiamen Zhong Bao prior to 14 March 2015, which were fully repaid by Xiamen Zhong Bao
“Facilities B”	facilities include but are not limited to a series of loans, notes, guarantees and letters of credit entered into or may be entered into by CMS Bank and Xiamen Zhong Bao
“Facilities C”	facilities include but are not limited to a series of loans, notes, guarantees and letters of credit entered into or may be entered into by BOC and Xiamen Zhong Bao
“Facilities D”	facilities include but are not limited to a series of loans , notes, guarantees and letters of credit entered into or may be entered into by BEA and Xiamen Zhong Bao
“Facilities D Framework Agreement”	the framework agreement to be entered into by Xiamen Zhong Bao and BEA by June 2016 which governs the terms of the facility agreements in respect of Facilities D
“Facilities D Guarantee Agreement”	the facilities guarantee agreement to be entered into by BEA and Xiamen BMW whereby Xiamen BMW shall provide a facility guarantee to BEA in respect of the Facilities D to be borrowed by Xiamen Zhong Bao from BEA
“Facilities Framework Agreements”	the New Facilities B Framework Agreement, the New Facilities C Framework Agreement and the Facilities D Framework Agreement
“Facilities Guarantee Agreements”	the New Facilities B Guarantee Agreement, the New Facilities C Guarantee Agreements and the Facilities D Guarantee Agreement
“Facilities Guarantees”	the guarantees provided and/or to be provided (as the case may be) by Xiamen BMW and GAPL in favour of Xiamen Zhong Bao under the Revised Guarantee Agreement
“Fuzhou BMW”	Fuzhou BMW Automobiles Services Co., Limited* (福州寶馬汽車服務有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

“GAPL”	German Automobiles Pte Ltd, the holding company of Xiamen BMW, is a company incorporated in the Republic of Singapore with limited liability.
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Guarantee Agreement”	the guarantee agreement dated 18 November 2015 entered into between Xiamen BMW and Xiamen Zhong Bao, which is superseded by the Revised Guarantee Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Mr. Zhao”	Mr. Zhao Guiming (趙貴明先生)
“New Facilities B Framework Agreement”	agreement to be entered into by CMS Bank and Xiamen Zhong Bao which governs the terms of the facility agreements in respect of Facilities B that may be entered into by Xiamen Zhong Bao and CMS Bank after the expiry of the Previous Facilities B Framework Agreement, and for the purpose of renewing the Previous Facilities B Framework Agreement
“New Facilities B Guarantee Agreement”	the facilities guarantee agreement to be entered into by CMS Bank and Xiamen BMW whereby Xiamen BMW shall provide a facility guarantee to CMS Bank in respect of the Facilities B to be borrowed by Xiamen Zhong Bao from CMS Bank
“New Facilities C Framework Agreement”	agreement to be entered into by BOC and Xiamen Zhong Bao which governs the terms of the facility agreements in respect of Facilities C that may be entered into by Xiamen Zhong Bao and BOC after the expiry of the Previous Facilities C Framework Agreement, and for the purpose of renewing the Previous Facilities C Framework Agreement

“New Facilities C Guarantee Agreements”	the facilities guarantee agreement to be entered into by (i) BOC and Xiamen BMW; and (ii) BOC and GAPL respectively whereby each of Xiamen BMW and GAPL shall provide a facility guarantee to BOC in respect of the Facilities C to be borrowed by Xiamen Zhong Bao from BOC
“PRC”	the People’s Republic of China
“Property”	a parcel of leasehold land located at Chaoyang District, Beijing, PRC and the residential building erected thereon, which is owned by the GAPL
“Previous Facilities A Framework Agreement”	the framework agreement dated 14 March 2014 entered into by Xiamen Zhong Bao and CITIC Bank and expired in March 2015 which governed the terms of the facility agreements in respect of Facilities A
“Previous Facilities A Guarantee Agreement”	the facilities guarantee agreement entered into by CITIC Bank and Xiamen BMW on 14 March 2014 in respect of Facilities A
“Previous Facilities B Framework Agreement”	the framework agreement dated 2 June 2015 entered into by Xiamen Zhong Bao and CMS Bank expiring in June 2016 which governs the terms of the facility agreements in respect of Facilities B
“Previous Facilities C Framework Agreement”	the framework agreement dated 22 January 2015 entered into by Xiamen Zhong Bao and BOC expired in January 2016 which governs the terms of the facility agreements in respect of Facilities C
“Revised Guarantee Agreement”	the guarantee agreement dated 29 April 2016 entered into among Xiamen BMW, GAPL and Xiamen Zhong Bao
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiamen BMW”	Xiamen BMW Automobiles Service Co., Ltd.* (廈門寶馬汽車維修有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of GAPL which in turn is a wholly-owned subsidiary of the Company

“Xiamen Zhong Bao” Xiamen Zhong Bao Automobiles Co., Ltd.\* (廈門中寶汽車有限公司), a company incorporated in the PRC with limited liability and a third party independent of the Company and the connected persons of the Company

“Zhong Bao Group” Xiamen Zhong Bao and its related companies

By order of the Board  
**G. A. Holdings Limited**  
**Loh Boon Cha**  
Chairman

Hong Kong, 29 April 2016

*As at the date of this announcement, the Board comprises Mr. Loh Boon Cha, Mr. Lin Ju Zheng, Mr. Choy Choong Yew, Mr. Zhang Xi and Mr. Ma Hang Kon, Louis as executive Directors; and Mr. Zhou Ming, Mr. Yin Bin and Ms. Song Qi Hong 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](http://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](http://www.ga-holdings.com.hk).*

*For illustration purposes only, an exchange rate of RMB1 to HK\$1.2 has been applied in this announcement. No representation is made that any amount in RMB or HK\$ was, could have been or could be converted at such rate or at any other rate or at all.*

\* *For identification purpose only*