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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)

CLARIFICATION ANNOUNCEMENT

References are made to (i) the announcement of G.A. Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) dated 4 July 2016 (the “**2016 Announcement**”) in relation to, among other things, the appointment of Mr. Luo Wan Ju (“**Mr. Luo**”) (formerly known as Mr. Loh Kim Her) as the chairman of the Group and an executive director (“**Director**”) of the Company; (ii) the clarification announcement of the Company dated 25 October 2016 (the “**2016 Clarification Announcement**”) of which the Company has supplemented certain information in relation to Mr. Luo disclosed in the 2016 Announcement; and (iii) the announcement of the Company dated 9 July 2004 (the “**2004 Announcement**”) in relation to the resignation of Mr. Luo as an executive Director, the compliance officer and the authorised representative of the Company.

It was disclosed in the 2016 Clarification Announcement that Mr. Luo was ordered bankrupt by the Supreme Court of the Republic of Singapore in March 2004 and was fully discharged from the bankruptcy in February 2014. In light of the above, the board of directors of the Company (the “**Board**”) wishes to clarify and supplement the 2016 Announcement and the 2004 Announcement with the information below:

- (i) Pursuant to Article 89(4) of the Articles of Association of the Company, Mr. Luo should have vacated his office as a Director immediately following his bankruptcy in 2004 and hence such omission constituted a breach of the said Article. Based on recent inquiries made by the Company with Mr. Luo, the breach appeared to have arisen as a result of Mr. Luo’s genuine belief that the bankruptcy order would have no material impact upon his discharge of duties as a Director and other duties he owed to the Group and hence his failure to inform the Company of the bankruptcy order in a timely manner.
- (ii) It was disclosed in the 2004 Announcement that pursuant to a deed of indemnity and guarantee dated 5 June 2002 (as supplemented by a deed of confirmation dated 26 January 2004) (the “**Deed of Indemnity and Guarantee**”), pursuant to which Mr. Luo, as one of the indemnifiers

("Indemnifiers"), has agreed to indemnify the Group in respect of any loss or liabilities arising out of or in connection with the failure to complete two co-operation projects in accordance with the terms of the respective co-operation agreements.

In light of (i) Mr. Luo was merely one of the Indemnifiers under the Deed of Indemnity and Guarantee and the obligations under the Deed of Indemnity and Guarantee were contingent in nature, and attached jointly and severally to the Indemnifiers, of whom Mr. Luo was but one; (ii) the Indemnifiers were released from their obligations under the Deed of Indemnity and Guarantee pursuant to a deed of release executed following the termination of the Fuzhou service centre co-operation project between the Group and Jin Tian Cheng Development Co., Ltd. as disclosed in the announcement of the Company dated 15 July 2005; and (iii) the fact that the Deed of Indemnity and Guarantee was entered into by Mr. Luo before he was made bankrupt, the Company is of the view that the Deed of Indemnity and Guarantee was binding on Mr. Luo whose performance of the obligations therein was not an issue. Further, given the complete lack of loss and damages and the release of the Indemnifiers as disclosed in the announcement of the Company dated 15 July 2005, there could not be any question as to whether Mr. Luo (or his estate in bankruptcy) could discharge the obligations under the Deed of Indemnity and Guarantee.

The Board reiterates its view as detailed in the 2016 Clarification Announcement that it considers that Mr. Luo has the requisite character, experience and integrity and is able to demonstrate a standard of competence commensurate with his position as the chairman of the Group and an executive Director.

Save as disclosed herein and in the 2016 Announcement and the 2016 Clarification Announcement, there is no other information in relation to Mr. Luo that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules. The Board is not aware of any other matter in relation to his appointment that needs to be brought to the attention of the shareholders of the Company.

By Order of the Board
G.A. Holdings Limited
Ma Hang Kon, Louis
Company Secretary

Hong Kong, 27 January 2017

As at the date of this announcement, the executive Directors are Mr. Luo Wan Ju, Mr. Lin Ju Zheng, Mr. Choy Choong Yew, Mr. Zhang Xi, Mr. Ma Hang Kon, Louis and Mr. Xue Guo Qiang; and the independent non-executive Directors are Mr. Zhou Ming, Mr. Yin Bin and Ms. Guan Xin.

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 enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and

(ii) there are no other matters the omission of which would make any statement herein or this announcement misleading. This announcement will remain on the “Latest Company Announcements” page on the GEM website at www.hkgem.com for at least 7 days from the day of its posting and on the website of the Company at www.ga-holdings.com.hk.