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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant, or other professional adviser.

**If you have sold or transferred** all your shares in G.A. Holdings Limited (the “**Company**”), you should at once hand this circular to the purchaser(s) or transferee(s) to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company (“**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of the Stock Exchange 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 circular 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 circular misleading.

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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)

- (1) PROPOSALS FOR GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;**  
**(2) RE-ELECTION OF DIRECTORS;**  
**(3) PROPOSED ADOPTION OF THE NEW ARTICLES OF ASSOCIATION;  
AND**  
**(4) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company (the “**AGM**”) to be held at Unit 1203, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong on Friday, 11 May 2012 at 4:00 p.m. is set out on pages 31 to 35 of this circular.

Whether or not you are able to attend the AGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Service Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) and at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Company Announcement” page for 7 days from the date of its posting and will be posted on the website of the Company at [www.ga-holdings.com.hk](http://www.ga-holdings.com.hk).

30 March 2012

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## CHARACTERISTICS OF GEM

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**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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## DEFINITIONS

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*In this circular, unless the context requires otherwise, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Unit 1203, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong on Friday, 11 May 2012 at 4:00 p.m, or any adjournment thereof;
“Annual Report”	the annual report of the Company for the year ended 31 December 2011;
“Articles” or “Articles of Association”	the articles of association of the Company;
“associate(s)”	the same meaning as defined in the GEM Listing Rules;
“Board”	the board of Directors;
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	G.A. Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on GEM;
“Director(s)”	the directors(s) of the Company;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administration Region of the People’s Republic of China;
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM, which is extended by the addition of the number of Shares purchased under the Repurchase Mandate;

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## DEFINITIONS

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“Latest Practicable Date”	30 March 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Memorandum”	the existing memorandum of the Company adopted on 5 June 2002;
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	share(s) of nominal value of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	The Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong; and
“%”	per cent.

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LETTER FROM THE BOARD

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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)

*Executive Directors:*

Mr. Loh Boon Cha (*Chairman*)  
Mr. Loh Nee Peng (*Managing Director*)  
Mr. Lin Ju Zheng

*Independent Non-executive Directors:*

Mr. Lee Kwok Yung  
Mr. Yin Bin  
Miss Song Qi Hong  
Mr. Wong Jacob

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
Cayman Islands

*Principle place of business*

*in Hong Kong:*

Unit 1203, Eton Tower  
8 Hysan Avenue  
Causeway Bay, Hong Kong

*Head office in Singapore:*

51 Goldhill Plaza  
#15-05  
Singapore 308900

30 March 2012

*To the Shareholders*

Dear Sirs and Madams,

- (1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;**  
**(2) RE-ELECTION OF DIRECTORS;**  
**(3) PROPOSED ADOPTION OF THE NEW ARTICLES OF ASSOCIATION;**  
**AND**  
**(4) NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to, *inter alia*, provide you with information regarding (i) the Issue Mandate; (ii) the Repurchase Mandate; (iii) the re-election of the Directors; and (iv) the adoption of the new Articles of Association and to seek your approval of the ordinary or special resolutions relating to these matters at the AGM.

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## LETTER FROM THE BOARD

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### ISSUE MANDATE

Ordinary resolutions will be proposed at the AGM to grant to the Directors the Issue Mandate, and authorise the extension of the Issue Mandate to allot and issue the Shares repurchased by the Company under the Repurchase Mandate, details of which are set out in ordinary resolutions Nos. 5A and 5C in the notice of AGM, respectively. The new Shares which may be allotted and issued pursuant to the Issue Mandate is limited to a maximum of 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 476,300,000 Shares. Assuming there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Issue Mandate, the maximum number of Shares which may be issued pursuant to the Issue Mandate on the date of passing the resolution approving the Issue Mandate will be 95,260,000 Shares.

The Issue Mandate will end on the earliest of: (1) the conclusion of the next annual general meeting of the Company; (2) the date by which the next annual general meeting of the Company is required to be held pursuant to the Articles, or any other applicable laws; or (3) the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

Subject to the passing of the ordinary resolution regarding the Repurchase Mandate, an ordinary resolution will also be proposed at the AGM to authorise the Directors to issue new Shares in an amount not exceeding the aggregate nominal amount of the Shares repurchased pursuant to the Repurchase Mandate.

### REPURCHASE MANDATE

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in ordinary resolution No. 5B in the notice of AGM. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the issued share capital of the Company as at the date of passing the resolution approving the Repurchase Mandate.

The Repurchase Mandate will end on the earliest of: (1) the conclusion of the next annual general meeting of the Company; (2) the date by the next annual general meeting of the Company is required to be held pursuant to the Articles, or any other applicable laws; or (3) the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

As at the Latest Practicable Date, the issued share capital of the Company comprised 476,300,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate on the date of passing the resolution approving the Repurchase Mandate will be 47,630,000 Shares.

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## **LETTER FROM THE BOARD**

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An explanatory statement as required under the GEM Listing Rules, in particular Rule 13.08, giving certain information regarding the Repurchase Mandate, is set out in **Appendix I** hereto.

### **RE-ELECTION OF RETIRING DIRECTORS**

In accordance with Articles 87 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation, provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. At the AGM, Mr. Lee Kwok Yung, Mr Yin Bin and Miss Song Qi Hong will retire by rotation and, being eligible, will offer themselves for re-election thereat. In accordance with Article 86(3) of the Articles of Association, any Director appointed to fill a casual vacancy on the Board or as an addition to the existing Board shall retire at the next annual general meeting. At the AGM, Mr. Wong Jacob will retire from office and, being eligible, offer himself for re-election.

The details of the retiring Directors who are proposed to be re-elected at the AGM are set out in **Appendix II** hereto.

### **PROPOSED ADOPTION OF THE NEW ARTICLES OF ASSOCIATION**

Since the adoption of the existing Articles of Association in July 2004, there have been various amendments in applicable laws and regulations including the GEM Listing Rules and changes in market practice. The Board proposed certain amendments be made to the existing Articles for the purpose of conforming with the applicable rules under the Companies Law and the amendments to the GEM Listing Rules in particular the amendments which came/will come into effect on 1 January 2012 and 1 April 2012 respectively. As the amendments to the existing Articles of Association will be substantial, the Board would like to take this opportunity to propose that a new set of Articles of Association be adopted to replace the existing Articles of Association.

A summary of the major differences between the existing Articles of Association and the proposed new Articles of Association is as follows:–

1. an annual general meeting shall be called by notice in writing of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by notice in writing of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other extraordinary general meeting may be called by notice in writing of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the GEM Listing Rules, a general meeting may be called by shorter notice if it is so agreed by the Shareholders in accordance with the Articles of Association;
2. all resolutions at general meetings of the Company shall be decided by poll other than a resolution which relates purely to a procedural or administrative matter as the chairman of the meeting may in good faith allow it to be voted on by a show of hands;



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## LETTER FROM THE BOARD

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3. subject to certain exceptions, a Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting, and the exception that a Director may vote on such board resolution provided that he or any of his associates is not beneficially interested in more than 5% in the party with which the Company proposes to enter into a contract or arrangement shall be removed;
4. if a substantial Shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall be dealt with by a physical board meeting rather than a written resolution;
5. every Director shall be subject to retirement by rotation at least once every three years;
6. Directors appointed by the Board should be rotated in the next following general meeting (in the case of filling a causal vacancy) or until the next following annual general meeting (in the case of an addition to their number); and
7. Shareholders may by ordinary resolution remove a Director instead of by special resolution.

**A summary of principal provisions of the new Articles of Association is set out in Appendix III hereto. Pursuant to Article 168 of the existing Articles of Association, the proposed adoption of the new Articles of Association will be subject to the approval by the Shareholders in form of a special resolution.**

### AGM

A notice convening the AGM to be held at Unit 1203, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong on Friday, 11 May 2012 at 4:00 p.m. is set out on pages 31 to 35 of this circular.

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Service Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting (as the case may be) should you so wish.

All the resolutions put to the vote at any general meeting shall be decided by poll and an announcement of the results of the poll will be made after the AGM.

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## LETTER FROM THE BOARD

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To the best of the Directors' knowledge information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

### **RECOMMENDATION**

Shareholders should draw their attention to the information as set out in the appendices to this circular. The Directors are of the opinion that the proposed resolutions referred to in this circular are in the best interests of the Company and the Shareholders as a whole and, accordingly, recommend you to vote in favour of all the related resolutions set out in the notice of the AGM.

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

This appendix serves as an explanatory statement, as required pursuant to Rule 13.08 and other relevant provisions of the GEM Listing Rules, to provide you with requisite information for your consideration of the Repurchase Mandate.

## **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, there were 476,300,000 Shares in issue. Assuming that no further Shares are issued or repurchased between the Latest Practicable Date and prior to the AGM, the exercise of the Repurchase Mandate in full could result in up to a maximum of 47,630,000 Shares being repurchased by the Company during the period up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company, the Companies Law (Revised) of the Cayman Islands or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first.

## **2. REASONS FOR REPURCHASES**

Although the Directors have no present intention of repurchasing the Shares, they believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

## **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws and regulations of the Cayman Islands.

Shares may only be repurchased out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of repurchase. The premium, if any, payable on repurchases must have been provided for out of the profits of the Company or out of the share premium account of the Company before or at the time the Shares are repurchased. The Company may not repurchase Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

## **4. GENERAL**

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the Annual Report in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time for the Company.

## 5. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same way be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the memorandum and articles of association, the GEM Listing Rules and the applicable laws of the Cayman Islands.

## 6. DIRECTORS AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the GEM Listing Rules) has any present intention, to sell Shares to the Company in the event the Repurchase Mandate is approved by the Shareholders.

No connected person (as defined in the GEM Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to sell the Shares to the Company, in the event of Repurchase Mandate is approved by the Shareholders.

## 7. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the GEM during each of the previous twelve months before the Latest Practicable Date were as follows:

	<b>Share Prices</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2011</b>		
April	0.236	0.210
May	0.228	0.197
June	0.210	0.194
July	0.200	0.174
August	0.219	0.200
September	0.210	0.182
October	0.185	0.160
November	0.184	0.183
December	0.216	0.151
<b>2012</b>		
January	0.229	0.161
February	0.216	0.200
From 1 March to the Latest Practicable Date	0.240	0.175

**8. THE TAKEOVERS CODE**

If, as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder, or a group of shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Loh Boon Cha and Mr. Loh Nee Peng, who are the controlling shareholders of the Company, each of them was deemed to be interested in an aggregate of 100,149,480 Shares, representing approximately 21.03% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the Resolution No. 5B to be proposed at the AGM, then (if the present shareholdings otherwise remained the same) the interest of each of Mr. Loh Boon Cha and Mr. Loh Nee Peng in the issued share capital of the Company would be increased to approximately 23.36% and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate. However, the Company undertakes not to repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

**9. SHARE PURCHASE MADE BY THE COMPANY**

No purchase of Shares have been made by the Company in the previous six months, whether on the Stock Exchange or otherwise.

The details of the retiring Directors who are proposed to be re-elected at the AGM are set out as follows, the Company wishes to state that there are no changes required to be disclosed pursuant to Rule 17.50 (2)(h)-(v) of the AGM Listing Rules:

**Mr. Lee Kwok Yung**

**Mr. Lee Kwok Yung**, aged 56, has been appointed as an independent non-executive Director since June 2002. Mr. Lee is a solicitor admitted to practice law in Hong Kong and a member of the Law Society of Hong Kong. He is currently a partner at Messrs Hau, Lau, Li & Yeung, Solicitors & Notaries in Hong Kong. Mr. Lee has over 15 years of experience in law practicing. He holds a diploma from the College of Radiographers and an honours degree in law from the University of London, and a postgraduate certificate in law from the University of Hong Kong. Mr. Lee is experienced in commercial law, litigation and conveyance.

Mr. Lee does not have any relationship with any Directors, senior management, substantial Shareholders, management Shareholders or controlling Shareholders and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Lee has entered into appointment letter with the Company for a term of three years commencing from 1 June 2011 and is entitled to a Director's fee of HKD120,000 per annum. His Director's fee is determined by reference to his duties, experience and estimated time spent in the role.

As at the Latest Practicable Date, save as disclosed herein, Mr. Lee did not hold any other position with the Company or other members of the Group or any directorship in other listed public companies in Hong Kong and overseas in the past three years. Mr. Lee is subject to retirement by rotation and re-election in accordance with the Articles.

**Mr. Yin Bin**

**Mr. Yin Bin**, aged 40, has been appointed as an independent non-executive Director since July 2004. Mr. Yin is the general manager of a trading financial service agent in the PRC and has extensive experience in trade and finance.

As at the Latest Practicable Date, save as disclosed herein, Mr. Yin did not hold (i) any other position with the Company and other members of the Group or (ii) any other directorship in other listed public companies in Hong Kong or overseas in the last three years.

Mr. Yin does not have any relationship with any Directors, senior management, substantial Shareholders, management Shareholders or controlling Shareholders and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Yin entered into appointment letter with the Company for a term of five years commencing from 1 July 2011. Mr. Yin is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Yin is entitled to a Director's remuneration of RMB180,000 per annum, which is determined by the Board with reference to his qualifications, experience, duties and responsibilities in the Group, and to prevailing market conditions.

**Miss Song Qi Hong**

**Miss Song Qi Hong**, aged 40, holds a bachelor degree in economics and a master degree in business administration from Huazhong Agricultural University (華中農業大學). She is a certified tax planner registered with China Enterprise Confederation and a member of each of The Chinese Institute of Certified Public Accountants and The Institute of Internal Auditors. Ms. Song has more than 18 years of experience in the fields of auditing, accounting and financial management. She was a senior project manager of a bank in China and then served a chief financial officer of in the commercial sector. She is currently the general manager of finance and auditing department and a committee member of the credit guarantee risk appraisal committee of Guangdong Yinda Guaranty Investment Group Company Limited (廣東銀達擔保投資集團有限公司). She has been appointed as an independent non-executive Director since August 2010.

As at the Latest Practicable Date, save as disclosed herein, Miss Song did not hold (i) any other position with the Company and other members of the Group or (ii) any other directorship in other listed public companies in Hong Kong or overseas in the last three years.

Miss Song does not have any relationship with any Directors, senior management, substantial Shareholders, management Shareholders or controlling Shareholders and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Miss Song entered into appointment letter with the Company for a term of five years commencing from 1 August 2010. Miss Song is subject to retirement by rotation and re-election in accordance with Articles. Miss Song is entitled to a Director's remuneration of RMB120,000 per annum, which is determined by the Board with reference to her qualifications, experience, duties and responsibilities in the Group, and to prevailing market conditions.

**Mr. Wong Jacob**

**Mr. Wong Jacob**, aged 49, holds a bachelor degree in general business from the University of San Francisco. He is a senior management professional with over 20 years of exceptional skills and experience in business development and sales management. He is a Consultant for Asia Pacific region of an investment company in San Francisco. Mr. Wong has been appointed as an independent non-executive Director since March 2012.

As at the Latest Practicable Date, save as disclosed herein, Mr. Wong did not hold (i) any other position with the Company and other members of the Group or (ii) any other directorship in other listed public companies in Hong Kong or overseas in the last three years.

Mr. Wong does not have any relationship with any Directors, senior management, substantial Shareholders, management Shareholders or controlling Shareholders and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Wong entered into an appointment letter with the Company with a term of five years commencing from 30 March 2012. He is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Wong is entitled to a Director's remuneration of RMB180,000 per annum, which is determined by the Board with reference to his qualifications, experience, duties and responsibilities in the Group, and to prevailing market conditions.

Set out below is a summary of the principal provisions of the new Articles of Association to be adopted by the Company. Terms used in this Appendix shall have the same meanings as defined in the new Articles of Association.

**(A) DIRECTORS**

**(i) Power to allot and issue shares and warrants**

Subject to the provisions of the Companies Law and the Memorandum and the Articles and to any special rights conferred on the holders of any shares or class of shares, any share (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine. Subject to the provisions of the Companies Law, the rules of any Designated Stock Exchange and the Memorandum and the Articles and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

The Board may issue warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

Subject to the provisions of the Companies Law and the Articles, any direction that may be given by the Company in general meeting and, where applicable, the rules of any Designated Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.



**(ii) Power to dispose of the assets of the Company or any subsidiary**

There are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries. The Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the Companies Law to be exercised or done by the Company in general meeting.

**(iii) Compensation or payments for loss of office**

Pursuant to the Articles, payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.

**(iv) Loans and provision of security for loans to Directors**

There are provisions in the Articles prohibiting the making of loans to Directors.

**(v) Disclosure of interests in contracts with the Company or any of its subsidiaries.**

A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. Subject as otherwise provided by the Articles, the Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

Subject to the Companies Law and the Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of

such Director holding that office or the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with the Articles. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case, at the first meeting of the Board after he knows that he is or has become so interested.

A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (1) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;
- (2) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (3) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub underwriting of the offer;
- (4) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; or
- (5) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors or his associate(s) and to employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.

**(vi) Remuneration**

The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day. Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.

Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration as a Director.

The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.

The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

**(vii) Retirement, appointment and removal**

At each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire in every year will be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. There are no provisions relating to retirement of Directors upon reaching any age limit.

The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Neither a Director nor an alternate Director is required to hold any shares in the Company by way of qualification.

The Members may, at any general meeting convened and held in accordance with the Articles, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in the Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement). The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).

The office of a Director shall be vacated if the Director:

- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;
- (2) becomes of unsound mind or dies;
- (3) without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated;
- (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
- (5) is prohibited by law from being a Director; or

- (6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to the Articles.

The Board may from time to time appoint any one or more of its body to be a managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. The Board may delegate any of its powers, authorities and discretions to committees, consisting of such Director or Directors and other persons as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.

**(viii) Borrowing powers**

The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Companies Law, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

**(ix) Proceedings of the Board**

The Board may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have an additional or casting vote.

**(x) Register of Directors and Officers**

The Companies Law and the Articles provide that the Company is required to maintain at its registered office a register of directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within thirty (30) days of any change in such directors or officers.

**(B) ALTERATION TO CONSTITUTIONAL DOCUMENTS**

The Articles may be rescinded, altered or amended by the Company in general meeting by special resolution. The Articles state that a special resolution shall be required to alter the provisions of the Memorandum, to amend the Articles or to change the name of the Company.

**(C) ALTERATION OF CAPITAL**

The Company may from time to time by ordinary resolution in accordance with the Law alter the conditions of its Memorandum of Association to:

- (i) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
- (ii) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (iii) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words “non voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;
- (iv) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum (subject, nevertheless, to the Law), and may by such resolution determine that, as between the holders of the shares resulting from such sub division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; or
- (v) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled or, in the case of shares, without par value, diminish the number of shares into which its capital is divided.

The Company may subject to the provisions of the Companies Law reduce its share capital or any capital redemption reserve or other undistributable reserve in any way of special resolution.

**(D) VARIATION OF RIGHTS OF EXISTING SHARES OR CLASSES OF SHARES**

Subject to the Companies Law, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate

general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of the Articles relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:

- (i) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorized representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorized representative or by proxy (whatever the number of shares held by them) shall be a quorum; and
- (ii) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

#### **(E) SPECIAL RESOLUTION – MAJORITY REQUIRED**

Pursuant to the Articles, a special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days specifying the intention to propose the resolution as a special resolution, has been duly given. Provided that if permitted by the Designated Stock Exchange, except in the case of an annual general meeting, if it is so agreed by a majority in number of the members having a right to attend and vote at such meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the shares giving that right and, in the case of an annual general meeting, if so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which notice of less than twenty-one (21) clear days and less than ten (10) clear business days has been given.

An ordinary resolution is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting held in accordance with the Articles.

**(F) VOTING RIGHTS**

Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with the Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share.

A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. Procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

- (i) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (ii) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (iii) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.

Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.



**(G) REQUIREMENTS FOR ANNUAL GENERAL MEETINGS**

An annual general meeting of the Company shall be held in each year other than the year of the Company's adoption of the Articles (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of the Articles, unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board.

**(H) ACCOUNTS AND AUDIT**

The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Law or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

The accounting records shall be kept at the Office or, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or the Company in general meeting.

A printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting. However, subject to compliance with all applicable laws, including the rules of the Designated Stock Exchange, the Company may send to such persons summarised financial statements derived from the Company's annual accounts and the directors' report instead provided that any such person may by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company's annual financial statement and the directors' report thereon.

At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.

The remuneration of the auditors shall be fixed by the Company in general meeting or in such manner as the members may determine.

The financial statements of the Company shall be audited by the auditor in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the auditor should disclose this fact and name such country or jurisdiction.

**(I) NOTICES OF MEETINGS AND BUSINESS TO BE CONDUCTED THEREAT**

An annual general meeting shall be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which it is proposed to pass a special resolution shall (save as set out in sub-paragraph (e) above) be called by notice of at least twenty-one (21) clear days and not less than ten (10) clear business days. All other extraordinary general meetings shall be called by notice of at least fourteen (14) clear days and not less than ten (10) clear business days. The notice must specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in the case of special business, the general nature of that business. In addition notice of every general meeting shall be given to all members of the Company other than such as, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditors for the time being of the Company.

Notwithstanding that a meeting of the Company is called by shorter notice than that mentioned above if permitted by the rules of the Designated Stock Exchange, it shall be deemed to have been duly called if it is so agreed:

- (i) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.

All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of:

- (aa) the declaration and sanctioning of dividends;
- (bb) consideration and adoption of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;
- (cc) the election of Directors whether by rotation or otherwise in the place of those retiring;
- (dd) appointment of Auditors (where special notice of the intention for such appointment is not required by the Companies Law) and other officers;

- (ee) the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors;
- (ff) the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued shares in the capital of the Company representing not more than twenty per cent. (20%) in nominal value of its existing issued share capital; and
- (gg) the granting of any mandate or authority to the Directors to repurchase securities of the Company.

**(J) TRANSFER OF SHARES**

Subject to the Articles, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. The Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.

The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

Unless the Board otherwise agrees, no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place at which the Register is kept in accordance with the Companies Law.

The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.

The Board may decline to recognise any instrument of transfer unless (i) a fee of such maximum sum as any Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof; (ii) the instrument of transfer, if applicable, is properly stamped, is in respect of only one class of share and is lodged at the Office or such other place at which the Register is kept in accordance with the Companies Law or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement in any newspapers or by any other means in accordance with the requirements of any Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

**(K) POWER FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

The Company is empowered by the Companies Law and the Articles to purchase its own Shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirements imposed from time to time by any Designated Stock Exchange.

**(L) POWER FOR ANY SUBSIDIARY OF THE COMPANY TO OWN SHARES IN THE COMPANY AND FINANCIAL ASSISTANCE TO PURCHASE SHARES OF THE COMPANY**

There are no provisions in the Articles relating to ownership of shares in the Company by a subsidiary.

Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other relevant regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.

**(M) DIVIDENDS AND OTHER METHODS OF DISTRIBUTION**

Subject to the Companies Law, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board.

Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Companies Law.

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide, (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated as paid up on the share; and (ii) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve either (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the Shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment, or (b) that the Shareholders entitled to such dividend will be entitled to elect to receive an allotment of Shares credited as fully paid up in lieu of the whole or such part of the dividend as the board may think fit. The Company may also upon the recommendation of the board by an ordinary resolution resolve in respect of any one particular dividend of the Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to Shareholders to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

Whenever the board or the Company in general meeting has resolved that a dividend be paid or declared the board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

**(N) PROXIES**

Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise. Votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

**(O) CALLS ON SHARES AND FORFEITURE OF SHARES**

Subject to the Articles and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium). A call may be made payable either in one lump sum or by installments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding twenty per cent. (20%) per annum as the Board may agree to accept from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any Member willing to advance the same, either in money or money's worth, all or any part of the monies uncalled and unpaid or installments payable upon any shares held by him, and upon all or any of the monies so advanced the Company may pay interest at such rate (if any) as the board may decide.

If a Member fails to pay any call on the day appointed for payment thereof, the Board may serve not less than fourteen (14) clear days' notice on him requiring payment of so much of the call as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and stating that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding twenty per cent. (20%) per annum as the Board may determine.

**(P) INSPECTION OF REGISTER OF MEMBERS**

The Register and branch register of Members, as the case may be, shall be open to inspection for at least two (2) hours during business hours by Members without charge or by any other person, upon a maximum payment of HK\$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the Companies Law or, if appropriate, upon a maximum payment of HK\$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

**(Q) QUORUM FOR MEETINGS AND SEPARATE CLASS MEETINGS**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment of a chairman.

Save as otherwise provided by the Articles the quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class. A corporation being a member shall be deemed for the purpose of the Articles to be present in person if represented by its duly authorised representative being the person appointed by resolution of the directors or other governing body of such corporation to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

**(R) RIGHTS OF THE MINORITIES IN RELATION TO FRAUD OR OPPRESSION**

There are no provisions in the Articles relating to rights of minority shareholders in relation to fraud or oppression. However, certain remedies are available to shareholders of the Company under Cayman law, as summarised in sub-paragraph (f) above.

**(S) PROCEDURES FOR LIQUIDATION**

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.



Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such Members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Companies Law divide among the members in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

**(T) UNTRACEABLE MEMBERS**

Pursuant to the Articles, the Company may sell any of the shares of a Member who is untraceable if (i) all cheques or warrants in respect of dividends of the shares in question (being not less than three in total number) for any sum payable in cash to the holder of such shares have remained uncashed for a period of twelve (12) years; (ii) upon the expiry of the twelve (12) year period, the Company has not during that time received any indication of the existence of the member; and (iii) the Company has caused an advertisement to be published in accordance with the rules of the Designated Stock Exchange giving notice of its intention to sell such shares and a period of three (3) months, or such shorter period as may be permitted by the Designated Stock Exchange, has elapsed since the date of such advertisement and the Designated Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds, it shall become indebted to the former Member of the Company for an amount equal to such net proceeds.

**(U) SUBSCRIPTION RIGHTS RESERVE**

The Articles provide that to the extent that it is not prohibited by and is in compliance with the Companies Law, if warrants to subscribe for shares have been issued by the Company and the Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of a share, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of a share on any exercise of the warrants.



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## NOTICE OF THE AGM

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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)

#### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “AGM”) of the Shareholders of G.A. Holdings Limited (the “Company”) will be held at Unit 1203, Eton Tower, 8 Hysan Avenue, Causeway Bay on Friday, 11 May 2012, at 4:00 p.m., for the following purposes:–

#### **ORDINARY BUSINESS**

1. To receive and adopt the audited consolidated financial statements and the reports of the directors of the Company (the “Directors” and each a “Director”) and auditors for the year ended 31 December 2011.
2. To declare a final dividend of HK\$0.0063 per share in respect of the year ended 31 December 2011.
3. To re-elect retiring Directors and to authorise the board of Directors to fix their remuneration.
4. To re-appoint auditors and to authorise the board of Directors to fix their remuneration.

#### **SPECIAL BUSINESS**

5. To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions.
  - A. “**THAT:**
    - (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

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## NOTICE OF THE AGM

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- (b) the approval of paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the share option scheme of the Company or any other option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company, or any applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“**Rights Issue**” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard

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## NOTICE OF THE AGM

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to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”

**B. “THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares on the GEM or any other stock exchange on which the shares of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong (the “SFC”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company authorized to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company, or any applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

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## NOTICE OF THE AGM

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C. **“THAT:**

conditional upon resolutions Nos. 5A and No. 5B above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to resolution No. 5A above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 5B above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of the said resolution.”

6. To consider and, if thought fit, pass the following resolution as a special resolution:

**“THAT:**

- (a) the new articles of association of the Company, a copy of which has been produced for the AGM and marked “A” and has been signed by the chairman of the AGM for the purpose of identification, be and are hereby approved and adopted as the new articles of association of the Company in substitution for and to the exclusion of all of the existing articles of association of the Company; and
- (b) any one Director or the company secretary of the Company be authorised to do all such acts as he deems fit to effect the adoption of the new articles of association of the Company and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws and regulations in the Cayman Islands, Hong Kong and the Rules Governing the Listing of Securities on the GEM.”

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

Hong Kong, 30 March 2012

*Registered office:*

Cricket Square  
Hutchins Drive, P.O. Box 2681  
Grand Cayman  
Cayman Islands

*Principal place of business in Hong Kong:*

Unit 1203, Eton Tower  
8 Hysan Avenue  
Causeway Bay  
Hong Kong

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## NOTICE OF THE AGM

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*Head office in Singapore*

51 Goldhill Plaza

#15-05

Singapore 308900

Notes:

1. The register of members of the Company will be closed from Wednesday, 9 May 2012 to Friday, 11 May 2012 (both dates inclusive), during which period no transfer of shares will be registered. In order to determine the identity of members who are entitled to attend and vote at the AGM to be held on Friday, 11 May 2012, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share register in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 8 May 2012.

The register of members of the Company will be closed from Friday, 1 June 2012 to Tuesday, 5 June 2012 (both dates inclusive), during which no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 31 May 2012.

2. Any member of the Company entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or, if he holds two or more Shares, more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting in person.
4. If two or more persons are joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s). For this purpose, seniority shall be determined by the order in which the names stand in the principal or branch register of members of the Company in respect of the joint holding.