

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) take no responsibility for the contents of this announcement, 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 announcement.



G.A. HOLDINGS LIMITED

G.A. 控股有限公司

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

DISCLOSURE

**PURSUANT TO RULE 17.16 OF THE GEM LISTING RULES
REGARDING ADVANCES TO AN ENTITY**

Pursuant to Rule 17.16 of the GEM Listing Rules, a disclosure obligation arises when the relevant advance to an entity from the Group increases from that previously disclosed by an amount equivalent to 10% or more than the NTA of the Group of approximately S\$20,207,000 as at 31 December 2002. The Board announces that the total advances, guarantees and receivables provided to and due from the NAGC Group increased from a total of approximately S\$21,310,000 as at 30 June 2003 as disclosed in the Group's latest interim report dated 12 August 2003 to a total of approximately S\$24,823,000 as at 30 September 2003. The increase represented approximately 17.4% of the NTA of the Group as at 31 December 2002.

Pursuant to Rules 17.16 of the GEM Listing Rules, a disclosure obligation arises when the relevant advance to an entity from G.A. Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) increases from that previously disclosed by an amount equivalent to 10% or more than the net tangible assets (“NTA”) of the Group of approximately S\$20,207,000 as at 31 December 2002. The Board announces that the total advances, guarantees and receivables provided to and due from North Anhua Group Corporation (“NAGC”), its subsidiaries and affiliated companies in the PRC (collectively the “NAGC Group”) increased from a total of approximately S\$21,310,000 as at 30 June 2003 as disclosed in the Group's latest interim report dated 12 August 2003 to a total of approximately S\$24,823,000 as at 30 September 2003. The increase represented approximately 17.4% of the NTA of the Group as at 31 December 2002.

The details of transactions to NAGC Group which are of trading nature and remain outstanding as at 30 September 2003 are announced as follows:

The trade receivables due from NAGC Group as at 30 September 2003 amounted to approximately S\$4,411,000 (*30 June 2003: S\$3,912,000*), out of which, approximately S\$2,590,000 (*30 June 2003: S\$2,361,000*) was technical fee arisen from provision of technical fee to NAGC. The remaining of approximately S\$1,821,000 (*30 June 2003: S\$1,551,000*) was management fee charged on provision of management consulting and technical expertise to three car rental sub-licensees. Approximately S\$607,000 (*30 June 2003: S\$517,000*) was due from each of the sub-licensees. The three sub-licensees include Beijing China National Automotive Anhua Automobiles Leasing Co., Ltd., (a wholly subsidiary of NAGC), Shanghai China National Automotive Anhua Automobiles Services Co., Ltd. (a company of which 90% of its interest is owned by NAGC) and Guangzhou China National Automotive Anhua Automobiles Services Co., Ltd. (a company of which 90% of its interest is owned by NAGC) (collectively the “Three Sub-licensees”). The trade receivables due from NAGC were unsecured, interest free and repayable within 5 months. The trade receivables were made under normal commercial terms and in the ordinary course of business of the Group.

Prepaid rental expenses in the amount of S\$7,496,000 (*30 June 2003: S\$7,517,000*) were advanced to China National Automotive Anhua Hertz Services Centre Co., Ltd. (“CNA Anhua (Hertz)”), a wholly owned subsidiary of NAGC. The prepaid rental expenses were for the development of land and building for use as motor vehicles showrooms, service centres and other related facilities in Beijing and Haichang, Xiamen. The prepaid rental expenses entitle the Group to free use of such facilities for 50 years from the date of completion of the developments. The development in Beijing in respect of prepaid rental expense of approximately S\$3,969,000 (*30 June 2003: S\$3,990,000*) was completed in December, 2001. The development in Haichang, Xiamen in respect of prepaid rental expense of approximately of S\$3,527,000 (*30 June 2003: S\$3,527,000*) is almost completed and an application for the “Certificate of Completion” will be made. The prepaid rental expenses were unsecured, interest free and will be amortized over 50 years from the date of completion of the developments.

The other receivables due from CNA Anhua (Hertz) as at 30 September 2003, amounted to approximately S\$628,000 (*30 June 2003: S\$640,000*), out of which, approximately S\$336,000 (*30 June 2003: S\$336,000*) was receivable arisen from the land cost paid by the Group to obtain the land title of the service centre in Haichang, Xiamen and such cost should be covered under the prepaid rental expenses already paid to CNA Anhua (Hertz). As such, CNA Anhua (Hertz) was under the obligation to repay the said amount to the Group. This amount was subsequently repaid by CNA Anhua (Hertz) on 20 October 2003. The remaining of approximately S\$292,000 (*30 June 2003: S\$304,000*) was the payment made on behalf of CNA Anhua (Hertz) for the auto parts purchased in Hong Kong and the PRC. The receivables were unsecured, interest free and repayable in or before December 2003. The receivables were made under normal commercial terms and in the ordinary course of business of the Group.

Guarantees in the amount of approximately S\$7,435,000 (30 June 2003: S\$7,461,000) were provided to a bank in respect of banking facilities granted to Beijing China Automotive Anhua Spare Parts Ltd. ("BCNA") (a company of which 45% of its interest is owned by CNA Anhua (Hertz), a wholly owned subsidiaries of NAGC). The guarantees were for the banking facilities granted for the use in car rental business by the Three Sub-licensees. The Group is negotiating with BCNA in relation to the release of the above guarantees. The Group does not have any security or receive any considerations from BCNA or NAGC by giving such guarantees.

Approximately S\$1,747,000 (30 June 2003: S\$1,781,000) were advanced to the Three Sub-licensees for car rental operation in Beijing, Shanghai and Guangzhou. These receivables were unsecured, interest free and repayable in or before December 2003.

Approximately S\$668,000 (30 June 2003: Nil) were advanced to Xiamen Zhong Bao Automobiles Co., Ltd. ("Xiamen Zhong Bao") (an affiliated company of NAGC). The advances were for the operation of the locally manufactured BMW motor vehicles which would come to the PRC market in October 2003. The Group will generate technical fee income by providing management consulting and technical assistance to Xiamen Zhong Bao in relation to their sales of locally manufactured BMW motor vehicles. The advances were unsecured, interest free and repayable in or before September 2004.

Approximately S\$2,438,000 (30 June 2003: Nil) were advanced to BCNA. The advances were for their purchase of automobiles and related import tax expenses. The advances were unsecured, interest free and repayable in or before September 2004.

Save as disclosed above, no advance, financial assistance nor guarantee to an entity or entities was made as at 30 September 2003 which would give rise to disclosure obligation pursuant to Rule 17.16 of the GEM Listing Rules.

By order of the Board
G.A. Holdings Limited
Chan Hing Ka, Anthony
Managing Director

Hong Kong, 13 November 2003

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the "Latest Company Announcements" page on the GEM website at www.hkgem.com for at least 7 days from the day of its posting.