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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

**DISCLOSURE PURSUANT TO
RULES 17.15, 17.16 AND 17.17 OF THE GEM LISTING RULES
REGARDING ADVANCES AND TRADE RECEIVABLES**

This announcement is made pursuant to Rules 17.15 and 17.17 of the GEM Listing Rules to disclose certain trade receivables, advances and guarantees to an entity from the Group which individually or in aggregate exceeds 8% of the Company's market capitalization; and in compliance to Rule 17.16 of the GEM Listing Rules which states the obligation for disclosure as the increment of advanced amount individually exceed 3% of the Market Capitalisation as compared to the previous disclosure.

As at 31 October 2004, the total Market Capitalization of the company was approximately HK\$43.92 million.

Pursuant to Rule 17.22 of the GEM Listing Rules, the advances and trade receivables to the customers of the Group will be disclosed in the annual report of the Group for the twelve months ended 31 December 2004.

Pursuant to Rules 17.15 and 17.17 of the GEM Listing Rules, a disclosure obligation arises when the relevant advances to an entity from G.A. Holdings Limited (the "Company") and its subsidiaries (the "Group") exceed 8% of the Group's market capitalisation, being calculated by using the average closing prices of the Company's shares as stated in the Exchange's daily quotation sheets for the 5 business days immediately preceding 31 October 2004 (the "Market Capitalisation").

In compliance to Rule 17.16 of the GEM Listing Rules, a disclosure obligation arises when the increase of relevant advances to certain entities from the Group exceeds 3% of the Group's Market Capitalisation.

As at 31 October 2004, there were 400,000,000 shares of the Company in issue. Based on the average closing price of the Company's shares of HK\$0.1098 as quoted on the Stock Exchange for the trading days from 25 October 2004 to 29 October 2004 (both days inclusive), being the five trading immediately preceding 31 October 2004, the Company's Market Capitalization was approximately HK\$43.92 million. The increments of advances (the "Increment(s)") were comparing the balances as at 31 October 2004 with the balances previously disclosed in the third quarterly report of the Group for the nine months ended 30 September 2004 ("the Third Quarterly Report").

DISCLOSURE OF TRADE RECEIVABLES PURSUANT TO RULES 17.15 & 17.17 OF THE GEM LISTING RULES

Details of the trade receivables the Group as at 31 October 2004 which individually exceed 8% of the Market Capitalisation are set out below:

Name of Companies	As at 31 October 2004		% of Total Market Capitalisation
	S\$'000	HK\$'000	
Beijing Hui Long Xin Trading Co. Ltd.	<u><u>2,130</u></u>	<u><u>9,953</u></u>	23%

THE TRADE RECEIVABLES DUE FROM BEIJING HUI LONG XIN TRADING CO LTD. ("BEIJING HUI LONG XIN")

As at 31 October 2004, the trade receivables due from Beijing Hui Long Xin Trading Co. Ltd. ("Beijing Hui Long Xin"), which is not connected with the company, the Directors, chief executives, substantial shareholders or management shareholders of the Company and its subsidiaries or any of their respective associates (as defined in the GEM Listing Rules), amounted to approximately S\$2,130,000 (equivalent to approximately HK\$9,953,000). The receivables were incurred as a result of sales of motor vehicles in the PRC to Beijing Hui Long Xin and the Directors considered such receivables as an ordinary course of the Group's business and on normal commercial terms. The amounts were unsecured, interest free and repayable by the end of January 2005. The trade receivables due from Beijing Hui Long Xin were approximately 23% of the Group's Market Capitalisation.

DISCLOSURE OF TRADE RECEIVABLES PURSUANT TO RULE 17.16 OF THE GEM LISTING RULES

Details of the advances to entities from the Group as at 31 October 2004 which the Increments individually exceed 3% of the Market Capitalisation are set out below:

Name of Companies	As at 31 October 2004		Previously disclosed in the Third Quarterly Report		Increment as compared with Market Capitalisation (%)
	S\$'000	HK\$'000	S\$'000	HK\$'000*	
Beijing Dong Shen Wei Ye Auto Sales Co. Ltd.	4,353	20,342	3,438	15,842	10%
Xiamen Zhong Bao Automobiles Co. Ltd.	3,823	17,865	3,464	15,962	4%
	<u>8,176</u>	<u>38,207</u>	<u>6,902</u>	<u>31,804</u>	

* converted using the exchange rate as at 30 September 2004

THE ADVANCES DUE FROM BEIJING DONG SHEN WEI YE AUTO SALES CO. LTD. ("DONG SHEN")

The advances due from Dong Shen, which is not connected with the Company, the Directors, chief executives, substantial shareholders or management shareholders of the Company and its subsidiaries or any of their respective associates (as defined in the GEM Listing Rules), were originally paid pursuant to an agreement between Dong Shen and the Group dated 5 February 2004. The agreement required Dong Shen to provide assistance to the Group in obtaining and handling necessary documents for importing automobiles, spare parts and maintenance equipment. However, as a result of practical difficulties, the Group and Dong Shen mutually agreed and entered into a supplemental agreement on 31 May 2004 to terminate the agreement dated 5 February 2004 and release both parties from the performance of any obligations of the agreement dated 5 February 2004.

As disclosed in the Third Quarterly Report, the aggregate balance of advances to Dong Shen from the Group as at 30 September 2004 was approximately S\$3,438,000 (equivalent to approximately HK\$16,066,000)*. In October 2004, the Group further advanced approximately S\$915,000 (equivalent to approximately HK\$4,276,000). The total amount of advances from the Group to Dong Shen was approximately S\$4,353,000 (equivalent to approximately HK\$20,342,000). The Increment represented 10% of the Market Capitalisation. The Directors consider such advances as ordinary course of the Group's business and on normal commercial terms. The aggregate amount of advances of

approximately S\$4,353,000 (equivalent to approximately HK\$20,342,000) was unsecured and interest free and will be repaid by the end of December 2004. The advances due from Dong Shen contributed to approximately 46% of the Group's Market Capitalisation.

The Increment of advances from the Group to Dong Shen, being S\$915,000 (equivalent to approximately HK\$4,276,000) are for the payment of the import license, custom clearance fee and other custom related charges for imported cars which were shipped to the Group's customers via Tianjin Free Port. The payment is calculated on the basis of the number of imported motor vehicles being shipped. As disclosed under the section headed "Risk Factors" of the prospectus of the Company dated 10 June 2002, the PRC imposes restrictions on import motor vehicles. Only certain entities are eligible to import motor vehicles into the PRC. Dong Shen is one of these eligible entities in the PRC that is allowed to import and distribute motor vehicles in the PRC. The advances will be repaid to the Group once the imported motor vehicles are successfully sold and delivered to the customers. The Directors consider that this practice is a common practice in the automobile industry in the PRC.

** convert using the exchange rate as at 31 October 2004*

ADVANCES TO AND TRADE RECEIVABLES DUE FROM XIAMEN ZHONG BAO AUTOMOBILES CO. LTD. ("XIAMEN ZHONG BAO")

As at 31 October 2004, the advances due from Xiamen Zhong Bao, a company owned as to 12.17% by NAGC, amount to approximately S\$3,823,000 (equivalent to approximately HK\$17,865,000) (as at 30 September 2004: approximately S\$3,464,000 (equivalent to approximately HK\$15,962,000)). The Increment represented 4% of the Market Capitalisation. Among the total advances, approximately S\$3,785,000 (equivalent to approximately HK\$17,688,000) (as at 30 September 2004: S\$3,458,000 (equivalent to approximately HK\$15,934,000)) were made for the marketing activities of the PRC manufactured BMW motor vehicles in October 2003 in accordance with a co-operation agreement entered between Xiamen Zhong Bao and the Group on 7 October 2003. According to this 5-year-term agreement, the Group has to provide market management and technical services, after-sales services and financial assistance to Xiamen Zhong Bao. The remaining balance of approximately S\$38,000 (equivalent to approximately HK\$178,000) (as at 30 September 2004: approximately S\$6,000 (equivalent to approximately HK\$28,000)) was technical fee income derived from the provision of management consulting and technical assistance to Xiamen Zhong Bao in relation to their sales of the PRC manufactured BMW motor vehicles. The amounts due were unsecured, interest free and repayable in cash by the end of December 2004. The advances due from Xiamen Zhong Bao contributed to approximately 41% of the Group's Market Capitalisation.

The Increment of advances from the Group to Xiamen Zhong Bao, being S\$359,000 (equivalent to approximately HK\$1,678,000) was a result of increase in sales of motor vehicles in the PRC. As Xiamen Zhong Bao placed additional purchase orders for meeting the demand of motor vehicles of its own customers, the need for advances has been raised, thereby raising technical fee income for the Group. The Directors considered the granting of advances and the trade receivables from Xiamen Zhong Bao are under normal commercial terms and in the ordinary course of business of the Group.

Pursuant to Rule 17.22 of the GEM Listing Rules, the advances and trade receivables to the above customers of the Group will be disclosed in the annual report of the Group for the year ended 31 December 2004.

GENERAL

The Group is principally engaged in the (i) distribution of passenger vehicles, in particular, BMW, Honda and Mercedes-Benz passenger vehicles to reseller in Hong Kong and the PRC whose sale targets are the end customers in the PRC; (ii) provision of marketing and technical assistance to North Anhua Group Corporation; (iii) provision of after-sales services such as motor vehicles repair and maintenance services in the PRC; and (iv) trading of auto parts and accessories in Hong Kong and the PRC.

DEFINITIONS

“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 director(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 of the Stock Exchange;
“Group”	the Company and its subsidiaries; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

*For the purpose of this announcement,
S\$1.00 = HK\$4.608 at 30 September 2004
S\$1.00 = HK\$4.673 at 31 October 2004*

Executive Directors of the Company as at the date hereof are Mr. Chan Hing Ka Anthony, Mr. Loh Nee Peng and Mr. Xu Ming. Independent non-executive Directors of the Company as at the date hereof are Mr. Yin Bin, Mr. Lee Kwok Yung and Mr. Zhang Lei.

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

Hong Kong, 20 December 2004

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange 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.