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G.A. HOLDINGS LIMITED
G.A. 控股有限公司

(Incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong under the trading name of German Automobiles International Limited)
(Stock Code: 8126)

**CLARIFICATION ANNOUNCEMENT ON MEMORANDUM
OF UNDERSTANDING**

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 3 February 2016 (the “**MOU Announcement**”) relating to the entering into of the MOU. With the exception to the meaning of the term “Vendor”, capitalised terms used herein shall have the same meaning as those defined in the MOU Announcement unless stated otherwise.

The Board would like to clarify that as a result of the due diligence review conducted on the Target Companies pursuant to the MOU, the Company has come to knowledge and information from its PRC legal advisors that the ultimate beneficial owner of the parent company of Xiamen Zhong Bao Automobiles Co., Ltd.* 廈門中寶汽車有限公司 (the “**Vendor**”), namely, Beijing Zhong Bao Excellent International Trading Co., Ltd.* 北京中寶卓越國際貿易有限公司 (“**Beijing Zhong Bao**”), is Mr. Zhao Guiming (“**Mr. Zhao**”).

Mr. Zhao was a director of Fuzhou BMW Automobiles Services Co., Limited* (福州寶馬汽車服務有限公司), an indirect wholly-owned subsidiary of the Company during the period from 1 November 2009 to 26 April 2015. Accordingly, Mr. Zhao was deemed a connected person of the Company under GEM Listing Rule 20.07(2) as at the date of the MOU. The Vendor being a subsidiary of Beijing Zhong Bao, which is a more than 30% controlled company of Mr. Zhao, is therefore an associate of Mr. Zhao under GEM Listing Rule 20.10(1)(c) and was deemed a connected person of the Company under GEM Listing Rule 20.07(4) as at the date of the MOU.

* For identification purpose only

Save for the clarification stated in this announcement, all the information in the MOU Announcement remains unchanged.

As of the date of this announcement, all terms and conditions of the Proposed Acquisition are still being negotiated and no legally binding agreement has been entered into.

If the Proposed Acquisition is materialised or there is any other material information in relation to the Proposed Acquisition, the Company will make further announcement(s) as and when appropriate in accordance with of the GEM Listing Rules.

As the Proposed Acquisition may or may not proceed, Shareholders and investors are reminded to exercise caution when dealing in the Shares.

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

Hong Kong, 14 March 2016

As at the date of this announcement, the Board comprises Mr. Loh Boon Cha, Mr. Lin Ju Zheng, Mr. Choy Choong Yew, Mr. Tan Cheng Kim, Mr. Zhang Xi and Mr. Ma Hang Kon, Louis as executive Directors; and Mr. Yin Bin, Mr. Zhou Ming and Ms. Song Qi Hong as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least seven days from the date of its posting and on the Company’s website at www.ga-holdings.com.hk.