



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)



First Quarterly Report
2014



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (THE “GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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 Stock Exchange. Prospective investor should be aware of the potential risk 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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This report, for which the directors (the “Directors”) of G.A. Holdings Limited (the “Company”) 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 report is accurate and complete in all material respects and not misleading or deceptive, and that there are no other matters the omission of which would make any statement herein or this report misleading.

The board of directors (the “Board”) of G.A. Holdings Limited (the “Company”) is pleased to present the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 March 2014.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2014

	Notes	(Unaudited) Three months ended 31 March	
		2014 HK\$'000	2013 HK\$'000
Revenue	2	82,990	103,153
Other income	2	19,460	19,171
		102,450	122,324
Changes in inventories		(58,726)	(77,834)
Employee benefit expenses		(7,885)	(6,625)
Depreciation and amortisation		(4,744)	(4,148)
Operating lease charges		(2,283)	(2,185)
Exchange differences, net		(2,743)	(57)
Other expenses		(10,088)	(7,597)
Profit from operating activities		15,981	23,878
Finance costs		(1,771)	(3,326)
Profit before income tax		14,210	20,552
Income tax	3	(4,787)	823
Profit for the period		9,423	21,375
Other comprehensive (expense)/income, item that may be reclassified subsequently to profit or loss:			
Exchange (loss)/gain on translation of financial statements of foreign operations		(12,140)	426
Other comprehensive (expense)/income for the period		(12,140)	426
Total comprehensive (expense)/income for the period		(2,717)	21,801



		(Unaudited)	
		Three months ended	
		31 March	
	Notes	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Profit for the period attributed to:			
Owners of the Company		9,881	21,375
Non-controlling interest		(458)	–
		9,423	21,375
Total comprehensive (expense)/income attributed to:			
Owners of the Company		(1,403)	21,789
Non-controlling interest		(1,314)	12
		(2,717)	21,801
Earnings per share attributable to owners of the Company for the period (HK\$ cents)			
	4		
Basic		2.07	4.49
Diluted		2.07	4.49

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three months ended 31 March 2014 and 2013

	Attributable to owners of the Company					Total	Non-controlling interest	Total equity
	Share capital	Share premium	Capital reserve	Translation reserve	Retained profits			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 January 2013	47,630	29,522	8,623	35,342	210,681	331,798	2,006	333,804
Profit for the period	-	-	-	-	21,375	21,375	-	21,375
Other comprehensive income								
Translation difference	-	-	-	414	-	414	12	426
Total comprehensive income for the period	-	-	-	414	21,375	21,789	12	21,801
As at 31 March 2013	47,630	29,522	8,623	35,756	232,056	353,587	2,018	355,605
As at 1 January 2014	47,630	29,522	8,623	44,351	285,924	416,050	32,503	448,553
Profit for the period	-	-	-	-	9,881	9,881	(458)	9,423
Other comprehensive expense								
Translation difference	-	-	-	(11,284)	-	(11,284)	(856)	(12,140)
Total comprehensive expense for the period	-	-	-	(11,284)	9,881	(1,403)	(1,314)	(2,717)
As at 31 March 2014	47,630	29,522	8,623	33,067	295,805	414,647	31,189	445,836



Notes:

1. BASIS OF PREPARATION

The Group is principally engaged in the sales of motor vehicles and provision of car-related technical services, servicing of motor vehicles and sales of auto parts.

(a) Statement of compliance

The unaudited condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as “HKFRSs”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the condensed consolidated financial statements include applicable disclosure required by 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”).

These unaudited condensed consolidated financial statements were authorised for issue by the Company’s Board of Directors on 13 May 2014.

(b) Judgements and estimates

In preparing the unaudited condensed consolidated financial statements, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The resulting accounting estimates will seldom equal to the related actual results.

The significant judgments made by Management in applying the Group’s accounting policies, the key sources of estimation uncertainty, and the accounting policies adopted for the preparation of these unaudited condensed consolidated financial statements of the Group are consistent with those applied to the consolidated financial statements as at and for the year ended 31 December 2013.

(c) Functional and presentation currency

The condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company.

2. REVENUE

Revenue of the Group is recognised by category is as follows:

	(Unaudited)	
	Three months ended	
	31 March	
	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sales of motor vehicles	–	31,669
Technical fee income	5,194	7,380
Servicing of motor vehicles and sales of auto parts	77,796	64,104
	82,990	103,153

OTHER INCOME

	(Unaudited)	
	Three months ended	
	31 March	
	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Rental income	5,447	6,203
Interest income on financial assets stated at amortised cost	276	418
Warranty claims	9,200	6,988
Other income	4,537	5,562
	19,460	19,171



3. INCOME TAX

The current tax (expense)/credit is comprised of:

	(Unaudited) Three months ended 31 March	
	2014 HK\$'000	2013 HK\$'000
Current – Hong Kong		
Charge for the period	(112)	(1,115)
Current – Overseas		
Charge for the period	(4,217)	(4,530)
(Under)/over-provision in respect of prior years	(458)	6,468
Total income tax	(4,787)	823

Hong Kong Profits Tax has been provided at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rate of tax prevailing in the countries in which the Group operates.

The income tax provision in respect of operations in the PRC is calculated at the applicable rates on the estimated assessable profits for the period based on the unification of the income tax rates for domestic-invested and foreign-invested enterprises at 25% (2013: 25%).

The income tax in respect of operations in Singapore is calculated at the rate of 17% (2013: 17%) on the estimated assessable profits for the period.

The Group has no material unprovided deferred taxation for the period (2013: Nil).

4. EARNINGS PER SHARE

The calculation of basic earnings per share for the three months ended 31 March 2014 is based on the unaudited profit attributable to owners of the Company for the period of approximately HK\$9,881,000 (2013: HK\$21,375,000) and on the weighted average number of 476,300,000 (2013: 476,300,000) ordinary shares in issue during the period.

Diluted earnings per share for the period ended 31 March 2014 and 2013 are the same as the basic earnings per share as there was no dilutive potential ordinary shares for the three months ended 31 March 2014 and 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group has continued to maintain its strategic position by staying at the luxury automotive sector in the Mainland China (the “PRC”) during the first quarter in 2014. During the first three months in 2014, the trend in sales of luxurious car has significantly decreased as compared to the last quarters in 2013. The decrease in car sales was resulted from the negative impact of the anti-extravagance campaigns on luxury products in the overall market in the PRC. Despite of this, the Directors are optimistic about the long term prospects and continue to seek to explore new opportunities to improve the segment performance of sales of motor vehicles of the Group.

During the period ended 31 March 2014, the total comprehensive income has recorded a loss of approximately HK\$2,717,000 as compared to approximately HK\$21,801,000 gain in the corresponding period in 2013. The decrease in total comprehensive income was mainly resulted from the exchange loss of approximately HK\$12,140,000, as a result of the devaluation in Renminbi (“RMB”) against HK\$ when translating the financial statements of foreign operations for consolidation during the current period as compared to last quarter in 2013.

1. Sales of motor vehicles

For the three months ended 31 March 2014, there was no sales of motor vehicles as compared to sales of approximately HK\$31,669,000 in the corresponding period in 2013. Such result has continuously reflected from the negative impact of the anti-extravagance campaign on luxury products in the PRC since last year.

2. Technical fee income

The Group received technical fee income from Xiamen Zhong Bao Automobiles Co. Limited (“Xiamen Zhong Bao”) and certain of its subsidiaries, collectively referred to (the “Zhong Bao Group”), for providing management consulting and technical assistance for the PRC locally assembled BMW motor vehicles sold.

Technical fee income for the three months ended 31 March 2014 was approximately HK\$5,194,000, decreased by approximately 29.6% as compared to the corresponding period in 2013. The decrease was mainly due to the corresponding decrease in car sales of locally assembled BMW sold by Zhong Bao Group during the period.

3. Servicing of motor vehicles and sales of auto parts

Revenue generated from servicing of motor vehicles and sales of auto parts increased by approximately 21.4% to approximately HK\$77,796,000 as compared to the corresponding period in 2013. The increase was consistently due to the continuous demand of after sales support for luxurious vehicles, supplemented by the precious service of the Group’s 5S servicing centers in the PRC.



4. Car rental business

The operation of car rental business in Hong Kong for the three months ended 31 March 2014 was approximately HK\$5,447,000, representing a decrease of approximately 12.2% as compared to the corresponding period in 2013.

FINANCIAL REVIEW

Revenue

The unaudited consolidated revenue for the three months ended 31 March 2014 has decreased by approximately 19.5%, from approximately HK\$103,153,000 in the corresponding period in 2013 to approximately HK\$82,990,000 in the current period. The decrease was mainly contributed by the decrease in the segment in sales of motor vehicles and technical fee income, despite there was an increase in the segment in servicing of motor vehicles and sales of auto parts.

Gross Profit

The gross profit for the three months ended 31 March 2014 was approximately HK\$24,264,000, as compared to approximately HK\$25,319,000 in the corresponding period in 2013, decreased by approximately 4.2% while the gross profit margin increased from approximately 24.5% in the corresponding period in 2013 to approximately 29.2% in the current period.

The increase in gross profit margin was mainly due to the increase in revenue of servicing of motor vehicles and sales of auto parts, which are both high profits yielding.

Foreign Exchange Exposure

During the three months ended 31 March 2014, the exchange loss was approximately HK\$2,743,000, mainly resulted from the translation of inter-company balances mainly from RMB to HK\$, due to the devaluation in RMB against HK\$ during the current period as compared to last quarter in 2013.

Other Expenses

For the three months ended 31 March 2014, other expenses were approximately HK\$10,088,000, representing an increase of approximately 32.8% as compared to approximately HK\$7,597,000 in the corresponding period in 2013. The increase was mainly due to the increase in functional and promotional expenses incurred as a result from various marketing campaigns held in the PRC for the new car release during the first quarter in 2014 as compared to the corresponding period in 2013. The increase was also due to the increase in business trips conducted by PRC management as a result of various marketing activities held during the current period.

Profit Attributable to Owners of the Company

The profit attributable to owners of the Company for the three months ended 31 March 2014 was approximately HK\$9,881,000, representing a decrease of approximately 53.8% as compared to the corresponding period in 2013. The decrease was mainly due to the decreased revenue generated from the segment of sales of motor vehicles, as well as the increase in other expenses during the current period.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).

PROSPECTS

The prolonged anti-extravagance campaign in China continues to suppress the general market of deluxe automobiles. Though a slight recovery was noted since the third quarter of 2013, the sales performance in first quarter is still lagging behind as customers are expecting the launch of various new car models in April 2014. Nevertheless, the major European manufacturers forecasted that the overall market recovery will continue in 2014. The Group also expects that its sales will follow this market trend in 2014. Furthermore, the dealership of a premium brand of European automobiles as well as the operation of the one of the subsidiaries of the Group, Fuzhou Euro Motors Sales & Service Co. Ltd., are expected to commence shortly. High requests of pre-ordering the premium automobiles have already been received.

Though the recent deterioration in foreign currencies may have some short term impact to the Group, the Board is confident that the car sales from the new dealership will benefit the Group results in the coming quarters of 2014. Together with continuous demand in after-sales services and support, the Group result is expected to be prudently optimistic in 2014.

The Group strives for growth through sustaining the development of its core operations as well as from seeking dynamic expansion from acquisitions or joint ventures.

DIRECTOR'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2014, the interests or short positions of Directors in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which are notified to the Company and the Stock Exchange pursuant to SFO (including interests or short positions which they are taken or deemed to have under the provisions of the SFO), or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:



Long positions in shares

Name	Capacity	Number of ordinary shares held				Total	Approximate percentage of shareholding
		Personal Interest	Family Interest	Corporate Interest	Other Interests		
Loh Nee Peng	Interest of a controlled corporation	-	-	100,149,480 (Note 1)	-	100,149,480	21.03%
Loh Boon Cha	Deemed interest	-	54,865,480 (Note 2)	45,284,000 (Note 2)	-	100,149,480	21.03%

Notes:

1. The 100,149,480 shares are held as to 54,865,480 shares by Big Reap Investment Limited and as to 45,284,000 shares by Loh & Loh Construction Group Ltd., which are interested as to 100% and 15%, respectively by Mr. Loh Nee Peng. By virtue of the SFO, Mr. Loh Nee Peng is deemed to be interested in the shares held by Big Reap Investment Limited and Loh & Loh Construction Group Ltd.
2. Out of the 100,149,480 shares deemed to be interested by Mr. Loh Boon Cha, 45,284,000 shares are held by Loh & Loh Construction Group Ltd., which in turn is interested as to 21% by Mr. Loh Boon Cha, 15% by Mr. Loh Kim Her, and 15% by Mr. Loh Nee Peng. Out of the 100,149,180 shares deemed interested by Mr. Loh Boon Cha, 54,865,480 shares are held by Big Reap Investment Limited which in turn is interested as to 100% by Mr. Loh Nee Peng. By virtue of the SFO, Mr. Loh Boon Cha is deemed to be interested in the shares held by Loh & Loh Construction Group Ltd. and Big Reap Investment Limited as Mr. Loh Boon Cha is the father of Mr. Loh Nee Peng and the brother of Mr. Loh Kim Her.

Save as disclosed above, as at 31 March 2014, none of the Directors or their associates, has any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) which are notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under the provisions of the SFO), or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS

As at 31 March 2014, the persons or corporations (other than Directors or chief executive of the Company) who have interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or have otherwise notified to the Company were as follows:

Name	Capacity	Number of shares held	Approximate percentage of shareholding
Loh & Loh Construction Group Ltd.	Beneficial owner (<i>Note 1</i>)	45,284,000	9.51%
Loh Kim Her	Interest of a controlled corporation (<i>Note 2</i>)	53,284,000	11.19%
Fang Zhen Chun	Beneficial owner	90,792,000	19.06%
Chan Hing Ka Anthony	Beneficial owner and interest of a controlled corporation (<i>Note 3</i>)	95,141,925	19.98%

Notes:

1. Loh & Loh Construction Group Ltd. is held as to 49% by Mr. Chan Hing Ka Anthony, as to 15% by Mr. Loh Kim Her, as to 15% by Mr. Loh Nee Peng and as to 21% by Mr. Loh Boon Cha. Mr. Chan Hing Ka Anthony, Mr. Loh Kim Her and Mr. Loh Nee Peng are Directors and Mr. Loh Boon Cha is the brother of Mr. Loh Kim Her and the father of Mr. Loh Nee Peng.
2. The 53,284,000 shares held as to 8,000,000 shares by Affluence Investment International Limited, and as to 45,284,000 shares by Loh & Loh Construction Group Ltd., which are interested as to 100% and 15% respectively by Mr. Loh Kim Her. By virtue of the SFO, Mr. Loh Kim Her is deemed to be interested in the shares held by Affluence Investment International Limited and Loh & Loh Construction Group Ltd.
3. The 95,141,925 shares held as to 49,481,925 shares by Tycoons Investment International Limited and as to 45,284,000 shares by Loh & Loh Construction Group Ltd., which are interested as to 100% and 49% respectively by Mr. Chan Hing Ka Anthony, as well as 376,000 shares held directly by Mr. Chan Hing Ka Anthony. By virtue of the SFO, Mr. Chan Hing Ka Anthony is deemed to be interested in the shares held by Tycoons Investment International Limited and Loh & Loh Construction Group Ltd.



Save as disclosed above, as at 31 March 2014, the Directors are not aware of any other person or corporation having an interests or short positions in the shares and underlying shares of the Company representing 5% or more of the issued share capital of the Company.

DIRECTORS' AND CHIEF EXECUTIVES' RIGHT TO SUBSCRIBE FOR EQUITY OR DEBT SECURITIES

None of the Directors or chief executives or their spouse or children under the age of 18 was granted by the Company or any of its subsidiaries any right to subscribe for equity or debt securities of the Company or any body corporate.

COMPETING INTERESTS

During the three months ended 31 March 2014, none of the Directors or the management shareholders of the Company had any interest in a business which competes or may compete with the business of the Group.

SHARE OPTION SCHEME

During the three months ended 31 March 2014, the Company does not adopt any share option schemes, nor does it have any options or securities in issue which are convertible or exchangeable into shares of the Company.

ADVANCES TO ENTITIES

As defined in GEM Listing Rule 17.14, "relevant advance to an entity" means the aggregate of amounts due from and all guarantees given on behalf of (i) an entity; (ii) the entity's controlling shareholder; (iii) the entity's subsidiaries; (iv) the entity's affiliated companies; and (v) any other entity with the same controlling shareholders.

Pursuant to the GEM Listing Rules 17.16 and 17.18, a disclosure obligation arises where the increment of relevant advance amount to an entity from the Group exceeds 3% under the assets ratio as defined under Rule 19.07(1) of the GEM Listing Rules (the "Assets Ratio"). As at 31 March 2014, the Company's total assets were approximately HK\$696,329,000.

	(Unaudited) As at 31 March 2014 HK\$'000	Assets Ratio (%)	(Audited) As at 31 December 2013 HK\$'000	Increment as compared to Assets Ratio (%)
Guarantees to				
Zhong Bao Group	232,400	33.4%	89,670	20.2%

Guarantees to Zhong Bao Group

The guarantees were provided to banks in respect of banking facilities granted to Zhong Bao Group.

Subsequent to 31 December 2013, at the Extraordinary General Meeting (“EGM”) held on 14 March 2014, the Company obtained the Shareholders’ approval on the Facilities Guarantees and the Proposed Mandate. Immediately following the EGM, Xiamen BMW Automobiles Service Co. Ltd (“Xiamen BMW”), an indirect wholly-owned subsidiary of the Company, entered into:

- (1) the Facilities A Guarantee Agreement whereby Xiamen BMW agreed to provide a facility guarantee in favour of China CITIC Bank Xiamen Branch (“Facility A Lender”) in relation to the principal (RMB50 million, equivalent to approximately HK\$63.9 million), interest and fees of the borrowings under the Facilities A Agreements; and
- (2) the Facilities B Guarantee Agreement whereby Xiamen BMW agreed to provide a facility guarantee in favour of China Minsheng Bank (“Facility B Lender”) in relation to the principal (RMB50 million, equivalent to approximately HK\$63.9 million), interest and fees of the borrowings under the Facilities B Agreements.

According to the Facilities A Agreements entered into between Facility A Lender and Xiamen Zhong Bao (the “Borrower”) on 14 March 2014 and the Facilities B Agreements entered into between Facility B Lender and the Borrower on 14 March 2014, the interest in respect of Facility A and Facility B will be charged at rates to be determined at the time of utilisation of the facilities, depending on the type of facilities utilised.

Details of the Facilities Guarantees, including but not limited to (i) the salient terms of the two Facilities Guarantee Agreements; (ii) background of the provision of the Facilities Guarantees which constitutes a major transaction of the Company; and (iii) information of the Borrower and the Lenders, have been set out in the Announcement as published on 14 March 2014 and Circular as published on 26 February 2014 respectively.

As at 31 March 2014, the aggregate amount of guarantees provided by Xiamen BMW to the Borrower immediately after entering into the Facilities Guarantee Agreements was amounted to RMB182 million (equivalent to approximately HK\$232.4 million), which is based on the guarantee provided by Xiamen BMW to the Borrower of RMB70 million prior to EGM, together with the maximum principal amount of RMB100 million under the Facilities Agreements and the estimate maximum amount of interest and fees under the Facilities Guarantees of RMB12 million as disclosed in the Circular as published on 26 February 2014.



CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the three months ended 31 March 2014, the Company had adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company also had made specific enquiry of all Directors and the Company were not aware of any non-compliance with the required standard of dealings and its code of conduct regarding Directors' securities transactions.

CORPORATE GOVERNANCE

The Company has complied with the standards and requirements concerning board practices and procedures of the Board as set out in Rules 5.34 of the GEM Listing Rules. The Board also considers that the Company has complied with the Code Provisions as set out in the Corporate Governance Code and Corporate Governance Report as contained in Appendix 15 of the GEM Listing Rules throughout the period. Application of corporate governance policies are consistent with those adopted by the Group in the preparation of the annual consolidated financial statements for the year ended 31 December 2013. Details of the deviation is set out in the annual consolidated financial statements for the year ended 31 December 2013.

AUDIT COMMITTEE

Pursuant to Rule 5.28 to 5.29 of the GEM Listing Rules and Code Provision C.3.3, the Company's Audit Committee was formed on 5 June 2002 and is currently composed of namely, Mr. Lee Kwok Yung, Mr. Yin Bin, Miss Song Qi Hong and Mr. Wong Jacob. Mr. Lee Kwok Yung is the Chairman of the Audit Committee.

The primary duties of the Audit Committee are mainly: (a) to review the Group's annual financial statements, interim and quarterly financial statements; and (b) to review and supervise the financial reporting process and internal control procedures of the Group; and (c) to liaise with the external auditor at least twice a year and provide advices and comments thereon to the Board. The Audit Committee has received the 2014 first quarter results and provided comments.

The Audit, Nomination and Remuneration Committees have adopted revised written terms of references in compliance with the Code C.3.3., A.5.2. and B.1.2. respectively. For further information on the terms of references for the Audit, Nomination, and Remuneration Committees, the information are available and published on the Company's website at www.ga-holdings.com.hk and the Stock Exchange website.

The unaudited condensed consolidated financial results have been reviewed by the Audit Committee of the Company and were approved by the Board of Directors on 13 May 2014.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2014.

DIRECTORS OF THE COMPANY

Executive Directors of the Company as at the date hereof are Mr. Loh Boon Cha, Mr. Loh Nee Peng and Mr. Lin Ju Zheng, Mr. Choy Choong Yew, Mr. Tan Cheng Kim and Mr. Yeung Chak Sang Johnson. Independent Non-Executive Directors of the Company as at the date hereof are Mr. Yin Bin, Mr. Lee Kwok Yung, Miss Song Qi Hong and Mr. Wong Jacob.

By Order of the Board
G.A. Holdings Limited
Loh Nee Peng
Executive Deputy Chairman

Hong Kong, 13 May 2014