



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)



Interim Report
2014



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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 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 report 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 report misleading.



Tel : +852 2218 8288
Fax : +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF G.A. HOLDINGS LIMITED *(Incorporated in the Cayman Islands with limited liabilities)*

Introduction

We have reviewed the interim financial information set out on pages 4 to 22, which comprise the condensed consolidated statement of financial position of G.A. Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) as of 30 June 2014 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“HKSRE 2410”) issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Other Matter

The comparative condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and the relevant explanatory notes for the six months ended 30 June 2013, and the condensed consolidated statement of profit or loss and other comprehensive income and the relevant explanatory notes for the three months ended 30 June 2013 disclosed in the interim financial information have not been reviewed in accordance with HKSRE 2410.

BDO Limited

Certified Public Accountants

Lee Ming Wai

Practising Certificate no. P05682

Hong Kong, 8 August 2014

INTERIM RESULTS

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 six months ended 30 June 2014 (the “Interim Period”).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2014

	Notes	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
		2014	2013	2014	2013
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	2	76,396	78,136	159,386	181,289
Other income	2	30,397	24,264	49,857	43,435
Changes in inventories		25,585	(5,409)	25,578	(1,127)
Auto parts and accessories used, and motor vehicles purchased		(64,164)	(34,885)	(122,883)	(117,001)
Employee benefit expenses	3(b)	(20,815)	(21,385)	(28,700)	(28,010)
Depreciation and amortisation		(4,468)	(4,167)	(9,212)	(8,315)
Operating lease charges		(5,961)	(2,155)	(8,244)	(4,340)
Exchange differences, net		2,915	66	172	9
Other expenses		(14,959)	(10,111)	(25,047)	(17,708)
Profit from operating activities		24,926	24,354	40,907	48,232
Finance costs	3(a)	(2,461)	(3,060)	(4,232)	(6,386)
Profit before income tax	3	22,465	21,294	36,675	41,846
Income tax expense	4	(4,623)	(7,188)	(9,410)	(6,365)
Profit for the period		17,842	14,106	27,265	35,481



	Notes	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
		2014 HK\$'000	2013 HK\$'000	2014 HK\$'000	2013 HK\$'000
Other comprehensive income, item that may be reclassified subsequently to profit or loss: Exchange gain/(loss) on translation of financial statements of foreign operations		1,501	1,091	(10,639)	1,517
Total comprehensive income for the period		19,343	15,197	16,626	36,998
Profit for the period attributable to:					
Owners of the Company		19,630	14,106	29,511	35,481
Non-controlling interests		(1,788)	–	(2,246)	–
		17,842	14,106	27,265	35,481
Total comprehensive income attributable to:					
Owners of the Company		21,054	15,178	19,651	36,967
Non-controlling interests		(1,711)	19	(3,025)	31
		19,343	15,197	16,626	36,998
Earnings per share attributable to owners of the Company for the period	5	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
Basic		4.12	2.96	6.20	7.45
Diluted		4.12	2.96	6.20	7.45

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

	Notes	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	6	79,912	80,109
Leasehold lands		4,560	4,709
Prepaid rental expenses		34,211	35,533
Prepayments for acquisition of property, plant and equipment		16,731	10,900
Goodwill		3,706	3,798
		139,120	135,049
Current assets			
Inventories		78,850	53,272
Trade receivables	7	92,546	112,563
Prepayment, deposits and other current assets	8	369,656	315,321
Due from a director		26	26
Pledged deposits		10,638	9,992
Cash and cash equivalents		39,866	54,036
		591,582	545,210
Current liabilities			
Trade payables	9	18,352	19,155
Accruals and other payables		112,897	96,554
Pension and other employee obligations		40	34
Bills payable		10,005	16,987
Borrowings		72,628	42,449
Due to related companies		307	314
Due to directors		31,821	32,450
Tax payable		13,278	15,919
		259,328	223,862



	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
Net current assets	332,254	321,348
Total assets less current liabilities	471,374	456,397
Non-current liabilities		
Borrowings	4,923	6,572
Deferred tax liabilities	1,272	1,272
	6,195	7,844
Net assets	465,179	448,553
EQUITY		
Equity attributable to owners of the Company		
Share capital	47,630	47,630
Reserves	388,071	368,420
	435,701	416,050
Non-controlling interests	29,478	32,503
Total equity	465,179	448,553

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2014

	Attributable to owners of the Company						Non- controlling interests	Total equity
	Share capital	Share premium*	Capital reserve*	Translation reserve*	Retained profits*	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
For the six months ended 30 June 2013 (unaudited)								
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	-	-	-	-	35,481	35,481	-	35,481
Other comprehensive income								
Translation difference	-	-	-	1,486	-	1,486	31	1,517
Total comprehensive income for the period	-	-	-	1,486	35,481	36,967	31	36,998
As at 30 June 2013	47,630	29,522	8,623	36,828	246,162	368,765	2,037	370,802
For the six months ended 30 June 2014 (unaudited)								
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	-	-	-	-	29,511	29,511	(2,246)	27,265
Other comprehensive expense								
Translation difference	-	-	-	(9,860)	-	(9,860)	(779)	(10,639)
Total comprehensive income for the period	-	-	-	(9,860)	29,511	19,651	(3,025)	16,626
As at 30 June 2014	47,630	29,522	8,623	34,491	315,435	435,701	29,478	465,179

* These reserves accounts comprise the consolidated reserves of HK\$388,071,000 (31 December 2013: HK\$368,420,000) in the condensed consolidated statement of financial position as at 30 June 2014.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2014

	(Unaudited) Six months ended 30 June 2014 HK\$'000	(Unaudited) Six months ended 30 June 2013 HK\$'000
Net cash used in operating activities	(22,223)	(26,475)
Net cash (used in)/generated from investing activities	(13,671)	8,675
Net cash generated from/(used in) financing activities	22,768	(16,010)
Net decrease in cash and cash equivalents	(13,126)	(33,810)
Cash and cash equivalents, at beginning of period	54,036	86,129
Translation adjustments	(1,044)	4,089
Cash and cash equivalent, at end of period, represented by cash and bank balances	39,866	56,408

Notes:

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company is an investment holding company. The Group are principally engaged in the sales of motor vehicles and provision of car-related technical services, servicing of motor vehicles and sales of auto parts.

These unaudited condensed consolidated interim financial statements were authorised for issue by the Company's Board of Directors on 8 August 2014.

(a) Statement of compliance

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2014 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2013. Except as described below, the accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2013.

(b) Adoption of new or revised Hong Kong Financial Reporting Standards ("HKFRSs") – effective on 1 January 2014

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK (IFRIC) 21	Levies

The adoption of these new or revised HKFRSs has no significant impact on the Group's interim financial statements.

The Group has not early adopted those new or revised HKFRSs that have been issued by the HKICPA but are not yet effective.



1. GENERAL INFORMATION AND BASIS OF PREPARATION *(Continued)*

(b) Adoption of new or revised Hong Kong Financial Reporting Standards (“HKFRSs”) – effective on 1 January 2014 *(Continued)*

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the interim financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 December 2013.

The interim financial statements are unaudited, but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA.

2. REVENUE, OTHER INCOME AND SEGMENT INFORMATION

The Group recognised revenue by category as follows:

	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
	2014 HK\$’000	2013 HK\$’000	2014 HK\$’000	2013 HK\$’000
Revenue				
Sales of motor vehicles	3,185	–	3,185	31,669
Technical fee income	6,989	7,590	12,183	14,970
Servicing of motor vehicles and sales of auto parts	66,222	70,546	144,018	134,650
	76,396	78,136	159,386	181,289
Other income				
Rental income	6,136	5,648	11,583	11,851
Interest income on financial assets stated at amortised cost	42	307	318	725
Warranty claims	17,609	10,669	26,809	17,657
Others	6,610	7,640	11,147	13,202
	30,397	24,264	49,857	43,435

2. REVENUE, OTHER INCOME AND SEGMENT INFORMATION (Continued)

Segment information

The Group has identified the following reportable segments:

- Motor vehicles -Sales of motor vehicles and provision of car-related technical services (“Activity 1”)
- Servicing service – Servicing of motor vehicles and sales of auto parts (“Activity 2”)
- Commission income from sales of cars from German Automobiles Pte Ltd. (“GAPL”) to German Automobiles Limited (“GAL”) (i.e. intra-group) (“Activity 3”)

Each of these reportable operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches.

(a) Segment revenue, segment results and other segment information

(Unaudited)

Six months ended 30 June 2014

	Activity 1	Activity 2	Activity 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue				
From external customers	15,368	144,018	–	159,386
From other segments	–	–	23	23
Reportable segment revenue	15,368	144,018	23	159,409
Reportable segment profit	7,288	26,161	23	33,472
Other Information				
Depreciation and amortisation of non-financial assets	516	3,231	–	3,747
Reversal of impairment of trade receivables	1,598	–	–	1,598
Addition to non-current assets during the period	–	4,604	–	4,604



2. REVENUE, OTHER INCOME AND SEGMENT INFORMATION (Continued)

(a) Segment revenue, segment results and other segment information (Continued) (Unaudited)

	Six months ended 30 June 2013			
	Activity 1 HK\$'000	Activity 2 HK\$'000	Activity 3 HK\$'000	Total HK\$'000
Revenue				
From external customers	46,639	134,650	-	181,289
From other segments	-	-	1,276	1,276
Reportable segment revenue	46,639	134,650	1,276	182,565
Reportable segment profit	9,936	21,245	1,276	32,457
Other Information				
Depreciation and amortisation of non-financial assets	534	3,001	-	3,535
Addition to non-current assets during the period	-	3,043	-	3,043

(b) Segment assets and liabilities

	(Unaudited)			
	As at 30 June 2014			
	Activity 1 HK\$'000	Activity 2 HK\$'000	Activity 3 HK\$'000	Total HK\$'000
Reportable segment assets	140,882	474,988	-	615,870
Reportable segment liabilities	18,632	124,978	386	143,996

	(Audited)			
	As at 31 December 2013			
	Activity 1 HK\$'000	Activity 2 HK\$'000	Activity 3 HK\$'000	Total HK\$'000
Reportable segment assets	135,639	409,471	-	545,110
Reportable segment liabilities	24,277	81,322	2,792	108,391

2. REVENUE, OTHER INCOME AND SEGMENT INFORMATION

(Continued)

- (c) Reconciliation of segment information to the Group's key financial figures as presented in the interim financial statements

	(Unaudited) Six months ended 30 June 2014 HK\$'000	(Unaudited) Six months ended 30 June 2013 HK\$'000
Reportable segment revenues	159,409	182,565
Elimination of inter segment revenues	(23)	(1,276)
Group revenues	159,386	181,289
Reportable segment profit	33,472	32,457
Other income, except warranty claims	23,048	25,778
Unallocated corporate expenses	(15,590)	(8,727)
Finance costs	(4,232)	(6,386)
Elimination of inter segment profits	(23)	(1,276)
Profit before income tax	36,675	41,846

	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
Reportable segment assets	615,870	545,110
Corporate assets	114,832	135,149
Group assets	730,702	680,259
Reportable segment liabilities	143,996	108,391
Corporate liabilities	121,527	123,315
Group liabilities	265,523	231,706

Certain comparative amounts have been restated in order to achieve a consistent presentation with the current period.



2. REVENUE, OTHER INCOME AND SEGMENT INFORMATION (Continued)

(d) Geographical segments

The Group's revenues from external customers and its non-current assets are divided into the following geographical areas:

	Revenue from external customers		Non-current assets	
	(Unaudited) Six months ended 30 June 2014 HK\$'000	(Unaudited) Six months ended 30 June 2013 HK\$'000	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
Singapore (domicile)	-	-	864	877
The People's Republic of China ("PRC")	159,386	181,289	108,812	105,177
Hong Kong	-	-	29,444	28,995
	159,386	181,289	139,120	135,049

The place of domicile is determined based on the location of central management.

The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the non-current assets is based on the physical location of the assets or location of operations in case of goodwill.

3. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived after charging/(crediting):

	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
	2014 HK\$'000	2013 HK\$'000	2014 HK\$'000	2013 HK\$'000
(a) Finance costs on financial liabilities stated at amortised cost				
Interest charges on bank loans and other borrowings wholly repayable within five years	2,287	2,750	3,883	6,002
Interest element of finance lease rental payments	174	310	349	384
	2,461	3,060	4,232	6,386
(b) Employee benefits expenses (including directors' emoluments)				
Salaries and wages	18,243	18,097	24,822	23,619
Other benefits	2,549	3,141	3,624	4,046
Pension costs – defined contribution plans	23	147	254	345
	20,815	21,385	28,700	28,010
(c) Other items				
Depreciation of property, plant and equipment	4,196	3,923	8,700	7,824
Written off of property, plant and equipment	62	–	62	–
Gain on disposal of property, plant and equipment	(384)	(233)	(795)	(842)
Amortisation of prepaid rental expenses	232	236	464	476
Annual charges of prepaid operating land lease payments	40	8	48	15
Reversal of impairment of trade receivables	(1,598)	–	(1,598)	–
Financial guarantee expense	845	–	845	–

4. INCOME TAX EXPENSE

The current tax expense is comprised of:

	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
	2014 HK\$'000	2013 HK\$'000	2014 HK\$'000	2013 HK\$'000
Current – Hong Kong				
Charge for the period	582	862	694	1,977
Current – Overseas				
Charge for the period	4,499	6,326	8,716	10,856
Over-provision in prior years	(458)	–	–	(6,468)
Total income tax expense	4,623	7,188	9,410	6,365

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 rates 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 current or prior periods.

5. EARNINGS PER SHARE

The calculation of basic earnings per share for the three months ended 30 June 2014 is based on the unaudited profit attributable to the owners of the Company for the three months ended 30 June 2014 of approximately HK\$19,630,000 (three months ended 30 June 2013: HK\$14,106,000) and on the weighted average number of 476,300,000 (three months ended 30 June 2013: 476,300,000) ordinary shares in issue during the three months ended 30 June 2014.

Diluted earnings per share for the three months ended 30 June 2014 and 2013 are the same as the basic earnings per share as there was no dilutive potential ordinary share in issue during the respective periods.

The calculation of basic earnings per share for the six months ended 30 June 2014 is based on the unaudited profit attributable to the owners of the Company for the six months ended 30 June 2014 of approximately HK\$29,511,000 (six months ended 30 June 2013: HK\$35,481,000) and on the weighted average number of 476,300,000 (six months ended 30 June 2013: 476,300,000) ordinary shares in issue during the six months ended 30 June 2014.

Diluted earnings per share for the six months ended 30 June 2014 and 2013 are the same as the basic earnings per share as there was no dilutive potential ordinary share in issue during the respective periods.

6. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired items of property, plant and equipment with total cost of approximately HK\$14,120,000 (six months ended 30 June 2013: HK\$6,402,000) and disposed of certain items of property, plant and equipment with total carrying amount of approximately HK\$595,000 (six months ended 30 June 2013: HK\$561,000).

7. TRADE RECEIVABLES

The credit periods of the Group usually range from 3 to 9 months. As at 30 June 2014, the aging analysis of trade receivables, based on invoice date, was as follows:

	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
0 – 90 days	25,631	26,722
91 – 180 days	17,922	16,795
181 – 365 days	39,106	40,572
Over 1 year	12,928	33,182
	95,587	117,271
Less: allowance for impairment of receivables	(3,041)	(4,708)
	92,546	112,563

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amounts are remote, in which case the impairment losses are written off against trade receivables directly. The movement in the allowance for impairment of trade receivables is as follows:

	(Unaudited) Six months ended 30 June 2014 HK\$'000	(Audited) Year ended 31 December 2013 HK\$'000
At 1 January 2014 and 2013	4,708	4,768
Reversal of impairment loss previous recognised	(1,598)	–
Exchange differences	(69)	(60)
At 30 June 2014 and 31 December 2013	3,041	4,708

8. PREPAYMENTS, DEPOSITS AND OTHER CURRENT ASSETS

	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
Advances to NAGC Group	502	508
Advances to Zhong Bao Group (note)	220,717	180,422
Advances to NAGC Group and Zhong Bao Group	221,219	180,930
Current portion of prepaid rental expenses	949	937
Other prepayments and current assets	127,663	102,916
Deposit paid	19,825	30,538
	369,656	315,321

Note:

The Group has established a close working relationship with Xiamen Zhong Bao Automobiles Co., Limited (“Xiamen Zhong Bao”) and certain of its subsidiaries and related companies (“Zhong Bao Group”). In the opinion of the directors of the Company, Zhong Bao Group is the key partner of the Group in developing the Group’s potential business in the distribution of locally manufactured BMW motor vehicles. Pursuant to a technical and management service agreement (the “Technical Agreement”) entered into between the Group and Xiamen Zhong Bao on 7 October 2003, the Group would provide technical expertise and financial assistance to Zhong Bao Group. Advances were made by the Group for the operations of the distribution of locally manufactured BMW motor vehicles in the PRC by Zhong Bao Group. On 28 September 2004, the Group entered into a supplementary agreement to the Technical Agreement with Xiamen Zhong Bao which set out the basis for the amount of technical fee charged by the Group to Xiamen Zhong Bao. The charge is based on agreed terms with reference to the monthly actual sales quantity of specified car model of Zhong Bao Group. On 7 March 2007, the Group entered into agreements with Quanzhou Fubao Automobiles Co., Ltd and Tianjin Tianbao Automobiles Co., Ltd (entities within the Zhong Bao Group) and the terms of these agreements were similar to those agreed with Xiamen Zhong Bao.

On 19 March 2014, the Group entered into agreement (the “ZB Payment Agreement”) with Xiamen Zhong Bao in respect of the settlement of the outstanding receivables from Zhong Bao Group as at 31 December 2013 (the “ZB Advance”). Pursuant to the ZB Payment Agreements, Xiamen Zhong Bao agreed to settle the outstanding balance amounted to HK\$180,422,000 (2012: HK\$182,859,000) as at 31 December 2013 to the Group by monthly instalments by 30 September 2014. All of the motor vehicles purchased by Xiamen Zhong Bao have been pledged to the Group. The Group has taken physical possession of the motor vehicles purchased by Xiamen Zhong Bao as well as the related title documents of these motor vehicles. Prior to the full settlement of the ZB Advance by Xiamen Zhong Bao, all of the motor vehicles of Xiamen Zhong Bao will also be pledged to the Group. The Group will take physical possession of the motor vehicles to be purchased by Xiamen Zhong Bao as well as the related title documents of these motor vehicles. The Group has rights which include but not limit to taking possession of Zhong Bao Group’s vehicles, monitoring the movements of the motor vehicles and, upon sale of motor vehicles, requesting for 80% of the sales proceeds from Xiamen Zhong Bao as settlement of the ZB Advance.

Included in trade receivables as at 30 June 2014 was a balance of approximately HK\$83,128,000 due from Zhong Bao Group (31 December 2013: HK\$90,881,000).

In view of the satisfactory settlement record, the directors are of the opinion that the balances due from Zhong Bao Group will be recovered.

9. TRADE PAYABLES

The credit period of the Group is usually 3 months. As at 30 June 2014, the aging analysis of trade payables is as follows:

	(Unaudited) As at 30 June 2014 <i>HK\$'000</i>	(Audited) As at 31 December 2013 <i>HK\$'000</i>
0 – 30 days	10,915	13,947
31 – 180 days	2,200	1,983
181 – 365 days	3,468	884
1 to 2 years	212	915
Over 2 years	1,557	1,426
	18,352	19,155

10. COMMITMENTS

(a) Operating lease commitments

As lessor

The Group leases its motor vehicles under operating leases arrangements. The terms of the leases are mutually agreed between the Group and the respective tenants.

As at 30 June 2014, the Group has total future minimum lease receivables under non-cancellable operating leases falling due as follows:

	(Unaudited) As at 30 June 2014 <i>HK\$'000</i>	(Audited) As at 31 December 2013 <i>HK\$'000</i>
Within one year	16,158	12,200
After one year but within five years	4,783	8,266
	20,941	20,466



10. COMMITMENTS (Continued)

(a) Operating lease commitments (Continued)

As lessee

The Group leases certain of its office premises, furniture and equipment, and motor vehicles under operating lease arrangements. Leases for properties are negotiated for terms ranging from 1 to 10 years.

As at 30 June 2014, the total future minimum lease payment under non-cancellable operating leases payable by the Group are as follows:

	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
Within one year	14,665	4,810
After one year but within five years	29,862	13,869
After five years	16,606	18,727
	61,133	37,406

(b) Capital commitment

As at 30 June 2014, there is commitment contracted but not provided for the purchase of property, plant and equipment of approximately HK\$587,000 (31 December 2013: HK\$570,000).

11. CONTINGENT LIABILITIES

As at 30 June 2014, the Group had given guarantees in the ordinary course of business as follows:

	(Unaudited) As at 30 June 2014 HK\$'000	(Audited) As at 31 December 2013 HK\$'000
Guarantees for bank loans to Zhong Bao Group:	227,500	89,670

Included in accruals and other payables as at 30 June 2014 of approximately HK\$777,000 (31 December 2013: approximately HK\$1,152,000) are liabilities recognised in relation to the above guarantees.

12. PLEDGE OF ASSETS

Leasehold lands and buildings of approximately of HK\$4,560,000 (31 December 2013: HK\$4,709,000) and HK\$756,000 (31 December 2013: HK\$797,000) respectively as at 30 June 2014 are pledged to bank to secure banking facilities up to approximately HK\$227,500,000 (31 December 2013: HK\$89,670,000) granted to Zhong Bao Group at the reporting date.

13. TRANSACTIONS WITH ZHONG BAO GROUP

Save for those disclosed as set out in notes 8, 11 and 12, the Group has generated revenue from sales of auto parts of HK\$28,048,000 (six months ended 30 June 2013: HK\$41,563,000) and provision of technical service of HK\$12,183,000 (six months ended 30 June 2013: HK\$14,970,000) to Zhong Bao Group during the six months ended 30 June 2014.

14. RELATED PARTY TRANSACTIONS

	(Unaudited)	
	Six months ended	
	30 June 2014	30 June 2013
	HK\$'000	HK\$'000
Key management personnel compensation		
Short term employee benefits	2,863	2,425
Post-employment benefits	89	91
	2,952	2,516



MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the six months ended 30 June 2014, the sales performance is still lagging behind as customers are expecting the launch of various new car models in the rest of the year, while starting in the second quarter, the Group has commenced business in selling a wider range of luxurious automobiles to our customers and satisfying number of pre-orders for the premium automobiles have also been placed and received.

For the six months ended 30 June 2014, the total comprehensive income was approximately HK\$16,626,000 as compared to approximately HK\$36,998,000 in the corresponding period in 2013, decreased by approximately 55.1%. The decrease was due to (i) over-provision in tax recognised during 2013; (ii) the decreased revenue during the current period; and (iii) increase in other expenses in relation to the new dealership acquired since the last quarter of 2013. The revenue for the Interim Period has decreased by approximately 12.1% to HK\$159,386,000, resulted from the net impact of the decrease in sales of motor vehicles as well as the decrease in technical fee income and the increase in income generated from servicing of motor vehicles and sales of auto parts.

1. Sales of motor vehicles

For the six months ended 30 June 2014, revenue generated from the sales of motor vehicles was approximately HK\$3,185,000, representing a decrease of approximately 89.9% as compared to 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, as well as defer in customer demand in luxurious vehicles during the first half of 2014.

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 its purchase for the PRC locally assembled BMW vehicles sold.

Technical fee income for the six months ended 30 June 2014 was approximately HK\$12,183,000, decreased by approximately 18.6% as compared to the corresponding period in 2013. The decrease was mainly due to the corresponding decrease in the car sales of PRC 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 has continuously increased during the Interim Period and has increased by approximately 7.0% to HK\$144,018,000 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 six months ended 30 June 2014 was approximately HK\$11,583,000, representing a slightly decrease of 2.3% as compared to the corresponding period in 2013.

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 last quarter of 2013, the sales performance in first half of 2014 is lagging behind as customers are expecting the launch of various new car models in rest of 2014 especially for smaller size cars. Nevertheless, the major premium carmakers forecasted that the overall market will still have promising outlook in the PRC. Furthermore, the dealership of a premium brand of European automobiles as well as the operation of one of the subsidiaries of the Group, Fuzhou Euro Motors Sales & Service Co. Ltd., has commenced lately in June 2014 and satisfying number of pre-orders for the premium automobiles have already been received. The Group therefore expects that its sales will follow this market trend in 2014.

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's 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 through acquisitions or joint ventures with existing business partners.

FINANCIAL REVIEW

Revenue

The unaudited consolidated revenue for the six months ended 30 June 2014 has decreased by approximately 12.1% from HK\$181,289,000 in the corresponding period in 2013 to HK\$159,386,000. The decrease was mainly attributable to the decrease in segment in sales of motor vehicles and technical fee income despite there was an increase segment in servicing of motor vehicles and sales of auto parts.

Gross Profit

The gross profit for the Interim Period was approximately HK\$62,081,000, decreased by approximately 1.7% as compared to the corresponding period in 2013, while the gross profit margin for the Interim Period increased from approximately 34.8% in the corresponding period in 2013 to approximately 39% in the Interim Period in 2014.



The increase in gross profit margin was mainly due to the stringent cost control and increased revenue generated mainly from the segment of servicing of motor vehicles and sale of auto parts, which are both high profits yielding.

Foreign Exchange Exposure

For the Interim Period, the exchange gain of the Group was amounted to approximately HK\$172,000, as compared to approximately HK\$9,000 from the corresponding period in 2013. The exchange gain was the net result of the translation of accounts receivables, accounts payables and inter-company balances from Renminbi to Hong Kong dollars.

Other Expenses

For the Interim Period, other expenses were approximately HK\$25,047,000, representing an increase of approximately 41.4%. The increase was mainly due to (i) 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 Interim Period; and (ii) the expenses incurred in relation to the new dealership acquired during end of 2013.

Profit Attributable to Owners of the Company

The profit attributed to owners of the Company for the Interim Period was amounted to approximately HK\$29,511,000 (30 June 2013: HK\$35,481,000), representing a decrease of approximately 16.8% as compared to the corresponding period in 2013. The decrease was mainly due to the decrease revenue generated from the segments in sales of motor vehicles and technical fee income as well as the increase in other expenses in relation to the new dealership acquired since the last quarter of 2013.

Financial Resources and Liquidity

As at 30 June 2014, shareholders' fund of the Group amounted to approximately HK\$465,179,000 (31 December 2013: HK\$448,553,000). Current assets amounted to approximately HK\$591,582,000 (31 December 2013: HK\$545,210,000). Of which, approximately HK\$50,504,000 (31 December 2013: HK\$64,028,000) were cash and bank deposits. Current liabilities, amounted to approximately HK\$259,328,000 (31 December 2013: HK\$223,862,000), were mainly the trade payables, bills payable, bank loans, accruals and other payables, and amounts due to Directors. The Group had non-current liabilities amounted to approximately HK\$6,195,000 (31 December 2013: HK\$7,844,000). The net asset value per share as at 30 June 2014 was at approximately HK\$0.977 (31 December 2013: HK\$0.942).

Gearing Ratio

The Group expresses its gearing ratio as a percentage of total borrowings (including bills payable, short-term and long term bank borrowings, as shown in the condensed consolidated statement of financial position), less cash and cash equivalents, divided by total equity, plus net debt. As at 30 June 2014, the gearing ratio of the Group was approximately 0.09 (31 December 2013: 0.03).

Contingent Liabilities

As at 30 June 2014, the Group also provided bank guarantee amounted to HK\$227,500,000 (31 December 2013: HK\$89,670,000) in respect of banking facilities to Zhong Bao Group.

Charges On Group Assets

Please refer to note 12 of the unaudited condensed consolidated interim financial statement for details of pledge of assets.

Employee Information

As at 30 June 2014, the total number of employee of the Group was approximately 435 (30 June 2013: 454). For the Interim Period, the staff costs including Directors' remuneration of the Group, comprises of approximately 18% of the revenue of the Group and was approximately HK\$28,700,000, increased by 2.5% as compared to the corresponding period in 2013. The increase was due to the increase in various staff costs for our new PRC business acquired since the end of 2013, such as staff benefit, transportation and social welfare. It is the Group's policy to review its employee's pay levels and performance bonus system regularly to ensure the remuneration policy is competitive within the industry.

Retirement Benefits

During the Interim Period, the aggregate amount of the employer's contribution of the Group under Central Provident Fund in Singapore and Mandatory Provident Fund in Hong Kong was amounted to approximately HK\$254,000 (2013: HK\$345,000).

Capital Structure of the Group in Debt Securities

During the Interim Period and the corresponding period in 2013, the Group has no debt securities in issue.

Materials Acquisitions and Disposals of Subsidiaries and Affiliated Companies

During the Interim Period and the corresponding period in 2013, the Group had no material acquisitions and disposals of subsidiaries and affiliated companies.

Material Investments or Capital Assets

Please refer to note 10(b) of the condensed consolidated interim financial statements for details of capital commitments.

Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2014 (six months ended 30 June 2013: Nil).



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

As at 30 June 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:

- 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.
- 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 30 June 2014, none of the Directors or their associates, has any interests or short position 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 30 June 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:

<u>Name</u>	<u>Capacity</u>	<u>Number of shares held</u>	<u>Approximate percentage of shareholding</u>
Loh & Loh Construction Group Ltd.	Beneficial owner (Note 1)	45,284,000	9.51%
Loh Kim Her	Interest of a controlled corporation (Note 2)	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 (Note 3)	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 30 June 2014, the Directors are not aware of any other person or corporation having an interest 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 six months ended 30 June 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 six months ended 30 June 2014, the Company has not adopted any share option scheme, 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 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 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 30 June 2014, the Company’s total assets were approximately HK\$730,702,000.

	(Unaudited) As at 30 June 2014 HK\$'000	Assets Ratio (%)	(Unaudited) As at 31 March 2014 HK\$'000	Increment as compared to Assets Ratio
Guarantees to				
Zhong Bao Group	227,500	31.1%	232,400	N/A

Guarantees to Zhong Bao Group

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

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 Agreement 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 30 June 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\$227.5 million (31 December 2013: 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 six months ended 30 June 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 consolidated financial statements for the year ended 31 December 2013. Details of the deviation are 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 interim 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, 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 statements have been reviewed by the Audit Committee and the auditor of the Company and were approved by the Board of Directors on 8 August 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 Interim Period.

DIRECTORS OF THE COMPANY

Executive Directors of the Company as at the date hereof are Mr. Loh Boon Cha, Mr. Loh Nee Peng, 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, 8 August 2014