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**盛洋投資**

**Gemini Investments (Holdings) Limited**

**盛洋投資(控股)有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 174)**

## **ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015**

The Board of Directors (the “**Board**”) of Gemini Investments (Holdings) Limited (the “**Company**”) is pleased to present the interim results of the Company and its subsidiaries (together referred to as the “**Group**”, “**our Group**” or “**We**”/“**we**”) for the six months ended 30 June 2015 (the “**Interim Period**”).

### **FINANCIAL REVIEW**

#### **Revenue**

During the Interim Period, our Group recorded total revenue of approximately HK\$12,418,000 (for the six months ended 30 June 2014: approximately HK\$61,734,000). The decrease in revenue was mainly as a result of the decrease in sales of gold bullions by approximately HK\$44,514,000.

The following table sets forth our Group's revenue breakdown for the six months ended 30 June 2014 and 2015:

	<b>For six months ended 30 June 2015 HK\$'000</b>	For six months ended 30 June 2014 HK\$'000
Rental revenue	8,844	5,039
Dividend income	1,968	108
Management fee income	1,606	12,073
Sales of gold bullions	—	44,514
	<u>12,418</u>	<u>61,734</u>

### **Loss attributable to owners of the Company**

During the Interim Period, our Group recorded a loss attributable to owners of the Company of approximately HK\$269,562,000 (for the six months ended 30 June 2014: approximately HK\$18,027,000). Such loss recorded was mainly because of (i) the non-recurring fees and expenses of approximately HK\$10.2 million incurred arising out of the acquisitions explored and/or implemented by the Group during the Interim Period; and (ii) a non-cash share of losses of approximately HK\$223.0 million in a joint venture of the Company, namely Sino Prosperity Real Estate Fund L.P. (the “**SPRE Fund**”), which arose mainly because market sentiment in third tier cities in the People's Republic of China (“**PRC**”) remains sluggish, with depressed selling prices of real estate and increasing burden on construction costs, while our institutional means of upgrading and enhancing the quality of the property projects of the SPRE Fund, which was acquired by the SPRE Fund on 31 December 2014, may not reveal an immediate effect in the short term. Consequently, our Group recorded basic losses per share of 60.1 HK cents for the Interim Period versus basic losses per share of 4.1 HK cents during the last corresponding period.

The Board does not recommend the payment of any interim dividend for the Interim Period.

### **Financial Resources and Liquidity**

Total assets and net asset value of our Group as at 30 June 2015 were approximately HK\$5,765.6 million (31 December 2014: approximately HK\$5,887.8 million) and approximately HK\$4,077.4 million (31 December 2014: approximately HK\$4,307.0 million), respectively.

Total borrowings of our Group as at 30 June 2015 amounted to approximately HK\$1,523.6 million (as at 31 December 2014: approximately HK\$1,522.6 million), which mainly consist of (i) an unsecured 10-year loan of HK\$1 billion from Grand Beauty Management Limited, an indirect wholly-owned subsidiary of Sino-Ocean Land Holdings Limited, a controlling shareholder of our Company; (ii) unsecured 3-year bank borrowing of approximately HK\$496.8 million, of which HK\$48.0 million will be repayable within one year; and (iii) entrusted loan of approximately HK\$26.6 million in the PRC provided by Sino-Ocean Land Limited, a fellow subsidiary of our Group, which is unsecured, wholly repayable in 2019 and bore interest at fixed rate as at 30 June 2015.

Apart from the above, our Group did not have any other interest bearing debt as at 30 June 2015.

Total cash resources (including bank balances and cash and short-term bank deposits) amounted to approximately HK\$1,480.8 million as at 30 June 2015 (as at 31 December 2014: approximately HK\$2,157.9 million) and the current ratio was 8.0 times. We are confident that we have ample financial resources to support our business expansion when appropriate. The net gearing ratio of our Group, based on total borrowings less cash resources divided by total shareholders' equity, recorded as 0.01 as at 30 June 2015 (31 December 2014: Nil).

### **Risk of Exposure to Exchange Rate Fluctuations and Related Hedging**

During the Interim Period, our Group's assets and liabilities were mainly denominated in Hong Kong Dollars, United States Dollars, Renminbi and Australian Dollars. In view of the potential Renminbi and Australian Dollars exchange rate fluctuations, our Group will continue to closely monitor the foreign currency exchange risk exposure and enter into any related hedging when appropriate.

### **STRATEGIC REVIEW**

Our Group is principally engaged in fund management business, fund investment, property investment and securities investment. During the first half of 2015, our Group continued to devote further resources to fund investment and fund management business, which are considered as a prudent but proactive approach in exploring and identifying high potential investment opportunities with the aim to bring long term value to our shareholders.

With the anticipated completion in around August 2015 of our Group's investment, among others, in the general partnership interests of a United States ("U.S.") based real estate company, Rosemont Realty, LLC ("**Rosemont**"), which has a management team of many years of investment experience in the acquisition, management and disposition of commercial real properties in the U.S., we believe our Group will not only be able to leverage on the expertise, experience and relationship of the management team of Rosemont, but also diversify its fund management business and property investment portfolio to a large number of states in the U.S. and allow the Group standing on a vantage point due to its exposure and presence in the U.S. which are regions that are expected to benefit from growth in gross domestic product, declining unemployment rate and growth of the property market.

Further, along with our joint venture partner, we have been actively participating in the continuing management and the strategic movement of the jointly managed fund, the SPRE Fund, with the intention to upgrade and enhance the quality of its property projects in the PRC, aiming to harvest our investment and generate decent return in the medium to long term.

Moreover, we have increased capital resource into fund investment business, as we consider that such investment enables our Group to diversify its investment risk and further enhances the rate of return of our Group's core business through efficient access to a wider variety of investment channels to which our Group may not have direct access.

## **OPERATION REVIEW**

Our Group stuck to the philosophy of value investment, actively optimizing its asset allocation and an analysis of our Group's turnover and contribution to operating result for the Interim Period by our principal activities is set out in Note 3 to the unaudited condensed consolidated financial statements of the Company as disclosed in this announcement below.

### **Fund Management**

#### ***Fund Platform Investment***

Through fund platform investment, our Group is able to participate in the property projects in the PRC or in other countries where investment opportunities arise, as part of its corporate development strategy, through various structures of vehicles, which enable our Group to share potential gain from such investments.

#### ***SPRE Fund***

The SPRE Fund, acting as a jointly controlled and managed investment platform of our Group to invest in real estate projects in the PRC, is treated as a convenient platform to tap into a larger pool of potential value-enhancing property acquisitions in the medium to long term.

As at 30 June 2015, our Group had a capital commitment outstanding to the SPRE Fund of approximately US\$14.6 million. Subsequent to the Interim Period, our Group further increased its capital commitment to the SPRE Fund by US\$90 million to recapitalise the SPRE Fund for its further expansion in order to capture investment opportunities when they arise. The details are set out in the Company's announcement dated 7 July 2015.

Non-cash share of losses from the SPRE Fund of approximately HK\$223.0 million was recognised during the Interim Period, which arose mainly because market sentiment in third tier cities in the PRC remains sluggish, with depressed selling prices of real estate and increasing burden on construction costs while our institutional means of upgrading and enhancing the quality of the property projects of the SPRE Fund, which was acquired by the SPRE Fund on 31 December 2014, may not reveal an immediate effect in the short term.

#### ***Rosemont***

With the anticipated completion of the Group's investment, among others, in the general partnership interests of a U.S. based commercial real estate acquisition and asset management company, Rosemont, a well-established platform principally engaged in the ownership and/or management of portfolio consisting of approximately 16.2 million square feet in around 135 commercial properties in 22 states across the U.S., our Group will not only be able to leverage on the expertise, experience and relationship of the management team of Rosemont (more than 200 professionals), but also

diversify its fund management business and property investment portfolio to a large number of states in the U.S. and allow the Group standing on a vantage point due to its exposure and presence in the U.S. which are regions that are expected to benefit from growth in gross domestic product, declining unemployment rate and growth of the property market. The transaction is expected to be completed in around August 2015.

### ***Other fund management***

Return from other fund management decreased from approximately HK\$12.1 million to approximately HK\$1.6 million for the Interim Period, which was mainly as a result of the expiry of certain previous fund management contracts.

### **Fund Investments**

Fund investments enable our Group to capture more sound investment opportunities and diversify its investment risk and further enhance its rate of return through efficient management and a wider access to investment channels.

During the Interim Period, apart from other movements, increase in fair value of fund investments, of approximately HK\$32.7 million was recorded in other comprehensive income for the Interim Period (for the six months ended 30 June 2014: decrease in fair value of approximately HK\$30.7 million). No revenue or gain has yet been recognized from fund investments for the Interim Period.

In June 2015, our Group made further investment in Neutron Property Fund Limited (“**Neutron Property**”), with subscription monies of US\$55.0 million, on top of its existing investment in Neutron Property. Neutron Property is a private equity fund aiming to invest substantially in real estate and related investments primarily in the U.S. and certain other countries, which could enable our Group to diversify its investment risk and further enhances the rate of return of the Group’s core business through efficient access to a wider variety of investment channels. The details of such investment are set out in the Company’s announcement dated 29 June 2015.

### **Property Investments**

Investment properties provide a steady and reliable income and cash flow for our Group in addition to the possible capital gains from appreciation in value.

As at 30 June 2015, our investment properties comprised A-grade office premises in Hong Kong with gross floor area of approximately 16,000 square feet and residential units in New York with gross floor area of approximately 17,000 square feet, with full occupancy.

Rental income for the Interim Period amounted to approximately HK\$8,844,000 as compared to approximately HK\$5,039,000 for the six months ended 30 June 2014, representing an increase of approximately 75.5%. Such increase was mainly contributed by our Group’s acquisition of 20 residential units in Manhattan, New York, during the second and third quarters of 2014.

## **Securities and Other Investments**

Total revenue from securities and other investments for the Interim Period decreased from approximately HK\$44,622,000 to approximately HK\$1,968,000 as a result of decrease in sales of gold bullions of approximately HK\$44,514,000. Moreover, our Group recorded a loss from changes in fair value of financial instruments held for trading of approximately HK\$6.1 million as a result of the volatile market condition in the second quarter of 2015 (for the six months ended 30 June 2014: a loss of approximately HK\$2.6 million).

As at 30 June 2015, our securities investment portfolio mainly consisted of investment in listed securities in Hong Kong and overseas, which formed part of our Group's cash management activities. The management of our Group is pleased to maintain a scalable investment portfolio with proper diversification to avoid the fluctuation of any single market.

Activities relating to our Group's other investments are summarized as follows:

### ***Investment in Alpha Advent Ventures Limited***

The sole principal business of Alpha Advent Ventures Limited ("**Alpha Advent**", a wholly-owned subsidiary of Neutron Property) is, through its wholly-owned subsidiary, property development of high end villas of gross floor area of approximately 36,000 sq ft in Lantau Island in Hong Kong. In January 2015, our Group has invested in Alpha Advent by providing a loan in the principal amount of HK\$180 million which carries interest at 6% per annum, repayable in three years and guaranteed by Neutron Property. Interest income of approximately HK\$4,941,000 was accrued during the Interim Period. The details of the investment are set out in the Company's announcement dated 15 January 2015.

### ***Disposal of investment in Anhui Yangzi Floor Co., Ltd.***

In February 2015, our Group disposed of its equity investment in Anhui Yangzi Floor Co., Ltd., a total of 4,500,000 shares, at a price of RMB5.5 per share in a series of transactions on the open market of National Equities Exchange and Quotations, with a net profit of approximately HK\$5,084,000 recorded during the Interim Period. The details of the disposal are set out in the Company's announcement dated 13 February 2015.

## **DEVELOPMENT PROSPECTS**

Looking ahead, while the U.S. have registered decent performance, economies in the Eurozone and emerging markets witnessed uncertain performance. Continued divergence in economic performance and monetary policy is likely to be one of the most important themes investors will have to grapple with.

Our Group will closely follow the changing market environment, persistently adhere to the discipline of value investing, and dance with cyclicity on the value floor. With a view to evolving into an intelligent entity, we will continue to reinforce our professional knowledge to take root in the property markets and grasp more sound investment opportunities, aiming to strengthen its core competencies to contribute sustainable growth and returns to maximise our shareholders' value in the medium to long term.

## CONDENSED CONSOLIDATED INCOME STATEMENT

		<b>Six months ended 30 June</b>	
		<b>2015</b>	<b>2014</b>
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Sales proceeds from disposal of financial instruments held for trading		<b><u>517,065</u></b>	<b><u>382,771</u></b>
Turnover	3	<b>12,418</b>	61,734
Changes in inventories of gold bullions		—	(41,310)
Other income		<b>5,945</b>	756
Staff costs		<b>(10,080)</b>	(5,435)
Share-based compensation		<b>(4,466)</b>	(3,192)
Depreciation		<b>(1,075)</b>	(1,086)
Other expenses		<b>(25,683)</b>	(9,098)
Loss arising from changes in fair value of financial instruments held for trading		<b>(6,104)</b>	(2,643)
Gain on disposal of available-for-sale investment		<b>5,084</b>	—
Share of results of joint ventures	7	<b>(223,915)</b>	1,056
Finance costs		<b><u>(21,686)</u></b>	<b><u>(18,817)</u></b>
Loss before income tax		<b>(269,562)</b>	(18,035)
Income tax credit	4	<b><u>—</u></b>	<b><u>8</u></b>
<b>Loss for the period</b>		<b><u>(269,562)</u></b>	<b><u>(18,027)</u></b>
<b>Loss for the period attributable to:</b>			
Owners of the Company		<b><u>(269,562)</u></b>	<b><u>(18,027)</u></b>
<b>Losses per share for loss attributable to owners of the Company</b>		<b><i>HK cents</i></b>	<b><i>HK cents</i></b>
— Basic	5	<b>(60.1)</b>	(4.1)
— Diluted		<b><u>N/A</u></b>	<b><u>N/A</u></b>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Loss for the period</b>	<b>(269,562)</b>	<b>(18,027)</b>
<b>Other comprehensive income:</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Change in fair value of available-for-sale investments	32,721	(30,704)
Exchange differences on translation of foreign operations	<u>(108)</u>	<u>(56)</u>
<b>Other comprehensive income for the period</b>	<b><u>32,613</u></b>	<b><u>(30,760)</u></b>
<b>Total comprehensive income for the period</b>	<b><u>(236,949)</u></b>	<b><u>(48,787)</u></b>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	<b><u>(236,949)</u></b>	<b><u>(48,787)</u></b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	At <b>30 June 2015</b> <i>HK\$'000</i> <b>(Unaudited)</b>	At 31 December 2014 <i>HK\$'000</i> <b>(Audited)</b>
<b>Non-current assets</b>			
Investment properties		518,584	518,694
Property, plant and equipment		2,275	2,905
Interests in joint ventures	7	1,611,796	1,772,482
Available-for-sale investments	8	1,316,743	906,683
Prepayment for subscription of available-for-sale investment	8(b)(iv)	426,393	403,578
Other loan		180,000	—
		<b>4,055,791</b>	<b>3,604,342</b>
<b>Current assets</b>			
Deposits, prepayments and other receivables		29,828	7,985
Amount due from immediate holding company		—	2,910
Financial instruments held for trading		199,103	114,711
Short-term bank deposits		192,420	94,737
Bank balances and cash		1,288,427	2,063,126
		<b>1,709,778</b>	<b>2,283,469</b>
<b>Current liabilities</b>			
Other payables and accrued charges		32,622	57,938
Taxation payable		193	212
Amount due to a fellow subsidiary		131,752	—
Borrowings		48,045	44
		<b>212,612</b>	<b>58,194</b>
<b>Net current assets</b>		<b>1,497,166</b>	<b>2,225,275</b>
<b>Total assets less current liabilities</b>		<b>5,552,957</b>	<b>5,829,617</b>
<b>Capital and reserves</b>			
Share capital		184,881	180,658
Reserves		3,892,521	4,126,388
<b>Total equity</b>		<b>4,077,402</b>	<b>4,307,046</b>
<b>Non-current liabilities</b>			
Borrowings		1,475,555	1,522,571
<b>Total equity and non-current liabilities</b>		<b>5,552,957</b>	<b>5,829,617</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of Gemini Investments (Holdings) Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2015 (the “**Interim Financial Statements**”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Interim Financial Statements do not include all of the information required in annual financial statements in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which collective term includes all applicable individual Hong Kong Financial Reporting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”)), and should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2014.

For the better understanding of the financial performance achieved by the Group, the directors of the Company disclosed the sales proceeds of the financial instruments held for trading in the condensed consolidated income statement, although such disclosure is not required under Hong Kong Accounting Standard 1 (Revised) “Presentation of Financial Statements”.

The Interim Financial Statements are unaudited, but have 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. PRINCIPAL ACCOUNTING POLICIES

The Interim Financial Statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the Interim Financial Statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2014.

In the current interim period, the Group has applied, for the first time, a number of new or revised standards and interpretations (“**new or revised HKFRSs**”) issued by the HKICPA. The application of the new and revised HKFRSs in the current period has no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective.

HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle <sup>1</sup>
Amendments to HKAS 1	Disclosure Initiative <sup>1</sup>
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>1</sup>
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants <sup>1</sup>
Amendments to HKAS 27	Equity Method in Separate Financial Statements <sup>1</sup>
HKFRS 9 (2014)	Financial Instruments <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the Consolidation Exception <sup>1</sup>
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations <sup>1</sup>
HKFRS 14	Regulatory Deferral Accounts <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2016

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2017

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2018

The Group has already commenced an assessment of related impact of adopting the above new, revised or amended standards and interpretations to the Group. The Group is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the consolidated financial statements will be resulted.

### 3. SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The Group has identified the following reportable segments for its operating segments:

1. Property investments — rental income from leasing of office properties and residential condominium.
2. Securities and other investments — investing in various securities and generating investment income.
3. Fund investments — investing in various investment funds and generating investment income.
4. Fund management — provision of management and administration services for property development project and investing in real estate fund platform.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. Each of the operating segments is managed separately as the resources requirement of each of them is different.

The following is an analysis of the Group's revenue and results by reportable segments for the period under review:

**Six months ended 30 June 2015**

	Property investments <i>HK\$'000</i> (Unaudited)	Securities and other investments <i>HK\$'000</i> (Unaudited)	Fund investments <i>HK\$'000</i> (Unaudited)	Fund management <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Segment revenue	8,844	518,413	620	1,606	529,483
Less: Sales proceeds from disposal of financial instruments held for trading	—	(517,065)	—	—	(517,065)
Turnover as presented in the condensed consolidated income statement	<u>8,844</u>	<u>1,348</u>	<u>620</u>	<u>1,606</u>	<u>12,418</u>
Segment results	<u>7,134</u>	<u>(7,124)</u>	<u>(1,105)</u>	<u>(227,474)</u>	(228,569)
Interest income from bank deposits					999
Finance costs					(21,686)
Unallocated corporate expenses					<u>(20,306)</u>
Loss before income tax					<u>(269,562)</u>

**Six months ended 30 June 2014**

	Property investments <i>HK\$'000</i> (Unaudited)	Securities and other investments <i>HK\$'000</i> (Unaudited)	Fund investments <i>HK\$'000</i> (Unaudited)	Fund management <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Segment revenue	5,039	427,393	—	12,073	444,505
Less: Sales proceeds from disposal of financial instruments held for trading	—	(382,771)	—	—	(382,771)
Turnover as presented in the condensed consolidated income statement	<u>5,039</u>	<u>44,622</u>	<u>—</u>	<u>12,073</u>	<u>61,734</u>
Segment results	<u>4,708</u>	<u>329</u>	<u>(49)</u>	<u>13,026</u>	18,014
Interest income from bank deposits					756
Finance costs					(18,817)
Unallocated corporate expenses					<u>(17,988)</u>
Loss before income tax					<u>(18,035)</u>

Except for the inclusion of sales proceeds from disposal of financial instruments held for trading in the segment revenue of securities and other investments reported to the chief operating decision makers, the accounting policies of the operating segments under HKFRS 8 are the same as the Group's accounting policies.

Segment results represent the profit or loss before income tax by each segment without allocation of interest income from bank deposits, finance costs and unallocated corporate expenses (including central administration costs, share-based compensation and directors' remuneration). This is the measure reported to the chief operating decision makers, the executive directors, for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's assets and liabilities by reportable segments:

	<b>30 June 2015 HK\$'000 (Unaudited)</b>	31 December 2014 HK\$'000 (Audited)
<b>Assets</b>		
<b>Segment assets</b>		
— Property investments	524,972	522,747
— Securities and other investments	668,196	586,358
— Fund investments	1,872,024	1,232,910
— Fund management	1,611,811	1,772,497
— Unallocated assets	1,088,566	1,773,299
	<u>5,765,569</u>	<u>5,887,811</u>
Consolidated total assets	<u>5,765,569</u>	<u>5,887,811</u>
<b>Liabilities</b>		
<b>Segment liabilities</b>		
— Property investments	3,303	3,885
— Securities and other investments	3,808	3,908
— Fund investments	—	40
— Unallocated liabilities	1,681,056	1,572,932
	<u>1,688,167</u>	<u>1,580,765</u>
Consolidated total liabilities	<u>1,688,167</u>	<u>1,580,765</u>

Segment assets include all assets allocated to operating segments other than property, plant and equipment, amount due from immediate holding company, unallocated other receivables, short-term bank deposits, bank balances and cash.

Segment liabilities include all liabilities allocated to operating segments other than taxation payable, unallocated other payables, amount due to a fellow subsidiary and borrowings.

The information disclosed above represented the segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers for the purpose of assessing their performance and allocating resources to segments.

Certain comparative figures in the segment information for the period ended 30 June 2014 has been reclassified. Previously, shares of results of joint ventures were not allocated to the operating segment. For the period ended 30 June 2015, share of results of joint ventures and interests in joint venture were reclassified and reported under “Fund management” as a result of the change in information reported internally for the purposes of resources allocation and assessment of business performance. Comparative figures have been reclassified accordingly.

#### 4. INCOME TAX

	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
The tax charge comprises:		
Over provision in prior years:		
Hong Kong Profits Tax	—	(8)
Income tax credit	—	(8)

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profit arising in or derived from Hong Kong during the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

Overseas tax is calculated at the rates applicable in the respective jurisdictions in which the Group operates. The Group has no profit subject to the overseas tax during the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

#### 5. LOSSES PER SHARE

The calculation of the losses per share attributable to owners of the Company is based on the loss for the period attributable to owners of the Company of HK\$269,562,000 (six months ended 30 June 2014: HK\$18,027,000) and on the weighted average number of 448,642,000 ordinary shares (six months ended 30 June 2014: 445,500,000 ordinary shares) in issue during the period.

No adjustment has been made to basis losses per share amount presented for the periods ended 30 June 2015 and 30 June 2014 in respect of a dilution as the impact of convertible preference shares and/or share options outstanding had an anti-dilutive on the basis losses per share amount presented.

#### 6. INTERIM DIVIDEND

The directors do not recommend the payment of dividend during the current interim period (six months ended 30 June 2014: Nil).

## 7. INTERESTS IN JOINT VENTURES

	<b>30 June 2015 HK\$'000 (Unaudited)</b>	31 December 2014 HK\$'000 (Audited)
At the beginning of the period/year	1,772,482	3,110
Share of post-acquisition results and other comprehensive income	(223,915)	(30,173)
Capital contribution ( <i>Note (a)</i> )	<u>63,229</u>	<u>1,799,545</u>
At the end of the period/year	<u><u>1,611,796</u></u>	<u><u>1,772,482</u></u>

As at 30 June 2015, the Group has interests in the following significant joint ventures:

Name of joint venture	Form of business structure	Principal place of incorporation/ operation	Class of shares held	Proportion of issued share capital directly held by the Group	Principal activities
Sino Prosperity Real Estate Limited	Incorporated	Cayman Islands	Ordinary	50%	Investment holdings
Sino Prosperity Real Estate Advisor Limited	Incorporated	Cayman Islands	Ordinary	50%	Investment advisory

Name of principal subsidiary/ fund of joint venture	Form of business structure	Principal place of incorporation/ operation	Proportion of issued share capital directly held by the Group	Principal activities
Sino Prosperity Real Estate (GP) L.P. ("Fund GP")	Partnership	Cayman Islands	50%	Investment holdings
Sino Prosperity Real Estate Fund L.P. (the "Fund")	Partnership	Cayman Islands	50%	Investment holdings

Under HKFRS 11, these joint arrangements are classified as joint ventures and have been included in the condensed consolidated financial statements of the Group using the equity method.

*Notes:*

- (a) On 17 November 2014, the Group entered into an amendment agreement and a subscription agreement, agreed to increase its capital commitment into the Fund by United States dollars ("US\$") 250,000,000 and into the Fund GP from US\$1,050,000 to US\$5,000,000, increased by US\$3,950,000. The increase in capital commitment has been approved by the independent shareholders of the Company at the extraordinary general meeting held on 31 December 2014.

Subsequent to the passing of this resolution by the Company shareholders, part of the capital commitment of approximately US\$232,000,000 (equivalent to HK\$1,799,545,000) was drawn down on 31 December 2014 for the Fund to complete the acquisition of the entire interest of a company which indirectly holds certain property projects and a business of providing upfitting and decoration services in the People's Republic of China ("the PRC"). Details of the transactions were set out in the Company's announcement and circular dated 17 November 2014 and 13 December 2014 respectively.

On 22 April 2015, the Group had made an additional capital contribution of US\$8,159,000 in total (equivalent to HK\$63,229,000), in which a contribution of US\$7,999,000 was paid to the Fund and the remaining balance of US\$160,000 was paid to the Fund GP.

- (b) As at 30 June 2015, the Group has outstanding commitments to make capital contribution to Fund GP and the Fund of approximately US\$291,000 (31 December 2014: US\$451,000) and US\$14,550,000 (31 December 2014: US\$22,549,000) respectively.
- (c) On 7 July 2015, the Group further entered into an amendment agreement and a subscription agreement, agreed to increase its capital commitment into the Fund and the Fund GP by US\$90,000,000 and US\$1,800,000 respectively. The shareholding structure of the Fund and the Company's economic interest and rights in the Fund immediately following the execution of the amendment agreement and the subscription agreement will remain unchanged. The increase in capital commitment has been approved by Grand Beauty Management Limited, the parent of the Company through written resolution on the same date.

No capital was drawn down up to the approval of the Interim Financial Statements, the recapitalise of the Fund just for its further expand in order to capture investment opportunities should they arise. Details of the transactions were set out in the Company's announcement and circular dated 7 July 2015 and 24 July 2015 respectively.

## 8. AVAILABLE-FOR-SALE INVESTMENTS

	<b>30 June 2015</b>	31 December 2014
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Unlisted equity investments, at cost ( <i>Note (a)</i> )	<b>66,654</b>	92,893
Unlisted investments ( <i>Note (b)</i> )	<b>1,250,419</b>	814,120
Impairment loss on available-for-sale investments	<b>(330)</b>	(330)
	<b><u>1,316,743</u></b>	<u>906,683</u>

*Notes:*

- (a)(i) The unlisted equity investments included investments in unlisted equity securities issued by private entities incorporated outside Hong Kong amounted to HK\$15,212,000 (31 December 2014: HK\$41,452,000) after impairment provision, of which the Group holds less than 5% (31 December 2014: 5%) of the equity interest of these investees.

On 13 February 2015, the Company has disposed of a total of 4,500,000 shares of Anhui Yangzi Floor Co. Limited (“AnHui”) at a price of Renminbi (“RMB”) 5.5 per Anhui share in a series of transactions on the open market of National Equities Exchange and Quotations for the aggregate net sale proceeds of approximately HK\$31,333,000, resulting in gain on disposal of approximately HK\$5,084,000. The details of which were disclosed in the Company’s announcement dated 13 February 2015.

- (a)(ii) At the end of reporting period, the Group held 5% unlisted equity interest in a PRC entity amounted to RMB1,500,000 (equivalent to approximately HK\$1,902,000) as at 30 June 2015 (31 December 2014: RMB1,500,000 (equivalent to approximately HK\$1,901,000)).
- (a)(iii) On 24 January 2014, an indirect wholly-owned subsidiary of the Company entered into a subscription agreement with P’0006 A’ Beckett Pty Ltd. (the “Trustee”) and ICD Land Pty. Ltd. (“ICD Land”) (the “Subscription Agreement”), pursuant to which the Group agreed to subscribe for 199 ordinary units and 14,285,316 of the class A units of A’ Beckett Street Trust (the “Trust”) and 199 trustee’s ordinary shares in the capital of the Trustee for a total consideration of Australian dollar (“A\$”) 14,285,714 (equivalent to approximately HK\$97,701,000). The objective of the Trust is to complete the proposed development of a residential complex on the parcel of land in Melbourne, Australia.

In conjunction with the Subscription Agreement, the Group, ICD Land and the Trustee also entered into an agreement on the same day to regulate the affairs of the Trust and the Trustee.

At the end of reporting period, the Group had paid approximately 50% of the total consideration of A\$7,143,256 (equivalent to approximately HK\$49,210,000) and holds 199 ordinary shares and 7,142,858 of class A units of the Trust, and 199 Trustee’s ordinary shares as at 30 June 2015 and 31 December 2014. As the Group has no power to govern or participate the financial and operating policies of the investee so as to obtain benefits from its activities, the directors of the Company designated the unlisted investment as available-for-sale investment.

At 30 June 2015, the Group has outstanding commitments to make capital contribution of approximately A\$7,142,458 (equivalent to approximately HK\$42,562,000) (31 December 2014: A\$7,142,458 (equivalent to approximately HK\$45,428,000)).

The above unlisted equity investments are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably. The Group does not intend to dispose of them in the near future.

- (b) At the end of the reporting period, the analysis of the fund investments of the Group are as follows:

	<b>30 June 2015 HK\$'000 (Unaudited)</b>	31 December 2014 HK\$'000 (Audited)
At fair value ( <i>Notes (i), (ii) &amp; (iii)</i> )	<b>400,488</b>	367,767
At cost ( <i>Notes (iv)</i> )	<b>849,931</b>	446,353
	<b><u>1,250,419</u></b>	<b><u>814,120</u></b>

- (b)(i) At the end of reporting period, the Group held approximately 418,000 (31 December 2014: 418,000) participating redeemable preference shares (“Participating Shares”) in an investment entity incorporated outside Hong Kong for diversifying the Group’s securities investment risk and further enhance the rate of return of the Group’s core business of securities investment. The fair value of the Participating Shares as at 30 June 2015 was approximately HK\$161,214,000 (31 December 2014: approximately HK\$149,770,000).
- (b)(ii) At the end of reporting period, the Group held approximately 101,000 (31 December 2014: 101,000) participating redeemable preference shares in a sub-fund of an investment entity incorporated in the Cayman Islands (the “Sub-Fund A”). The Sub-Fund A is focus on, but not limited to, Asia (excluding Japan) equity to generate positive returns in all market conditions. The fair value of participating redeemable preference shares of the Sub-Fund A as at 30 June 2015 was approximately HK\$117,573,000 (31 December 2014: approximately HK\$102,500,000).
- (b)(iii) At the end of reporting period, the Group also held approximately 110,000 (31 December 2014: 110,000) participating redeemable preference shares in another sub-fund of the above mentioned investment entity (the “Sub-Fund B”). The Sub-Fund B invested the collected funds to generate positive returns in all market conditions by employing multi-strategy investment approach, to invest on, but not limited to, Asia Pacific equity by employing bottom-up approach and to invest in both long and short term of different asset classes. The fair value of participating redeemable preference shares of the Sub-Fund B as at 30 June 2015 was approximately HK\$121,701,000 (31 December 2014: approximately HK\$115,497,000).
- (b)(iv) At the end of the reporting period, the Group held 637,000 (31 December 2014: 125,000) non-redeemable, non-voting participating shares of an investment entity incorporated in the Cayman Islands (the “Private Equity Fund”) and 450,000 (31 December 2014: 450,000) non-redeemable, non-voting participating shares of another investment entity incorporated in the Cayman Islands (the “Property Fund”). The carrying values of the investments in the Private Equity Fund and the Property Fund as at 30 June 2015 were approximately HK\$500,506,000 (31 December 2014: approximately HK\$96,928,000) and approximately HK\$349,425,000 (31 December 2014: approximately HK\$349,425,000) respectively.

On 29 June 2015 and 29 December 2014, the Group further subscribed and made the payment for new non-redeemable, non-voting participating shares of Property Fund and Private Equity Fund with the subscription monies of US\$55,000,000 (equivalent to approximately HK\$426,393,000) and US\$52,000,000 (equivalent to approximately HK\$403,578,000) respectively. These shares

shall rank pari passu with all existing Property Fund shares and Private Equity Fund shares in issue. The additional subscription shares were finally allotted and issued on 2 July 2015 and 2 January 2015. Thus, the payments were classified as prepayment for subscription of available-for-sale investment under non-current assets as at the end of reporting period.

The investment objective of the Private Equity Fund is to achieve medium to long term capital appreciation through investing in one or more collective investment schemes that invest predominantly in real estate and related investments in the U.S., Europe and/or Australia.

The investment objective of the Property Fund is to achieve medium to long term capital appreciation through investing substantially all of its assets available for investment in residential, industrial, retail and commercial real estate and related investments primarily in the U.S. and potentially to a lesser extent in Singapore and countries that are members of the Organisation for Economic Co-operation and Development.

As the equity investments in Private Equity Fund and in Property Fund do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period.

Those investments as described in Notes (b)(i) to (iv) above are unlisted and the Group has no power to govern or participate the financial and operating policies of the investee so as to obtain benefits from its activities and does not intend to trade for short-term profit, the directors of the Company designated the unlisted investments as available-for-sale investments.

## **9. EVENT AFTER THE REPORTING PERIOD**

### **(a) Increase capital commitment into the Fund**

On 7 July 2015, the Group agreed to increase its capital commitment into the Fund and the Fund GP by US\$90,000,000 and US\$1,800,000 respectively. Please refer to Note 7(c) to the unaudited condensed consolidated financial statements of the Company as disclosed in this announcement for the details.

### **(b) Acquisition of unlisted investment in the U.S.**

On 31 December 2014, the Group entered into a conditional agreement, pursuant to which the Group will acquire (i) 45% membership interests in a new company, which would be incorporated in the State of Delaware to acquire all the business, assets, and liabilities of Rosemont Realty, LLC (“Rosemont”), a limited company incorporated in the State of Delaware, and the limited partnership interests in the limited partnership; (ii) to acquire or subscribe to the interests in certain syndicated projects; (iii) to provide a working capital facility of US\$10,000,000 to the new company. The aggregate consideration of the acquisition is approximately US\$119,000,000 (equivalent to approximately HK\$922,000,000).

Rosemont is principally engaged in the ownership and management of commercial real properties with headquarters in Santa Fe, numerous offices in various cities of U.S.. The acquisition is expected to be completed in around August 2015. The details of the acquisition were disclosed in the Company’s announcement and circular dated 31 December 2014 and 23 June 2015 respectively.

## **PUBLICATION OF RESULTS ANNOUNCEMENT**

This results announcement is published on the websites of the Company (www.geminiinvestments.com.hk) and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (www.hkexnews.hk).

## **CORPORATE GOVERNANCE**

During the Interim Period, the Company has complied with the applicable code provisions (the “**Code Provisions**”) of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange as and when they were/are in force, except for the following Code Provisions:

- (a) Code Provision A.6.7 requires that independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to other pre-arranged business commitments which had to be attended by Mr. LI Ming, the Honorary Chairman of the Board and a non-executive Director, he was not present at the annual general meeting of the Company held on 24 April 2015; and
- (b) Code Provision E.1.2 requires that the Chairman of the Board should attend the annual general meeting of the Company. Due to other pre-arranged business commitments which had to be attended by Mr. LI Ming, the Honorary Chairman of the Board, he was not present at the annual general meeting of the Company held on 24 April 2015.

## **REVIEW BY AUDITOR AND AUDIT COMMITTEE**

At the request of the audit committee of the Company (the “**Audit Committee**”), the auditor of the Company has carried out a review of the unaudited interim financial information of the Group for the six months ended 30 June 2015 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 Hong Kong Institute of Certified Public Accountants. The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial information of the Group for the six months ended 30 June 2015.

## **CODES FOR SECURITIES TRANSACTION BY DIRECTORS AND RELEVANT EMPLOYEES**

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the “**Model Code**”) as its code of conduct regarding securities transactions by the Directors. All Directors, following specific enquiries made by the Company, have confirmed that they have complied with the required standard as set out in the Model Code during the Interim Period.

The Company has also adopted a code of conduct regarding securities transactions by relevant employees on terms no less exacting than the required standard set out in the Model Code. All the relevant employees who, because of office or employment, are likely to be in possession of inside information in relation to the Company's securities has been requested to follow such code when dealing in the securities of the Company.

#### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES**

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries during the Interim Period.

By order of the Board  
**Gemini Investments (Holdings) Limited**  
**LAI Kwok Hung, Alex**  
*Executive Director*

Hong Kong, 31 July 2015

As at the date of this announcement, the directors of the Company are as follows:

*Executive directors:*

Mr. SUM Pui Ying  
Ms. CUI Yueming  
Mr. LAI Kwok Hung, Alex

*Non-executive directors:*

Mr. LI Ming  
Mr. LI Hongbo

*Independent non-executive directors:*

Mr. LAW Tze Lun  
Mr. LO Woon Bor, Henry  
Mr. ZHENG Yun