

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**MAJOR TRANSACTION IN RELATION TO
INVESTMENT IN PROSPERITY RISK BALANCED FUND LP**

THE AGREEMENT

After the Stock Exchange trading hours on 3 November 2015, an application for subscribing an interest as a Limited Partner in PRB Fund with Commitments of US\$60 million (equivalent to approximately HK\$465 million) has been made by the Subscriber (an indirect wholly-owned subsidiary of the Company) by executing and sending the Agreement to the Administrator.

PRB Fund is an exempted limited partnership established in the Cayman Islands on 29 July 2015, the investment objective of which is to achieve long-term capital appreciation through investment in convertible or exchangeable bonds, notes, debentures and other types of debt instruments issued by the Cayman Islands/the British Virgin Islands and other offshore special purpose vehicles which in turn hold shares in PRC companies established for the purposes of developing real estate in the PRC.

LISTING RULES IMPLICATIONS

The Subscription constitutes a major transaction of the Company under Chapter 14 of the Listing Rules which is subject to, among other things, the approval of the Shareholders.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Subscription and accordingly, no Shareholder is required to abstain from voting on the Subscription. Grand Beauty, being the controlling Shareholder holding 312,504,625 Shares (representing approximately 69.29% of the issued Shares as at the date of this announcement), has given its written approval for the Subscription and such written approval is accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. Accordingly, no physical Shareholders' meeting will be held by the Company for approving the Subscription.

A circular containing, among other things, information relating to the Subscription, financial information of the Group and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 24 November 2015.

After the Stock Exchange trading hours on 3 November 2015, an application for subscribing an interest as a Limited Partner in PRB Fund with Commitments of US\$60 million (equivalent to approximately HK\$465 million) has been made by the Subscriber (an indirect wholly-owned subsidiary of the Company) by executing and sending the Agreement to the Administrator. Details of the Agreement are set out below.

THE AGREEMENT

Date

3 November 2015

Parties

- (i) Bai Li Investments Limited, being the Subscriber and an indirect wholly-owned subsidiary of the Company; and
- (ii) PRB Fund.

To the best of the Directors' information, knowledge and belief having made all reasonable enquiries, PRB Fund and its ultimate beneficial owner(s) are Independent Third Parties. Please refer to the section headed "Information on PRB Fund" below for details of PRB Fund.

Subject matter

Pursuant to the Agreement, the Subscriber has conditionally agreed to contribute Commitments for a total amount of US\$60 million (equivalent to approximately HK\$465 million) as a Limited Partner to PRB Fund. The amount of the Subscriber's Commitments represents 7.5% of the total Commitments of US\$800 million (equivalent to approximately HK\$6.2 billion) which PRB Fund is currently seeking from qualified investors to invest therein as Limited Partners.

Commitments to PRB Fund will be drawn down in accordance with the prior written notice to be given by the General Partner (please refer to the paragraph headed “Drawdowns” in the section headed “Information on PRB Fund” below).

Condition precedent

Completion of the Subscription is conditional upon the passing of the resolution by the Shareholders approving the Agreement and the transactions contemplated thereunder. If such condition is not fulfilled on or before the 10th Business Day prior to the date of the Initial Closing or such later date as may be mutually agreed by the parties to the Agreement, the Subscription shall be null and void and the Agreement shall have no force or effect. Since Grand Beauty, being the controlling Shareholder holding 312,504,625 Shares (representing approximately 69.29% of the issued Shares as at the date of this announcement), has given its written approval for the Subscription, the condition mentioned above has been fulfilled as at the date of this announcement.

INFORMATION ON PRB FUND

PRB Fund is an exempted limited partnership established in the Cayman Islands on 29 July 2015.

Investment objective

PRB Fund’s investment objective is to achieve long-term capital appreciation through investment in convertible or exchangeable bonds, notes, debentures and other types of debt instruments issued by the Cayman Islands/the British Virgin Islands and other offshore special purpose vehicles which in turn hold shares in PRC companies established for the purposes of developing real estate in the PRC. PRB Fund may also invest in equities issued by such special purpose vehicles or invest its surplus cash on a short-term basis in money market instruments. In order to achieve its investment objective, PRB Fund will adopt the following strategies to select its target investments:

- (i) investing in on-going or approved projects where lands have been acquired and necessary governmental approvals have been obtained since it is believed that such projects provide better visibility, easier assessed risks, more predictable timeline and budget and they are less likely to be subject to contingencies;
- (ii) focusing on projects which are located in first tier cities in the PRC since it is believed that the market risk in these cities is lower;
- (iii) focusing on residential development projects;
- (iv) investing in projects which are developed by capable developers with strong reputation since it is believed that the abilities of the developers to complete the real estate projects are crucial to the success of PRB Fund;

- (v) structuring the investments in the forms of convertible debts, exchangeable debts and/or combination of notes and warrants so as to secure the returns of the projects. In addition, the debt structure ensures that the interests of PRB Fund in the projects are more senior than the equity interests of such projects;
- (vi) focusing on projects which are expected to generate more than 10% annual internal rate of return. It is expected that the required yield of debt in respect of each investment should be no less than 6% per annum; and
- (vii) focusing on larger projects where economies of scale can be achieved and better development planning can be accomplished. To this end, diversification of PRB Fund portfolio cannot be too extensive. However, no single investment shall constitute more than 55% of the total Commitments.

PRB Fund will formulate, approve and implement its investment decisions according to the following procedures:

- (i) the Adviser is responsible for sourcing and identifying real estate projects in the PRC. In order to identify such opportunities, the Adviser will rely on its good understanding of the real estate sector in the PRC and contacts with a network of major owners and developers of the real estate projects;
- (ii) the Adviser will then decide on the investment proposal and recommend it to the board of directors of the General Partner for consideration;
- (iii) the board of directors of the General Partner will consider the suitability of the investment proposal based on the investment strategies of PRB Fund and other relevant factors and then choose the suitable investments to implement; and
- (iv) thereafter, the General Partner will be responsible for structuring the investments in the forms which can maximise the potential returns and mitigate the risks to the Partners.

Fund size

PRB Fund is seeking US\$800 million of Commitments from Limited Partners. The General Partner reserves the right to accept total Commitments greater or lesser than such amount provided that PRB Fund will not hold on the Initial Closing with less than US\$300 million of total Commitments. The minimum Commitment for a Limited Partner is US\$50 million. Commitments of lesser amounts may be accepted at the discretion of the General Partner.

Management

The General Partner

Prosperity Risk Balanced GP Limited is the sole general partner of PRB Fund. The General Partner is responsible for the management and operations of PRB Fund, including its investment decisions and overall investment policies, whilst the Limited Partners shall have no right to take part in the management or control of PRB Fund's business or act for PRB Fund.

The Consultant

The Consultant will provide certain consultancy services to PRB Fund including facilitating the appointment of service providers, monitoring and supervising of service providers, ensuring appropriate documentation of all transactions, investing surplus cash, assisting in determining the valuation of investments, preparing reports to Limited Partners and providing administrative and other services to PRB Fund.

The Adviser

The Adviser will provide research advisory services relating to real estate projects, including investment research and advice on prospective real estate investments and divestments to the General Partner.

The Administrator

The Administrator will provide services to PRB Fund including maintaining the register of Limited Partners, receiving and processing subscription agreements or applications, issuing capital calls, processing distributions, issuing quarterly statements, calculating net asset value of PRB Fund, maintaining accounting reports, preparing financial statements for audit purposes upon request and liaising with auditors.

To the best of the Directors' information, knowledge and belief having made all reasonable enquiries, the General Partner, the Consultant, the Adviser, the Administrator and their respective ultimate beneficial owners are Independent Third Parties. PRB Fund, the General Partner and the Adviser have no business dealings and/or relationships with the Group prior to the Subscription, while the Consultant is the investment manager of certain existing investment funds invested by the Group, including GlobalActive Fund Limited, Neutron Private Equity Fund Limited, Neutron Fund Limited and Neutron Property Fund Limited. The Consultant's role in PRB Fund is mainly to provide certain administrative services to PRB Fund, which is different from its roles as investment manager for selecting and monitoring investments in the above mentioned investment funds invested by the Group.

Investment limitations

- (i) PRB Fund may provide bridge financing or interim guarantees to a company (“**Bridge Financing**”) in order to facilitate PRB Fund’s investment in such company. A Bridge Financing may not exceed the total amount of the undrawn Commitments (the “**Unfunded Commitments**”), and must be at a level that, when added to the permanent investment in such company, does not exceed 35% of the total Commitments. All Bridge Financings will be (a) senior to the permanent investment of PRB Fund in such company; (b) bear interest or carry other compensation at rates not less favorable to PRB Fund than those available from unaffiliated lenders; and (c) have a final maturity of not more than one year.
- (ii) Except with regard to the Bridge Financing as mentioned above, the total investment by PRB Fund in debt issued by a single portfolio company may not exceed 55% of the total Commitments.
- (iii) PRB Fund will not invest in any “hostile” transaction that is opposed by a majority of the members of the target company’s board of directors, provided that the acquisition of a business in connection with a bankruptcy or similar restructuring shall not be considered “hostile”, notwithstanding the opposition of the equity owners of such business or their representatives.
- (iv) PRB Fund will not make open market purchases of publicly traded securities unless (a) such purchases are made in connection with, or with a view to, a contemplated privately negotiated transaction; or (b) such purchases are in an amount in the aggregate at the time of the purchase not exceeding 5% of the total Commitments (excluding securities purchased in accordance with (a)); or (c) where such investment is made for a period of time not exceeding 12 months.
- (v) PRB Fund will not invest in any “blind pool” investment funds (i.e. being a commingled investment fund in which investors make a commitment to invest a pre-determined amount of capital over time, entrusting such fund’s sponsor to source, acquire, manage and divest all of such fund’s investments).
- (vi) PRB Fund will not invest in publicly traded options, futures or financial derivatives except for hedging purposes in connection with an investment or proposed investment.
- (vii) PRB Fund will not seek representation on the board of directors of any special purpose vehicle related to an investment or any company in which such special purpose vehicle invests.

Borrowings and guarantees

The General Partner shall have the right, at its option, to cause PRB Fund to borrow money from any person, or to guarantee loans or other extensions of credit (i) to support an obligation made to any portfolio company of PRB Fund or affiliate or any vehicle formed to effect the acquisition thereof; (ii) for the purpose of covering the Partnership Expenses including the Management Fees; or (iii) to provide interim financing to the extent necessary to consummate the purchase of investments prior to the receipt of capital contributions. Borrowings and/or guarantees by PRB Fund shall, in the aggregate, not exceed 20% of the total Commitments at any time and such borrowings and/or guarantees shall be negotiated by the Consultant.

Commitment period

Capital calls may be required from time to time for a period of two years from the Initial Closing (the “**Commitment Period**”). Thereafter, Limited Partners will be released from any further obligation with respect to their Unfunded Commitments, except as necessary to (i) cover the Partnership Expenses including the Management Fees; (ii) complete investments by PRB Fund or make payments in connection with borrowings or guarantees by PRB Fund in respect of transactions committed to by PRB Fund prior to the end of the Commitment Period; and (iii) make follow-on investment (i.e. investments made for the purpose of protecting or enhancing an existing investment), provided that the capital contributions for such follow-on investments after the Commitment Period will not exceed an amount equal to 15% of the total Commitments and no Partner shall be obligated to make any contributions to the capital of PRB Fund in excess of such Partner’s Unfunded Commitments.

Closing

The Initial Closing is expected to be held on or around 30 November 2015 (or such later date as determined by the General Partner). The General Partner may accept additional subscriptions (and increases in Commitments by existing Limited Partners) for up to nine months after the Initial Closing. Limited Partners admitted (and existing Limited Partners increasing their Commitments) subsequent to the Initial Closing will pay their pro rata share of all funded Commitments which have been applied to any investments then held by PRB Fund, the Management Fees, the Organisational Expenses and other Partnership Expenses, and an additional amount equal to the prime rate plus 2% (the “**Additional Amount**”). Such amounts will be allocated and distributed to previously admitted Partners on a pro rata basis. Amounts so distributed to previously admitted Partners (other than the Additional Amount) will be restored to such Partners’ Unfunded Commitments and be subject to recall.

Organisational Expenses principally comprise set-up costs and expenses incurred in connection with the formation of PRB Fund and the General Partner and the offering of partnership interests in PRB Fund, whilst Partnership Expenses represent the overall expenses of PRB Fund which include the Organisational Expenses, the Management Fees and the ongoing fees, costs and expenses relating to the operations of PRB Fund, such as fees and costs and expenses directly related to the purchase and sale of securities, expenses of custodians, counsel and accountants, insurance, indemnity or litigation expenses, costs of administration (such as preparation of financial statements and reports, costs of holding meetings of the Partners and any taxes, fees or other governmental charges levied against PRB Fund).

Term

The term of PRB Fund will expire seven years after the Initial Closing, but may be extended for up to two consecutive one-year periods in the sole discretion of the General Partner.

Drawdowns

Commitments will be drawn down proportionally to Limited Partners' Unfunded Commitments as needed to fund investments, the Partnership Expenses or the Management Fees with a minimum of ten Business Days' prior written notice to the Limited Partners. Such notice period may be waived by mutual agreement between the General Partner and the Limited Partners.

Any amount drawn down from the Unfunded Commitments to pay the Management Fees, the Organisational Expenses or other Partnership Expenses may, to the extent Limited Partners receive subsequent distributions, either be retained or added to the Unfunded Commitments and subject to recall.

Limited Partners will not be required to fund their capital contributions to PRB Fund until the closing date of PRB Fund's first investment (but will be required to make direct payments in respect of the Management Fees and the Organisational Expenses).

Distributions

Net cash proceeds from the sale of investments or any portion of an investment or marketable securities available for distribution and to be distributed (the "**Disposition Proceeds**") will be distributed as soon as practicable after receipt thereof. Current cash receipts from coupons, interest and other non-tax distributions from investments net of expenses (the "**Current Income**") will be distributed at least annually. The General Partner will be entitled to withhold from any distribution amounts necessary to create, in its discretion, appropriate reserves for expenses and liabilities of PRB Fund as well as for any required tax withholdings. Amounts of tax credits received by PRB Fund and amounts withheld for taxes will be treated as distributions for purposes of the calculations described below.

Distributions of Disposition Proceeds and Current Income (together, “**Investment Proceeds**”) in respect of each investment will be made in the first instance to the Limited Partners and the General Partner pro rata in proportion to each of their percentage interests with respect to such investment. Each Limited Partner’s share of Investment Proceeds will then be distributed to such Limited Partner and the General Partner in the following amounts and order of priority:

- (i) first, 100% to such Limited Partner until such Limited Partner has received distributions of Investment Proceeds from such investment and all investments that have been disposed of (the “**Realised Investments**”) equal to the sum of:
 - (a) such Limited Partner’s capital contributions for such investment and all Realised Investments;
 - (b) such Limited Partner’s capital contributions for the Organisational Expenses, the Management Fees and other Partnership Expenses allocable to the Realised Investments; and
 - (c) such Limited Partner’s pro rata share of any net unrealised losses on write downs of PRB Fund’s other investments;
- (ii) second, 100% to such Limited Partner until the cumulative distributions of Investment Proceeds to such Limited Partner represent an 8% annual rate of return on the cumulative distributions pursuant to paragraph (i) above;
- (iii) third, 80% to the General Partner and 20% to such Limited Partner until the cumulative distributions to the General Partner pursuant to this paragraph (iii) equal 20% of the total amounts distributed pursuant to paragraph (ii) and this paragraph (iii); and
- (iv) thereafter, 80% to such Limited Partner and 20% to the General Partner (the distributions to the General Partner described in paragraph (iii) and this paragraph (iv) being referred to as “**Carried Interest**”).

Distributions relating to the partial disposition of an investment will be subject to the above distribution formula, with the Carried Interest being based on the original cost of, and the cumulative distributions being made with respect to, the disposed portion of such investment.

PRB Fund may make distributions to the General Partner in an amount sufficient to permit the payment of the tax obligations of the General Partner and its owners in respect of allocations of income related to the Carried Interest to the extent not previously taken into account for such purpose or distributed to the General Partner. Any such distributions shall be taken into account in making subsequent distributions to the Limited Partners.

Distributions of income from temporary investments will be made among all Partners in proportion to their respective proportionate interests in the Partnership property or funds that produced such income, as reasonably determined by the General Partner. Distributions relating to the Bridge Financing held less than a year will be made on a pro rata basis.

Management Fees

PRB Fund will pay the Management Fees to the General Partner semi-annually in advance during the term of PRB Fund, starting on the date of the Initial Closing. The Management Fees will thereafter be payable in advance on the first Business Day of January and July of each year. During the Commitment Period, the Management Fees will equal 1.0% per annum of the total Commitments of each Limited Partner. After the Commitment Period, with respect to the Management Fees payable by each Limited Partner, the Management Fees will equal 1.0% per annum of the difference between (i) all funded Commitments made by such Limited Partner; and (ii) all funded Commitments made by such Limited Partner with respect to the investments which have been disposed of, calculated as of the last Business Day preceding each Management Fees payment date.

The Management Fees will be reduced by certain fees received by the General Partner or the Consultant as more fully described below.

Until PRB Fund makes its first investment, the Management Fees will be paid directly by Limited Partners to the General Partner (which payments will reduce their Unfunded Commitments). After the first investment, the Management Fees will be paid to the General Partner by PRB Fund out of capital contributions from the Limited Partners. The Management Fees may, in the sole discretion of the General Partner, also be paid out of the relevant Limited Partner's share of Investment Proceeds and income from temporary investments, being investments in (i) cash; (ii) debt securities issued or directly or indirectly fully guaranteed or insured by the United States or any agency or instrumentality thereof; (iii) certificates of deposit of any commercial bank having capital and surplus in excess of US\$500 million on the date of acquisition thereof; (iv) commercial paper or finance company paper that is rated not less than prime-one or A-1 or their equivalents by Moody's Investors Service, Inc. or Standard & Poor's Ratings Services; or (v) money market or mutual funds that seek to maintain a stable net asset value of US\$1.00 per share.

In connection with PRB Fund and its investments, the General Partner or the Consultant may receive transactional fees directly from the portfolio companies of PRB Fund (such as transaction, directors', consulting, management, investment banking, monitoring, closing, topping, break-up and other similar fees) (the "**Other Fees**"). In line with market practice, 50% of the Other Fees will be apportioned to the Limited Partners for reduction of the Management Fees for the following semi-annual period while the remaining 50% will be retained by the General Partner or the Consultant for their own benefits. To the extent such offsets would reduce the Management Fees for a given semi-annual period below zero, such offsets will be carried forward and reduce future installments of the Management Fees. The Management Fees may also be reduced by Organisational Expenses in excess of US\$500,000, to the extent of such excess on a dollar-for-dollar basis.

The management fees payable by the Group for its investments in other real estate related investment funds, including investments in Neutron Private Equity Fund Limited and Neutron Property Fund Limited, are charged at 1% per annum currently. The Directors also note that the management fees payable by certain investment companies (as defined in Chapter 21 of the Listing Rules) to their corresponding investment managers are usually charged as a fixed sum or at rates ranging from approximately 0.5% to 2%. In view of these, the Directors considered the basis on which the Management Fee is charged to be fair and reasonable.

Transfer of interest and withdrawal

A Limited Partner may not sell, assign, or transfer any interest in PRB Fund without the prior written consent of the General Partner, which may be given or withheld in the General Partner's sole and absolute discretion. Further, a Limited Partner generally may not withdraw any amount from PRB Fund.

INVESTMENTS AND FINANCIAL INFORMATION OF PRB FUND

As PRB Fund is a newly established partnership, it does not have any investments, assets or liabilities, and has not recorded any income or expenses.

Based on information provided by PRB Fund, PRB Fund is currently considering certain potential investments which meet its stated investment objective, including investments in convertible notes to be issued by companies in the PRC for financing the acquisition of certain residential property development projects located in Shanghai and Guangzhou of the PRC with an expected yield of 6% per annum (the "**Potential Investments**").

REASONS FOR THE SUBSCRIPTION

The principal business activity of the Company is investment holding and the Group is principally engaged in fund management, fund investment, property investment and securities investment businesses.

It is the Company's investment strategy to identify and capture sound investment opportunities with a focus on Hong Kong and overseas property markets, primarily prime cities, with low risk exposure to macroeconomic factors. The Group's existing investments comprise property-related investments in Hong Kong, Australia and the United States, securities investments in listed equities and fund investments. The Group will continuously take root in the property markets and target more sound investment opportunities to strengthen its core competencies and to contribute sustainable growth and returns for the Group, with the ultimate goal to maximise Shareholders' value in the medium to long term. Over the years, the Group has maintained a balance between making direct investments in real estate assets and other forms of investments with joint venture partners or through investment funds. The Board considers that fund investment is a prudent and an efficient means to expand the Group's investments in real estate related assets, diversify its market coverage and risk exposure and

enhance the rate of return of the Group's core business through efficient access of a wider variety of investment channels to which the Group may not have direct access.

As at the date of this announcement, the Group has invested approximately US\$499 million in a number of investment funds, whose investment portfolios comprise principally real estate projects. Such investment funds include (i) the investment in Sino Prosperity Real Estate Fund L.P. of approximately US\$208 million; (ii) the investment in Rosemont Realty, LLC, the limited partnership interests held by Lone Rock Holdings, LLC, Rosemont WTC Denver GPM LLC and Rosemont Diversified Portfolio II LP of approximately US\$126 million in total (both (i) and (ii) are managed by the Group in the role of general partner); and (iii) other fund investments of approximately US\$165 million (of which the Group is not involved in the management).

The management of the Company intends to focus on investments which can generate stable and reasonable return above its costs of funding (such as debt investments) so as to diversify the investment portfolio of the Group and mitigate the market risks of the Group's investments. The Subscription allows the Group to invest in different form of securities issued by companies in the real estate sector and diversify the market coverage and risk exposure of the Group. Despite there have not been any committed investments in PRB Fund at the current stage, PRB Fund has a clear investment objective which is to invest in debt instruments of special purpose vehicles which in turn hold shares in PRC companies established for the purposes of developing real estates in the PRC with an expected return of not less than 6% per annum on the debt instruments. The Directors believe that the PRC property market in major cities in the PRC is experiencing a turning point where previous cooling measures introduced by the PRC authorities to control property purchases are being gradually removed. Also, PRB Fund will adopt clear procedures to formulate, approve and implement its investment decisions to ensure that, among other things, the investments are structured in the forms which can maximise the potential returns and mitigate the risks to the Partners. In addition, there are various investment limitations imposed on PRB Fund to govern, among other things, the investment targets and borrowings thereof. Hence, the Directors consider that the Subscription is in line with the Group's investment objective in the property sector and are positive about the prospective return to be generated from the Subscription.

The management team of PRB Fund are professional asset managers with extensive property expertise and experience in sourcing, managing and closing property related projects and strong network with major market players in the PRC property industry. Despite the Group will not be involved in the management of PRB Fund, the Board considers that the Subscription would allow the Group to leverage on the expertise, experience and network of the management of PRB Fund and resources of PRB Fund to source and manage potential investments in the real estate market, which is a more efficient means than the Group sourcing and managing the investments itself. As disclosed in the paragraph headed "Distributions" under the section headed "Information on PRB Fund" above, the General Partner is not entitled to the Carried Interest until after a Limited Partner has recouped its capital contributions to (i) the relevant investment and (ii) the Organisational Expenses, the Management Fees and other Partnership Expenses allocable to such investment, and the cumulative distributions of Investment Proceeds to such Limited Partner represent an 8% annual rate of return

on such capital contributions, which are considered to be an incentive for the General Partner to achieve a good performance for PRB Fund. Besides, under the terms of PRB Fund, the Limited Partners have the rights to remove the General Partner or request the winding-up of PRB Fund when they reasonably believe that the General Partner has committed any act which is likely to have an adverse effect on the business of PRB Fund or when the General Partner has committed fraud, misappropriation of funds, willful malfeasance or gross negligence in performing its duties. Although the Group would have no power to control or participate in the management of PRB Fund and the investments to be made by PRB Fund, the Board believes that (i) the profit sharing mechanism via the General Partner's entitlement to the Carried Interest; and (ii) the Limited Partners' rights to remove the General Partner or request the winding-up of PRB Fund are able to safeguard the Group's investments in PRB Fund.

The total subscription monies for the Subscription of US\$60 million (equivalent to approximately HK\$465 million) was determined by the Board after having considered the Potential Investments identified by PRB Fund and their expected return, the investment strategies and profile of the professional management team of PRB Fund, the business prospects of PRB Fund, and the financial resources available to the Group for investment purposes. The Group intends to finance the subscription monies for the Subscription entirely by its internal resources (excluding those available from the loan facility granted by Grand Beauty as mentioned below) which are consistent with the Group's treasury policy to invest surplus cash of the Group to generate return for the Company and the Shareholders.

In light of the above, including the Potential Investments identified by PRB Fund and their expected return, the investment strategies and profile of the professional management team of PRB Fund and the business prospects of PRB Fund, the Board considers that the Subscription is in line with the investment strategy of the Group and is in the interest of the Company and the Shareholders as a whole. The Board also considers that the terms of the Subscription are fair and reasonable. The investment in PRB Fund will be accounted for as available-for-sale investments in the Group's financial statements after the Subscription.

Grand Beauty, being the controlling Shareholder holding 312,504,625 Shares (representing approximately 69.29% of the issued Shares as at the date of this announcement), has granted an unsecured 5-year revolving loan facility in an amount up to US\$700 million (equivalent to approximately HK\$5.43 billion) to the Company under a facility agreement dated 31 August 2015 for the business development purposes of the Group. With such financing support provided by the controlling Shareholder, the Company will continue to actively evaluate and consider suitable investment opportunities other than the Subscription with the ultimate goal to maximising Shareholders' value.

LISTING RULES IMPLICATIONS

The Subscription constitutes a major transaction of the Company under Chapter 14 of the Listing Rules which is subject to, among other things, the approval of the Shareholders.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Subscription and accordingly, no Shareholder is required to abstain from voting on the Subscription. Grand Beauty, being the controlling Shareholder holding 312,504,625 Shares (representing approximately 69.29% of the issued Shares as at the date of this announcement), has given its written approval for the Subscription and such written approval is accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. Accordingly, no physical Shareholders' meeting will be held by the Company for approving the Subscription.

A circular containing, among other things, information relating to the Subscription, financial information of the Group and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 24 November 2015.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Administrator”	UBS Fund Services (Cayman) Ltd., the administrator of PRB Fund
“Adviser”	Miracle Management Limited, a company incorporated in Hong Kong which is wholly owned by the General Partner
“Agreement”	the subscription agreement executed by the Subscriber and sent to the Administrator on 3 November 2015 in relation to the Subscription
“Board”	the board of Directors
“Business Day(s)”	any day(s) (except Saturday or Sunday on which banks are open for usual business in the Cayman Islands, Hong Kong and Singapore provided that where as a result of a number 8 typhoon signal, black rainstorm warning or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Business Day
“Commitment(s)”	the agreed capital commitment(s) of the Partners to PRB Fund from time to time

“Company”	Gemini Investments (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the issued ordinary shares of which are listed on the main board of the Stock Exchange (stock code: 174)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consultant”	BRIC Neutron Asset Management Limited, a company incorporated in Hong Kong and a corporation licensed to carry out Type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Director(s)”	director(s) of the Company
“General Partner”	Prosperity Risk Balanced GP Limited, an exempted limited company registered in the Cayman Islands and the sole general partner of PRB Fund
“Grand Beauty”	Grand Beauty Management Limited, an indirect wholly-owned subsidiary of Sino-Ocean Land Holdings Limited (a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 3377))
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected persons of the Company and is/are independent of and not connected with the Company and its connected persons
“Initial Closing”	the initial closing for the subscription of interest as Limited Partners in PRB Fund
“Limited Partner(s)”	limited partner(s) of PRB Fund, which shall be professional investor(s) as defined in the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) or the Securities and Futures (Professional Investor) Rules of Hong Kong from whom PRB Fund is seeking Commitment(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Management Fees”	management fees payable by PRB Fund to the General Partner during the term of PRB Fund
“Organisational Expenses”	the costs and expenses incurred by PRB Fund in connection with the organisation of PRB Fund and the General Partner, up to a maximum of US\$500,000
“Partners”	partners in PRB Fund, comprising the General Partner and the Limited Partner(s)
“Partnership Expenses”	the overall expenses of PRB Fund including the Organisational Expenses, the Management Fees and the on-going fees, expenses and costs relating to the operations of PRB Fund
“PRB Fund”	Prosperity Risk Balanced Fund LP, an exempted limited partnership registered in the Cayman Islands
“PRC”	People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Bai Li Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Subscription”	the proposed contribution of Commitments of US\$60 million (equivalent to approximately HK\$465 million) by the Subscriber as Limited Partner to PRB Fund pursuant to the terms and conditions of the Agreement
“United States”	United States of America
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States

Unless the context requires otherwise, amounts denominated in US\$ have been converted into HK\$ at an exchange rate of US\$1 = HK\$7.75 for the purpose of illustration only. No representation is made that any amount in HK\$ or US\$ could have been or could be converted at the relevant dates at the above rate or at any other rates or at all.

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

Hong Kong, 3 November 2015

As at the date of this announcement, the Board comprises eight Directors 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