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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)

MAJOR TRANSACTION

PROPOSED DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL IN A SUBSIDIARY HOLDING THE PROPERTIES

THE PROPOSED DISPOSAL

The Board announces that on 8 February 2013 (after trading hours), the Company entered into the Disposal Agreement in connection with the disposal of the entire issued share capital in Trendex to the Purchaser at an aggregate cash consideration of RMB138,310,795 (equivalent to approximately HK\$170,496,000) (subject to adjustment as further described in this announcement). After the Disposal Completion, Trendex will cease to be a subsidiary of the Company.

IMPLICATION UNDER THE LISTING RULES AND THE COMPANIES ORDINANCE

As one or more of the relevant percentage ratios calculated under the Listing Rules in respect of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules. Furthermore, as the amount of the Disposal Consideration exceeds 33% of the value of the Company's fixed assets as shown in the Company's audited accounts for the year ended 31 December 2011, the Disposal requires the approval of Shareholders in general meeting of the Company

pursuant to section 155A of the Companies Ordinance. To the best knowledge, information and belief of the Directors having made all reasonable enquires, as no Shareholder has an interest in the Disposal which is different from the other Shareholders, no Shareholder is required to abstain from voting for the resolution to be proposed at the EGM to approve the Disposal Agreement and the transactions contemplated thereunder.

GENERAL

The Circular containing, among other things, (i) further details of the Disposal; (ii) the property valuation report in relation to the Properties; and (iii) other information as required under the Listing Rules and the notice convening the EGM together with the proxy form is expected to be despatched to the Shareholders. As additional time is required for preparing the property valuation report in relation to the Properties, the Circular is expected to be despatched to the Shareholders on or before 8 March 2013.

Shareholders and potential investors should note that the Disposal contemplated under the Disposal Agreement, which is subject to satisfaction of a number of conditions, may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

THE DISPOSAL AGREEMENT

On 8 February 2013 (after trading hours), the Company as vendor and the Purchaser as purchaser entered into the Disposal Agreement, pursuant to which the Company agreed to sell and the Purchaser agreed to purchase the Trendex Sale Shares, subject to the terms and conditions therein. Principal terms of the Disposal Agreement are set out as follows:-

Date

8 February 2013

Parties

Vendor: the Company

Purchaser: Pacific Sunrise Holdings Limited

The Purchaser is a limited company incorporated under the laws of the British Virgin Island and, to the knowledge of the Directors, is principally engaged in investment holding activities. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets to be disposed of

Pursuant to the Disposal Agreement, the Company conditionally agrees to sell, and the Purchaser conditionally agrees to purchase the Trendex Sale Shares (representing the entire shareholding interest of the Company in Trendex).

Trendex is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company. Trendex's principal business activity is the holding of the Properties.

As at 31 December 2012, the unaudited net asset value of Trendex was HK\$55,221,000. Based on the audited statement of comprehensive income as at 31 December 2011, the audited net gain before and after taxation of Trendex for the year ended 31 December 2011 was HK\$5,323,000 and HK\$4,119,000, respectively. Based on the unaudited statement of comprehensive income as at 31 December 2012, the unaudited net gain before and after taxation of Trendex for the year ended 31 December 2012 was HK\$6,568,000 and HK\$4,910,000, respectively.

The Disposal Consideration

The Disposal Consideration was arrived at after arm's length negotiation among the parties to the Disposal Agreement with reference to the unaudited net asset value of Trendex as at 31 December 2012 of HK\$55,221,000 together with the shareholder's loan of RMB74,560,263 (equivalent to approximately HK\$91,910,000) which will be capitalised before the Disposal Completion.

The Disposal Consideration is RMB138,310,795 (equivalent to approximately HK\$170,496,000) (subject to adjustment as further described below) which will be settled in cash and is payable in the following manner:-

- (a) a deposit of RMB24,314,400 (being agreed by the parties as equivalent to HK\$30,000,000) to be paid in HK\$ in two tranches with the first tranche of HK\$10,000,000 to be paid upon the signing of the Disposal Agreement and the second tranche of HK\$20,000,000 to be paid within two Business Days after the signing of the Disposal Agreement; and

- (b) a sum of RMB103,996,395 be paid in HK\$ (such equivalent HK\$ to be determined based on the PBOC Exchange Rate one Business Day before the Disposal Completion Date) upon the Disposal Completion.

A sum of RMB10,000,000 (the “**Holdback**”) will be retained by the Purchaser as holdback for the purpose of satisfaction of any liability of the Company arising as a result of a breach of any representation, covenant, warranty or undertaking to indemnify (the “**Company’s Obligations**”) given by the Company to the Purchaser under the Disposal Agreement.

Subject to any deduction for satisfying any liability of the Company arising under any of the Company’s Obligations, the Holdback shall be paid within three Business Days after the date which is four months after the Disposal Completion Date by the Purchaser in HK\$ (such equivalent HK\$ to be determined based on the PBOC Exchange Rate one Business Day before the payment date).

The Disposal Consideration will be adjusted by taking into consideration of certain financial items, as reflected in the Disposal Completion Accounts. The Disposal Consideration will be adjusted by:-

- (a) adding the aggregate of (i) all prepayments made by Trendex which are attributable to the period after the Disposal Completion Date, (ii) all receivables in cash or cash equivalent owed to Trendex, excluding the rentals collected by an agent on behalf of the Company, (iii) all cash held by or on account of Trendex; and (iv) all other assets as shown in the Disposal Completion Accounts (except for the Properties and items (i) to (iii) above); and
- (b) deducting the aggregate of (i) all rentals received in advance in respect of the Properties which are attributable to the period after the Disposal Completion Date, (ii) all rental deposits received in respect of the Properties; and (iii) all payables in cash or cash equivalent owed by Trendex excluding any unpaid outstanding dividends and any deferred tax liability which comprises accrued PRC enterprise income tax for revaluation gains of the Properties.

Condition precedent for the Disposal Completion

Completion of the Disposal Agreement is conditional upon the fulfillment of, among other things, the following conditions:-

- (a) there being no outstanding breach of any of the representations and warranties given by each of the Company and the Purchaser or of any of the undertakings or obligations under the Disposal Agreement required to be performed or complied with by either party prior to the Disposal Completion, which if capable

of being remedied, has not been remedied by the party at fault to the reasonable satisfaction of the notifying party within 20 Business Days after receiving a written notice from the notifying party of such breach, and which, if not so remedied, will result in a material adverse change;

- (b) Trendex having declared a dividend which is to be paid in HK\$, the amount of which shall not be less than the equivalent of RMB7,700,000 (equivalent to approximately HK\$9,492,000);
- (c) the Company having capitalized the shareholder's loan of RMB74,560,263 (equivalent to approximately HK\$91,910,000) that is payable from Trendex to the Company as fully paid share capital of Trendex; and
- (d) the Company having made all necessary announcements, obtained all necessary approvals from the Shareholders and the Stock Exchange for the transaction contemplated under the Disposal Agreement as required and in accordance with all applicable laws (including but without limitation, the Companies Ordinance and the Listing Rules).

If the conditions are not fulfilled or waived on or before the expiry of four months after the date of the Disposal Agreement, the Disposal Agreement shall automatically terminate (other than the surviving provisions), and no party to the Disposal Agreement shall have any claim under the Disposal Agreement of any nature against the other party, except in respect of any rights and liabilities which have accrued before termination or under any of the surviving provisions.

If the Disposal Agreement is terminated as a result of either party's failure to fulfill any of its respective conditions under the Disposal Agreement, and such unfulfilled condition is not waived by the other party on or before the Long Stop Date, the defaulting party shall pay RMB13,831,079.50 (equivalent to approximately HK\$17,050,000) to the other party in HK\$ calculated at the PBOC Exchange Rate one Business Day prior to the Long Stop Date within three Business Days after such termination.

The Disposal Completion

Completion shall take place on the third Business Days after all of the conditions set out in the Disposal Agreement have been either fulfilled or waived (whichever is earlier) or such other date as agreed by the parties thereto.

Upon Completion, the Company will no longer have any interest in Trendex and Trendex will therefore cease to be a subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in property investment and securities investment.

The Group reviews the performance of its investment property portfolio annually and believes the rental income growth of the Properties has been lagging behind the market growth. The Group also believes that the recovery of economy in the PRC, there will be more and more opportunities arising in the market. The Disposal will provide funding for the Group to support its future property-related investments and to capture property investment opportunities which may generate higher return.

Compared with the unaudited net asset value of Trendex and the shareholder's loan as at 31 December 2012 attributable to the Company and the amount of the Disposal Consideration, it is expected that a gain of approximately RMB16 million (equivalent to approximately HK\$20 million) will be accrued to the Group upon completion of the Disposal.

It is intended that the net proceeds from the Disposal after deducting the transaction expense, which is currently estimated to be approximately RMB136,116,000 (equivalent to approximately HK\$167,790,000), would be applied towards other possible property investment opportunities of the Group. As at the date of this announcement, there is no specific property identified by the Group.

The Company only disposes part of its existing property investment projects under the Disposal. Subsequent to the Disposal, the Company will continue to operate its property investment business.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Disposal Agreement and the Disposal are fair and reasonable and are in the interests of the Group and the Shareholders as a whole.

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requires the approval of Shareholders in general meeting of the Company pursuant to section 155A of the Companies Ordinance. To the best knowledge, information and belief of the Directors having made all reasonable enquires, as no Shareholder has an interest in the Disposal which is different from the other Shareholders, no Shareholder is required to abstain from voting for the resolution to be proposed at the EGM to approve the Disposal Agreement and the transactions contemplated thereunder.

GENERAL

The Circular containing, among other things, (i) further details of the Disposal; (ii) the property valuation report in relation to the Properties; and (iii) other information as required under the Listing Rules and the notice convening the EGM together with the proxy form is expected to be despatched to the Shareholders. As additional time is required for preparing the property valuation report in relation to the Properties, the Circular is expected to be despatched to the Shareholders on or before 8 March 2013.

Shareholders and potential investors should note that the Disposal contemplated under the Disposal Agreement, which is subject to satisfaction of a number of conditions, may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

DEFINITION

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:-

“Board”	the board of Directors
“Business Day”	a day other than a Saturday or public holiday in Hong Kong and China on which banks are open for general commercial business (excluding any weekday on which typhoon signal no. 8 or higher is hoisted or red rain storm warning is given in Hong Kong)
“Circular”	a circular containing, among other things, further details of the Disposal and a notice convening the EGM to be despatched to the Shareholders
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented and/or otherwise modified from time to time

“Company”	Gemini Investments (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the sale of the Trendex Sale Shares by the Company to the Purchaser pursuant to the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement dated 8 February 2013 entered into between the Company as vendor and the Purchaser as purchaser in relation to the sale and purchase of the Trendex Sale Shares
“Disposal Completion”	the completion of the Disposal under the Disposal Agreement pursuant to the terms and conditions thereof
“Disposal Completion Accounts”	the unaudited accounts of Trendex as of the Disposal Completion Date
“Disposal Completion Date”	the date when the Disposal Completion shall take place, being the third Business Days after the conditions set out in the Disposal Agreement have been either fulfilled or waived (whichever is earlier) or such other date as agreed by the parties thereto
“Disposal Consideration”	the sum of RMB138,310,795 (equivalent to approximately HK\$170,496,000) (subject to adjustment as further described in this announcement), being the total consideration for the sale and purchase of the Trendex Sale Shares
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Disposal Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the Business Day on which all conditions set out in the Disposal Agreement have been fulfilled (or waived by the relevant party), such date shall be on or before the expiry of four months after the date of the Disposal Agreement
“PBOC Exchange Rate”	the medium exchange rate for selling and buying HK\$ and RMB published by the People’s Bank of China on its website
“PRC”	The People’s Republic of China
“Properties”	being Units 1501 to 1512 (inclusive) of Shui On Plaza, No. 333 Huaihai Road Central, Luwan District, Shanghai, the PRC
“Purchaser”	Pacific Sunrise Holdings Limited, a limited company incorporated under the laws of the British Virgin Islands
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Trendex”	Trendex Investment Limited, a company incorporated in Hong Kong with limited liability and a directly wholly-owned subsidiary of the Company

“Trendex Sale Shares” the 10,000 shares of HK\$1.00 each in Trendex held by the Company as at the date of the Disposal Agreement; following the capitalization of the shareholder’s loan of RMB74,560,263 (equivalent to approximately HK\$91,910,000, the 50,000 shares of HK\$1.00 each in Trendex held by the Company, representing the entire shareholding interest of the Company in Trendex

“%” per cent.

By Order of the Board
Gemini Investment (Holdings) Limited
Adrian Sum
Chairman

Hong Kong, 8 February 2013

For the purpose of this announcement, the conversion of RMB into HK\$ is based on the approximate exchange rate of HK\$1.2327 to RMB1 for illustration purpose only. As at the date of this announcement, the Directors are as follows:-

Executive Director:
M. LI Zhenyu

Non-executive Directors:
Mr. SUM Pui Ying
Mr. LI Hongbo

Independent non-executive Directors:
Mr. LAW Tze Lun
Mr. LO Woon Bor, Henry
Mr. ZHENG Yun