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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 IN RELATION TO
ACQUISITIONS OF PROPERTIES IN THE U.S.**

Before trading hours of the Stock Exchange on 27 May 2016, Purchaser A (an indirect wholly-owned subsidiary of the Company) and Vendor A entered into the Agreement A to acquire the Property A, whereas Purchaser B (an indirect wholly-owned subsidiary of the Company) and Vendor B entered into the Agreement B to acquire the Property B.

The Properties are adjacent to each other and are located at Sixth Avenue which is one of the busiest retail districts in Manhattan, New York City, the U.S. Property A is a retail property which is currently vacant. Property B is a residential and retail mixed development, a portion of which is leased out to Independent Third Parties.

The aggregate cash consideration for the Properties is US\$53 million (equivalent to approximately HK\$410.8 million), which is determined after arm's length negotiations with the Vendors with reference to, among other things, the preliminary valuation of the Properties and is intended to be funded by internal resources of the Group. The Group intends to hold the Properties for resale purpose or renovate the Properties' existing structures so as to increase their value.

As one or more of the applicable percentage ratios for the Acquisitions is more than 25% but less than 100%, the Acquisitions constitute a major transaction for the Company under Chapter 14 of the Listing Rules which is subject to, among other things, the announcement requirement and 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 Agreements and the transactions contemplated thereunder and accordingly, no Shareholder is required to abstain from voting if the Company were to convene a Shareholders' meeting for approving the Agreements and the transactions contemplated thereunder. Grand Beauty, being the controlling Shareholder holding 312,504,625 Shares (representing approximately 69.29% of the issued Shares as at the date of the Agreements), has given its written approval for the Agreements and the transactions contemplated thereunder 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 Agreements and the transactions contemplated thereunder.

A circular containing, among other things, details of the Agreements and the transactions contemplated thereunder, financial information of the Group and the Properties, valuation reports of the Properties, and other information as required under the Listing Rules will be despatched by the Company to the Shareholders on or before 20 June 2016 in accordance with the Listing Rules.

The Board is pleased to announce that before trading hours of the Stock Exchange on 27 May 2016:

- (i) Purchaser A and the Vendor A entered into the Agreement A pursuant to which Vendor A has agreed to sell and convey to Purchaser A, and Purchaser A has agreed to purchase from Vendor A the Property A situated at 531-537 Sixth Avenue, Manhattan, New York City, the U.S.; and
- (ii) Purchaser B and Vendor B entered into the Agreement B pursuant to which Vendor B has agreed to sell and convey to Purchaser B, and Purchaser B has agreed to purchase from Vendor B the Property B situated at 539 Sixth Avenue, Manhattan, New York City, the U.S.

Details of the Agreements and the Properties are set out below:

THE AGREEMENT A

Date

26 May 2016 (New York time)

Parties

- (i) Ms. Eva Usdan, The Samuel Flug Colin 2004 Legacy Trust and Ms. Rebecca Diane Colin (together as Vendor A and each as holder of an undivided one-third interest as tenants-in-common) (as vendor); and
- (ii) Purchaser A, an indirect wholly-owned subsidiary of the Company (as purchaser).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the principal activity of The Samuel Flug Colin 2004 Legacy Trust is real estate investment holding; and (ii) Ms. Eva Usdan, Ms. Rebecca Diane Colin, The Samuel Flug Colin 2004 Legacy Trust and the ultimate beneficial owner(s) of The Samuel Flug Colin 2004 Legacy Trust are Independent Third Parties.

Asset to be acquired

Pursuant to the Agreement A, Vendor A has agreed to sell and convey to Purchaser A, and Purchaser A has agreed to purchase from Vendor A the Property A upon the terms and conditions therein.

Consideration

The consideration for the Property A is US\$42.4 million (equivalent to approximately HK\$328.6 million) (subject to the apportionments as provided in the Agreement A, if any), which shall be payable by Purchaser A in cash in the following manner:

- (i) as to US\$4.24 million (representing 10% of the total consideration) (the “**Down Payment A**”), upon execution of the Agreement A (which shall be payable to an escrow agent and released to Vendor A at the Closing); and
- (ii) as to the balance of US\$38.16 million (as adjusted by the apportionments as provided in the Agreement A, if any, and described below), at the Closing.

As at the date of this announcement, the Down Payment A has been settled by Purchaser A in cash.

Under the Agreement A, certain apportionments may be made for items including real estate taxes, unmetered water and sewer charges and vault charges and other municipal or governmental assessments on the Property A, unmetered charges and fees due under contracts for supply to the Property A of heat, steam, electric power, gas, light and telephone (if any), charges or fees for transferable licenses and permits for contract rights transfers, and other items customarily apportioned in connection with sales of commercial properties in New York County, New York.

Closing

Closing of the Agreement A is conditional (subject to Purchaser A's and Seller A's option to waive) upon, among other things, the simultaneous Closing of the Agreement B (provided, however, that Vendor A's obligation to close thereunder shall not be conditioned on the simultaneous Closing of the Agreement B if the Agreement B does not simultaneously close because Vendor B either (a) has defaulted under the Agreement B beyond any applicable notice and cure periods or (b) is unable to convey the Property B to Purchaser B as of the Closing date or adjourned closing date).

Closing of the Agreement A shall occur on the date that is 180 days after the date of the Agreement A, but Vendor A may, subject to the terms of the Agreement A:

- (i) accelerate the Closing by written notice to Purchaser A, specifying the accelerated date of Closing, provided that the date so specified is a date no earlier than 15 Business Days from the date upon which Purchaser A receives such notice (provided that Vendor A shall be required to cause the acceleration of the Closing under the Agreement B to such accelerated date of Closing); and
- (ii) adjourn the Closing (and the Closing under the Agreement B) by written notice to Purchaser A no later than 5 days prior to the Closing date or the adjourned closing date, one or more times (but in no event more than three times) for a period not to exceed 90 days, in the aggregate.

Termination

Under certain circumstances stipulated in the Agreement A in which Purchaser A defaults in the performance of any of its material obligations to be performed on or prior to Closing of the Agreement A, Vendor A is entitled to retain the Down Payment A as full and complete liquidated and agreed damages, and the Agreement A shall terminate and cease to be of any effect except for certain provisions expressly provided therein.

Under certain circumstances stipulated in the Agreement A in which Vendor A defaults in the performance of any of its material obligations to be performed on or prior to Closing of the Agreement A, Purchaser A may elect to terminate the Agreement A in which event Purchaser A's sole right shall be the return of the Down Payment A and the reimbursement by Vendor A to Purchaser A for all of Purchaser A's third party expenses incurred in the review of the Property A and its negotiation and execution of the Agreement A up to a maximum aggregate amount of US\$212,000 (equivalent to approximately HK\$1,643,000) and upon Purchaser A's receipt of which, no party thereto shall have any further rights, obligations and, duties or liabilities under the Agreement A, and shall be released from any further liability thereunder except for the provisions thereof intended to survive the termination of the Agreement A.

THE AGREEMENT B

Date

26 May 2016 (New York time)

Parties

- (i) 539 6th LLC (i.e. Vendor B) (as vendor); and
- (ii) Purchaser B, an indirect wholly-owned subsidiary of the Company (as purchaser).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the principal activity of Vendor B is real estate investment holding; (ii) Vendor B and its ultimate beneficial owner(s) are Independent Third Parties; and (iii) Vendor A and Vendor B are related parties to each other.

Asset to be acquired

Property B is currently held by the Existing Owner. Vendor B had entered into the Existing Contract with the Existing Owner, pursuant to which the Existing Owner had agreed to sell and Vendor B had agreed to purchase the Property B.

Pursuant to the Agreement B, Vendor B has agreed to sell and convey to Purchaser B, and Purchaser B has agreed to purchase from Vendor B the Property B upon the terms and conditions therein.

Consideration

The consideration for the Property B is US\$10.6 million (equivalent to approximately HK\$82.2 million) (subject to the apportionments as provided in the Agreement B, if any), which shall be payable by Purchaser B in cash in the following manner:

- (i) as to US\$1.06 million (representing 10% of the total consideration) (the "**Down Payment B**"), upon execution of the Agreement B (which shall be payable to an escrow agent and released to Vendor B at the Closing); and
- (ii) as to the balance of US\$9.54 million (as adjusted by the apportionments as provided in the Agreement B, if any, and described below), at the Closing.

As at the date of this announcement, the Down Payment B has been settled by Purchaser B in cash.

Under the Agreement B, certain apportionments may be made for items including rents, unapplied security deposits and tenant reimbursements paid or payable by the tenants, real estate taxes, unmetered water and sewer charges and vault charges and other municipal or governmental assessments on the Property B, unmetered charges and fees due under contracts for supply to the Property B of heat, steam, electric power, gas, light and telephone (if any), charges or fees for transferable licenses and permits for contract rights transfers, and other items customarily apportioned in connection with sales of commercial properties in New York County, New York.

Closing

Closing of the Agreement B is conditional (subject to Purchaser B's and Seller B's option to waive) upon, among other things, the simultaneous Closing of the Agreement A (provided, however, that Vendor B's obligation to close thereunder shall not be conditioned on the simultaneous Closing of the Agreement A if the Agreement A does not simultaneously close because Vendor A has defaulted under the Agreement A beyond any applicable notice and cure periods).

Closing of the Agreement B shall occur on the date that is 180 days after the date of the Agreement B, but Vendor B may, subject to the terms of the Agreement B:

- (i) accelerate the Closing by written notice to Purchaser B, specifying the accelerated date of Closing, provided that the date so specified is a date no earlier than 15 Business Days from the date upon which Purchaser B receives such notice (provided that Vendor B shall be required to cause the acceleration of the Closing under the Agreement A to such accelerated date of Closing); and
- (ii) adjourn the Closing (and the Closing under the Agreement A) by written notice to Purchaser B no later than 5 days prior to the Closing date or the adjourned closing date, one or more times (but in no event more than three times) for a period not to exceed 90 days, in the aggregate.

Subject to the terms of the Agreement B, provided that, at the Closing:

- (i) Vendor B has not acquired title to the Property B;
- (ii) neither the Existing Owner nor Vendor B is in material default of their respective obligations under the Existing Contract; and
- (iii) the Existing Owner is, at the Closing, ready, willing and able to deliver the deed required to be delivered in accordance with the terms of the Existing Contract and to convey title as provided in the Existing Contract;

then, at the Closing, rather than requiring Vendor B to acquire title to the Property B from the Existing Owner and then re-conveying title to the Property B to Purchaser B, if Vendor B causes the Existing Owner to amend the Existing Contract to Purchaser B's satisfaction, then Vendor B may, at its option, assign its interest in the Existing Contract to Purchaser B and cause the Existing Owner to convey title to the Property B directly to Purchaser B simultaneously with the Closing under the Agreement A.

If Vendor B exercises this option, Purchaser B shall, amongst other things, (i) pay to the Existing Owner the balance of the purchase price (which is US\$8,550,000 (equivalent to approximately HK\$66,263,000), subject to certain apportionments as provided in the Existing Contract, including but not limited to certain real estate taxes, business improvement district charges, tax refunds and credits, value of fuel, street vault charges, rents and utility charges, if any) payable under the

Existing Contract and (ii) pay to Vendor B an amount equal to the aggregate of the US\$900,000 (equivalent to approximately HK\$6,975,000) as assignment consideration and US\$950,000 (equivalent to approximately HK\$7,363,000) as a reimbursement for the down payment paid by Vendor B to the Existing Owner under the Existing Contract; and the escrow agent shall return the Down Payment B to Purchaser B and, thereupon, Vendor B shall be released of all liability and obligations under the Agreement B and the representations and warranties of Vendor B and Vendor B's performance obligations shall be replaced by the representations and warranties and performance obligations of the Existing Owner under the Existing Contract. In addition, Vendor B shall also credit the amount of approximately US\$125,000 (equivalent to approximately HK\$969,000) against the assignment consideration in Purchaser B's favor, which amount shall represent 50% of the transfer taxes saved by Vendor B pursuant to such assignment.

Termination

Under certain circumstances stipulated in the Agreement B in which Purchaser B defaults in the performance of any of its material obligations to be performed on or prior to Closing of the Agreement B, Vendor B is entitled to retain the Down Payment B as full and complete liquidated and agreed damages, and the Agreement B shall terminate and cease to be of any effect except for certain provisions expressly provided therein.

Under certain circumstances stipulated in the Agreement B in which Vendor B defaults in the performance of any of its material obligations to be performed on or prior to Closing of the Agreement B, Purchaser B may elect to terminate the Agreement B in which event Purchaser B's sole right shall be the return of the Down Payment B and the reimbursement by Vendor B to Purchaser B for all of Purchaser B's third party expenses incurred in the review of the Property B and its negotiation and execution of the Agreement B up to a maximum aggregate amount of US\$53,000 (equivalent to approximately HK\$411,000) and upon Purchaser B's receipt of which, no party thereto shall have any further rights, obligations and, duties or liabilities under the Agreement B, and shall be released from any further liability thereunder except for the provisions thereof intended to survive the termination of the Agreement B.

THE PROPERTIES

The Properties are adjacent to each other and are located at Sixth Avenue of Manhattan, New York City, the U.S. and the center point of Chelsea, Flatiron, Union Square and Greenwich Village. Chelsea and Flatiron are the homes of many leading technology companies in the U.S., while Union Square is close to many world-famous tertiary education institutions. The area is one of the busiest retail districts in New York with tremendous foot traffic, and is well connected to other areas through various metro lines and trains.

The Property A occupies a site area of 6,468 sq. ft. with gross floor area of 14,056 sq. ft. It is a retail property with a two-storey structure and a one-level basement. The Property A is currently vacant.

The Property B occupies a site area of 1,586 sq. ft. with gross floor area of 4,271 sq. ft. It is a residential and retail mixed development with a four-storey structure and a one-level basement. The Property B comprises 4 units, of which 3 units with total gross floor area of 3,360 sq. ft. are currently leased to Independent Third Parties on a monthly basis at a monthly rental of US\$9,700. It is intended that Vendor B will deliver the Property B with vacant possession.

The consideration for the Acquisitions was determined after arm's length negotiations with reference to, among other things, a preliminary valuation of the Properties in the range of approximately US\$52 million to US\$54 million (equivalent to approximately HK\$403 million to HK\$418.5 million), and taking into account factors such as the prime location in which the Properties are situated and the potential upside of the property market in New York.

Set out below is a summary of the unaudited rental income of the Properties in the last two financial years provided by the Vendors:

	For the year ended	
	31 December	
	2015	2014
	<i>US\$'000</i>	<i>US\$'000</i>
Property A	1,335	1,456
Property B	246	117
	<u>1,581</u>	<u>1,573</u>
Total	<u><u>1,581</u></u>	<u><u>1,573</u></u>

REASONS FOR THE ACQUISITIONS

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

The Directors are optimistic about the U.S. economy which is on the path of healthy recovery, with a growth in gross domestic product, an improved labour market, robust consumption and increasing housing demand. In order to capture the growth in the U.S. property market and strengthen the Group's presence therein, the Group has been actively exploring sound investment opportunities in the U.S. property market over the years, including the investment in Gemini-Rosemont Realty LLC as disclosed in the announcement of the Company dated 31 December 2014.

The Directors are of the view that the Acquisitions offer the Company an opportunity to expand its property investment portfolio in New York which they believe to be one of the strongest property markets in the U.S. The Directors believe that the Properties are at a prime location in the New York City, the U.S. and offer an attractive upside potential. The Group intends to hold the Properties for resale purpose or renovate the Properties' existing structures so as to increase their value. The aggregate consideration for the Acquisitions of US\$53 million is intended to be funded by internal resources of the Group.

In light of the above, the Directors (including the independent non-executive Directors) consider that the Acquisitions are in line with the investment strategy of the Group and are in the interest of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) also consider that the terms of the Agreements are fair and reasonable.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the Acquisitions is more than 25% but less than 100%, the Acquisitions constitute a major transaction for the Company under Chapter 14 of the Listing Rules which is subject to, among other things, the announcement requirement and 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 Agreements and the transactions contemplated thereunder and accordingly, no Shareholder is required to abstain from voting if the Company were to convene a Shareholders' meeting for approving the Agreements and the transactions contemplated thereunder. Grand Beauty, being the controlling Shareholder holding 312,504,625 Shares (representing approximately 69.29% of the issued Shares as at the date of the Agreements), has given its written approval for the Agreements and the transactions contemplated thereunder 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 Agreements and the transactions contemplated thereunder.

A circular containing, among other things, details of the Agreements and the transactions contemplated thereunder, financial information of the Group and the Properties, valuation reports of the Properties, and other information as required under the Listing Rules will be despatched by the Company to the Shareholders on or before 20 June 2016 in accordance with the Listing Rules.

DEFINITIONS

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

“Acquisitions”	the proposed acquisitions of the Properties
“Agreement A”	the agreement of purchase and sale dated 26 May 2016 (New York time) and entered into between Vendor A and Purchaser A in relation to the sale and purchase of the Property A
“Agreement B”	the agreement of purchase and sale dated 26 May 2016 (New York time) and entered into between Vendor B and Purchaser B in relation to the sale and purchase of the Property B
“Agreements”	together, Agreement A and Agreement B

“Board”	the board of Directors
“Business Day”	any day that is not a Saturday, Sunday or other day on which banking institutions or federal or state courts are authorized by law or other governmental action to close or are closed because of emergency or hazardous condition in the area in which the Properties or the principal business offices of Purchaser A or Purchaser B (as the case may be) or Vendor A or Vendor B (as the case may be) is located
“Closing”	the closing of the acquisition of the Property A or the Property B (as the case may be)
“Company”	Gemini Investments (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 174)
“Director(s)”	director(s) of the Company
“Existing Contract”	the agreement entered into between Vendor B and the Existing Owner dated 7 December 2015, pursuant to which the Existing Owner had agreed to sell and Vendor B had agreed to purchase the Property B
“Existing Owner”	Six Avenue Chelsea Inc.
“Grand Beauty”	Grand Beauty Management Limited, an indirect wholly-owned subsidiary of Sino-Ocean Land Holdings Limited (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”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Properties”	together, the Property A and the Property B

“Property A”	certain lot, piece or parcel of land located at 531-537 Sixth Avenue, Manhattan, New York City, the U.S. together with the building erected thereon, fixtures and improvements erected thereon and certain right, title and interest in connection therewith as more particularly described in the Agreement A
“Property B”	certain lot, piece or parcel of land located at 539 Sixth Avenue, Manhattan, New York City, the U.S. together with the building erected thereon, fixtures and improvements erected thereon and certain right, title and interest in connection therewith as more particularly described in the Agreement B
“Purchaser A”	535 AOA LLC, a limited liability company incorporated in Delaware, the U.S. and an indirect wholly-owned subsidiary of the Company
“Purchaser B”	539 AOA LLC, a limited liability company incorporated in Delaware, the U.S. and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor A”	together, Ms. Eva Usdan, The Samuel Flug Colin 2004 Legacy Trust and Ms. Rebecca Diane Colin, each as the holder of any undivided one-third interest, as tenants-in-common in respect of the Property A
“Vendor B”	539 6th LLC
“Vendors”	together, Vendor A and Vendor B
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“U.S.”	United States of America
“US\$”	United States dollars, the lawful currency of the U.S.
“sq. ft.”	square feet

Unless the context requires otherwise, amounts denominated in US\$ have been converted into HK\$ at an exchange rate of US\$1 to 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, 27 May 2016

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

Executive Directors:

Non-executive Directors:

*Independent non-executive
Directors:*

Mr. SUM Pui Ying

Mr. LI Ming

Mr. LAW Tze Lun

Ms. CUI Yueming

Mr. LI Hongbo

Mr. LO Woon Bor, Henry

Mr. LAI Kwok Hung, Alex

Mr. DENG Wei