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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 ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The board of directors of the Company (the “**Director(s)**” or the “**Board**”) is pleased to announce the audited consolidated results of Gemini Investments (Holdings) Limited (the “**Company**”) and its subsidiaries (together referred to as “**our Group**” or “**We**”/“**we**”) for the year ended 31 December 2020 (the “**Year**” or “**2020**”). The audited consolidated results of the Company have been reviewed by the Company’s audit committee.

The global economy was affected by a number of unfavorable factors in 2020, and the ongoing COVID-19 outbreak has further deteriorated the situation. During the Year, the Group recorded a loss attributable to owners of the Company of HK\$233 million (a loss attributable to owners of the Company of HK\$95 million was recorded for the year ended 31 December 2019). The main reason for the loss was the decrease in the fair value of investment properties of the Group of HK\$405 million (an average drop in value of 3% of the investment properties reflecting the impact of business and leasing activities slowdown globally).

The Board does not recommend the payment of any final dividend on the convertible preference shares and the ordinary shares of the Company for the Year.

BUSINESS REVIEW

2020 was a remarkably difficult year, with multiple risks posed by the COVID-19 pandemic and the presidential election in the United States of America (the “U.S.”). Under the severe operating environment, we adopted an overall strategy which tends to be conservative and cautious, including continuing to deepen the development of the U.S. real estate related business based on our existing businesses, focusing on the efficient use of resources, implementing careful control of costs and strengthening the financial position of the Group in a prudent manner. We hope that we can seize development opportunities once the economy recovers from the epidemic.

Continuing to Deepen the Development of the U.S. Real Estate Related Business

The Group has been heavily engaged in the real estate related business with assets located in various states across the U.S. and Hong Kong. Our U.S. real estate fund platform, Gemini-Rosemont Realty LLC (“**GR Realty**”), lies at the very core of our Group’s business strategies in the U.S. and is committed to providing investors and tenants with tailor-made real estate solutions in the U.S. for nearly 30 years.

During 2020, GR Realty has officially promoted from a strategic partner to a member of our Group after the successful change in control through efforts of various professional parties, which will undoubtedly lay a solid foundation for the future development of the Group. Taking a more active role, the Group is able to fully integrate the advantages of the professional teams of GR Realty with those of the Group going forward, and leverage the inherent resources of each other to enhance our market competitiveness. In the midst of prolonged economic turmoil, the Group will continue to fully implement the development blueprint, and provide high-end products and services through acquisition and management of more quality assets, so as to establish a trusted international corporate brand.

Strengthening the Financial Position of the Group

In the face of this once-in-a-century pandemic, we adopted a prudent approach to strengthen the Group’s financial position after careful consideration. During 2020, the Company successfully raised funds at relatively low costs by way of a share placement of its ordinary shares to broaden its capital base and shareholders’ base. The total number of ordinary shares allotted by the Company represented 40% of the number of ordinary shares in issue prior to the allotment, raising HK\$181 million in aggregate and introducing new shareholders including Sino-Ocean Capital Holding Limited (“**Sino-Ocean Capital**”). With our professional and unique investment insight as well as value creation capability, we help our partners enhance value through the full-cycle business model and industry collaboration, and achieve mutual benefits of effective management and value appreciation of entrusted funds. After a series of corporate actions, Sino-Ocean Capital has now become the largest shareholder of the Company, laying the foundation for future potential cooperation.

OPERATION REVIEW

Overview

The Group mainly engages in property investments in the U.S. and Hong Kong, property developments in the U.S. and other operations (including fund investments and securities investments). Investment properties in the U.S. and in Hong Kong accounted for 61% and 3% of our total assets as at 31 December 2020 respectively, and property under development in the U.S. accounted for 9% of our total assets as at 31 December 2020. All our property investments and property developments in the U.S. are managed by GR Realty.

GR Realty has been providing tailored real estate solutions for investors and tenants for almost three decades. It is a fully integrated real estate platform, investing in quality property projects and managing property funds as general partners in specific target markets in the U.S.. It typically focuses on those assets with core plus return profile while its development team's expertise also allows GR Realty to invest in value-added type of projects. GR Realty currently focuses on coastal gateway and selected markets that exhibit compelling fundamentals, high liquidity, and improving demographics with a focus on the tech industries.

In addition to receiving a steady and reliable income and cash flow and possible capital gains from appreciation in value of assets, we also receive possible fee income and carried interest through GR Realty acting as the general partner of the property funds it manages.

Property Investments in the U.S. (managed by GR Realty)

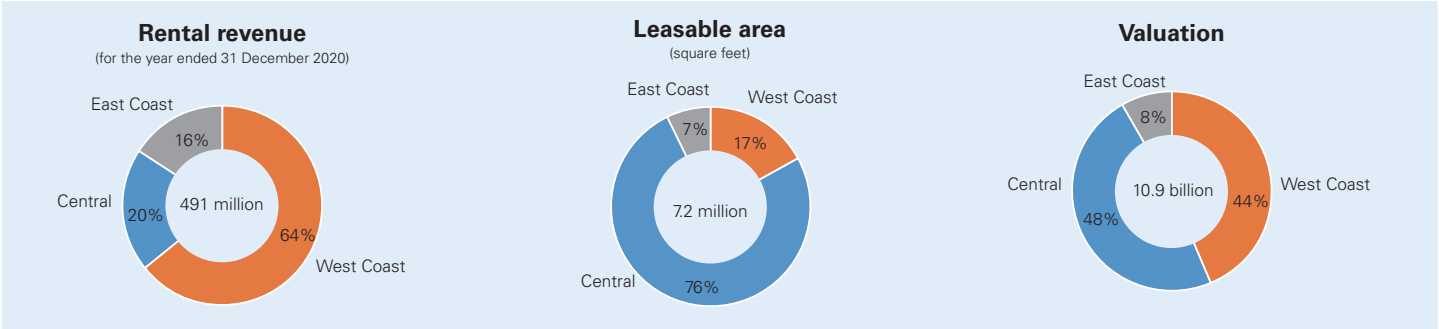
During the Year, uncertainty pervaded the office market, with tenants and owners navigating amid rapidly changing conditions and the continued pause in activities across markets and industries. The largest impact of COVID-19 to the office sector shall be the mass shift from previously office-based employees to remote working. The overall weakening of office leasing activities leads to increasing downward pressure of the office property values.

As at 31 December 2020, our balanced property portfolio comprises 28 office properties spread out in West Coast, Central and East Coast of the U.S. (where local key industry players are our key tenants), and several units in a residential building in New York City. GR Realty managed all our property investments in the U.S., with the focus on top-performing, high growth technology, creative, and new economy-centric sub-markets and tenants in an effort to create and realize maximum value. We focus on tenant satisfaction with local teams in an effort to minimize costly rollover and downtime.

As at 31 December 2020, the total carrying value of our investment properties in the U.S. was HK\$ 10,913 million (2019: HK\$1,063 million).

In 2020, rental revenue and ancillary service income to property leasing, relating to investment properties in the U.S., increased by 478% to HK\$590 million (2019: HK\$102 million), due to consolidation of GR Realty since 31 July 2020. The total leasable area in the U.S. increased from 309,000 square feet to 7,153,000 square feet, with average occupancy rate of 74%.

An analysis of investment properties in the U.S. by geographical locations is set out below:



To continue with our strategic operating plan which will be reviewed and tuned from time to time, we currently focus on coastal gateway, technology-driven and selected markets that exhibit compelling fundamentals, high liquidity and improving demographics, which are mostly in West Coast and East Coast of the U.S., while at the same time gradually dispose of assets located in non-focused markets, which are mostly located in the Central U.S.. Currently portfolio located in West Coast and East Coast of the U.S. contributed 44% and 8% respectively in terms of value as at 31 December 2020, and 64% and 16% respectively in terms of rental revenue for 2020 among all the investment properties in the U.S..

As COVID-19 vaccine rollouts expand in 2021, we are cautiously optimistic that office-use demand will start to gradually recover and we will closely monitor how tenants and corporations move forward to their real estate needs.

Property Developments in the U.S. (managed by GR Realty)

The Group's property development projects comprise residential redevelopment site located at (i) Avenue of the Americas, Manhattan, New York City, (ii) North First Street, Brooklyn, New York City and (iii) Second Avenue, Manhattan, New York City.

Development progress began to slow down from the second quarter of 2020 with the outbreak of COVID-19 and precautionary measures implemented by the local governments. The residential market, however, has remained largely resilient with capital values generally flat while buyers adopted a wait-and-see stance.

The redevelopment project located at Avenue of the Americas was acquired in 2017. It is expected to be developed into a 13-storey residential building (with retail space on the ground) with an estimated gross floor area of 82,000 square feet. It will be structured with unique project types with splendid amenities including duplex units which are in scarcity in Manhattan. The project is expected to be completed in 2021.

The redevelopment projects located at North First Street and Second Avenue were acquired by GR Realty at the beginning of 2020 and had been consolidated into our Group since 31 July 2020. The North First Street project is in demolition stage, and expected to be developed into a residential building together with auxiliary car parking facilities and perfecting amenities. The estimated gross floor area is 78,000 square feet, and completion is expected in 2023. The Second Avenue project is in planning stage, and is expected to be developed into a residential building with splendid amenities. The estimated gross floor area is 137,000 square feet, and completion is expected in 2024.

The real estate market in New York is considered to have strong market fundamentals and to remain stable with healthy buyer demand in the long term. We will continue with the plan to deliver high-quality products of our residential property developments.

Investment Properties in Hong Kong

Investment properties in Hong Kong comprise A-grade offices units in two buildings in Hong Kong Island, and several residential units and car parking space. The total carrying value of our investment properties in Hong Kong was HK\$451 million (2019: HK\$460 million), representing 3% of our total assets as at 31 December 2020 (2019: 7%). In 2020, rental revenue from investment properties in Hong Kong remained stable with an amount of HK\$11 million (2019: HK\$11 million). Leasing activities remained relatively stable under the outbreak of COVID-19, with average occupancy rate of 89%.

Other Operations

Other operations mainly include fund investments and securities investments.

As at 31 December 2020, the carrying amount of our fund investment portfolio (classified as “financial assets at fair value through profit or loss”) was HK\$2,155 million (2019: HK\$2,215 million), with an aggregate gain on change of fair value of HK\$3 million recorded during the Year (2019: HK\$23 million), as a result of gain from those funds investing in global listed securities, with a mixed portfolio including equity securities in technology media telecom sector and new economy industries and debt securities under thriving global capital market, offset by loss caused by weak performance of certain unlisted equity investments related to real estate sector which has been continuously hit by global economic uncertainty due to the outbreak of COVID-19. The underlying investments in our fund investment portfolio include global listed securities and debt securities focusing on the technology media telecom sector, property and property-related value chain and new economy industries; and real estate and related investments primarily in the U.S., Europe, Japan, Australia and/or Hong Kong.

As at 31 December 2020, our securities investment portfolio mainly consisted of investment in listed securities in Hong Kong and overseas of HK\$546 million (as at 31 December 2019: HK\$286 million). The Group recorded gain from securities investment (classified as financial instruments held for trading) of HK\$58 million for 2020 (2019: loss of HK\$4 million) under thriving global capital market.

FINANCIAL REVIEW

Revenue

The significant increase in revenue was mainly due to the consolidation of GR Realty since 31 July 2020. Revenue contributed by GR Realty amounted to HK\$492 million, comprising rental income of HK\$393 million and ancillary service income to property leasing of HK\$99 million. The revenue of the Group (excluding GR Realty) recorded no material change, with revenue of HK\$112 million for 2020 (2019: HK\$115 million).

The components of our revenue are analysed as follows:

	2020 HK\$'000	2019 HK\$'000
Rental income	502,089	113,612
Ancillary service income to property leasing	98,879	—
Dividend income	2,888	1,887
	<u>603,856</u>	<u>115,499</u>

Rental revenue comprises rental income generated from investment properties managed and controlled by GR Realty and other investment properties. Ancillary service income to property leasing mainly includes income for services provided to tenants of HK\$84 million and parking lot income of HK\$15 million.

Operating expenses

The significant increase in operating expenses was mainly due to consolidation of GR Realty since 31 July 2020. Operating expenses of HK\$159 million were incurred by GR Realty, representing 82% of total operating expenses. Operating expenses of the Group (excluding GR Realty) decreased from HK\$47 million to HK\$35 million as a result of decrease in leasing fee by HK\$5 million with less leasing activities during the Year, and decrease in property management fee charged by GR Realty by HK\$6 million since consolidation of GR Realty.

The components of our operating expenses are analysed as follows:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Repairs, maintenance and utilities	127,335	20,998
Property insurance costs	9,004	1,607
Property management expenses	24,559	8,767
Real estate taxes	29,093	13,003
Others	3,302	2,542
	<u>193,293</u>	<u>46,917</u>

Loss arising from changes in fair value of investment properties

Loss arising from changes in fair value of investment properties of the Group of HK\$405 million was recorded. The loss represented an average drop in carrying value of 3% of the investment properties, reflecting the impact of business and leasing activities slowdown in the U.S. and Hong Kong. Fair value of investment properties located in the U.S. and in Hong Kong decreased by HK\$395 million and HK\$10 million respectively, representing an average drop in carrying value of 4% and 2% respectively. Commercial real estate industry undergo severe impact from lockdowns and unpredictable financial health of tenants, under the uncertain economic condition and the long lasting pandemic.

Other income, gains/losses

The components of other income, gains/losses, are analysed as follows:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Bank interest income	4,844	9,955
Other interest income	14,779	25,552
Loss on re-measurement of interests in GR Realty	(50,339)	—
Gain on disposal of a subsidiary	1,253	—
Sundry	2,729	454
	<u>(26,734)</u>	<u>35,961</u>

The decrease in interest income was as a result of (i) lower bank interest rate throughout 2020 and (ii) no interest income on loan receivables from GR Realty recognised since the consolidation of GR Realty from 31 July 2020.

Loss on re-measurement of interests in joint ventures of HK\$50 million was recognised due to the difference between the fair value of the existing interests in GR Realty and the carrying amount of interests in GR Realty as joint venture upon consolidation of GR Realty.

Administrative and other expenses

The components of our administrative and other expenses are analysed as follows:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Auditors' remuneration	5,365	2,505
Depreciation	10,137	3,231
Employee costs	55,276	25,542
Rental expenses on short term leases	549	3,854
Legal and professional fee	31,005	13,419
Insurance expenses	4,792	1,034
Informative service fee	4,033	597
Exchange difference	(3,712)	9,438
Other taxes	4,464	5,513
Other administrative and office expenses	17,244	19,696
	<u>129,153</u>	<u>84,829</u>

The increase of administrative and other expenses from HK\$85 million to HK\$129 million was mainly due to the enlarged business scale, along with related daily operation expenses, of our Group after the consolidation of GR Realty. GR Realty contributed administrative and other expenses of HK\$58 million to the Group, which mainly comprised employee costs of HK\$35 million, legal and professional fees of HK\$9 million, and general and administrative expenses of HK\$4 million.

Administrative and other expenses of the Group (excluding GR Realty) decreased by HK\$14 million to HK\$71 million, mainly due to the movement in exchange difference of HK\$11 million, decrease in employee costs and traveling and entertainment expenses (recorded in other administrative and office expenses) by HK\$12 million and decrease in rental expenses on short term leases by HK\$3 million, but offset by the increase in legal and professional fees by HK\$6 million paid for services relating to several corporate exercises of the Company in 2020 like share placements and mandatory general offer for the securities of the Company.

Finance costs

Finance costs (net of interest capitalisation) of HK\$191 million on our borrowings were recognised during the Year (2019: HK\$17 million). GR Realty contributed finance costs of HK\$174 million after its consolidation with the Group since 31 July 2020. The finance cost of the Group (excluding GR Realty) stood at stable level and amounted to HK\$17 million for 2020 (2019: HK\$17 million).

Result of Joint Ventures

A loss arising from share of result of joint ventures (GR Realty and certain syndicated projects controlled by GR Realty) of HK\$99 million (2019: HK\$1 million) was recorded during the Year. The loss was mainly due to downward valuation pressure of investment properties and the impact of weakened profitability of GR Realty, as a result of global market turbulence. GR Realty was converted from a joint venture to a subsidiary of the Group from 31 July 2020. No further share of result of joint ventures was recorded thereafter.

Whilst there was a share of loss as aforesaid arising from GR Realty as our joint venture prior to 31 July 2020, the Group recorded a gain on effective settlement of loan receivables upon consolidation of GR Realty of HK\$61 million (2019: nil), which was as a result of expected credit loss provided on such loan receivables due by GR Realty and its related entities in previous periods.

Loss attributable to limited partners and puttable instrument holders

The entities to which losses are attributable include (i) certain limited partner interests associated with those limited partnerships of the property funds managed and controlled by GR Realty, and (ii) the Class B members interest (non-controlling) in GR Realty. According to the terms of investments, these interests are classified as assets/liabilities under the statutory accounting principles, instead of non-controlling interest in equity. Accordingly, the financial results attributable to limited partners and puttable instrument holders are recorded in the consolidated income statement of the Group. Due to the fair value loss of investment properties under GR Realty, loss of HK\$187 million was allocated to the limited partners and puttable instrument holders.

Loss attributable to owners of the Company

Loss attributable to owners of the Company for 2020 increased to HK\$233 million (2019: HK\$95 million) mainly as a result of fair value loss of investment properties of the Group of HK\$405 million. Basic loss per ordinary share of the Company of HK\$0.41 for the Year was recorded (2019: loss per ordinary share of HK\$0.21). Our management will closely monitor the market situation and focus on the improvement of our shareholders' return as their on-going task.

Financial Resources and Liquidity

As at 31 December 2020, the Group had cash resources totaling HK\$1,162 million (as at 31 December 2019: HK\$975 million). The committed bank credit facilities amounted to HK\$407 million, of which HK\$166 million remained undrawn. The Group's sources of funding comprise mainly internal funds generated from the Group's business operations and loan facilities provided by banks.

As at 31 December 2020, the borrowings (excluding lease liabilities) of the Group amounted to HK\$7,932 million (as at 31 December 2019: HK\$664 million). The Group's borrowings included bank loans and revolving loans and notes payables. The increase in borrowings was mainly due to the consolidation of GR Realty which contributed to borrowings of HK\$7,511 million. As at 31 December 2020, the proportions of short-term borrowings and long-term borrowings of the Group were 28% and 72% respectively.

The maturities of the Group's borrowings are set out as follows:

	2020 (HK\$ million)	As percentage of borrowings	2019 (HK\$ million)	As percentage of borrowings
Within 1 year	2,262	28%	241	36%
1–2 years	641	8%	—	—
2–5 years	4,169	53%	—	—
Over 5 years	860	11%	423	64%
Total	<u>7,932</u>	<u>100%</u>	<u>664</u>	<u>100%</u>

All the above borrowings are denominated in U.S. dollars. Considering that the exchange rate of Hong Kong dollars is pegged against the U.S. dollars, the Group believes that the corresponding exposure to exchange rate risk arising from the U.S. dollars is not material.

The Group's net gearing ratio (i.e. borrowings less total cash resources divided by total equity) was 94% (2019: Not applicable). It is the strategy of GR Realty as a real estate fund platform to pair investment properties under management with an appropriate level of mortgage loans at low interest rate to achieve higher rate of return. As advised by the top management of GR Realty, the properties located in non-focused markets are to be disposed of at appropriate time which, when completed, is considered to ease the Group's gearing position. Currently, 90% of our total borrowings enjoyed interest rate below 6%. Our management will continue to monitor the Group's capital and debt structure from time to time aiming to control short-term debt ratio and mitigate its exposure to the risk of gearing.

Financial Guarantees

As at 31 December 2020, our Group did not have any financial guarantees given for the benefit of third parties.

Pledged Assets

As at 31 December 2020, our Group had pledged bank deposits amounting to HK\$310 million (2019: HK\$9 million) and investment properties in the U.S. of HK\$10,578 million (2019: HK\$717 million), together with the interests of certain subsidiaries of the Group as securities to secure borrowings of our Group of HK\$6,980 million (2019: HK\$423 million).

Contingent Liabilities

As at 31 December 2020, our Group had no significant contingent liabilities.

Capital Commitments

As at 31 December 2020, our Group had capital commitments of HK\$208 million (2019: HK\$325 million), in respect of the property development projects in the U.S..

Significant Investments

As at 31 December 2020, the Group did not hold any significant investment with a value of 5% or more of the Group's total assets as at 31 December 2020.

CONSOLIDATION OF GR REALTY

On 31 July 2020, the Group and other members of GR Realty entered into an agreement to revise provisions regarding proceedings of the operating committee of GR Realty, enabling the Group obtaining control of GR Realty's business and operational aspects. As a result, after 31 July 2020, GR Realty has been converted from a joint venture to a subsidiary of the Group and the operating performance and financial position of GR Realty has been consolidated into the financial statements of the Group under the Hong Kong Financial Reporting Standards.

CAPITAL REDUCTION INVOLVING CANCELLATION OF CONVERTIBLE PREFERENCE SHARES

For the purpose of further enhancing the Company's ability and flexibility in potential dividend distribution in future, on 28 February 2020, the Company entered into a deed of cancellation with Grand Beauty Management Limited ("**Grand Beauty**"), a wholly-owned subsidiary of Sino-Ocean Group Holding Limited ("**Sino-Ocean**"), to cancel 31,666,667 convertible preference shares of the Company ("**Convertible Preference Shares**") held by Grand Beauty, representing 4.03% of all the Convertible Preference Shares then in issue. The capital reduction became effective on 4 June 2020, and a credit in the amount of HK\$95 million has arose from the capital reduction and been transferred and credited to a capital reduction reserve account of the Company, which will be available to set off against any losses of the Company and/or to make distribution to its shareholders in the future when appropriate.

NEW SHARES ISSUANCE

On 3 April 2020, the Company entered into three subscription agreements with (i) Hongkong Presstar Enterprise Co., Limited ("**Presstar**"), (ii) Trend Best Investment Limited ("**Trend Best**") and (iii) Glory Class Ventures Limited ("**Glory Class**") respectively, and Presstar, Trend Best and Glory Class respectively agreed to conditionally subscribe for 45,139,000, 45,139,000 and 90,278,000 new ordinary shares of the Company (representing a total of 180,556,000 new ordinary shares of the Company) (collectively the "**Subscription Shares**") at the subscription price of HK\$1.00 per Subscription Share (collectively the "**Placing Exercises**"). The subscription price of HK\$1.00 per Subscription Share under the Placing Exercises represented a premium of 81.8% to the closing price of HK\$0.550 per ordinary share of the Company as quoted on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 3 April 2020.

The subscription by each of Presstar and Trend Best was completed on 17 April 2020, raising gross proceeds and net proceeds in total of HK\$90.3 million and HK\$89.6 million respectively. The net price per Subscription Share is approximately HK\$0.993.

The subscription by Glory Class, which is ultimately owned as to 49% by Sino-Ocean, was completed on 27 May 2020, and a total of 90,278,000 new ordinary shares of the Company had been issued to Estate Spring International Limited (a wholly-owned subsidiary of Glory Class), raising gross proceeds and net proceeds of HK\$90.3 million and HK\$89.6 million respectively. The net price per Subscription Share is HK\$0.993.

The Placing Exercises were considered as ways to further strengthen our financial position, and also as steps to improve the liquidity of the ordinary shares of the Company on the Stock Exchange as the transaction volume of our ordinary shares was constantly thin. The Company's utilisation plan of the net proceeds from the Placing Exercises remained changed as at 31 December 2020 as compared to that disclosed in the Company's announcements and circular for the Placing Exercises. The Company intended to use around US\$10 million to US\$12 million (equivalent to HK\$77.5 million to HK\$93.0 million), representing 43% to 52% of the aggregate net proceeds from the Placing Exercises, for the investment in a real estate related project in the Metropolitan Area of the State of New York, and the remaining balance of the net proceeds was intended to be used as general working capital of our Group. Subject to the emerging opportunities, the Company considered applying the remaining balance of the net proceeds and other available cash resources of the Company for other good real estate investments in the U.S., if the investments would be in the interests of the Company and its shareholders as a whole.

Even though our Group has been actively looking for good investment opportunities, as business activities remained subdued and highly uncertain in the U.S. as a result of the widespread of the COVID-19 pandemic throughout the Year, our Group had yet to make any significant investment nor utilise any portion as working capital of our Group out of the net proceeds from the Placing Exercises as at 31 December 2020.

PROSPECTS

Looking forward, with containment measures at different levels becoming effective in controlling the spread of the pandemic, widespread vaccination in a step-by-step approach as scheduled and expected ongoing implementation of stimulus packages by different countries to boost national economic growth, we believe the overall global business activities will gradually resume normal.

On the path of our steady development, Sino-Ocean and Sino-Ocean Capital certainly serve as our strong support and backing force. We have accepted and adapted to the new norm and will continue to be cautiously optimistic in tackling and overcoming the challenges ahead to provide a more stable and favourable environment. We aim to devote more resources to the business of GR Realty in the U.S. to strengthen its competitive advantages and prudently expand its asset management scale and market presence. In the meanwhile, we also expect to deepen our cooperation with Sino-Ocean Capital to build a platform in the future to explore business opportunities in the U.S. market in a more direct and effective way, and to leverage the resources and expertise of the Company and GR Realty outside China to promote business synergy and bring long-term benefits to our shareholders.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2020

	Notes	2020 HK\$'000	2019 HK\$'000 (Restated)
Revenue	3,4	603,856	115,499
Operating expenses	5	<u>(193,293)</u>	<u>(46,917)</u>
		410,563	68,582
Other income, gains/losses	6	(26,734)	35,961
Administrative and other expenses		(129,153)	(84,829)
Changes in fair value of financial instruments held for trading		58,403	(4,270)
Changes in fair value of financial assets at fair value through profit or loss		3,419	23,217
Changes in fair value of investment properties		(404,775)	(14,289)
Provision for impairment loss on financial assets		(5,636)	(58,659)
Share of results of joint ventures	13	(98,993)	(1,150)
Gain on effective settlement of loan receivables	16	60,787	—
		(38,206)	(1,150)
Share of results of associates		(1,500)	—
Finance costs	7	(191,122)	(17,211)
Loss attributable to limited partners and puttable instrument holders		<u>187,285</u>	<u>—</u>
Loss before income tax	8	(137,456)	(52,648)
Income tax (expenses)/credit	9	<u>(95,780)</u>	<u>687</u>
Loss for the year		<u>(233,236)</u>	<u>(51,961)</u>
Loss for the year attributable to:			
Owners of the Company		(233,036)	(94,713)
Non-controlling interests		<u>(200)</u>	<u>42,752</u>
		<u>(233,236)</u>	<u>(51,961)</u>
Loss per share for loss attributable to owners of the Company	10		
— basic (HK dollar)		(0.41)	(0.21)
— diluted (HK dollar)		<u>(0.41)</u>	<u>(0.21)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	2020 HK\$'000	2019 HK\$'000
Loss for the year	<u>(233,236)</u>	<u>(51,961)</u>
Other comprehensive income:		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	(4,533)	(8,042)
<i>Item that will not be reclassified to profit or loss</i>		
Gain on revaluation upon transfer of properties from property, plant and equipment to investment properties	<u>—</u>	<u>20,256</u>
Other comprehensive income for the year	<u>(4,533)</u>	<u>12,214</u>
Total comprehensive income for the year	<u><u>(237,769)</u></u>	<u><u>(39,747)</u></u>
Total comprehensive income attributable to:		
Owners of the Company	(237,569)	(82,499)
Non-controlling interests	<u>(200)</u>	<u>42,752</u>
	<u><u>(237,769)</u></u>	<u><u>(39,747)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 HK\$'000	2019 HK\$'000
Non-current assets			
Investment properties	12	11,363,561	1,522,774
Property, plant and equipment		75,176	11,423
Interests in joint ventures	13	—	861,678
Investments in associates		5,393	—
Financial assets at fair value through profit or loss	14	2,161,047	2,221,354
Deposits, prepayments and other receivables		110,412	—
Loan receivables		—	37,674
Other financial assets		420,191	—
Restricted bank deposits		1,328	1,486
Deferred tax assets		128,429	9,722
		<u>14,265,537</u>	<u>4,666,111</u>
Current assets			
Properties under development		1,563,839	685,918
Deposits, prepayments and other receivables		69,290	46,618
Loan receivables		—	335,735
Financial instruments held for trading		545,854	286,286
Tax recoverables		39,807	—
Restricted bank deposits		309,005	7,070
Cash and bank balances		1,162,189	975,181
		<u>3,689,984</u>	<u>2,336,808</u>
Total assets		<u>17,955,521</u>	<u>7,002,919</u>
Current liabilities			
Other payables and accrued charges		717,832	61,386
Financial instruments held for trading		5,465	—
Amounts due to shareholders		488,763	491,758
Tax payables		1,903	2,005
Borrowings	15	2,271,354	246,486
Other financial liabilities		150,345	—
		<u>3,635,662</u>	<u>801,635</u>
Net current assets		<u>54,322</u>	<u>1,535,173</u>
Total assets less current liabilities		<u>14,319,859</u>	<u>6,201,284</u>

	<i>Notes</i>	2020 HK\$'000	2019 HK\$'000
Capital and reserves			
Share capital		371,191	185,453
Reserves		<u>5,021,132</u>	<u>5,260,630</u>
Equity attributable to owners of the Company		5,392,323	5,446,083
Non-controlling interests		<u>1,794,362</u>	<u>300,764</u>
Total equity		<u>7,186,685</u>	<u>5,746,847</u>
Non-current liabilities			
Other payables and accrued charges		31,219	—
Amounts due to shareholders		891,538	—
Borrowings	15	5,783,203	426,094
Other financial liabilities		375,663	—
Deferred tax liabilities		<u>51,551</u>	<u>28,343</u>
		<u>7,133,174</u>	<u>454,437</u>
Total equity and non-current liabilities		<u><u>14,319,859</u></u>	<u><u>6,201,284</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

	Share capital	Convertible preference shares reserve	Perpetual bond	Capital contribution reserve	Capital reduction reserve	Share option reserve	Revaluation surplus reserve	Translation reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total equity
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Balance at 1 January 2020	185,453	2,355,533	2,259,504	308,190	—	22,336	20,256	11,927	282,884	5,446,083	300,764	5,746,847
Other comprehensive income												
— Exchange differences arising on translation of foreign operations	—	—	—	—	—	—	—	(4,533)	—	(4,533)	—	(4,533)
Loss for the year	—	—	—	—	—	—	—	—	(233,036)	(233,036)	(200)	(233,236)
Total comprehensive income for the year	—	—	—	—	—	—	—	(4,533)	(233,036)	(237,569)	(200)	(237,769)
Distribution paid to the holder of perpetual bond	—	—	—	—	—	—	—	—	(226)	(226)	—	(226)
Distribution paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(39,003)	(39,003)
Share allotment	180,556	—	—	—	—	—	—	—	—	180,556	—	180,556
Capital reduction	—	(94,968)	—	—	94,968	—	—	—	—	—	—	—
Transfer arising from capital reduction	—	—	—	—	(94,968)	—	—	—	94,968	—	—	—
Consolidation of Gemini-Rosemont Realty LLC (Note 16)	—	—	—	—	—	—	—	—	—	—	1,532,801	1,532,801
Exercise of share option	5,182	—	—	—	—	(1,703)	—	—	—	3,479	—	3,479
Vested share options forfeited/cancelled	—	—	—	—	—	(20,633)	—	—	20,633	—	—	—
Balance at 31 December 2020	<u>371,191</u>	<u>2,260,565</u>	<u>2,259,504</u>	<u>308,190</u>	<u>—</u>	<u>—</u>	<u>20,256</u>	<u>7,394</u>	<u>165,223</u>	<u>5,392,323</u>	<u>1,794,362</u>	<u>7,186,685</u>

	Share capital	Convertible preference shares reserve	Perpetual bond	Capital contribution reserve	Share option reserve	Revaluation surplus reserve	Translation reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total equity
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Balance at 1 January 2019	185,453	2,355,533	2,259,504	308,190	22,336	—	19,969	378,049	5,529,034	276,831	5,805,865
Other comprehensive income											
— Exchange differences arising on translation of foreign operations	—	—	—	—	—	—	(8,042)	—	(8,042)	—	(8,042)
— Gain on revaluation upon transfer of properties from property, plant and equipment to investment properties	—	—	—	—	—	20,256	—	—	20,256	—	20,256
(Loss)/profit for the year	—	—	—	—	—	—	—	(94,713)	(94,713)	42,752	(51,961)
Total comprehensive income for the year	—	—	—	—	—	20,256	(8,042)	(94,713)	(82,499)	42,752	(39,747)
Distribution paid to the holder of perpetual bond	—	—	—	—	—	—	—	(452)	(452)	—	(452)
Distribution paid to non-controlling interests	—	—	—	—	—	—	—	—	—	(18,819)	(18,819)
Balance at 31 December 2019	<u>185,453</u>	<u>2,355,533</u>	<u>2,259,504</u>	<u>308,190</u>	<u>22,336</u>	<u>20,256</u>	<u>11,927</u>	<u>282,884</u>	<u>5,446,083</u>	<u>300,764</u>	<u>5,746,847</u>

NOTES

1. GENERAL

The financial information relating to the two years ended 31 December 2019 and 2020 included in this preliminary announcement of the annual results for the year ended 31 December 2020 do not constitute the statutory annual consolidated financial statements of Gemini Investments (Holdings) Limited (the “**Company**”) for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong (the “**Companies Ordinance**”)) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2019 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2020 in due course.

The Company’s auditor has reported on the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.

The expenses presentation of the Group for the year ended 31 December 2020 in the consolidated income statement has been reclassified from the analysis by nature to the analysis by function. The management considered that the current presentation is more appropriate for the results of the Group following the changes in the Group’s operation after the consolidation of Gemini-Rosemont Realty LLC (“**GR Realty**”) as detailed in note 16. The comparative amounts in the consolidated income statement for the year ended 31 December 2019 are re-presented accordingly.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2020

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKAS 39, HKFRS 7 and HKFRS 9	Interest Rate Benchmark Reform

Other than the amendments to HKFRS 3, none of these new or amended HKFRSs has a material impact on the Group’s results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period. Impact on the applications of the amended HKFRS effective on 1 January 2020 is summarised below.

Amendments to HKFRS 3 – Definition of a Business

The amendments clarify the definition of a business and introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The election to apply the concentration test is made for each transaction. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the concentration test is met, the set of activities and assets is determined not to be a business. If the concentration test is failed, the acquired set of activities and assets is further assessed based on the elements of a business.

The Group has applied the amendments prospectively to transactions for which the acquisition date is on or after 1 January 2020. As described in note 16, the Group acquired a set of activities and assets in July 2020 and has elected to apply the concentration test to that acquisitions but the transaction failed the concentration test. Based on the assessment of elements of a business, the Group concluded that the acquired set of activities and assets is a business.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	COVID-19 Related Rent Concessions ²
Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9, and HKFRS 16	Interest Rate Benchmark Reform — Phase 2 ³
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use ⁴
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ⁴
Amendments to HKFRS 3	Reference to the Conceptual Framework ⁵
Annual Improvements to HKFRSs 2018–2020 Cycle	Amendments to HKFRS 9 <i>Financial Instruments</i> and HKFRS 16 <i>Leases</i> ⁴
Amendments to HKAS 1	Classification of Liabilities as Current or Non-Current ⁶
HKFRS 17	Insurance Contracts ⁶

¹ No mandatory effective date yet determined but available for adoption.

² Effective for annual periods beginning on or after 1 June 2020.

³ Effective for annual periods beginning on or after 1 January 2021.

⁴ Effective for annual periods beginning on or after 1 January 2022.

⁵ Effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022.

⁶ Effective for annual periods beginning on or after 1 January 2023.

The above new/revised HKFRSs that have been issued but not yet effective are unlikely to have material impact on the Group's consolidated results and consolidated financial statements upon application.

3. SEGMENT INFORMATION

Information reported to executive 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.

For better reflection of combined revenue structure and performance measurement after consolidation of GR Realty as disclosed in note 16, as well as enhance the comparability of the segment results, the operating segments were reallocated. The segment information in 2019 was restated accordingly.

Specifically, the Group's reportable and operating segments under HKFRS 8 *Operating Segment* are as follows:

— Property investment in the United States of America (the “U.S.”)

Rental income and ancillary service income from leasing of office property and residential condominium and managed by GR Realty.

— Property development in the U.S.

Income from sale of quality commercial and residential properties in the U.S. which are managed by GR Realty.

— Property investment in Hong Kong

Rental income from leasing of office and residential properties in Hong Kong.

— Fund investments

Investing in various investment funds and generating investment income.

— Securities and other investments

Investing in various securities and generating investment income.

Revenue and expenses are allocated to the reportable segments with reference to the income generated from 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 from operations by reportable and operating segments.

For the year ended 31 December 2020

	Managed by GR Realty						
	Property investment in the U.S. <i>HK\$'000</i>	Property development in the U.S. <i>HK\$'000</i>	Property investment in HK <i>HK\$'000</i>	Fund investments <i>HK\$'000</i>	Securities and other investments <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue	590,322	—	10,646	—	2,888	—	603,856
Less: Inter-segment sales	—	—	—	—	5,196	(5,196)	—
Revenue as presented in consolidated income statement	<u>590,322</u>	<u>—</u>	<u>10,646</u>	<u>—</u>	<u>8,084</u>	<u>(5,196)</u>	<u>603,856</u>
Segment results	<u>119,209</u>	<u>(4,906)</u>	<u>(1,104)</u>	<u>3,066</u>	<u>64,531</u>		180,796
Interest income from bank deposits							4,844
Depreciation							(10,137)
Provision for impairment loss on financial assets							(5,636)
Corporate legal and professional fee							(20,160)
Finance costs							(191,122)
Unallocated corporate expenses							<u>(96,041)</u>
Loss before income tax							<u>(137,456)</u>

For the year ended 31 December 2019

	Managed by GR Realty						
	Property investment in the U.S. <i>HK\$'000</i> (Restated)	Property development in the U.S. <i>HK\$'000</i> (Restated)	Property investment in HK <i>HK\$'000</i> (Restated)	Fund investments <i>HK\$'000</i> (Restated)	Securities and other investments <i>HK\$'000</i> (Restated)	Elimination <i>HK\$'000</i> (Restated)	Consolidated <i>HK\$'000</i> (Restated)
Segment revenue	102,299	—	11,314	3	1,883	—	115,499
Less: Inter-segment sales	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,704</u>	<u>(4,704)</u>	<u>—</u>
Revenue as presented in consolidated income statement	<u>102,299</u>	<u>—</u>	<u>11,314</u>	<u>3</u>	<u>6,587</u>	<u>(4,704)</u>	<u>115,499</u>
Segment results	<u>6,088</u>	<u>(7,731)</u>	<u>7,104</u>	<u>23,303</u>	<u>(9,852)</u>		18,912
Interest income from bank deposits							9,955
Depreciation							(3,231)
Corporate legal and professional fee							(3,559)
Finance costs							(17,211)
Unallocated corporate expenses							<u>(57,514)</u>
Loss before income tax							<u>(52,648)</u>

Segment results represent the profit or loss by each segment without allocation of interest income from bank deposits, depreciation, unallocated provision for impairment loss on financial assets, corporate legal and professional fee, unallocated corporate expenses (including central administration and staff costs and directors' remuneration) and finance costs. This is the measure reported to the chief operating decision makers, the executive directors, for the purposes of resource allocation and performance assessment.

(a) **Segment assets and liabilities**

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

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i> (Restated)
Assets		
Segment assets		
— Property investment in the U.S.	12,493,122	2,503,503
— Property development in the U.S.	1,660,888	722,405
— Property investment in HK	450,560	460,749
— Fund investments	2,215,529	2,215,674
— Securities and other investments	928,944	811,217
Unallocated assets	<u>206,478</u>	<u>289,371</u>
 Consolidated total assets	 <u><u>17,955,521</u></u>	 <u><u>7,002,919</u></u>
 Liabilities		
Segment liabilities		
— Property investment in the U.S.	9,571,846	456,954
— Property development in the U.S.	629,963	1,011
— Property investment in HK	4,013	4,069
— Fund investments	268	268
— Securities and other investments	4,186	190
Unallocated liabilities	<u>558,560</u>	<u>793,580</u>
 Consolidated total liabilities	 <u><u>10,768,836</u></u>	 <u><u>1,256,072</u></u>

Segment assets include all assets are allocated to operating segments other than unallocated property, plant and equipment, deferred tax assets, unallocated deposits, prepayments and other receivables, tax recoverables, unallocated cash and bank balances which are not allocated to a segment.

Segment liabilities included all liabilities are allocated to operating segments other than tax payables, deferred tax liabilities, unallocated amounts due to shareholders, unallocated lease liabilities and unallocated other payables and accrued charges.

The information disclosed above represented the segments to be identified on the basis of annual 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.

For the year ended 31 December 2020

Other segment information

	Property investment in the U.S. <i>HK\$'000</i>	Property development in the U.S. <i>HK\$'000</i>	Property investment in HK <i>HK\$'000</i>	Fund investments <i>HK\$'000</i>	Securities and other investments <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amounts included in the measure of segment profit or loss or segment assets:						
Changes in fair value of financial instruments held for trading	—	—	—	—	58,403	58,403
Changes in fair value of financial assets at fair value through profit or loss	—	—	—	3,148	271	3,419
Changes in fair value of investment properties	(395,135)	—	(9,640)	—	—	(404,775)
Loss on re-measurement of interests in joint ventures (<i>Note 16</i>)	(50,339)	—	—	—	—	(50,339)
Share of results of joint ventures	98,993	—	—	—	—	98,993
Gain on effective settlement of loan receivables	<u>60,787</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>60,787</u>

For the year ended 31 December 2019

Other segment information

	Property investment in the U.S. <i>HK\$'000</i> (Restated)	Property development in the U.S. <i>HK\$'000</i> (Restated)	Property investment in HK <i>HK\$'000</i> (Restated)	Fund investments <i>HK\$'000</i> (Restated)	Securities and other investments <i>HK\$'000</i> (Restated)	Total <i>HK\$'000</i> (Restated)
Amounts included in the measure of segment profit or loss or segment assets:						
Changes in fair value of financial instruments held for trading	—	—	—	—	(4,270)	(4,270)
Changes in fair value of financial assets at fair value through profit or loss	—	—	—	23,789	(572)	23,217
Changes in fair value of investment properties	(11,559)	—	(2,730)	—	—	(14,289)
Provision for impairment loss on financial assets	(58,659)	—	—	—	—	(58,659)
Share of results of joint ventures	<u>(1,150)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,150)</u>

(b) Geographical information

The Group's operations are located in Hong Kong (place of domicile) and the U.S..

The Group's revenue (excluded inter-segment sales) and its non-current assets, other than financial instruments and deferred tax assets by geographical location of the assets regarding its operations are detailed below:

	Revenue (excluded inter-segment sales)		Non-current assets other than financial instruments and deferred tax assets	
	2020 HK\$'000	2019 HK\$'000 (Restated)	2020 HK\$'000	2019 HK\$'000 (Restated)
Hong Kong	10,766	11,761	456,353	470,970
The U.S.	591,972	103,612	10,987,777	1,924,903
Others	1,118	126	—	2
	<u>603,856</u>	<u>115,499</u>	<u>11,444,130</u>	<u>2,395,875</u>

(c) Information about major customers

For the year ended 31 December 2020, there was revenue received from a tenant generated from the Group's property investment in the U.S., whom contributed approximately HK\$72,927,000 (2019: HK\$78,758,000), represented approximately 12% (2019: 68%) of the Group's total revenue.

4. REVENUE

	2020 HK\$'000	2019 HK\$'000
Rental income	502,089	113,612
Dividend income	2,888	1,887
Revenue from contracts with customers		
— Ancillary service income to property leasing	<u>98,879</u>	<u>—</u>
	<u>603,856</u>	<u>115,499</u>

5. OPERATING EXPENSES

	2020 HK\$'000	2019 HK\$'000 (Restated)
Repairs, maintenance and utilities	127,335	20,998
Property insurance costs	9,004	1,607
Property management expenses	24,559	8,767
Real estate taxes	29,093	13,003
Others	3,302	2,542
	<u>193,293</u>	<u>46,917</u>

6. OTHER INCOME, GAINS/LOSSES

	2020 HK\$'000	2019 HK\$'000 (Restated)
Bank interest income	4,844	9,955
Other interest income	14,779	25,552
Loss on re-measurement of interests in joint ventures (Note 16)	(50,339)	—
Gain on disposal of a subsidiary	1,253	—
Sundry	2,729	454
	<u>(26,734)</u>	<u>35,961</u>

7. FINANCE COSTS

	2020 HK\$'000	2019 HK\$'000 (Restated)
Interest on bank and other borrowings	194,747	20,643
Interest expense on lease liabilities	3,488	881
Total interest expenses for financial liabilities that are not measured at fair value through profit or loss	198,235	21,524
Amortisation of arrangement fee	3,643	—
Others	—	347
Less: Amount capitalised (Note)	(10,756)	(4,660)
	<u>191,122</u>	<u>17,211</u>

Note: Borrowing costs have been capitalised during the year at various applicable rates ranging from 2.8% to 4.4% per annum (2019: from 4.5% to 5.2% per annum) and included in properties under development.

8. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging and (crediting):

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i> (Restated)
Auditors' remuneration		
— Statutory audit service	2,000	1,740
— Other audit service	3,365	765
	<u>5,365</u>	<u>2,505</u>
Gross rental income from investment properties	(502,089)	(113,612)
Direct operating expenses arising from investment properties that generate rental income	193,293	46,917
	<u>(308,796)</u>	<u>(66,695)</u>
Depreciation	10,137	3,231
Employee costs	55,276	25,542
Net foreign exchange (gain)/loss	(3,712)	9,438
Retirement benefits scheme contributions (excluding amounts paid under directors' emoluments)	1,497	1,204
	<u><u>1,497</u></u>	<u><u>1,204</u></u>

9. INCOME TAX (EXPENSES)/CREDIT

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
The taxation attributable to the Group's operation comprises:		
Current tax — Hong Kong Profits Tax		
Provision for the year	165	233
Over-provision in respect of prior years	(102)	—
	<u>63</u>	<u>233</u>
Current tax — People's Republic of China ("PRC")		
Enterprise Income Tax		
Provision for the year	2	—
Current tax — Overseas tax		
Provision for the year	1,870	1,287
Under-provision in respect of prior years	8,023	—
	<u>9,893</u>	<u>1,287</u>
Deferred tax expenses/(credit)	85,822	(2,207)
Income tax expenses/(credit)	<u><u>95,780</u></u>	<u><u>(687)</u></u>

Hong Kong Profits Tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong for the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2 million of assessable profits of the qualifying entity is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

All of the Group's PRC subsidiaries are subject to the PRC Enterprise Income Tax rate of 25% for the year (2019: 25%).

Overseas tax is calculated at the rates applicable in the respective jurisdictions in which the Group operates.

10. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share attributable to owners of the Company is based on the adjusted loss for the year attributable to owners of the Company of approximately HK\$233,262,000 (2019: loss of approximately HK\$95,165,000) and on the weighted average number of ordinary shares of 569,652,000 (2019: 451,390,000) in issue during the year.

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i> (Restated)
Loss attributable to owners of the Company	(233,036)	(94,713)
<i>Less:</i> Distribution paid to the holder of perpetual bond	<u>(226)</u>	<u>(452)</u>
Adjusted loss attributable to the owners of the Company	<u><u>(233,262)</u></u>	<u><u>(95,165)</u></u>

(b) Diluted loss per share

No adjustment was made to the basic loss per share amount presented for the years ended 31 December 2020 and 2019 in respect of a dilution as the impact of share options and convertible preference shares outstanding had an anti-dilutive effect on the basic loss per share amount presented.

11. DIVIDENDS

No dividend was paid or proposed in respect of the convertible preference shares and the ordinary shares of the Company during the years ended 31 December 2020 and 2019, nor has any dividend been proposed since the end of the reporting period.

12. INVESTMENT PROPERTIES

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Properties in Hong Kong	450,560	460,200
Properties in the U.S.	<u>10,913,001</u>	<u>1,062,574</u>
	<u><u>11,363,561</u></u>	<u><u>1,522,774</u></u>

Note: All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The revaluation of investment properties during the current year gave rise to a net loss arising from changes in fair value of approximately HK\$404,775,000 (2019: approximately HK\$14,289,000) which has been recognised in profit or loss. Approximately 74% (2019: 87%) of the investment properties of the Group were rented out under operating leases as at 31 December 2020.

As at 31 December 2020, investment properties in the U.S. of approximately HK\$10,578,093,000 (2019: approximately HK\$717,261,000) were pledged as collateral for bank borrowings of approximately HK\$6,922,096,000 (2019: approximately HK\$422,880,000).

13. INTERESTS IN JOINT VENTURES

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Share of net assets other than goodwill	—	826,260
Goodwill	—	35,418
At the end of the year	<u>—</u>	<u>861,678</u>
	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
At the beginning of the year	861,678	858,618
Share of post-acquisition losses, net of tax and other comprehensive income	(98,993)	(1,150)
Income tax paid	515	3,958
Exchange realignment	249	252
Consolidation of GR Realty (<i>Note 16</i>)	<u>(763,449)</u>	<u>—</u>
At the end of the year	<u>—</u>	<u>861,678</u>

As at 31 December 2019, the Group had interests in the following joint ventures:

Name of joint venture	Form of business structure	Country of incorporation	Principal place of operation	Class of shares held	Percentage of ownership interests/ voting rights	Principal activities
GR Realty	Limited liability company	The U.S.	The U.S.	Class A membership interests*	45%	Property investment and management
Rosemont WTC Denver GPM LLC ("Denver GPM LLC")	Limited liability company	The U.S.	The U.S.	Membership interests [#]	100%	Property investment and management
Rosemont Diversified Portfolio II LP ("Portfolio II LP")	Limited partnership	The U.S.	The U.S.	Limited partnership interests [#]	37.19%	Property investment and management

* Class A membership interests represent the interests have control over the joint venture

[#] Membership interests and limited partnership interests are non-controlling interests

Notes:

- (a) Under HKFRS 11 *Joint Arrangement*, these joint arrangements of the Group are classified as joint ventures and have been included in the Group's consolidated financial statements using the equity method.
- (b) On 31 December 2014, the Group entered into the purchase, sale and contribution agreement (the "**Agreement**") with Neutron Property Fund Limited (the "**Property Fund**"), GR Realty JV Member LLC, Garfield Group Partners LLC ("**Garfield Group**") and Rosemont Realty, LLC ("**Rosemont**") to subscribe for 45%, 30%, 18.423%, 5.577% and 1% membership interests respectively in GR Realty, a limited liability company incorporated in the State of Delaware. GR Realty acquired the businesses, assets and liabilities of Rosemont (excluding certain equity interests owned directly by Rosemont which are not transferred to GR Realty) and the limited partnership interests in the limited partnerships of Rosemont (together with a promissory note evidencing a loan advance from Lone Rock Holdings, LLC ("**Lone Rock**"), one of the controlling shareholders of Rosemont, to Rosemont Dallas NCX LP, a wholly-owned subsidiary of Rosemont) owned by Lone Rock. The consideration is approximately US\$69,152,000 (equivalent to approximately HK\$536,234,000) in which approximately US\$9,598,000 (equivalent to approximately HK\$74,416,000) represented the directly attributable costs related to the transaction.
- (c) Apart from the subscription of the 45% membership interests in GR Realty, the Group acquired 100% membership interest and 37.19% limited partnership interests in Denver GPM LLC and Portfolio II LP at considerations of approximately US\$15,000,000 (equivalent to approximately HK\$116,319,000) and approximately US\$34,388,000 (equivalent to approximately HK\$266,661,000) respectively. Denver GPM LLC and Portfolio II LP represented the syndicated projects under the portfolio of Rosemont (the "**Syndicated Projects**").

In addition, the Group provided a working capital facility of US\$10,000,000 to GR Realty.

The details as described above represented the transactions contemplated under the Agreement (the "**Transactions**").

As mentioned above, the Group acquired direct interests in the Syndicated Projects which are controlled by GR Realty upon completion of the Transactions. Accordingly, the Syndicated Projects interests are accounted for as part of the Group's interest in GR Realty.

GR Realty was formed under the laws of state of Delaware, domiciled in the U.S. on 22 April 2015. It has no operations until it acquired the businesses, assets and liabilities of Rosemont as explained above. GR Realty is primarily engaged in the ownership and the management of commercial office properties after the acquisition.

The Group and the Property Fund held 45% and 30% of Class A membership interests of GR Realty respectively. Both have collective control over GR Realty and decisions on the relevant activities of GR Realty require the unanimous consent of the Class A members. Therefore, GR Realty is a joint arrangement. As GR Realty is a limited liability company, the joint arrangement is classified as a joint venture.

Denver GPM LLC, a Delaware limited liability company domiciled in the U.S., was formed on 16 April 2013 to act as the limited partner of Rosemont WTC Denver GP Member LP (“**Member LP**”). Member LP, a Delaware partnership domiciled in the U.S., was formed on 27 March 2013 to invest in companies which acquire, hold, operate, develop, improve, sell and manage investment properties.

Portfolio II LP, a Delaware limited partnership domiciled in the U.S., was formed on 12 December 2012 to acquire, hold, operate, develop, improve, sell, and otherwise manage investment properties in the U.S.

On 21 August 2015, the Group acquired the entire membership interests of Denver GPM LLC from Rosemont at a consideration of approximately US\$5,500,000 together with additional contribution of approximately US\$9,500,000. On the same date, the Group also subscribed approximately 37.19% limited partnership interest in Portfolio II LP at a consideration of approximately US\$34,388,000. The Transactions were completed on 22 August 2015 and the Group had no outstanding commitment as at 31 December 2019.

On 31 March 2017, the Property Fund further acquired 18.423% of Class B membership interests of GR Realty from GR Realty JV Member LLC. As a result, the Property Fund held 30% and 18.423% of Class A and Class B membership interests respectively in GR Realty as at 31 December 2019.

On 31 July 2020, the Group and other members of GR Realty entered into an agreement to revise provisions regarding proceedings of the operating committee in the operating agreement of GR Realty (the “**Operating Agreement**”), a summary of key provisions of the Operating Agreement is set out below:

- the operating committee of GR Realty (the “**Operating Committee**”) comprises six managers, (i) three of whom shall be appointed by the Company as Class A membership; (ii) one of whom shall be appointed by Property Fund as Class A membership; (iii) one of whom shall be appointed by Property Fund as Class B membership; and (iv) one of whom shall be appointed by Garfield Group as Class B membership;
- all actions of the Operating Committee require the approval of simple majority vote of the managers; and
- in the event of a deadlock in respect of any actions of the Operating Committee, the managers designated by a majority in interest of the Class A members shall determine such action.

As a result of the Operating Agreement, the Group has obtained control in GR Realty. The Group’s underlying equity interest in GR Realty (i.e. 45%) remains unchanged. Details of the consolidation of GR Realty are disclosed in Note 16.

For the year ended 31 December 2020, the Group shared the loss of GR Realty, Denver GPM LLC and Portfolio II LP, net of tax amounted to approximately US\$9,379,000, US\$1,167,000 and US\$2,217,000 respectively (equivalent to approximately HK\$72,739,000, HK\$9,054,000 and HK\$17,200,000 respectively) (2019: profit of approximately US\$174,000 (equivalent to approximately HK\$1,359,000), loss of approximately US\$6,305,000 (equivalent to approximately HK\$49,241,000) and profit of approximately US\$5,983,000 (equivalent to approximately HK\$46,732,000) respectively).

There was no distribution received/receivable during the years ended 31 December 2020 and 2019.

For the year ended 31 December 2020, the Group paid income tax of approximately US\$66,000 (equivalent to approximately HK\$515,000) in respect of its direct obligation in GR Realty.

For the year ended 31 December 2019, the Group paid income tax of approximately US\$504,000 (equivalent to approximately HK\$3,958,000) in respect of its direct tax obligation in Portfolio II LP.

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Unlisted equity investments (<i>Note (a)</i>)	71	109
Other assets (<i>Note (b)</i>)	6,110	5,800
Unlisted fund investments (<i>Note (c)</i>)	<u>2,154,866</u>	<u>2,215,445</u>
	<u><u>2,161,047</u></u>	<u><u>2,221,354</u></u>

The fair value of these investments as at 31 December 2020 and 2019 were estimated by BMI Appraisals Limited.

Notes:

- (a) At the end of the reporting period, the fair value of the Group's investments in unlisted equity securities issued by a private entity incorporated outside Hong Kong was approximately RMB59,000 (equivalent to approximately HK\$71,000) (2019: approximately RMB98,000 (equivalent to approximately HK\$109,000)).
- (b) Other assets represented the club debentures. At the end of the reporting period, the fair value of the club debentures held by the Group was HK\$6,110,000 (2019: HK\$5,800,000).

As at 31 December 2020 and 2019, the fair value measurement of the financial assets at fair value through profit or loss (i.e. unlisted equity investments and club debentures) as mentioned above was categorised within level 3 of the fair value hierarchy.

- (c)(i) At the end of the reporting period, the Group held approximately 341,000 (2019: 341,000) 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 held by the Group as at 31 December 2020 was approximately HK\$138,845,000 (2019: approximately HK\$130,812,000).

- (c)(ii) At the end of the reporting period, the Group held approximately 141,000 (2019: 141,000) 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 held by the Group as at 31 December 2020 was approximately HK\$176,749,000 (2019: approximately HK\$155,812,000).
- (c)(iii) At the end of the reporting period, the Group also held approximately 110,000 (2019: 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 held by the Group as at 31 December 2020 was approximately HK\$184,042,000 (2019: approximately HK\$134,259,000).

As at 31 December 2020 and 2019, the fair value measurement of the financial assets at fair value through profit or loss (i.e. unlisted fund investments) as mentioned in Notes (c)(i) to (c)(iii) above was categorised within level 2 of the fair value hierarchy.

- (c)(iv) At the end of the reporting period, the Group held approximately 1,012,000 (2019: 1,012,000) non-redeemable, non-voting participating shares of the Property Fund, which incorporated in Cayman Islands and 637,000 (2019: 637,000) non-redeemable, non-voting participating shares of an investment entity incorporated in the Cayman Islands (the “**Private Equity Fund**”). The fair value of the investments in the Property Fund and the Private Equity Fund as at 31 December 2020 was approximately HK\$496,329,000 (2019: approximately HK\$765,281,000) and approximately HK\$536,869,000 (2019: approximately HK\$555,287,000) respectively. There was a return of capital of approximately HK\$63,726,000 from the Private Equity Fund for the year ended 31 December 2020.

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 Hong Kong, 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.

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, Japan and/or Australia.

- (c)(v) On 3 November 2015, an indirect wholly-owned subsidiary of the Company entered into a subscription agreement with Prosperity Risk Balanced Fund LP (the “**PRB Fund**”), pursuant to which the Group agreed to contribute commitments for a total amount of US\$60,000,000 (equivalent to approximately HK\$465,000,000) as a limited partner to PRB Fund. The amount of the Group’s commitments represents 23.08% of the total commitments of US\$260,000,000 (equivalent to approximately HK\$2,025,000,000). As at 31 December 2020, the fair value of the investments in the PRB Fund was approximately HK\$622,032,000 (2019: approximately HK\$473,994,000).

The investment objective of the PRB Fund is to invest in debt instruments of special purpose vehicles which in turn hold shares in PRC companies established for the purpose of developing real estates in the PRC with an expected return of not less than 6% per annum on the debt instruments and to invest in other investment funds.

As at 31 December 2020 and 2019, the Group has no outstanding commitments to make capital contribution.

As at 31 December 2020 and 2019, the fair value measurement of the financial assets at fair value through profit or loss (i.e. unlisted fund investments) as mentioned in Notes (c)(iv) and (c)(v) above was categorised within level 3 of the fair value hierarchy.

15. BORROWINGS

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Lease liabilities		
Within 1 year	9,287	5,062
After 1 year but within 2 years	6,984	3,096
After 2 years but within 5 years	10,842	118
Over 5 years	95,404	—
	<u>122,517</u>	<u>8,276</u>
Bank loans and revolving loans (<i>Note (a)</i>)		
Within 1 year	2,152,365	241,424
After 1 year but within 2 years	398,851	—
After 2 years but within 5 years	3,751,773	—
Over 5 years	860,210	422,880
	<u>7,163,199</u>	<u>664,304</u>
Notes payable (<i>Note (b)</i>)		
Within 1 year	109,702	—
After 1 year but within 2 years	241,708	—
After 2 years but within 5 years	417,431	—
	<u>768,841</u>	<u>—</u>
Total borrowings	8,054,557	672,580
Amount due within 1 year included under current liabilities	<u>(2,271,354)</u>	<u>(246,486)</u>
	<u><u>5,783,203</u></u>	<u><u>426,094</u></u>

Notes:

(a) Bank loans and revolving loans

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Guaranteed loans	—	241,424
Secured loans	6,980,240	422,880
Unsecured loans	182,959	—
	<u>7,163,199</u>	<u>664,304</u>

All the bank loans and revolving loans are denominated in U.S. dollars.

The bank loans and revolving loans amounted to US\$900,386,000 (equivalent to approximately HK\$6,980,240,000) (2019: US\$85,300,000 equivalent to approximately HK\$664,304,000) were secured by way of legal charges over certain of the Group's assets and the interests of certain subsidiaries of the Group.

(b) Notes payable

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Secured notes payable	768,841	—

All the notes payable are denominated in U.S. dollars and were secured by way of legal charges over the interests of certain subsidiaries of the Group.

16. BUSINESS COMBINATION

Consolidation of GR Realty

As detailed in the announcement issued by the Company dated 31 July 2020, the Group, through the revise provisions regarding proceedings of the Operating Committee in the operating agreement of GR Realty with other members of GR Realty, whereby the control in GR Realty was passed to the Group. Accordingly, it has been accounted for as acquisition of business using acquisition accounting under HKFRS 3.

GR Realty is engaged in the ownership and/or management of its property investment portfolio of commercial real estate in the U.S.. GR Realty is the Group's joint ventures before the completion of above changes.

Non-controlling interests recognised at the acquisition date were measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. In addition, the difference between the fair value of the existing interests in joint ventures and the carrying amount of interests in joint ventures amounting to HK\$50,339,000 was recognised in profit or loss during the year.

The assets acquired and liabilities assumed at the date of the consolidation are as follows:

	Total <i>HK\$'000</i>
Investment properties	10,220,027
Property, plant and equipment	57,395
Deferred tax assets	180,737
Investments in associates	6,882
Amounts due from related companies	1,573
Deposits, prepayments and other receivables	92,438
Other financial assets	348,196
Properties under development	653,056
Tax recoverable	49,111
Restricted bank deposits	275,614
Cash and bank balances	585,668
Other payables and accrued charges	(645,630)
Financial instruments held for trading	(2,441)
Other financial liabilities	(637,838)
Borrowings	(7,490,013)
Lease liabilities	(116,250)
Amounts due to related companies	<u>(1,332,614)</u>
Net assets acquired	2,245,911
Non-controlling interests	<u>(1,532,801)</u>
	<u><u>713,110</u></u>
	<i>HK\$'000</i>
Cash consideration paid	— -----
Carrying amount of interests in joint ventures immediate before the date of consolidation of GR Realty (<i>Note 13</i>)	763,449
Loss on re-measurement of interests in joint ventures at date of consolidation of GR Realty at fair value (<i>Note 6</i>)	<u>(50,339)</u>
Fair value of interests in joint ventures held before the date consolidation of GR Realty	713,110 -----
	<u><u>713,110</u></u>

Because the fair value of the net assets acquired is same as the fair value of the pre-existing investments in GR Realty, no goodwill is recognised from consolidation of GR Realty.

Loan payables due to the Group were included in amounts due to related companies, which were eliminated upon the consolidation of GR Realty and a gain on effective settlement of loan receivables upon the consolidation of GR Realty of HK\$60,787,000 was recognised in profit or loss during the year.

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 Year.

COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SHARES DEALINGS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its code of conduct regarding securities transactions by the directors of the Company. 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 Year.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has complied with the applicable code provisions (the “**Code Provisions**”) of the Corporate Governance Code as set out in Appendix 14 to Listing Rules as and when they were/are in force, except for Code Provisions A.2.1, A.2.7 and E.1.2.

Code Provision A.2.1 stipulates that the roles of the chairman and chief executive officer (“**CEO**” or “**Chief Executive Officer**”) should be separated and performed by different individuals. Following the resignation of Mr. LI Ming as a non-executive Director and the Honorary Chairman of the Board on 30 July 2020, Mr. SUM Pui Ying (“**Mr. SUM**”), an executive Director, had been appointed as the chairman of the Board (the “**Chairman**” or the “**Chairman of the Board**”) and had performed the roles of both Chairman and CEO since 30 July 2020. On 31 December 2020, Mr. SUM was no longer the CEO of the Company but remained as the Chairman, and Mr. LAI Kwok Hung, Alex, an executive Director, was appointed as the new CEO of the Company to replace Mr. SUM.

The Board believes that although Mr. SUM performed the roles of both Chairman and CEO from 30 July to 31 December 2020 (the “**Relevant Period**”), this did not impair the balance of power and authority of the Board during the Relevant Period as the Board comprised experienced and high caliber individuals, with strong independent elements, namely the presence of three independent non-executive Directors out of eight members of the Board. In addition, material decisions were collectively made by members of the Board.

Code Provision A.2.7 requires that the Chairman should at least annually hold meetings with the independent non-executive Directors without other Directors present. Although the Chairman did not hold a meeting with the independent non-executive Directors without the presence of other Directors during the Year, the Chairman delegated the CEO to gather any concerns and/or questions that the independent non-executive Directors might have and report to him for setting up follow-up meetings, whenever necessary, in due course.

The Chairman should attend the annual general meeting of the Company under Code Provision E.1.2. Due to boundary restriction under COVID-19 and other pre-arranged business commitments which had to be attended, Mr. LI Ming (being the then Honorary Chairman of the Board) was unable to attend the annual general meeting of the Company held on 29 April 2020.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company has reviewed the accounting principles and policies adopted by the Group and the annual results for the year ended 31 December 2020.

REVIEW OF THIS FINAL RESULTS ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2020 have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on the preliminary announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained a sufficient amount of public float for its ordinary shares as required under the Listing Rules as at the date of this announcement.

PUBLICATION OF ANNUAL REPORT

The 2020 annual report of the Company containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and available on the Company's website at www.geminiinvestments.com.hk and HKExnews website at www.hkexnews.hk in due course.

APPRECIATION

The Board would like to take this opportunity to express its sincere gratitude to all shareholders, business partners and bank enterprises for their trust and unwavering support over the years and to its fellow Board members, the management and staff for their commitment and dedication to the Group during the past years.

In particular, the Board would like to express its appreciation to Mr. LI Ming, Mr. LI Hongbo and Mr. WANG Xiao, who resigned as Directors during the Year, for their valuable advice and significant contributions to the Board. On the other hand, the Board would like to extend a warm welcome to Ms. LAM Yee Lan and Mr. ZHOU Yue as our new Board members appointed during the Year and expect them to make contributions to the Group.

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

Hong Kong, 12 March 2021

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

Executive Directors:

Mr. SUM Pui Ying
Mr. LAI Kwok Hung, Alex
Ms. LAM Yee Lan

Non-executive Directors:

Mr. TANG Runjiang
Mr. ZHOU Yue

Independent non-executive Directors:

Mr. LAW Tze Lun
Mr. LO Woon Bor, Henry
Ms. CHEN Yingshun