

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



盛洋投資

Gemini Investments (Holdings) Limited

盛洋投資（控股）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 174)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

The board of directors (the “**Director(s)**” or the “**Board**”) of Gemini Investments (Holdings) Limited (the “**Company**”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (together referred to as the “**Group**”, “**our Group**” or “**We**”/“**we**”) for the six months ended 30 June 2021 (the “**2021 Interim Period**”). The unaudited interim results of the Company have been reviewed by the Company’s audit committee.

During the 2021 Interim Period, the Group recorded a profit attributable to owners of the Company of HK\$21 million (a loss attributable to owners of the Company of HK\$127 million was recorded for the six months ended 30 June 2020 (the “**2020 Interim Period**”). The turnaround was mainly attributable to the improved market conditions especially as the economies of China and the United States of America (the “**U.S.**”) were showing a recovery. During the 2021 Interim Period, our investments in funds showed improved results, while for the corresponding period in 2020, the loss was mainly resulted from the decrease in fair value of investment properties and additional provision made by Gemini-Rosemont Realty LLC (“**GR Realty**”), an indirect non-wholly-owned subsidiary of the Company (the then joint venture of the Group), on properties in the non-core markets of the U.S., caused by the outbreak of the COVID-19 pandemic.

The Board does not recommend the payment of any interim dividend on the ordinary shares of the Company for the 2021 Interim Period.

BUSINESS REVIEW

With the gradual popularization of COVID-19 vaccination, different countries and industries have adapted to the business environment affected by the pandemic and strived to proactively overcome the challenges posed by the pandemic. With the gradual relaxation of the anti-epidemic measures in the U.S., economic activities have shown a slow recovery and the real estate market has gradually become active. The pent-up global capital market was also buoyed by the effective implementation of stimulus packages in various countries to boost national economic growth, promoting a lucrative capital market.

The Group focused on real estate related business and our assets are primarily located in various states in the U.S. (managed through team of GR Realty). During the 2021 Interim Period, the Group continued to focus on the U.S. real estate market, implemented strategic operation plans and gradually disposed of real estate assets located in the Central U.S. according to GR Realty's disposition criteria. The overall investment focus is on real estate assets located in coastal gateway markets and selected markets, which are often characterized by compelling fundamentals, high liquidity and technology-driven industry growth. For projects under management, the Group made use of its network and experience in management and operations acquired in the U.S. over the years to respond to market changes with flexible and accommodating operational means under the ongoing pandemic outbreak to satisfy the needs of tenants and investors.

At the same time, the Group continued to optimize the deployment of the U.S. teams (including the asset transformation and development teams) to unceasingly improve the overall structure and system, enhance operational efficiency, and lay the foundation for the current and future business expansion.

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 58% and 2% of our total assets as at 30 June 2021 respectively, and property under development in the U.S. accounted for 9% of our total assets as at 30 June 2021. All our property investments and property developments in the U.S. are managed by GR Realty's team.

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. 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..

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

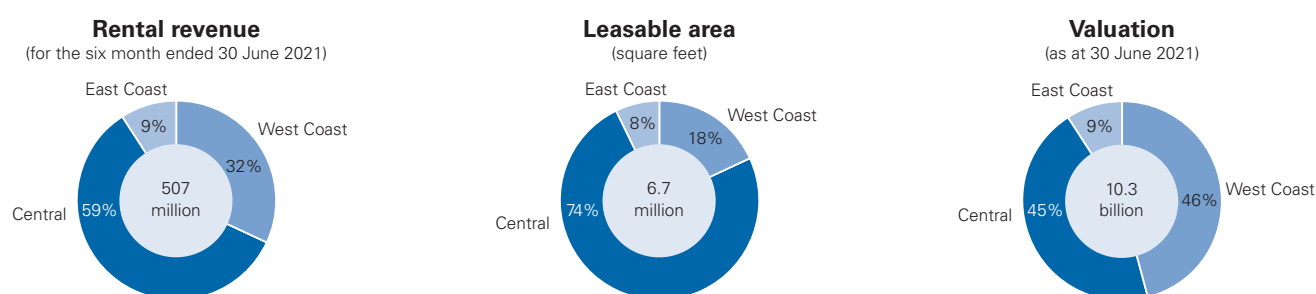
During the 2021 Interim Period, the U.S. government has gradually relaxed its anti-epidemic measures and economic activities showed a slow recovery from the severe damage and got back on track. The impact on the working pattern of enterprises and the usage of office space is still yet to be observed. The office property values could still be under pressure.

As at 30 June 2021, our balanced property portfolio comprised 24 commercial 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 (which are mostly in West Coast and East Coast of the U.S.) in an effort to create and realize maximum value while at the same time gradually disposed of assets (which are mostly located in the Central U.S.) according to GR Realty's disposition criteria.

As at 30 June 2021, the total carrying value of our investment properties in the U.S. was HK\$10,333 million (as at 31 December 2020: HK\$10,913 million) including investment properties of HK\$156 million which is classified as assets classified as held for sale.

During the 2021 Interim Period, rental revenue and ancillary service income to property leasing, relating to investment properties in the U.S., increased by 1166% to HK\$633 million (2020 Interim Period: HK\$50 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 6,663,000 square feet, with average occupancy rate of 73%.

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



During the 2021 Interim Period, we disposed of several assets located in central markets, with the proceeds to be reserved for future sound investments. One of the disposals constituted a discloseable transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as disclosed in the announcement of the Company dated 10 May 2021. On 7 May 2021 (U.S. Eastern Time), the vendor, wholly-owned by a fund in GR Realty's portfolio, entered into the sale and purchase agreement with an independent third party pursuant to which the vendor conditionally agreed to sell and the purchaser conditionally

agreed to purchase property comprising an office building together with various car parking spaces located at Alabama, the U.S. for an aggregate consideration of US\$67,000,000 (equivalent to approximately HK\$519,250,000). This disposal was completed on 27 May 2021 (U.S. Eastern Time). We will continue to implement strategy on disposal according to disposition criteria and stay cautiously optimistic and closely monitor how tenants and corporations move forward to their real estate needs with an aim to maximize assets valuation.

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

The Group's property development projects comprise residential redevelopments 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.

With the prevention and control measures implemented by the local governments being gradually relaxed during the first half of 2021, development progress began to move on as planned. The residential market witnessed obvious pickup with surging volume of sales, as a result of rising vaccination levels and businesses reopening.

The redevelopment project located at Avenue of the Americas 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 is positioned with unique project types including duplex units which are in scarcity in Manhattan. It is currently under development and expected to be completed in late 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 development 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 demolition 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. 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\$443 million (as at 31 December 2020: HK\$451 million), representing 2% of our total assets as at 30 June 2021 (as at 31 December 2020: 3%). During the 2021 Interim Period, rental revenue from investment properties in Hong Kong remained stable with an amount of HK\$5 million (2020 Interim Period: HK\$5 million). Leasing activities remained relatively stable with average occupancy rate of 99%.

Other Operations

Other operations mainly include fund investments and securities investments.

As at 30 June 2021, the carrying amount of our fund investment portfolio (classified as “financial assets at fair value through profit or loss”) was HK\$2,215 million (as at 31 December 2020: HK\$2,155 million), with an aggregate gain on change of fair value of HK\$60 million recorded during the 2021 Interim Period (2020 Interim Period: loss of HK\$31 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. 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 30 June 2021, our securities investment portfolio mainly consisted of investment in listed securities in Hong Kong and overseas of HK\$609 million (as at 31 December 2020: HK\$546 million). The Group recorded gain from securities investment (classified as financial instruments held for trading) of HK\$4 million for the 2021 Interim Period (2020 Interim Period: loss of HK\$50 million) as a result of prudence investment strategy 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. During the 2021 Interim Period, revenue contributed by GR Realty amounted to HK\$583 million, comprising rental income of HK\$457 million and ancillary service income to property leasing of HK\$126 million. The revenue of the Group (excluding GR Realty) recorded no material change, with revenue of HK\$58 million for the 2021 Interim Period (2020 Interim Period: HK\$57 million).

The components of our revenue are analysed as follows:

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Rental income	511,555	55,157
Ancillary service income to property leasing	125,937	—
Dividend income	3,297	1,446
	<u>640,789</u>	<u>56,603</u>

Rental income comprises rental income generated from U.S. investment properties managed by GR Realty of HK\$507 million and Hong Kong investment properties of HK\$5 million. Ancillary service income to property leasing mainly includes income for services provided to tenants of HK\$111 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\$295 million were incurred by GR Realty, representing 95% of total operating expenses incurred during the 2021 Interim Period. The operating expenses of the Group (excluding GR Realty) recorded no material change, with operating expenses of HK\$16 million for the 2021 Interim Period (2020 Interim Period: HK\$18 million).

The components of our operating expenses are analysed as follows:

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Repairs, maintenance and utilities	129,771	7,726
Property insurance costs	12,209	831
Property management expenses	19,498	3,853
Real estate taxes	148,117	5,820
Others	1,727	193
	<u>311,322</u>	<u>18,423</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\$129 million was recorded, representing a drop in carrying value of 1% of the investment properties, which mainly resulted from fair value decrease of U.S. investment properties of HK\$122 million. The majority of decrease in fair value came from investment properties located in markets which were hit hard by COVID-19 pandemic, which we act as general partner of the property fund with certain limited partner interests.

Gain arising from changes in fair value of financial assets at fair value through profit or loss

Gain arising from changes in fair value of financial assets at fair value through profit or loss of the Group of HK\$60 million was recorded during the 2021 Interim Period, which was mainly generated from our fund investments. Details of fund investments are described in the section headed “Other Operations”.

Other income, gains/losses

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

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Bank interest income	2,847	2,324
Other interest income	1,164	12,634
Gain on disposal of investment properties	35,064	—
Gain on disposal of property, plant and equipment	227	—
Impairment loss on assets reclassified to assets held for sale	(3,832)	—
Government grant	18,055	—
Sundry	2,654	1,597
	<u>56,179</u>	<u>16,555</u>

The decrease in other interest income was as a result of no interest income on loan receivables from GR Realty recognised since the consolidation of GR Realty from 31 July 2020.

During the 2021 Interim Period, the Group recorded gain of HK\$35 million from the disposal of several investment properties located in the U.S, and recorded income from a government grant of HK\$18 million by the U.S. Department of the Treasury for the purpose of providing financial support to enterprises under the impact of COVID-19.

Administrative and other expenses

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

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Auditors' remuneration	2,617	2,703
Depreciation	7,688	3,092
Employee costs	44,949	10,926
Rental expenses on short term leases	803	337
Legal and professional fee	21,717	6,878
Insurance expenses	4,476	559
Informative service fee	4,463	227
Exchange difference	3,920	4,108
Other taxes	3,461	2,572
Other administrative and office expenses	8,668	6,126
	<u>102,762</u>	<u>37,528</u>

The increase of administrative and other expenses from HK\$38 million to HK\$103 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\$76 million to the Group, which mainly comprised employee costs of HK\$35 million, legal and professional fees of HK\$16 million and general office and administrative expenses of HK\$21 million.

Administrative and other expenses of the Group (excluding GR Realty) decreased by HK\$11 million to HK\$27 million, mainly due to the movement in exchange difference of HK\$3 million and less staff and business activities due to COVID-19 resulting in cost saving by HK\$6 million.

Finance costs

Finance costs (net of interest capitalisation) of HK\$219 million on our borrowings were recognised during the 2021 Interim Period (2020 Interim Period: HK\$9 million). GR Realty contributed finance costs of HK\$210 million during the 2021 Interim Period. The finance cost of the Group (excluding GR Realty) stood at stable level and amounted to HK\$9 million for the 2021 Interim Period (2020 Interim Period: HK\$9 million).

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. Loss of HK\$82 million, which mainly arose from the fair value loss of investment properties under GR Realty, was allocated to the limited partners and puttable instrument holders, as the Group mainly acts as general partner, with certain limited partner interest in the parent funds of those investment properties.

Profit attributable to owners of the Company

Profit attributable to owners of the Company for the 2021 Interim Period increased to HK\$21 million (2020 Interim Period: loss attributable to owners of the Company of HK\$127 million) mainly due to our investments in funds showing improved results contributing a gain of HK\$60 million. Basic earnings per ordinary share of the Company of HK\$0.03 for the 2021 Interim Period was recorded (2020 Interim Period: loss per ordinary share of HK\$0.25). 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 30 June 2021, the Group had cash resources totaling HK\$1,236 million (as at 31 December 2020: HK\$1,162 million). The committed bank credit facilities amounted to HK\$369 million, of which HK\$283 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 30 June 2021, the borrowings (excluding lease liabilities) of the Group amounted to HK\$7,372 million (as at 31 December 2020: HK\$7,932 million). The Group's borrowings included bank loans and revolving loans and notes payables. The decrease in borrowings was mainly due to repayment of mortgage loan upon disposal of several investment properties in the U.S.. As at 30 June 2021, the proportions of short-term borrowings and long-term borrowings of the Group were 31% and 69% respectively.

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

	30 June 2021	As percentage of borrowings	31 December 2020	As percentage of borrowings
	<i>(HK\$ million)</i>		<i>(HK\$ million)</i>	
Within 1 year	2,275	31%	2,262	28%
1–2 years	2,154	29%	641	8%
2–5 years	2,093	28%	4,169	53%
Over 5 years	850	12%	860	11%
	<u>7,372</u>	<u>100%</u>	<u>7,932</u>	<u>100%</u>
Total	<u>7,372</u>	<u>100%</u>	<u>7,932</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) had improved from 94% at 31 December 2020 to 85% at 30 June 2021, mainly as result of disposal of several investment properties in the U.S. and repayment of related borrowings. The properties located in the Central U.S. are to be disposed of at appropriate time according to GR Realty's disposition criteria which, when completed, is considered to ease the Group's gearing position. 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. Currently, 88% 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 30 June 2021, our Group did not have any financial guarantees given for the benefit of third parties.

Pledged Assets

As at 30 June 2021, our Group had pledged bank deposits amounting to HK\$42 million (as at 31 December 2020: HK\$35 million), investment properties in the U.S. of HK\$9,857 million (as at 31 December 2020: HK\$10,578 million) and assets classified as held for sale of HK\$156 million (as at 31 December 2020: nil), together with the interests of certain subsidiaries of the Group as securities to secure borrowings of our Group of HK\$7,335 million (as at 31 December 2020: HK\$7,749 million).

Significant Investments

As at 30 June 2021, the Group did not hold any significant investment with a value of 5% or more of the Group's total assets as at 30 June 2021.

Contingent Liabilities

As at 30 June 2021, our Group had no significant contingent liabilities.

Capital Commitments

As at 30 June 2021, our Group had capital commitments of HK\$372 million (as at 31 December 2020: HK\$208 million), in respect of the property development projects in the U.S..

Use of Proceeds from Placing Exercises

The Company respectively allotted and issued 90,278,000 new ordinary shares of the Company on 17 April 2020 and 90,278,000 new ordinary shares of the Company on 27 May 2020 at subscription prices of HK\$1.00 and HK\$0.993 respectively (collectively the “**Placing Exercises**”). The Placing Exercises raised net proceeds of HK\$179.2 million.

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 unchanged as at 30 June 2021 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.

Our Group has been actively looking for good investment opportunities under prudence approach. However, in view of uncertainties amid the COVID-19 pandemic, 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 30 June 2021, and this is considered in line with the interests of the Company and its shareholders as a whole.

PROSPECTS

The global economy is showing signs of recovery due to the rise in the vaccination level, research and development of new vaccines and governments becoming more effective in helping business activities return to normal gradually, but its recovery trajectory is subject to uncertainties in view of the potential impact of the recent surge of COVID-19 mutant infections. The International Monetary Fund has recently raised the U.S. GDP growth forecast for 2021 significantly to 7.0%, while raising the U.S. GDP growth forecast for 2022 to 4.9%. Thanks to various stimulus measures and easing fears over the pandemic, the sentiment of the investment markets of major global economies continues to improve. With the progress of vaccination and full reopening of the economy, a further recovery in market confidence is expected, driving consumption and business investment activities, which will be conducive to maintaining a rational and healthy development of the real estate sector. The Group will closely monitor the real estate market, leverage its well-established network, expertise and market insight to seize future investment opportunities and implement its strategic operation plan.

On the path of our development, Sino-Ocean Group Holding Limited and Sino-Ocean Capital Holding Limited, the substantial shareholders of the Company, will continue to serve as our strong support and backing force. We hope to combine the efforts of our management team and professional teams to leverage commercial synergies to explore more valuable business opportunities and strengthen our overall competitiveness.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2021

	Notes	Six months ended 30 June	
		2021	2020
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited) (Restated)
Revenue	4,5	640,789	56,603
Operating expenses		<u>(311,322)</u>	<u>(18,423)</u>
		329,467	38,180
Other income, gains/losses	6	56,179	16,555
Administrative and other expenses		(102,762)	(37,528)
Changes in fair value of financial instruments held for trading		4,241	(49,986)
Changes in fair value of financial assets at fair value through profit or loss		60,354	(30,819)
Changes in fair value of investment properties		(129,297)	(1,304)
(Provision for)/reversal of impairment loss on financial assets		(2,029)	34,861
Share of results of joint ventures		—	(64,436)
Share of results of associates		498	—
Finance costs	7	(219,044)	(8,803)
Loss attributable to limited partners and puttable instrument holders		<u>81,794</u>	<u>—</u>
Profit/(loss) before income tax		79,401	(103,280)
Income tax	8	<u>(22,666)</u>	<u>(297)</u>
Profit/(loss) for the period		<u>56,735</u>	<u>(103,577)</u>
Profit/(loss) for the period attributable to:			
Owners of the Company		20,540	(126,623)
Non-controlling interests		<u>36,195</u>	<u>23,046</u>
		<u>56,735</u>	<u>(103,577)</u>
Earnings/(loss) per share for profit/(loss) attributable to owners of the Company	9		
— Basic (HK dollar)		0.03	(0.25)
— Diluted (HK dollar)		<u>0.02</u>	<u>(0.25)</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit/(loss) for the period	<u>56,735</u>	<u>(103,577)</u>
Other comprehensive income:		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	<u>5,180</u>	<u>(5,021)</u>
Other comprehensive income for the period	<u>5,180</u>	<u>(5,021)</u>
Total comprehensive income for the period	<u><u>61,915</u></u>	<u><u>(108,598)</u></u>
Total comprehensive income attributable to:		
Owners of the Company	25,720	(131,644)
Non-controlling interests	<u>36,195</u>	<u>23,046</u>
	<u><u>61,915</u></u>	<u><u>(108,598)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

		At 30 June 2021	At 31 December 2020
	Notes	HK\$'000 (Unaudited)	HK\$'000 (Audited)
Non-current assets			
Investment properties	11	10,619,592	11,363,561
Property, plant and equipment		31,856	75,176
Investments in associates		5,900	5,393
Financial assets at fair value through profit or loss	12	2,221,401	2,161,047
Deposits, prepayments and other receivables		128,897	110,412
Other financial assets		478,603	420,191
Restricted bank deposits		1,546	1,328
Deferred tax assets		106,566	128,429
		<u>13,594,361</u>	<u>14,265,537</u>
Current assets			
Properties under development		1,679,184	1,563,839
Deposits, prepayments and other receivables		104,403	69,290
Financial instruments held for trading		608,626	545,854
Tax recoverables		39,738	39,807
Restricted bank deposits		295,716	309,005
Cash and bank balances		1,235,939	1,162,189
		<u>3,963,606</u>	<u>3,689,984</u>
Assets classified as held for sale	13	<u>182,964</u>	<u>—</u>
		<u>4,146,570</u>	<u>3,689,984</u>
Total assets		<u>17,740,931</u>	<u>17,955,521</u>

		At 30 June 2021 <i>HK\$'000</i> (Unaudited)	At 31 December 2020 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
Current liabilities			
Other payables and accrued charges		764,356	717,832
Financial instruments held for trading		—	5,465
Amounts due to shareholders		857,605	488,763
Tax payables		1,802	1,903
Borrowings	14	2,282,822	2,271,354
Other financial liabilities		138,921	150,345
		<u>4,045,506</u>	<u>3,635,662</u>
Net current assets		<u>101,064</u>	<u>54,322</u>
Total assets less current liabilities		<u><u>13,695,425</u></u>	<u><u>14,319,859</u></u>
Capital and reserves			
Share capital		371,191	371,191
Reserves		5,046,626	5,021,132
Equity attributable to owners of the Company		5,417,817	5,392,323
Non-controlling interests		1,788,569	1,794,362
Total equity		<u>7,206,386</u>	<u>7,186,685</u>
Non-current liabilities			
Other payables and accrued charges		27,278	31,219
Amounts due to shareholders		892,849	891,538
Borrowings	14	5,206,925	5,783,203
Other financial liabilities		317,286	375,663
Deferred tax liabilities		44,701	51,551
		<u>6,489,039</u>	<u>7,133,174</u>
Total equity and non-current liabilities		<u><u>13,695,425</u></u>	<u><u>14,319,859</u></u>

NOTES

1. GENERAL INFORMATION

The unaudited condensed consolidated financial statements of Gemini Investments (Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2021 (the “Interim Financial Statements”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31 December 2020 that is included in the Interim Financial Statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Chapter 622) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2020 to the Registrar of Companies in Hong Kong as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Chapter 622).

The Company’s auditor has reported on those consolidated financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance (Chapter 622).

The Interim Financial Statements were approved and authorised for issue on 13 August 2021.

2. BASIS OF PREPARATION

The preparation of the Interim Financial Statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group’s annual consolidated financial statements for the year ended 31 December 2020.

The Interim Financial Statements are presented in Hong Kong Dollars (“HK\$”), unless otherwise stated. The Interim Financial Statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2020 annual financial statements. The Interim Financial Statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”) and should be read in conjunction with the 2020 consolidated financial statements.

The Interim Financial Statements are unaudited, but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the HKICPA.

The expenses presentation of the Group for the six months ended 30 June 2021 in the condensed 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 2020 annual report. The comparative amounts in the condensed consolidated income statement for the six months ended 30 June 2020 are re-presented accordingly.

3. PRINCIPAL ACCOUNTING POLICIES

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

The Interim Financial Statements have been prepared with the same accounting policies adopted in the 2020 annual financial statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2021.

In the current period, the Group has applied for the first time the following new or revised HKFRSs that are relevant to and effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2021.

Amendments to HKFRS 16	COVID-19 Related Rent Concessions
Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9, and HKFRS 16	Interest Rate Benchmark Reform — Phase 2

The adoption of the above new or revised HKFRSs in the current period has no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated financial statements.

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
2021 Amendments to HKFRS 16	COVID-19 Related Rent Concessions beyond 30 June 2021 ²
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ³
Annual Improvements to HKFRSs 2018–2020 Cycle	Amendments to HKFRS 9 Financial Instruments and HKFRS 16 Leases ³
Amendments to HKFRS 3	Reference to the Conceptual Framework ⁴
HKFRS 17	Insurance Contracts ⁵
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ⁵

- ¹ No mandatory effective date yet determined but available for adoption.
- ² Effective for annual periods beginning on or after 1 April 2021.
- ³ Effective for annual periods beginning on or after 1 January 2022.
- ⁴ 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.
- ⁵ Effective for annual periods beginning on or after 1 January 2023.

4. SEGMENT INFORMATION

Information reported to the 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 the combined revenue structure and performance measurement after consolidation of GR Realty as disclosed in 2020 annual report, as well as enhance the comparability of the segment results, the operating segments were reallocated. The segment information in 2020 was restated accordingly.

Specially, the Group's reportable and operating segments under HKFRS 8 Operating Segments are as follows:

1. 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 which are managed by GR Realty.
2. 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.
3. Property investment in Hong Kong — Rental income from leasing of office and residential properties in Hong Kong.
4. Fund investments — Investing in various investment funds and generating investment income.
5. 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 six months ended 30 June 2021

	Managed by GR Realty						
	Property investment in the U.S. <i>HK\$'000</i> (Unaudited)	Property development in the U.S. <i>HK\$'000</i> (Unaudited)	Property investment in Hong Kong <i>HK\$'000</i> (Unaudited)	Fund investments <i>HK\$'000</i> (Unaudited)	Securities and other investments <i>HK\$'000</i> (Unaudited)	Elimination <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Segment revenue	632,631	—	4,861	—	3,297	—	640,789
Less: Inter-segment sales	—	—	—	—	2,513	(2,513)	—
Revenue as presented in condensed consolidated income statement	<u>632,631</u>	<u>—</u>	<u>4,861</u>	<u>—</u>	<u>5,810</u>	<u>(2,513)</u>	<u>640,789</u>
Segment results	<u>329,247</u>	<u>(1,018)</u>	<u>(3,199)</u>	<u>60,181</u>	<u>5,068</u>		390,279
Interest income from bank deposits							2,847
Depreciation							(7,688)
Provision for impairment loss on financial assets							(2,029)
Finance costs							(219,044)
Unallocated corporate expenses							<u>(84,964)</u>
Profit before income tax							<u>79,401</u>

For the six months ended 30 June 2020

	Managed by GR Realty						
	Property investment in the U.S.	Property development in the U.S.	Property investment in Hong Kong	Fund investments	Securities and other investments	Elimination	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
Segment revenue	49,754	—	5,403	—	1,446	—	56,603
Less: Inter-segment sales	—	—	—	—	2,598	(2,598)	—
Revenue as presented in condensed consolidated income statement	<u>49,754</u>	<u>—</u>	<u>5,403</u>	<u>—</u>	<u>4,044</u>	<u>(2,598)</u>	<u>56,603</u>
Segment results	<u>31,915</u>	<u>(3,415)</u>	<u>(13,421)</u>	<u>(30,751)</u>	<u>(50,186)</u>		(65,858)
Interest income from bank deposits							2,324
Depreciation							(3,092)
Finance costs							(8,803)
Unallocated corporate expenses							<u>(27,851)</u>
Loss before income tax							<u>(103,280)</u>

Segment result represents the profit or loss by each segment without allocation of interest income from bank deposits, depreciation, unallocated provision for impairment loss on financial assets, 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.

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

	30 June 2021 HK\$'000 (Unaudited)	31 December 2020 HK\$'000 (Audited)
Assets		
Segment assets		
— Property investment in the U.S.	12,287,818	12,493,122
— Property development in the U.S.	1,684,378	1,660,888
— Property investment in Hong Kong	443,454	450,560
— Fund investments	2,280,223	2,215,529
— Securities and other investments	848,681	928,944
Unallocated assets	<u>196,377</u>	<u>206,478</u>
Consolidated total assets	<u><u>17,740,931</u></u>	<u><u>17,955,521</u></u>
Liabilities		
Segment liabilities		
— Property investment in the U.S.	8,981,435	9,571,846
— Property development in the U.S.	629,964	629,963
— Property investment in Hong Kong	4,013	4,013
— Fund investments	268	268
— Securities and other investments	190	4,186
Unallocated liabilities	<u>918,675</u>	<u>558,560</u>
Consolidated total liabilities	<u><u>10,534,545</u></u>	<u><u>10,768,836</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.

5. REVENUE

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Rental income	511,555	55,157
Dividend income	3,297	1,446
Revenue from contracts with customers		
— Ancillary service income to property leasing	125,937	—
	<u>125,937</u>	<u>—</u>
	<u>640,789</u>	<u>56,603</u>

6. OTHER INCOME, GAINS/LOSSES

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Bank interest income	2,847	2,324
Other interest income	1,164	12,634
Gain on disposal of investment properties	35,064	—
Gain on disposal of property, plant and equipment	227	—
Impairment loss on assets reclassified to assets held for sale	(3,832)	—
Government grant (<i>Note</i>)	18,055	—
Sundry	2,654	1,597
	<u>2,654</u>	<u>1,597</u>
	<u>56,179</u>	<u>16,555</u>

Note:

Government grant related to the paycheck protection program set up by the U.S. Department of the Treasury for the purpose of providing financial support to enterprises to maintain their payroll and cover applicable overhead. There were no unfulfilled conditions or contingencies relating to this government grant in which it was recognised during the period.

7. FINANCE COSTS

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	215,932	13,582
Interest expenses on lease liabilities	3,112	573
Total interest expenses for financial liabilities that are not measured at fair value through profit or loss	219,044	14,155
Others	—	302
Less: Amount capitalised (Note)	—	(5,654)
	<u>219,044</u>	<u>8,803</u>

Note:

Borrowing costs have been capitalised during the six months ended 30 June 2020 at various applicable rates ranging from 2.88% to 4.43% per annum and included in the additions to properties under development.

8. INCOME TAX

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong Profits Tax		
— Over provision in respect of prior year	—	(40)
Overseas tax		
— Provision for the period	5,477	337
— Under provision in respect of prior year	2,019	—
	<u>7,496</u>	<u>337</u>
Total current tax	7,496	297
Deferred tax expenses	<u>15,170</u>	—
Income tax expenses	<u>22,666</u>	<u>297</u>

No Hong Kong profits tax was provided for the six months ended 30 June 2021 as the Group has no estimated assessable profit (six months ended 30 June 2020: Nil).

All of the Group's People's Republic of China ("PRC") subsidiaries are subject to the PRC Enterprise Income Tax ("EIT") rate at 25% (six months ended 30 June 2020: 25%). No PRC EIT was provided for the six months ended 30 June 2021 and 2020 as there was no assessable income for the period.

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

9. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of the basic earnings/(loss) per share attributable to owners of the Company is based on the adjusted profit for the period attributable to owners of the Company of approximately HK\$20,314,000 (six months ended 30 June 2020: adjusted loss of approximately HK\$126,849,000) and on the weighted average number of 635,570,000 ordinary shares (six months ended 30 June 2020: 504,962,000 ordinary shares) in issue during the period.

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit/(Loss) attributable to owners of the Company	20,540	(126,623)
Less: Distribution paid to the holder of perpetual bond during the period	(226)	(226)
Adjusted profit/(loss) attributable to owners of the Company	<u>20,314</u>	<u>(126,849)</u>

(b) Diluted earnings/(loss) per share

The calculation of the diluted earnings/(loss) per share is based on the adjusted profit/(loss) attributable to owners of the Company as used in the basic earnings/(loss) per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings/(loss) per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of diluted earnings per share are based on:

	30 June 2021
	HK\$'000
	(Unaudited)
Adjusted profit attributable to owners of the Company, used in the basic earnings per share calculation	<u>20,314</u>

30 June 2021

*Number
of shares*

Shares

Weighted average number of ordinary shares in issue during
the period used in the basic earnings per share calculation **635,570,000**

Effect of dilution — weighted average number of ordinary shares:
Convertible preference shares **377,167,000**

Weighted average number of ordinary shares in issue during
the period used in the anti-diluted earnings per share calculation **1,012,737,000**

No adjustment has been made to basic loss per share amount presented for the six months ended 30 June 2020 in respect of a dilution as the impact of share option and convertible preference shares outstanding had an anti-dilutive effect on the basic loss per share amount presented.

10. INTERIM DIVIDEND

The board of directors do not recommend the payment of dividend during the current interim period (six months ended 30 June 2020: Nil).

11. INVESTMENT PROPERTIES

	30 June 2021 HK\$'000 (Unaudited)	31 December 2020 HK\$'000 (Audited)
Properties in Hong Kong	443,010	450,560
Properties in the U.S.	<u>10,176,582</u>	<u>10,913,001</u>
	<u>10,619,592</u>	<u>11,363,561</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 period gave rise to a net loss arising from changes in fair value of approximately HK\$129,297,000 (six months ended 30 June 2020: approximately HK\$1,304,000) which has been recognised in profit or loss. Approximately 73% (31 December 2020: approximately 74%) of the investment properties of the Group are rented out under operating leases as at 30 June 2021.

As at 30 June 2021, investment properties in the U.S. of approximately HK\$9,856,709,000 (31 December 2020: approximately HK\$10,578,093,000) were pledged as collateral for bank borrowings of approximately HK\$6,408,288,000 (31 December 2020: approximately HK\$6,922,096,000).

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2021 <i>HK\$'000</i> (Unaudited)	31 December 2020 <i>HK\$'000</i> (Audited)
Unlisted equity investments (<i>Note (a)</i>)	81	71
Other assets (<i>Note (b)</i>)	6,330	6,110
Unlisted fund investments (<i>Note (c)</i>)	2,214,990	2,154,866
	<u>2,221,401</u>	<u>2,161,047</u>

The fair value of these investment as at 30 June 2021 and 31 December 2020, were estimated by BMI Appraisals Limited.

Notes:

- (a) At the end of the reporting period, the fair value of the Group's investment in unlisted equity securities issued by a private equity incorporated outside Hong Kong was approximately RMB67,000 (equivalent to approximately HK\$81,000) (31 December 2020: approximately RMB59,000 (equivalent to approximately HK\$71,000)).
- (b) Other assets represented the club debentures. As the end of the reporting period, the fair value of the club debentures held by the Group was HK\$6,330,000 (31 December 2020: HK\$6,110,000).

As at 30 June 2021 and 31 December 2020, 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 (31 December 2020: 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 30 June 2021 was approximately HK\$145,524,000 (31 December 2020: approximately HK\$138,845,000).
- (c)(ii) At the end of the reporting period, the Group held approximately 141,000 (31 December 2020: 141,000) Participating 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 Shares of the Sub-Fund A held by the Group as at 30 June 2021 was approximately HK\$194,122,000 (31 December 2020: approximately HK\$176,749,000).
- (c)(iii) At the end of the reporting period, the Group also held approximately 110,000 (31 December 2020: 110,000) Participating 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 Shares of the Sub-Fund B held by the Group as at 30 June 2021 was approximately HK\$197,651,000 (31 December 2020: approximately HK\$184,042,000).

As at 30 June 2021 and 31 December 2020, 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 (31 December 2020: 1,012,000) non-redeemable, non-voting participating shares of the Neutron Property Fund Limited (the "Property Fund"), which incorporated in Cayman Islands and 637,000 (31 December 2020: 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 30 June 2021 was approximately HK\$490,108,000 (31 December 2020: approximately HK\$496,329,000) and approximately HK\$528,786,000 (31 December 2020: approximately HK\$536,869,000) respectively.

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 the 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 30 June 2021, the fair value of the investments in the PRB Fund was approximately HK\$658,799,000 (31 December 2020: approximately HK\$622,032,000).

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 30 June 2021 and 31 December 2020, the Group has no outstanding commitments to make capital contribution.

As at 30 June 2021 and 31 December 2020, 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.

13. ASSETS CLASSIFIED AS HELD FOR SALE

	30 June 2021 <i>HK\$’000</i> (Unaudited)
Property, plant and equipment	27,174
Investment properties	155,790
	<hr/>
	182,964
	<hr/> <hr/>

14. BORROWINGS

	30 June 2021 <i>HK\$'000</i> (Unaudited)	31 December 2020 <i>HK\$'000</i> (Audited)
Lease liabilities		
Within 1 year	7,818	9,287
After 1 year but within 2 years	6,526	6,984
After 2 years but within 5 years	7,564	10,842
Over 5 years	95,578	95,404
	<u>117,486</u>	<u>122,517</u>
Bank loans and revolving loans (<i>Note (a)</i>)		
Within 1 year	2,151,520	2,152,365
After 1 year but within 2 years	1,824,517	398,851
After 2 years but within 5 years	1,797,396	3,751,773
Over 5 years	849,864	860,210
	<u>6,623,297</u>	<u>7,163,199</u>
Notes payable (<i>Note (b)</i>)		
Within 1 year	123,484	109,702
After 1 year but within 2 years	329,202	241,708
After 2 years but within 5 years	296,278	417,431
	<u>748,964</u>	<u>768,841</u>
Total borrowings	7,489,747	8,054,557
Amount due within 1 year included under current liabilities	<u>(2,282,822)</u>	<u>(2,271,354)</u>
	<u><u>5,206,925</u></u>	<u><u>5,783,203</u></u>

Notes:

(a) Bank loans and revolving loans:

	30 June 2021	31 December 2020
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Secured loans	6,586,418	6,980,240
Unsecured loans	36,879	182,959
	<u>6,623,297</u>	<u>7,163,199</u>

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

The bank loans and revolving loans amounted to US\$848,339,000 (equivalent to approximately HK\$6,586,418,000) (31 December 2020: US\$900,386,000 equivalent to approximately HK\$6,980,240,000) 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

	30 June 2021	31 December 2020
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Secured notes payable	<u>748,964</u>	<u>768,841</u>

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.

CORPORATE GOVERNANCE

During the 2021 Interim Period, the Company has complied with the applicable code provisions (the “**Code Provisions**”) of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as and when they were/are in force, except for Code Provision E.1.2 which requires chairman of the Board to attend the annual general meeting of the Company.

Due to other pre-arranged business commitments which had to be attended, Mr. SUM Pui Ying (being the chairman of the Board and executive Director) was unable to attend the annual general meeting of the Company held on 7 May 2021.

REVIEW BY AUDITOR AND AUDIT COMMITTEE

At the request of the audit committee of the Company (the “**Audit Committee**”), the auditor of the Company has carried out a review of the unaudited interim financial information of the Group for the 2021 Interim Period in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial information of the Group for the 2021 Interim Period.

CODES FOR SECURITIES TRANSACTION BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the “**Model Code**”) as its code of conduct regarding securities transactions by the Directors. All Directors, following specific enquiries made by the Company, have confirmed that they have complied with the required standard as set out in the Model Code during the 2021 Interim Period.

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SHARES

There was no purchase, sale or redemption of the Company’s listed shares by the Company or any of its subsidiaries during the 2021 Interim Period.

PUBLICATION OF INTERIM REPORT

The 2021 interim 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.

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

Hong Kong, 13 August 2021

As at the date of this announcement, the Directors 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