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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 2024**

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 the “**Group**”, “**our Group**” or “**We**”/“**we**”) for the year ended 31 December 2024 (the “**Year**” or “**2024**”). The audited consolidated results of the Company have been reviewed by the Company’s audit committee.

In 2024, the Group recorded a revenue of HK\$1,048 million (for the year ended 31 December 2023 (“**2023**”): HK\$1,062 million), and a loss attributable to owners of the Company of HK\$95 million (2023: a loss attributable to owners of the Company of HK\$656 million). Due to the relatively stable global economy in 2024 and the ongoing expectations of interest rate cuts by major central banks, the volatility in property values has decreased. As a result, the decline in the fair value of properties recorded by the Group in 2024 has significantly reduced when compared to the corresponding period of last year.

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 AND PROSPECTS

In 2024, the Group continued to consolidate the operations of its office buildings, which are primarily located in Silicon Valley, Seattle, Houston, and other areas in the United States (the “U.S.”), and strived to maintain stable rental income and ancillary service income from these properties. Additionally, based on market conditions and overall exit criteria, we continued to advance the exit plans for specific property projects.

Meanwhile, the development and sales of the residential development projects in New York, the U.S. remained a key focus for the Group. Two projects have been completed and continued to generate sales, contributing a total sales revenue of HK\$293 million for the Year. It is anticipated that more units in these projects will be sold in the upcoming year, which is expected to bring additional revenue to the Group.

The U.S. real estate market has always been a key focus for the Group. We continuously review and proactively adjust our investment and operational strategies, while steadily enhancing our local team in the U.S. to manage our related business operations there.

It is anticipated that the global economy will continue to recover in 2025, although the pace of growth may slow down. With the slowdown in U.S. inflation, there is a widespread market expectation that the U.S. Federal Reserve will further cut interest rates, which is favorable for the development of the real estate sector. However, vigilance is still required against a potential rebound in inflation. Following the completion of the U.S. presidential election, there may be a new wave of tariffs and trade wars, potentially leading to heightened tensions in international relations and multilateral cooperation. Additionally, the ongoing automation and digital transformation are expected to continue driving productivity improvements, but they may also bring unpredictable impacts across various industries. Overall, the global economy is likely to grow moderately in 2025, but it will face multiple challenges. The Company will continue to leverage our professional and experienced team to adapt to market changes, adjust strategies in a timely manner, and enhance competitiveness, aiming to deliver better investment returns for our shareholders.

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. Investment properties in the U.S. and in Hong Kong accounted for 68% and 3% of our total assets as at 31 December 2024 respectively, and properties held for sale in the U.S. accounted for 8% of our total assets as at 31 December 2024.

All our properties in the U.S. are managed by Gemini-Rosemont Realty LLC (“**GR Realty**”), our U.S.-based property fund management platform which invests in properties and manages property funds as general partners. We receive steady income and cash flow, as well as possible capital gains and fee income from appreciation in value of these properties.

Property Investments in the U.S.

As at 31 December 2024, our U.S. investment property portfolio comprised 9 commercial properties, and several units in 4 residential buildings in New York City. During the Year, save for the disposal mentioned below, there was no acquisition or other disposal of investment properties, while certain units of our completed property developments were rented out during the Year.

The Group disposed of a multi-tenant office building located at Texas, the U.S. to an independent third party for an aggregate consideration of US\$9,300,000. The net proceeds from the disposal was reserved for the Group’s general working capital purpose. This disposal constituted a disclosable transaction of the Company under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), and its details are set out in the announcement of the Company dated 10 July 2024.

As at 31 December 2024, the carrying value of our investment properties in the U.S. was HK\$6,914 million (as at 31 December 2023: HK\$6,721 million), with those located in West Coast, Central and East Coast of the U.S. representing 66%, 18% and 16% respectively.

Total revenue generated from investment properties in the U.S. during the Year was HK\$743 million (2023: HK\$868 million). The average occupancy rate for our investment properties in the U.S. during the Year was 73%.

We will continue to optimize our asset mix and stay cautiously optimistic and closely monitor how tenants and corporations move forward to their real estate needs.

Property Developments in the U.S.

As at 31 December 2024, the Group’s property development projects comprised 3 residential redevelopments located at Manhattan and Brooklyn of New York City, with a total carrying value of HK\$767 million (as at 31 December 2023: HK\$1,350 million). Some of the developed units were sold and some were rented out during the Year.

Revenue from sales of properties of HK\$293 million was recorded during the Year (2023: HK\$186 million), all contributed from one project located at Brooklyn of New York City which was completed in the second half of 2023. We will closely monitor the sales progress of our property development projects.

Investment Properties in Hong Kong

Investment properties in Hong Kong mainly comprise A-grade offices units in two buildings in Hong Kong Island, with total carrying value of HK\$321 million (as at 31 December 2023: HK\$396 million), representing 3% of our total assets as at 31 December 2024 (as at 31 December 2023: 4%). During the Year, rental revenue from investment properties in Hong Kong was HK\$8 million (2023: HK\$7 million), and average occupancy rate was 100%.

Other Operations

Other operations mainly include fund investments and securities investments. As at 31 December 2024, our security investment portfolio (classified as “**financial instruments held for trading**”) amounted to HK\$122 million, mainly comprising investments in listed securities in the U.S. (as at 31 December 2023: nil). During the Year, the Group recorded gain from securities investment of HK\$22 million (2023: HK\$12 million), as a result of the improving U.S. capital market with a prudence investment strategy.

As at 31 December 2024, the carrying amount of our fund investment portfolio (classified as “**financial assets at fair value through profit or loss**”) was HK\$458 million (as at 31 December 2023: HK\$470 million), with aggregate loss on change of fair value of HK\$6 million recorded during the Year (2023: HK\$7 million).

FINANCIAL REVIEW

Revenue

The components of our revenue are analysed as follows:

	2024 HK\$'000	2023 HK\$'000
Rental income	571,508	678,760
Ancillary service income to property leasing and management service income	179,557	196,932
Sales of properties	293,413	185,804
Others	3,113	259
	<u>1,047,591</u>	<u>1,061,755</u>

Decreases in rental income and ancillary service income as compared to the same items for 2023 were mainly due to disposal of certain U.S. investment properties since the second half of 2023.

Increase in sales of properties was due to the contribution of one development project located in Brooklyn of New York City. The project was completed in the second half of 2023 and recorded sales thereafter.

Operating expenses

The components of our operating expenses are analysed as follows:

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
Repairs, maintenance and utilities	150,517	164,848
Property insurance and management expense	51,260	55,754
Real estate taxes	120,963	82,099
Cost of inventories	182,709	150,874
Write down of properties held for sale to net realisable value	–	130,991
Selling cost	18,657	10,771
Others	6,246	6,402
	<u>530,352</u>	<u>601,739</u>

Decreases in repair, maintenance and utilities, and property insurance and management expense as compared to the same items for 2023 were mainly due to disposal of certain U.S. investment properties since the second half of 2023.

Increase in real estate taxes was mainly due to certain U.S. property projects having received additional tax billing during the Year.

Increases in cost of inventories and selling costs were in line with the increase in revenue arising from sales of residential units in development projects in New York City.

During 2023, one redevelopment project was written down to its net realizable value by HK\$131 million upon being reclassified to properties held for sale, as the Group planned for a sale of the whole project afterwards.

Loss arising from changes in fair value of investment properties and changes in fair value of assets classified as held for sale

Loss arising from changes in fair value of investment properties and assets classified as held for sale, totalling HK\$256 million, were recorded during the Year (2023: loss of HK\$997 million). Due to slowdown of commercial property markets in the U.S. and Hong Kong brought by multiple factors like weakening economic growth, the fair value of our investment properties recorded an overall decrease in value by 4%. Properties located in Central and East Coast of the U.S., recorded decrease in value by 5% (about HK\$120 million), whilst our other properties in the West Coast of the U.S. recorded decrease in value by 1% (about HK\$61 million). Investment properties located in Hong Kong recorded decrease in value by 19% (about HK\$75 million).

Other income, gains/losses

Other income, gains/losses, during the Year mainly included interest income of HK\$12 million (2023: HK\$6 million). No gain or loss on disposal of investment properties was recognised during the Year (2023: gain of HK\$2 million).

Administrative and other expenses

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

	2024 HK\$'000	2023 HK\$'000
Employee costs	85,410	90,655
Legal and professional fee	36,431	47,453
Depreciation	12,997	16,187
Insurance expenses	6,932	7,326
Informative service fee	10,020	11,684
Auditor's remuneration	6,053	5,869
Exchange difference, net	7,713	(8,546)
Others	21,168	23,660
	<u>186,724</u>	<u>194,288</u>

Other than the movement on exchange difference of HK\$16 million, administrative and other expenses decreased by HK\$24 million as a whole, as a result of cost control and less business and disposal activity during the Year.

Finance costs

Finance costs on our borrowings decreased by HK\$70 million to HK\$330 million, as a result of settlement of certain borrowings since the second half of 2023.

Loss attributable to limited partners

Loss attributable to limited partners relates to certain limited partner interests associated with those limited partnerships of the property funds managed and controlled by GR Realty. According to the terms of investments, these interests are classified as assets/liabilities under the statutory accounting principles, with related financial results attributable to limited partners recorded in the consolidated income statement of the Group. The loss attributable to limited partners of HK\$111 million during the Year (2023: HK\$229 million) mainly arose from the fair value decrease of investment properties mainly located in the Central region of the U.S.. The Group mainly acts as general partner, with certain limited partner interest in the parent funds of those investment properties.

Financial Resources and Liquidity

As at 31 December 2024, the Group had cash resources totaling HK\$374 million (as at 31 December 2023: HK\$456 million) and committed undrawn borrowing facilities of HK\$345 million. 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 2024, the borrowings (excluding lease liabilities) of the Group amounted to HK\$3,797 million (as at 31 December 2023: HK\$3,943 million). The Group's borrowings included bank loans and revolving loans and notes payables. The decrease in cash resources and borrowings was mainly due to settlement of certain mortgage loans. The maturities of the Group's borrowings are set out as follows. All of the short-term borrowings are of a non-recourse nature.

	31 December 2024 (HK\$ million)	As percentage of borrowings	31 December 2023 (HK\$ million)	As percentage of borrowings
Within 1 year	644	17%	378	10%
1-2 years	909	24%	1,806	46%
2-5 years	2,244	59%	1,576	40%
Over 5 years	–	–	183	4%
	<u>3,797</u>	<u>100%</u>	<u>3,943</u>	<u>100%</u>

The above borrowings are all denominated in U.S. dollars. Considering that the exchange rate of Hong Kong dollars is pegged against the U.S. dollars and that all of the underlying assets financed by U.S. dollar borrowings are located in the U.S. and denominated in U.S. dollars, the Group believes that the corresponding adverse 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 65% as at 31 December 2024 (as at 31 December 2023: 64%). 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 2024, our Group did not have any financial guarantees given for the benefit of third parties.

Pledged Assets

As at 31 December 2024, our Group had pledged bank deposits amounting to HK\$60 million (as at 31 December 2023: HK\$53 million) and investment properties of HK\$5,180 million (as at 31 December 2023: HK\$5,679 million), together with the interests of certain subsidiaries of the Group as securities to secure borrowings of our Group of HK\$3,797 million (as at 31 December 2023: HK\$3,943 million).

Significant Investments

As at 31 December 2024, 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 2024.

Contingent Liabilities

As at 31 December 2024, our Group had no significant contingent liabilities.

Capital Commitments

As at 31 December 2024, our Group had no capital commitments (as at 31 December 2023: nil).

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 31 December 2024 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.

As at 31 December 2024, HK\$96 million was utilized for the general working capital in the Group's property development projects in the U.S.. In view of uncertainties in global economy and business outlook currently, the remaining proceeds of HK\$83 million (46% of the aggregate net proceeds from the Placing Exercises) intended for investment in real estate related projects remains not utilized. Our Group has been looking for good investment opportunities under prudence approach. However, amid the current uncertainties of the global economy and business environment, the Company has been very cautious in identifying suitable investment target which is safe, in line with the Company's strategy and in the interests of the Company and its shareholders as a whole. As such, no suitable investment has yet been made. The Company estimates that the expected timeline for utilizing the net proceeds for the above mentioned real estate investment remains on or before the fourth quarter of 2025 as previously estimated and disclosed in the Company's 2023 annual report. This expected timeline may be subject to further change based on the future development of the market conditions.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	3, 4	1,047,591	1,061,755
Direct costs and operating expenses	5	<u>(530,352)</u>	<u>(601,739)</u>
		517,239	460,016
Other income, gains/losses	6	12,680	9,294
Administrative and other expenses		(186,724)	(194,288)
Changes in fair value of financial instruments held for trading		22,305	12,143
Changes in fair value of financial assets at fair value through profit or loss		(7,018)	(7,048)
Changes in fair value of investment properties		(256,383)	(957,684)
Changes in fair value of assets classified as held for sale		–	(38,989)
Reversal of/(provision for) impairment loss on financial assets		2,886	(3,216)
Share of results of associates		(6,343)	–
Finance costs	7	(329,933)	(400,036)
Loss attributable to limited partners		<u>111,075</u>	<u>229,396</u>
Loss before income tax	8	(120,216)	(890,412)
Income tax	9	<u>(35,719)</u>	<u>(23,685)</u>
Loss for the year		<u>(155,935)</u>	<u>(914,097)</u>
Loss for the year attributable to:			
Owners of the Company		(94,836)	(655,881)
Non-controlling interests		<u>(61,099)</u>	<u>(258,216)</u>
		<u>(155,935)</u>	<u>(914,097)</u>
Loss per share for loss attributable to owners of the Company	10		
– Basic (HK dollars)		(0.15)	(1.03)
– Diluted (HK dollars)		<u>(0.15)</u>	<u>(1.03)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
Loss for the year	<u>(155,935)</u>	<u>(914,097)</u>
Other comprehensive income:		
Item that may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of foreign operations	<u>(26,054)</u>	<u>6,938</u>
Other comprehensive income for the year	<u>(26,054)</u>	<u>6,938</u>
Total comprehensive income for the year	<u><u>(181,989)</u></u>	<u><u>(907,159)</u></u>
Total comprehensive income attributable to:		
Owners of the Company	(120,890)	(648,943)
Non-controlling interests	<u>(61,099)</u>	<u>(258,216)</u>
	<u><u>(181,989)</u></u>	<u><u>(907,159)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Investment properties	12	7,235,163	7,117,114
Property, plant and equipment		237,771	224,467
Investments in joint ventures		6,262	6,288
Investments in associates		693	5,968
Financial assets at fair value through profit or loss	13	466,113	478,641
Deposits, prepayments and other receivables		49,359	58,991
Other financial assets		476,549	399,275
Restricted bank deposits		778	348
Deferred tax assets		150,326	162,251
		<u>8,623,014</u>	<u>8,453,343</u>
Current assets			
Properties held for sale		767,180	1,349,749
Inventories		114	–
Deposits, prepayments and other receivables		84,488	127,233
Financial instruments held for trading		121,812	–
Tax recoverables		18,188	25,816
Restricted bank deposits		129,801	122,043
Cash and bank balances		374,035	455,995
		<u>1,495,618</u>	<u>2,080,836</u>
Total assets		<u>10,118,632</u>	<u>10,534,179</u>

		2024	2023
	Notes	HK\$'000	HK\$'000
Current liabilities			
Other payables and accrued charges		434,109	402,129
Amounts due to a shareholder		9,637	46,428
Tax payables		3,831	4,014
Borrowings	14	652,925	385,088
		<u>1,100,502</u>	<u>837,659</u>
Net current assets		<u>395,116</u>	<u>1,243,177</u>
Total assets less current liabilities		<u><u>9,018,130</u></u>	<u><u>9,696,520</u></u>
Capital and reserves			
Share capital		371,191	371,191
Reserves		3,966,196	4,087,312
Equity attributable to owners of the Company		4,337,387	4,458,503
Non-controlling interests		<u>924,351</u>	<u>1,004,651</u>
Total equity		<u>5,261,738</u>	<u>5,463,154</u>
Non-current liabilities			
Other payables and accrued charges		10,709	12,820
Amounts due to a shareholder		415,234	417,814
Borrowings	14	3,183,117	3,593,897
Other financial liabilities		17,269	92,401
Deferred tax liabilities		<u>130,063</u>	<u>116,434</u>
		<u>3,756,392</u>	<u>4,233,366</u>
Total equity and non-current liabilities		<u><u>9,018,130</u></u>	<u><u>9,696,520</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital <i>HK\$'000</i>	Convertible preference shares reserve <i>HK\$'000</i>	Perpetual bond <i>HK\$'000</i>	Capital contribution reserve <i>HK\$'000</i>	Revaluation surplus reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Attributable to owners of the Company <i>HK\$'000</i>	Non- controlling interests <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 January 2024	371,191	2,260,565	2,259,504	308,190	20,256	33,984	(795,187)	4,458,503	1,004,651	5,463,154
Loss for the year	-	-	-	-	-	-	(94,836)	(94,836)	(61,099)	(155,935)
Other comprehensive income										
– Exchange differences arising on translation of foreign operations	-	-	-	-	-	(26,054)	-	(26,054)	-	(26,054)
Total comprehensive income for the year	-	-	-	-	-	(26,054)	(94,836)	(120,890)	(61,099)	(181,989)
Distributions paid to the holders of perpetual bond	-	-	-	-	-	-	(226)	(226)	-	(226)
Distribution paid to non-controlling interests	-	-	-	-	-	-	-	-	(19,148)	(19,148)
Acquisition of equity interest of non-controlling interests	-	-	-	-	-	-	-	-	(53)	(53)
Balance at 31 December 2024	<u>371,191</u>	<u>2,260,565</u>	<u>2,259,504</u>	<u>308,190</u>	<u>20,256</u>	<u>7,930</u>	<u>(890,249)</u>	<u>4,337,387</u>	<u>924,351</u>	<u>5,261,738</u>

	Share capital <i>HK\$'000</i>	Convertible preference shares reserve <i>HK\$'000</i>	Perpetual bond <i>HK\$'000</i>	Capital contribution reserve <i>HK\$'000</i>	Revaluation surplus reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Attributable to owners of the Company <i>HK\$'000</i>	Non- controlling interests <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 January 2023	371,191	2,260,565	2,259,504	308,190	20,256	27,046	(139,080)	5,107,672	1,320,657	6,428,329
Loss for the year	–	–	–	–	–	–	(655,881)	(655,881)	(258,216)	(914,097)
Other comprehensive income										
– Exchange differences arising on translation of foreign operations	–	–	–	–	–	6,938	–	6,938	–	6,938
Total comprehensive income for the year	–	–	–	–	–	6,938	(655,881)	(648,943)	(258,216)	(907,159)
Distributions paid to the holders of perpetual bond	–	–	–	–	–	–	(226)	(226)	–	(226)
Distribution paid to non-controlling interests	–	–	–	–	–	–	–	–	(57,790)	(57,790)
Balance at 31 December 2023	<u>371,191</u>	<u>2,260,565</u>	<u>2,259,504</u>	<u>308,190</u>	<u>20,256</u>	<u>33,984</u>	<u>(795,187)</u>	<u>4,458,503</u>	<u>1,004,651</u>	<u>5,463,154</u>

NOTES

1. GENERAL

The financial information relating to the two years ended 31 December 2023 and 2024 included in this preliminary announcement of the annual results for the year ended 31 December 2024 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 2023 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 2024 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.

2. CHANGES IN ACCOUNTING POLICIES

(a) Adoption of revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) – from 1 January 2024

The following amendments are effective for the period beginning 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

None of these amendments 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.

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

The following new or 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 HKAS 21 and HKFRS 1	Lack of Exchangeability ²
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – dependent Electricity ³
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ⁴

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

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

The above new or 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.

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

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

Rental income, ancillary service income from leasing of office property and residential condominium and management service income which are managed by Gemini-Rosemont Realty LLC (“GR Realty”).

- Property development in the U.S.

Income from sale of commercial and residential properties in the U.S. which are managed by GR Realty. During the year, the Group commenced the operation of a restaurant, which received income from sale of food and beverages, in its self-developed properties in the U.S..

- 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 and operating segments with reference to the income generated from and the expenses incurred by those segments. Each of the reportable and 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 2024

	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 Hong Kong <i>HK\$'000</i>	Fund investments <i>HK\$'000</i>	Securities and other investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue	742,702	295,941	8,363	–	3,930	1,050,936
Less: Inter-segment sales	–	–	–	–	(3,345)	(3,345)
Revenue as presented in consolidated income statement	<u>742,702</u>	<u>295,941</u>	<u>8,363</u>	<u>–</u>	<u>585</u>	<u>1,047,591</u>
Segment results	<u>365,262</u>	<u>45,678</u>	<u>(68,014)</u>	<u>(5,500)</u>	<u>18,697</u>	356,123
Interest income from bank deposits						12,376
Depreciation						(12,997)
Finance costs						(329,933)
Reversal of impairment loss on financial assets						2,886
Unallocated corporate expenses						<u>(148,671)</u>
Loss before income tax						<u>(120,216)</u>

For the year ended 31 December 2023

	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 Hong Kong <i>HK\$'000</i>	Fund investments <i>HK\$'000</i>	Securities and other investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue	868,452	185,804	7,240	–	3,172	1,064,668
Less: Inter-segment sales	–	–	–	–	(2,913)	(2,913)
Revenue as presented in consolidated income statement	<u>868,452</u>	<u>185,804</u>	<u>7,240</u>	<u>–</u>	<u>259</u>	<u>1,061,755</u>
Segment results	<u>(191,082)</u>	<u>(119,444)</u>	<u>(4,872)</u>	<u>(3,318)</u>	<u>11,887</u>	<u>(306,829)</u>
Interest income from bank deposits						6,063
Depreciation						(16,187)
Provision for impairment loss on financial assets						(3,216)
Finance costs						(400,036)
Unallocated corporate expenses						<u>(170,207)</u>
Loss before income tax						<u>(890,412)</u>

Segment result represents the profit or loss by each segment without allocation of interest income from bank deposits, depreciation, unallocated reversal of/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.

(a) **Segment assets and liabilities**

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

	2024 HK\$'000	2023 HK\$'000
Assets		
<i>Segment assets</i>		
– Property investment in the U.S.	8,129,494	7,897,599
– Property development in the U.S.	1,034,657	1,664,570
– Property investment in Hong Kong	322,174	396,839
– Fund investments	458,512	470,501
– Securities and other investments	133,112	8,652
<i>Unallocated assets</i>	40,683	96,018
<i>Consolidated total assets</i>	10,118,632	10,534,179
Liabilities		
<i>Segment liabilities</i>		
– Property investment in the U.S.	4,488,673	4,358,322
– Property development in the U.S.	265,546	473,979
– Property investment in Hong Kong	5,332	4,011
– Fund investments	268	268
– Securities and other investments	190	190
<i>Unallocated liabilities</i>	96,885	234,255
<i>Consolidated total liabilities</i>	4,856,894	5,071,025

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

Segment liabilities included all liabilities allocated to operating segments other than tax payables, unallocated 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 2024

Other segment information

	Managed by GR Realty					Total
	Property investment in the U.S.	Property development in the U.S.	Property investment in Hong Kong	Fund investments	Securities and other investments	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment profit or loss:						
Changes in fair value of financial instruments held for trading	–	–	–	–	22,305	22,305
Changes in fair value of financial assets at fair value through profit or loss	–	–	–	(6,738)	(280)	(7,018)
Changes in fair value of investment properties	(181,473)	–	(74,910)	–	–	(256,383)
Share of results of associates	(6,343)	–	–	–	–	(6,343)
Loss attributable to limited partners	<u>111,075</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>111,075</u>

For the year ended 31 December 2023

Other segment information

	Managed by GR Realty					Total
	Property investment in the U.S.	Property development in the U.S.	Property investment in Hong Kong	Fund investments	Securities and other investments	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment profit or loss:						
Changes in fair value of financial instruments held for trading	–	–	–	–	12,143	12,143
Changes in fair value of financial assets at fair value through profit or loss	–	–	–	(6,898)	(150)	(7,048)
Changes in fair value of investment properties	(947,734)	–	(9,950)	–	–	(957,684)
Gain on disposal of investment properties	2,147	–	–	–	–	2,147
Loss attributable to limited partners	<u>229,396</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>229,396</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	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
Hong Kong	8,363	7,240	321,420	396,330
The U.S.	1,039,228	1,054,508	7,151,514	6,945,251
Others	—	7	—	—
	<u>1,047,591</u>	<u>1,061,755</u>	<u>7,472,934</u>	<u>7,341,581</u>

(c) Information about major customers

For the years ended 31 December 2024 and 2023, no revenue from a single customer accounted for 10% or more of the total revenue of the Group.

4. REVENUE

	2024 HK\$'000	2023 HK\$'000
Rental income	571,508	678,760
Dividend income	585	259
Revenue from contracts with customers recognised at a point in time		
– Sale of properties	293,413	185,804
– Sale of food and beverages	2,528	—
Revenue from contracts with customers recognised overtime		
– Ancillary service income to property leasing and management service income	<u>179,557</u>	<u>196,932</u>
	<u>1,047,591</u>	<u>1,061,755</u>

5. DIRECT COSTS AND OPERATING EXPENSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Repairs, maintenance and utilities	150,517	164,848
Property insurance costs	16,172	18,750
Property management expenses	35,088	37,004
Real estate taxes	120,963	82,099
Cost of properties sold	182,709	150,874
Selling cost	18,657	10,771
Cost of sales of food and beverages	1,130	–
Write down of properties held for sale to net realisable value	–	130,991
Others	5,116	6,402
	<u>530,352</u>	<u>601,739</u>

6. OTHER INCOME, GAINS/LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest income	12,376	6,063
Gain on disposal of investment properties	–	2,147
Others	304	1,084
	<u>12,680</u>	<u>9,294</u>

7. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on bank and other borrowings	319,631	384,574
Interest expenses on lease liabilities	2,878	1,064
Total interest expenses for financial liabilities that are not measured at fair value through profit or loss	322,509	385,638
Amortisation of arrangement fee	7,424	14,398
	<u>329,933</u>	<u>400,036</u>

8. LOSS BEFORE INCOME TAX

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration		
– Statutory audit services	2,310	2,250
– Other audit services	<u>3,743</u>	<u>3,619</u>
	<u>6,053</u>	<u>5,869</u>
Gross rental income from investment properties	(571,508)	(678,760)
Direct operating expenses arising from investment properties that generate rental income	<u>327,856</u>	<u>309,103</u>
	<u>(243,652)</u>	<u>(369,657)</u>
Exchange difference, net	7,713	(8,546)
Loss on disposal of property, plant and equipment	145	–
Retirement benefits scheme contributions (excluding amounts paid under directors' emoluments)	<u><u>1,838</u></u>	<u><u>1,890</u></u>

9. INCOME TAX

The taxation attributable to the Group's operation comprises:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
Provision for the year	139	163
Over provision in respect of prior years	<u>–</u>	<u>(97)</u>
	<u>139</u>	<u>66</u>
Current tax – Overseas tax		
Provision for the year	12,894	14,342
(Over)/under provision in respect of prior years	<u>(2,485)</u>	<u>77</u>
	<u>10,409</u>	<u>14,419</u>
Total current tax	10,548	14,485
Deferred tax expenses	<u>25,171</u>	<u>9,200</u>
Income tax	<u><u>35,719</u></u>	<u><u>23,685</u></u>

Hong Kong Profits Tax has been provided at the rate of 16.5% (2023: 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%.

The Group's subsidiaries in the U.S. are subject to United States Federal Income Tax at 21% (2023: 21%) and States Income Tax at range from 0% to 8.84% (2023: range from 3.95% to 8.84%).

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\$95,062,000 (2023: approximately HK\$656,107,000) and on the weighted average number of ordinary shares of 635,570,000 (2023: 635,570,000) in issue during the year.

	2024 HK\$'000	2023 HK\$'000
Loss attributable to owners of the Company	(94,836)	(655,881)
Less: Distributions paid to the holders of perpetual bond during the year	<u>(226)</u>	<u>(226)</u>
Adjusted loss attributable to the owners of the Company	<u>(95,062)</u>	<u>(656,107)</u>

(b) Diluted loss per share

No adjustment has been made to basic loss per share amount presented for the years ended 31 December 2024 and 2023 in respect of a dilution as the impact of 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 2024 and 2023, nor has any dividend been proposed since the end of the reporting period.

12. INVESTMENT PROPERTIES

The Group's investment properties comprise:

	2024 HK\$'000	2023 HK\$'000
Properties in Hong Kong	321,420	396,330
Properties in the U.S.	6,913,743	6,720,784
	<u>7,235,163</u>	<u>7,117,114</u>

Note:

All of the Group's property interests held 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\$256,383,000 (2023: approximately HK\$957,684,000) which has been recognised in profit or loss. Approximately 73% (2023: approximately 70%) of the investment properties of the Group were rented out under operating leases as at 31 December 2024.

As at 31 December 2024, investment properties of approximately HK\$5,180,481,000 (2023: approximately HK\$5,679,485,000) were pledged as collateral for bank borrowings of approximately HK\$3,439,522,000 (2023: approximately HK\$3,565,408,000).

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 HK\$'000	2023 HK\$'000
Other assets (<i>Note (a)</i>)	7,670	8,210
Unlisted fund investments (<i>Note (b)</i>)	458,443	470,431
	<u>466,113</u>	<u>478,641</u>

The fair value of these investments as at 31 December 2024 and 2023 were estimated by BMI Appraisals Limited.

Notes:

- (a) 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\$7,670,000 (31 December 2023: HK\$8,210,000).
- (b) On 27 April 2023, Prosperity Risk Balanced Fund LP's directors have resolved to make a partial distribution to its limited partner. After distribution, the Group indirectly held limited partner interest of an entity (the "**Fund**") and the investment objective of the Fund is to invest in real estates. The fair value of the investments in the Fund as at 31 December 2024 was approximately HK\$458,443,000 (2023: approximately HK\$470,431,000).

The amount of the Group's maximum exposure to loss from its interests in the Fund was the balance of the Fund of approximately HK\$458,443,000 as at 31 December 2024 (2023: approximately HK\$470,431,000). As at 31 December 2024 and 2023, the Group has no outstanding commitments to make capital contribution.

As at 31 December 2024 and 2023, the fair value measurement of other assets as mentioned in Note (a) above and unlisted fund investments as mentioned in Note (b) above was categorised within level 3 of the fair value hierarchy.

14. BORROWINGS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Lease liabilities		
Within 1 year	8,906	7,347
After 1 year but within 2 years	7,956	7,527
After 2 years but within 5 years	<u>21,944</u>	<u>21,230</u>
	<u>38,806</u>	<u>36,104</u>
Bank loans and revolving loans (<i>Note (a)</i>)		
Within 1 year	496,959	135,543
After 1 year but within 2 years	765,729	1,806,021
After 2 years but within 5 years	2,176,834	1,440,398
Over 5 years	<u>–</u>	<u>183,446</u>
	<u>3,439,522</u>	<u>3,565,408</u>
Notes payable (<i>Note (b)</i>)		
Within 1 year	147,060	242,198
After 1 year but within 2 years	143,870	–
After 2 years but within 5 years	<u>66,784</u>	<u>135,275</u>
	<u>357,714</u>	<u>377,473</u>
Total borrowings	3,836,042	3,978,985
Amount due within 1 year included under current liabilities	<u>(652,925)</u>	<u>(385,088)</u>
	<u><u>3,183,117</u></u>	<u><u>3,593,897</u></u>

Notes:

- (a) The bank loans and revolving loans are denominated in the following currencies:

	2024 HK\$'000	2023 HK\$'000
Secured		
HK\$	–	103,200
U.S. dollars	<u>3,439,522</u>	<u>3,462,208</u>
	<u>3,439,522</u>	<u>3,565,408</u>

The bank loans and revolving loans amounted to approximately HK\$3,439,522,000 (2023: approximately HK\$3,462,208,000) borrowed by certain subsidiaries of the Group. These mortgage loans were non-recourse and secured by way of legal charges over certain of the Group's investment properties of HK\$5,180,481,000 (31 December 2023: HK\$5,315,185,000) and pledged bank deposits.

As at 31 December 2023, the remaining bank loans and revolving loans amounted to approximately HK\$103,200,000 were secured by way of legal charges over certain of the Group's investment properties of HK\$364,300,000 and the interests of certain subsidiaries of the Group.

Mortgage loans of HK\$496,959,000 (2023: Nil) were subject to repayment or renewal in the next twelve months after the end of the reporting period. The Group commenced communication with banks for the renewal of mortgage loans and the Group considered it has complied with the terms of the loan agreements during the year.

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

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 C3 to 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**”) as set out in Part 2 of Appendix C1 (Corporate Governance Code) to the Listing Rules as and when they were/are in force, except for Code Provision C.2.7.

Code Provision C.2.7 requires that the chairman of the Board (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 chief executive officer of the Company 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.

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 2024.

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 2024 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 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 2024 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.

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

Hong Kong, 14 March 2025

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 Director:

Mr. TANG Runjiang

Independent non-executive Directors:

Mr. LO Woon Bor, Henry
Mr. LEE Sai Kai, David
Mr. LEUNG Wai Hung