

Sino-Ocean Land (Perpetual Finance) Limited

(Incorporated in British Virgin Island with limited liability)

The Board of Directors of Sino-Ocean Land (Perpetual Finance) Limited (the “**Company**”) announces that Sino-Ocean Land Holdings Limited, the Company’s parent company, has released a joint announcement of Discloseable Transaction in relation to Subscription of Convertible Preference Shares and the announcement as attached has been posted on the websites of The Stock Exchange of Hong Kong Limited and Sino-Ocean Land Holdings Limited.

By Order of the Board

Sino-Ocean Land (Perpetual Finance) Limited

SUM Pui Ying

Director

26 October 2014

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远洋地产

遠洋地產控股有限公司

Sino-Ocean Land Holdings Limited

*(incorporated in Hong Kong with limited liability
under the Hong Kong Companies Ordinance)*

(Stock Code: 03377)



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
under the Hong Kong Companies Ordinance)*

(Stock Code: 174)

JOINT ANNOUNCEMENT

**DISCLOSEABLE TRANSACTION
IN RELATION TO
SUBSCRIPTION OF
CONVERTIBLE PREFERENCE SHARES OF
GEMINI INVESTMENTS (HOLDINGS) LIMITED**

**(1) CONNECTED TRANSACTION
INVOLVING THE ISSUE OF
CONVERTIBLE PREFERENCE SHARES**

**(2) PROPOSED GRANT OF SPECIFIC MANDATE
TO ISSUE CONVERTIBLE PREFERENCE SHARES
AND CONVERSION SHARES**

**(3) PROPOSED ADOPTION OF
NEW ARTICLES OF ASSOCIATION**

**(4) UNUSUAL PRICE AND TRADING
VOLUME MOVEMENTS**

AND

(5) RESUMPTION OF TRADING

THE SUBSCRIPTION AGREEMENT AND PROPOSED GRANT OF SPECIFIC MANDATE TO ISSUE CONVERTIBLE PREFERENCE SHARES AND CONVERSION SHARES

The respective board of directors of Sino-Ocean Land and Gemini announces that on 26 October, 2014, Gemini entered into the Subscription Agreement with the Subscriber (an indirect wholly-owned subsidiary of Sino-Ocean Land), pursuant to which Gemini has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for 1,300,000,000 Convertible Preference Shares.

The Subscription Price is HK\$3.0 per Convertible Preference Share payable in cash by the Subscriber. The total subscription amount of the Convertible Preference Shares is HK\$3,900,000,000. The estimated net proceeds from the issue of the Convertible Preference Shares (after deducting the estimated expenses incidental thereto) is approximately HK\$3,899,000,000 and the estimated net price per Convertible Preference Share is approximately HK\$2.999.

The initial Conversion Price at which Conversion Shares will be issued upon exercise of the conversion rights attaching to the Convertible Preference Shares is HK\$3.0, subject to adjustments. For the avoidance of doubt, the Subscriber is not required to pay any additional money upon conversion of the Convertible Preference Share(s) to Ordinary Share(s), other than taxes and stamp, issue and registration duties (if any) arising on conversion.

No application will be made for the listing of, or permission to deal in, the Convertible Preference Shares on the Stock Exchange or any other stock exchange. Gemini will apply to the Stock Exchange for the listing of, or permission to deal in, the Conversion Shares.

Gemini will seek the grant of specific mandate from the Independent Shareholders at the EGM to allot and issue the 1,300,000,000 Convertible Preference Shares to the Subscriber and all the Conversion Shares issuable to the Converting Shareholders upon full conversion of the Convertible Preference Shares.

IMPLICATIONS UNDER THE LISTING RULES

As the highest percentage ratio of the subscription of the Convertible Preference Shares under the Subscription Agreement is more than 5% but less than 25%, the transactions contemplated under the Subscription Agreement constitute a discloseable transaction for Sino-Ocean Land under Chapter 14 of the Listing Rules.

The Subscriber is the controlling shareholder of Gemini and is directly interested in 312,504,625 Ordinary Shares, representing approximately 70.15% of the issued Ordinary Shares as at the date of this joint announcement. The Subscriber is therefore a connected person of Gemini under the Listing Rules. The issue of the Convertible Preference Shares under the Subscription Agreement constitutes a connected transaction for Gemini under Chapter 14A of the Listing Rules, and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Subscriber and its associates will be required to abstain from voting in respect of the resolutions approving the Subscription Agreement and the transactions contemplated thereunder.

PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION

The Gemini Board proposes that the Convertible Preference Shares shall be created and that new articles of association of Gemini shall be adopted to incorporate the terms of the Convertible Preference Shares summarised in the section headed "Terms of the Convertible Preference Shares" in this joint announcement. In order to bring the existing articles of association of Gemini in line with changes introduced by the new Companies Ordinance (Chapter 622 of the laws of Hong Kong) to which Gemini is subject, a substantial number of amendments will be made to the existing articles of association of Gemini. The Gemini Board proposes that such amendments will also be consolidated in the aforesaid new articles of association of Gemini. The adoption of new articles of association of Gemini is subject to the approval of the Shareholders by way of a special resolution at the EGM. Further details in relation to the proposed adoption of new articles of association of Gemini will be set out in the circular to be despatched to the Shareholders.

GENERAL

A circular containing, among other things, details of the Subscription Agreement, the proposed adoption of new articles of association of Gemini, the recommendation from the Independent Board Committee, the advice of the independent financial adviser to the Independent Board Committee and the Independent Shareholders and a notice to convene the EGM is expected to be despatched to the Shareholders on or before 14 November, 2014.

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

The Gemini Board has noted the recent increases in the price and trading volume of the Ordinary Shares. Save for the entering into of the Subscription Agreement and the Potential Investments as disclosed in the section headed "Reasons and benefits for the issue of Convertible Preference Shares and the intended use of proceeds" below, having made such enquiry with respect to Gemini as is reasonable in the circumstances, the Gemini Board confirms that it is not aware of any other reasons for these price and trading volume movements or of any other information which must be announced to avoid a false market in Gemini's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

RESUMPTION OF TRADING

At the request of Gemini, trading in the Ordinary Shares on the Stock Exchange has been halted with effect from 3:20 p.m. on Friday, 24 October, 2014, pending the release of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading of the Ordinary Shares with effect from 9:00 a.m. on Monday, 27 October, 2014.

THE SUBSCRIPTION AGREEMENT

The respective board of directors of Sino-Ocean Land and Gemini announces that on 26 October, 2014, Gemini entered into the Subscription Agreement with the Subscriber (an indirect wholly-owned subsidiary of Sino-Ocean Land) pursuant to which Gemini has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for 1,300,000,000 Convertible Preference Shares. The principal terms of the Subscription Agreement are set out below:—

- Date:** 26 October, 2014
- Parties:**
- (a) Gemini (as issuer); and
 - (b) Grand Beauty Management Limited (as subscriber).
- Subject matter:** Subject to the fulfilment of the conditions precedent as mentioned below, Gemini will allot and issue 1,300,000,000 Convertible Preference Shares to the Subscriber.
- Subscription Price:** HK\$3.0 per Convertible Preference Share payable in cash by the Subscriber upon completion of the Subscription Agreement, which was arrived at after arm's length negotiations between Gemini and the Subscriber, having considered, among other things, the Gemini Group's long-term business prospects and development.
- The Subscription Price of HK\$3.0 per Convertible Preference Share represents:—
- (a) a premium of approximately 84.05% over the closing price of HK\$1.63 per Ordinary Share as quoted on the Stock Exchange on 24 October, 2014, being the last trading day immediately preceding the date of the Subscription Agreement;

- (b) a premium of approximately 125.56% over the average of the closing prices of approximately HK\$1.33 per Ordinary Share for the 5 consecutive trading days immediately preceding the date of the Subscription Agreement;
- (c) a premium of approximately 154.24% over the average of the closing prices of approximately HK\$1.18 per Ordinary Share for the 30 consecutive trading days immediately preceding the date of the Subscription Agreement;
- (d) a premium of approximately 160.87% over the average of the closing prices of approximately HK\$1.15 per Ordinary Share for the 60 consecutive trading days immediately preceding the date of the Subscription Agreement; and
- (e) a premium of approximately 163.16% over the net asset value attributable to equity holders of Gemini of approximately HK\$1.14 per Ordinary Share as at 30 June 2014 (based on the unaudited net assets attributable to Gemini's equity holders of approximately HK\$508,348,000 as at 30 June 2014 and 445,500,000 Ordinary Shares then in issue as set out in the interim report of Gemini for the period ended 30 June 2014).

The total subscription price payable for the Convertible Preference Shares is HK\$3,900,000,000. If so requested by Gemini, the Subscriber shall pay such subscription price for the Convertible Preference Shares in the equivalent amount of United States dollars on the Completion Date at the benchmark middle exchange rate for the conversion of Hong Kong dollars into United States dollars which is posted by Bloomberg as of 11:00 a.m. (Hong Kong time) on the two Business Days immediately preceding the Completion Date, or such other exchange rate as may be agreed between Gemini and the Subscriber in writing.

Conditions Precedent:

Completion of the Subscription Agreement is conditional upon the occurrence of the following by no later than 30 June 2015 (or such later date as may be agreed between Gemini and the Subscriber):—

- (a) the passing of an ordinary resolution by the Independent Shareholders who are permitted to vote under the Listing Rules at a general meeting of Gemini approving by way of a poll to approve the Subscription Agreement and the transactions contemplated thereunder, including but not limited to the issue of the Convertible Preference Shares and the issue of the Conversion Shares upon conversion of the relevant Convertible Preference Shares;
- (b) the passing of a special resolution by the Shareholders who are permitted to vote under the Listing Rules at a general meeting of Gemini approving by way of a poll to approve the adoption of the new articles of association of Gemini or the amendments to the articles of association of Gemini to reflect the terms of the Convertible Preference Shares;
- (c) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, all of the Conversion Shares that fall to be issued upon conversion of the Convertible Preference Shares; and
- (d) all other necessary waivers, consents and approvals (if required) from the relevant governmental or regulatory authorities (including Stock Exchange) in Hong Kong, with respect to Gemini, for the Subscription Agreement and the transactions contemplated therein having been obtained and fulfilled.

If the conditions precedent of the Subscription Agreement are not fulfilled by 30 June 2015 (or such later date as may be agreed between Gemini and the Subscriber), the Subscription Agreement shall cease to have any force and effect and the Subscriber and Gemini shall be released from all rights and obligations relating to the Subscription Agreement, save for any antecedent breach thereof.

Completion:

Completion of the subscription of the Convertible Preference Shares shall take place on the fifth Business Day (or such other date and time as may be agreed by Gemini and the Subscriber) following the satisfaction of the conditions precedent of the Subscription Agreement.

Gemini will apply to the Stock Exchange for the listing of, or permission to deal in, the Conversion Shares.

Gemini will seek the grant of specific mandate from the Independent Shareholders at the EGM to allot and issue the 1,300,000,000 Convertible Preference Shares to the Subscriber and all the Conversion Shares issuable to the Converting Shareholders upon full conversion of the Convertible Preference Shares.

TERMS OF THE CONVERTIBLE PREFERENCE SHARES

The principal terms of the Convertible Preference Shares are set out below:—

Conversion Price: The initial conversion price at which each Ordinary Share will be issued upon exercise of the conversion rights attaching to the Convertible Preference Share is HK\$3.0.

The Conversion Price will be subject to adjustments for subdivision or consolidation of Ordinary Shares or issue of new Ordinary Shares pursuant to any bonus issue. The Conversion Price applicable to any subsequent conversion shall in the case of a sub-division or bonus issue be decreased or in the case of a consolidation be increased proportionally.

Save as provided above, no adjustment will be made to the Conversion Price as a result of any other changes to the share capital of Gemini including, without limitation, any scrip dividend or other distribution, rights issue and other issue of shares, option to subscribe for or any other securities convertible into Ordinary Shares.

For the avoidance of doubt, the Converting Shareholder(s) is/are not required to pay any additional money upon conversion of the Convertible Preference Share(s) to Conversion Share(s), other than taxes and stamp, issue and registration duties (if any) arising on conversion.

Dividend:

Each Convertible Preference Share shall confer on the Convertible Preference Shareholder thereof the right to receive out of profits of Gemini lawfully available for distribution and resolved by the Gemini Board to be distributed a non-cumulative floating preferential dividend at the floating rate per annum as ascertained below on the Reference Amount (the “**Dividend**”) pari passu with other shares ranking pari passu as regards income with the Convertible Preference Shares but otherwise in priority to any other class of shares in the capital of Gemini from time to time in issue (including the Ordinary Shares):—

- (a) (if applicable) in respect of the period from the issue date of the Convertible Preference Shares to 31 December 2014 (both days inclusive), at the rate of 1.937% per annum (which was set with reference to the prevailing annualised yield-to-maturity rate of the 10-year Government Bonds issued by the Hong Kong Government);
- (b) in respect of the period from 1 January to 30 June of each year after 31 December 2014 (each “**First 6-Month Period**”), at the rate per annum equivalent to the annualised yield-to-maturity rate of the 10-year Government Bonds issued by the Hong Kong Government (or if such bonds are not available at the relevant time, such other similar debt instrument with 10-year maturity issued by other governmental authority with similar credit rating as the Hong Kong Government at the relevant time as Gemini may determine in its absolute discretion) (the “**Relevant Debt Instrument**”) as quoted or posted by Bloomberg (or if such rate for the Relevant Debt Instrument is not available from Bloomberg at the relevant time, such other reputed organisation, entity or institution as Gemini may determine in its absolute discretion (the “**Alternative Entity**”)) as of 11:00 a.m. (Hong Kong time) on the first Business Day of the First 6-Month Period; and

- (c) in respect of the period from 1 July to 31 December of each year after 31 December 2014 (each “**Second 6-Month Period**”), at the rate per annum equivalent to the annualised yield-to-maturity rate of the Relevant Debt Instrument as posted by Bloomberg (or if such rate for the Relevant Debt Instrument is not available from Bloomberg at the relevant time, the Alternative Entity) as of 11:00 a.m. (Hong Kong time) on the first Business Day of the Second 6-Month Period.

Save for the above, the Convertible Preference Shares shall not entitle the Convertible Preference Shareholders thereof to any further or other right of participation in the profits of Gemini.

The Dividends in respect of a given year (the “**Relevant Year**”) shall be (A) declared and paid only if Gemini has profits lawfully available for distribution (taking account, for this purpose, of any other payments or distributions to be made at any time on or in respect of any other shares ranking pari passu as regards income with the Convertible Preference Shares) to justify the payment of the Dividends for the Relevant Year, and (B) reduced or extinguished in the following circumstances:—

- (a) if the audited consolidated net profit after tax of the Gemini Group for the Relevant Year (the “**Audited Annual Profit**”) is less than the total amount of Dividends accrued on the Convertible Preference Shares in respect of the Relevant Year, the Dividend payable in respect of each Convertible Preference Share for the Relevant Year shall be reduced proportionally to the extent and intent that following such reduction, the aggregate amount of the Dividends for all the Convertible Preference Shares in respect of the Relevant Year shall be equivalent to the amount of the Audited Annual Profit (for this purpose, the aforesaid two figures shall be deemed equivalent if their difference is less than HK\$100,000); and
- (b) if the Gemini Group records an audited consolidated loss (after tax) for the Relevant Year, no Dividend in respect of the Convertible Preference Shares for the Relevant Year shall be declared and paid by Gemini.

In the event that no Dividends are paid in a Relevant Year or the amount of the Dividends for a Relevant Year are reduced or extinguished as provided above, the Dividends not paid and/or the amount of the Dividends so reduced shall be extinguished and not be carried forward.

Conversion Rights:

Subject to the restrictions on conversion as provided below, any Convertible Preference Shareholder may exercise the Conversion Right in respect of all or part (any conversion in part being in amounts of or integral multiples of 500,000 Convertible Preference Shares, and the aggregate Reference Amount of the relevant Convertible Preference Shares be not less than HK\$1,500,000) of the Convertible Preference Shares at any time commencing from 3:00 p.m. (Hong Kong time) on the first Business Day immediately after the end of a period of 5 years commencing from the issue date of the Convertible Preference Shares.

No conversion of the Convertible Preference Shares is allowed during the 5-year period commencing from the issue date of the Convertible Preference Shares.

Number of Conversion Shares to be issued:

The number of Conversion Shares to be issued on each conversion shall be determined by dividing the aggregate Reference Amount of the Convertible Preference Share(s) which is/are to be converted pursuant to a conversion notice by the Conversion Price applicable on the Conversion Date, provided that no fraction of an Ordinary Share arising on conversion shall be allotted. Based on the initial conversion price of HK\$3.0, each Convertible Preference Share can be converted into one Conversion Share, and so a total of 1,300,000,000 Conversion Shares are issuable upon full conversion of the Convertible Preference Shares, representing approximately 291.81% of Gemini's issued Ordinary Shares as at the date of this joint announcement and approximately 74.48% of Gemini's issued Ordinary Shares as enlarged by the allotment and issue of the Conversion Shares upon full conversion of the Convertible Preference Shares (assuming that there are no other changes in the issued share capital of Gemini).

Restrictions on conversion:

No conversion shall take place if:

- (a) to the extent that following such exercise of the Conversion Rights, it will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of the Convertible Preference Shareholder exercising such Conversion Rights and parties acting in concert with it in relation to the securities of Gemini; or
- (b) if immediately after such conversion, the public float of the Ordinary Shares falls below the minimum public float requirements stipulated under the Listing Rules or as required by the Stock Exchange.

Ordinary Shares issued on conversion:	The relevant Conversion Shares shall be credited as fully paid and rank pari passu in all respects with the Ordinary Shares then in issue save that they shall not entitle the holders to any dividend or other distribution declared, paid or made upon the Ordinary Shares prior to the relevant date (the “ Entry Date ”) on which the register of members of Gemini is updated for such conversion, and provided that where a record date for any dividend or distribution made in relation to the Ordinary Shares is after the Entry Date but such record date is in respect of any distribution in respect of any financial period of Gemini ended prior to such Entry Date, the holders of such Conversion Shares will not be entitled to such distribution.
Capital:	On a return of capital on liquidation or otherwise (but not on conversion), the Convertible Preference Shares shall confer on the Convertible Preference Shareholders the right to be paid, in priority to any return of assets in respect of any other class of shares in the capital of Gemini, pari passu as between themselves, an amount equal to the aggregate Reference Amount of the Convertible Preference Shares plus any accrued but unpaid Dividends. The Convertible Preference Shares shall not confer on the holders thereof any further or other right to participate in the assets of Gemini.
Non-redemption:	All Convertible Preference Shares are non-redeemable by Gemini and the Convertible Preference Shareholders shall have no right to request Gemini to redeem any of the Convertible Preference Shares.
Voting:	Convertible Preference Shareholders (in their capacity as such) will not be permitted to attend or vote at meetings of Gemini, unless a resolution is proposed to vary the rights of the Convertible Preference Shareholders or a resolution is proposed for the winding up of Gemini.
Listing:	No application will be made for the listing of, or permission to deal in, the Convertible Preference Shares on the Stock Exchange or any other stock exchange.
Transferability:	All Convertible Preference Shares are transferable, except where any Convertible Preference Share is intended to be transferred to a connected person of Gemini (other than the associate of the transferring Convertible Preference Shareholder), such transfer shall comply with the requirements under the Listing Rules and/or requirements imposed by the Stock Exchange (if any).

Undertaking by Gemini:

Without the prior consent from the Convertible Preference Shareholders, Gemini shall not, at any time during the period of five years commencing from the issue date of the Convertible Preference Shares, issue or agree to issue any new Ordinary Shares, whether for cash or for acquiring assets, at a price per Ordinary Share which is less than the then consolidated net asset value of Gemini attributable to each Ordinary Share, which, for this purpose, shall be ascertained by dividing (AA) the consolidated net asset value of Gemini as of the date (the “**Relevant Date**”) to which the latest published consolidated financial statements of Gemini (whether annual, interim or otherwise) were then made up, by (BB) the total number of the Ordinary Shares in issue on the Relevant Date, provided that the above restriction shall not apply to:

- (a) an issue of Ordinary Shares upon the exercise of the Conversion Rights to convert the Convertible Preference Shares into Ordinary Shares; or
- (b) a grant of share options, or an issue of new Ordinary Shares upon exercise of share options granted, under any share option scheme of Gemini adopted for the benefits of the employees of the Gemini Group.

EFFECT ON SHAREHOLDING STRUCTURE OF GEMINI

For illustrative purpose only, set out below is the shareholding structure of Gemini (i) as at the date of this joint announcement; and (ii) immediately after the allotment and issue of the Conversion Shares upon full conversion of all the Convertible Preference Shares (assuming there are no other changes in the issued share capital of Gemini and disregarding the restriction on conversion of the Convertible Preference Shares in relation to the public float of the Ordinary Shares):

Name of Shareholders	As at the date of this joint announcement		Immediately after full conversion of all the Convertible Preference Shares (Note 2)	
	Number of Ordinary Shares	Approximate %	Number of Ordinary Shares	Approximate %
The Subscriber (Note 1)	312,504,625	70.15	1,612,504,625	92.38
Public Shareholders	132,995,375	29.85	132,995,375	7.62
Total:	445,500,000	100.00	1,745,500,000	100.00

Notes:

1. The 312,504,625 Ordinary Shares were beneficially owned by the Subscriber.
2. The above calculation only illustrates the maximum potential impact on the shareholding structure of Gemini arising from a full conversion of the Convertible Preference Shares. Based on the current shareholding structure of Gemini, a full conversion of the Convertible Preference Shares is currently not permissible under the terms of the Convertible Preference Shares which contain, among others, a restriction on conversion of the Convertible Preference Shares if such conversion will result in the public float of the Ordinary Shares falling below the minimum public float requirements stipulated under the Listing Rules.

INFORMATION OF THE GEMINI GROUP

The principal business activity of Gemini is investment holding and the Gemini Group is principally engaged in property investment, securities investment, fund investment and fund management business.

Set out below is the audited consolidated financial information of the Gemini Group prepared in accordance with Hong Kong Financial Reporting Standards:

	For the year ended 31 December	
	2012	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before tax	8,644	43,868
Profit after tax	6,645	39,153

As at 30 June 2014, the unaudited consolidated net asset value of the Gemini Group was approximately HK\$508.3 million.

INFORMATION OF SINO-OCEAN LAND AND THE SUBSCRIBER

The principal business activity of Sino-Ocean Land is investment holding. The Sino-Ocean Land Group is one of the leading property developers with developments in key economic regions in the PRC and actively accomplishing the Sino-Ocean Land Group's national strategic plan with a coastal and riparian focus. The Sino-Ocean Land Group focuses on developing mid-to-high end residential properties, high-end office premises and retail properties.

The Subscriber is a company incorporated in British Virgin Islands and an indirect wholly-owned subsidiary of Sino-Ocean Land. The Subscriber is principally engaged in investment holding.

REASONS AND BENEFITS FOR THE ISSUE OF CONVERTIBLE PREFERENCE SHARES AND THE INTENDED USE OF PROCEEDS

The Gemini Group's existing investments comprise property-related investments in Hong Kong, Melbourne and New York, securities investments in listed equities and fund investments. The Gemini Group will continuously take root in the property markets and target more sound investment opportunities to strengthen its core competencies and to contribute sustainable growth and returns for the Gemini Group, with the ultimate goal to maximise Shareholders' value in the medium to long term. The Gemini Board considers it appropriate for Gemini to strengthen its financial capability to meet the future capital needs for its future investments.

The net proceeds from the issue of the Convertible Preference Shares are intended to be invested, directly or indirectly, in certain investment opportunities which Gemini may identify from time to time. Currently, Gemini is in discussions for the investments in a jointly managed fund investing in PRC property projects, a fund management group which is principally engaged in the management of property investment funds in the USA and a property investment fund investing in Hong Kong property projects (the "**Potential Investments**"). At present, negotiations on the terms of the Potential Investments are still ongoing, no definitive terms have been agreed in respect of the Potential Investments, and the Potential Investments may or may not proceed. Gemini will make separate announcement(s) on the Potential Investments as and when appropriate.

Other than the issue of the Convertible Preference Shares, the Gemini Board has considered other alternative means to raise funding for the aforementioned Potential Investments. Having considered that the Convertible Preference Shares to be issued by Gemini is of equity in nature, the issue of which will not adversely affect the Gemini Group's gearing position and the cost of funding associated with the issue of the Convertible Preference Shares is relatively low compared with other means, the Gemini Board is of the view that the issue of the Convertible Preference Shares is the most appropriate way to raise funding for the Potential Investments in the current market conditions. The Gemini Board considers that the issue of the Convertible Preference Shares will strengthen the financial position of the Gemini Group, which could consequently lower the cost of funding associated with debt financing for any future investment opportunities. The Gemini Board also believes that the issue of the Convertible Preference Shares to the Subscriber demonstrates the support of Sino-Ocean Land to Gemini and conveys a positive message to the market. Based on the above, the directors of Gemini (excluding the independent non-executive directors of Gemini who will form their view after considering the advice of the independent financial adviser) consider that the terms of the Subscription Agreement are fair and reasonable and on normal commercial terms, and the issue of the Convertible Preference Shares is in the interest of Gemini and the Shareholders as a whole.

The total subscription amount of the Convertible Preference Shares is HK\$3,900,000,000. The estimated net proceeds from the issue of the Convertible Preference Shares (after deducting the estimated expenses incidental thereto) is approximately HK\$3,899,000,000. The estimated net price per Convertible Preference Share (based on the aforesaid net proceeds) is approximately HK\$2.999. Gemini intends to apply the net proceeds from the issue of the Convertible Preference Shares as to

(i) approximately HK\$1,800 million for the investment in a jointly managed fund investing in PRC property projects; (ii) approximately HK\$1,600 million for the investment in a fund management group which is principally engaged in the management of property investment funds in the USA; (iii) approximately HK\$300 million for investment in a property investment fund investing in Hong Kong property projects; and (iv) the remaining balance of approximately HK\$200 million for other property investment opportunities that may arise. In the event that the Potential Investments do not proceed, the net proceeds allocated for the Potential Investments will be applied as future working capital of the Gemini Group and for repayment of the Gemini Group's existing bank loans, and for other future investments of the Gemini Group.

REASONS AND BENEFITS FOR THE SUBSCRIPTION OF CONVERTIBLE PREFERENCE SHARES

Sino-Ocean Land supports the Gemini Group by providing strong capital base to explore various ventures, ranging from investing in fund investments and/or new types of investments, putting more focus on overseas market, and participating in non-core businesses of the Sino-Ocean Land Group. Having considered that the financial position of the Gemini Group will be strengthened upon the issue of the Convertible Preference Shares, the directors of Sino-Ocean Land expect that the overall costs of funding associated with future possible fund raising of the Gemini Group will be lowered, and the consolidated financial position of Sino-Ocean Land will be benefited in the long term through consolidating the financial results and position of the Gemini Group.

Sino-Ocean Land intends to fund the total subscription amount of the Convertible Preference Shares of HK\$3,900,000,000 from its internal resources.

Based on the above, the directors of Sino-Ocean Land (including the independent non-executive directors) consider that the terms of the Subscription Agreement are fair and reasonable and on normal commercial terms, and the transactions contemplated under the Subscription Agreement are in the interests of Sino-Ocean Land and its shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES OF GEMINI FOR THE PAST 12 MONTHS

Gemini did not conduct any equity fund raising activities in the past 12 months immediately before the date of this joint announcement.

IMPLICATIONS UNDER THE LISTING RULES

As the highest percentage ratio of the subscription of the Convertible Preference Shares under the Subscription Agreement is more than 5% but less than 25%, the transactions contemplated under the Subscription Agreement constitute a discloseable transaction for Sino-Ocean Land under Chapter 14 of the Listing Rules.

Mr. Li Ming and Mr. Wen Haicheng, being executive directors of Sino-Ocean Land, have beneficial interest in 4,000,000 share options at an exercise price of HK\$0.96 per Ordinary Share and in 70,000 Ordinary Shares respectively. Both Mr. Li Ming and Mr. Wen Haicheng had abstained from voting on the relevant board resolutions of Sino-Ocean Land approving the Subscription Agreement and the

transactions contemplated thereunder. Save as aforesaid, none of the other directors of Sino-Ocean Land had a material interest in the transactions contemplated under the Subscription Agreement, and none of them was required to abstain from voting on the relevant board resolutions of Sino-Ocean Land to approve the Subscription Agreement and the transactions contemplated thereunder.

The Subscriber is the controlling shareholder of Gemini and is directly interested in 312,504,625 Ordinary Shares, representing approximately 70.15% of the issued Ordinary Shares of Gemini as at the date of this joint announcement. The Subscriber is therefore a connected person of Gemini under the Listing Rules. The issue of the Convertible Preference Shares under the Subscription Agreement constitutes a connected transaction for Gemini under Chapter 14A of the Listing Rules, and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Subscriber and its associates will be required to abstain from voting in respect of the resolutions approving the Subscription Agreement and the transactions contemplated thereunder.

The Independent Board Committee has been established by Gemini to advise the Independent Shareholders as to whether the terms of the Subscription Agreement are fair and reasonable and in the interest of Gemini and the Shareholders as a whole. In addition, as approved by the Independent Board Committee, First Shanghai Capital Limited has been appointed by Gemini as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

As Mr. Li Ming, a non-executive director of Gemini, is a director of Sino-Ocean Land and the Subscriber, and Mr. Sum Pui Ying, an executive director of Gemini, is a director of the Subscriber, they both were considered to have a potential material conflict of interests in the transactions contemplated under the Subscription Agreement and had abstained from voting at the Gemini Board meeting which approved the Subscription Agreement. Save as aforesaid, none of the other directors of Gemini had a material interest in the transactions contemplated under the Subscription Agreement, and none of them was required to abstain from voting on the relevant Gemini Board resolutions to approve the Subscription Agreement and the transactions contemplated thereunder.

PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION

The Gemini Board proposes that the Convertible Preference Shares shall be created and that new articles of association of Gemini shall be adopted to incorporate the terms of the Convertible Preference Shares summarised in the section headed "Terms of the Convertible Preference Shares" above. In order to bring the existing articles of association of Gemini in line with changes introduced by the new Companies Ordinance (Chapter 622 of the laws of Hong Kong) to which Gemini is subject, a substantial number of amendments will be made to the existing articles of association of Gemini. The Gemini Board proposes that such amendments will also be consolidated in the aforesaid new articles of association of Gemini. The adoption of new articles of association of Gemini is subject to the approval of the Shareholders by way of a special resolution at the EGM. Further details in relation to the proposed adoption of new articles of association of Gemini will be set out in the circular to be despatched to the Shareholders.

GENERAL

A circular containing, among other things, details of the Subscription Agreement, the proposed adoption of new articles of association of Gemini, the recommendation from the Independent Board Committee, the advice of the independent financial adviser to the Independent Board Committee and the Independent Shareholders and a notice to convene the EGM is expected to be despatched to the Shareholders on or before 14 November, 2014.

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

The Gemini Board has noted the recent increases in the price and trading volume of the Ordinary Shares. Save for the entering into of the Subscription Agreement and the Potential Investments as disclosed in the section headed “Reasons and benefits for the issue of Convertible Preference Shares and the intended use of proceeds” above, having made such enquiry with respect to Gemini as is reasonable in the circumstances, the Gemini Board confirms that it is not aware of any other reasons for these price and trading volume movements or of any other information which must be announced to avoid a false market in Gemini’s securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

RESUMPTION OF TRADING

At the request of Gemini, trading in the Ordinary Shares on the Stock Exchange has been halted with effect from 3:20 p.m. on Friday, 24 October, 2014, pending the release of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading of the Ordinary Shares with effect from 9:00 a.m. on Monday, 27 October, 2014.

DEFINITIONS

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

“associate”	has the meaning ascribed thereto in the Listing Rules
“Business Day”	means a day (excluding a Saturday) on which banks in Hong Kong are open for business in Hong Kong throughout their normal business hours
“Completion Date”	the date on which completion of the Subscription Agreement takes place
“connected person”	has the meaning ascribed thereto in the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules

“Conversion Date”	12:00 noon on the Business Day immediately following the date of the surrender of the relevant certificate and delivery of the conversion notice therefor accompanied by other documents (if necessary) required under the terms for conversion of the Convertible Preference Shares
“Conversion Price”	the price at which each Ordinary Share is to be issued upon exercise of the Conversion Right, being HK\$3.0 (subject to adjustments)
“Conversion Right”	the right to convert any Convertible Preference Share into Ordinary Share
“Conversion Share(s)”	Ordinary Share(s) to be issued upon an exercise of the Conversion Rights
“Convertible Preference Shareholder(s)”	a person or persons who is or are registered in the register required to be maintained by Gemini as a holder or joint-holders of the Convertible Preference Shares
“Convertible Preference Share(s)”	the new non-voting convertible preference share(s) in the capital of Gemini to be subscribed by the Subscriber under the Subscription Agreement
“Converting Shareholder(s)”	Convertible Preference Shareholder(s), all or some of whose Convertible Preference Shares are being or have been converted
“EGM”	an extraordinary general meeting of Gemini to be held to consider and, if thought fit, approve, among other things, the Subscription Agreement and the transactions contemplated thereunder, including the grant of specific mandate to issue the Convertible Preference Shares and the Conversion Shares and the proposed adoption of new articles of association of Gemini
“Gemini”	Gemini Investments (Holdings) Limited, a company incorporated in Hong Kong with limited liability and the Ordinary Shares of which are listed on the Main Board of the Stock Exchange (stock code: 174)
“Gemini Board”	the board of directors of Gemini
“Gemini Group”	Gemini and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent committee of the Gemini Board comprising all three independent non-executive directors of Gemini, namely Mr. Law Tze Lun, Mr. Lo Woon Bor, Henry and Mr. Zheng Yun, which has been established by Gemini to make recommendation to the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than the Subscriber and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Share(s)”	the ordinary share(s) in the share capital of Gemini
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Reference Amount”	HK\$3.0 per Convertible Preference Share
“Shareholder(s)”	holder(s) of the Ordinary Share(s)
“Sino-Ocean Land”	Sino-Ocean Land Holdings Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 03377)
“Sino-Ocean Land Group”	Sino-Ocean Land and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Grand Beauty Management Limited, a company incorporated in British Virgin Islands and an indirect wholly-owned subsidiary of Sino-Ocean Land
“Subscription Agreement”	the conditional subscription agreement dated 26 October, 2014 entered into between Gemini and the Subscriber in relation to the subscription of 1,300,000,000 Convertible Preference Shares
“Subscription Price”	the issue price of HK\$3.0 per Convertible Preference Share payable in cash by the Subscriber under the Subscription Agreement
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers as in force and as amended from time to time
“USA”	United States of America

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By order of the Board
Sino-Ocean Land Holdings Limited
LAM Tsz Kin
Company Secretary

By order of the Board
Gemini Investments (Holdings) Limited
YUE Pui Kwan
Company Secretary

Hong Kong, 26 October, 2014

As at the date of this joint announcement, the directors of Sino-Ocean Land are as follows:

Executive Directors:

Mr. LI Ming
Ms. LIU Hui
Mr. CHEUNG Vincent Sai Sing
Mr. CHEN Runfu
Mr. WEN Haicheng

Non-executive Directors:

Mr. YANG Zheng
Mr. FANG Jun
Mr. CHUNG Chun Kwong, Eric

Independent non-executive Directors:

Mr. TSANG Hing Lun
Mr. GU Yunchang
Mr. HAN Xiaojing
Mr. ZHAO Kang

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

Executive Directors:

Mr. SUM Pui Ying
Mr. LI Zhenyu
Mr. LAI Kwok Hung, Alex

Non-executive Directors:

Mr. LI Ming
Mr. LI Hongbo

Independent non-executive Directors:

Mr. LAW Tze Lun
Mr. LO Woon Bor, Henry
Mr. ZHENG Yun