PICO FAR EAST HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 752)

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED APRIL 30, 2010

The Board of Directors (the "Board") of Pico Far East Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended April 30, 2010, together with the unaudited comparative figures for the corresponding period in 2009 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended April 30, 2010

		For the six months ended April 30,	
		2010	2009
		Unaudited	Unaudited
	Note	***HK$'000***	*HK$'000*
Turnover	*2*	**1,460,422**	1,049,734
Cost of sales		**(1,064,320)**	(695,359)
Gross profit		**396,102**	354,375
Other income		**19,055**	19,730
Distribution costs		**(155,208)**	(142,053)
Administrative expenses		**(167,174)**	(145,643)
Other operating expenses		**(291)**	(160)
Profit from operations		**92,484**	86,249
Finance costs	*3*	**(1,988)**	(1,412)
		90,496	84,837
Share of profits of associates		**1,527**	152
Share of profits (losses) of jointly controlled entities		**8,984**	(643)
Profit before tax		**101,007**	84,346
Income tax expense	*4*	**(16,930)**	(15,412)
Profit for the period	*5*	**84,077**	68,934
Attributable to:			
Owners of the Company		**81,280**	60,422
Non-controlling interests		**2,797**	8,512
		84,077	68,934
EARNINGS PER SHARE	*7*		
Basic		**6.79 cents**	5.05 cents
Diluted		**6.77 cents**	5.05 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended April 30, 2010

	For the six months ended April 30,	
	2010	2009
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Profit for the period	**84,077**	68,934
Other comprehensive income:		
Exchange differences on translating foreign operations	**16,127**	(103)
Other comprehensive income for the period, net of tax	**16,127**	(103)
Total comprehensive income for the period	**100,204**	68,831
Attributable to:		
Owners of the Company	**94,765**	59,124
Non-controlling interests	**5,439**	9,707
	100,204	68,831

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At April 30, 2010

	Note	**April 30, 2010 Unaudited** *HK$'000*	October 31, 2009 Audited *HK$'000*
Non-current Assets			
Investment properties		**143,791**	54,121
Property, plant and equipment		**261,262**	330,989
Prepaid land lease payments		**55,854**	56,340
Intangible assets		**10,828**	11,172
Interests in jointly controlled entities		**17,063**	17,775
Interests in associates		**127,418**	127,090
Club membership		**4,820**	4,795
Available-for-sale financial assets		**11,709**	4,920
Deferred tax assets		**439**	430
		633,184	607,632
Current Assets			
Inventories		**10,303**	10,730
Contract work in progress		**30,185**	40,102
Debtors, deposits and prepayments	*8*	**750,851**	647,254
Amounts due from associates		**10,353**	10,228
Amounts due from jointly controlled entities		**574**	9,561
Current tax assets		**2,732**	1,506
Pledged bank deposits		**4,210**	4,158
Bank and cash balances		**704,586**	620,123
		1,513,794	1,343,662
Current Liabilities			
Payments received on account		**211,877**	182,394
Creditors and accrued charges	*9*	**716,214**	591,221
Amounts due to associates		**3,802**	2,520
Amounts due to jointly controlled entities		**4,814**	27
Current tax liabilities		**36,629**	30,128
Borrowings		**22,343**	53,918
Finance lease obligations		**1,185**	1,690
		996,864	861,898
Net Current Assets		**516,930**	481,764
Total Assets Less Current Liabilities		**1,150,114**	1,089,396

	April 30, 2010 Unaudited *HK$'000*	October 31, 2009 Audited *HK$'000*
Non-current Liabilities		
Borrowings	**40,272**	39,614
Finance lease obligations	**683**	1,448
Deferred tax liabilities	**17,959**	16,886
	58,914	57,948
Net Assets	**1,091,200**	1,031,448
Capital and Reserves		
Share capital	**59,852**	59,811
Reserves	**956,218**	902,281
Equity attributable to owners of the Company	**1,016,070**	962,092
Non-controlling Interests	**75,130**	69,356
Total Equity	**1,091,200**	1,031,448

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

These unaudited condensed consolidated interim financial statements have been prepared under the historic cost convention, as modified by the revaluation of investment properties and investments which are carried at their fair values.

The accounting policies and basis of preparation used in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those used in the annual accounts for the year ended October 31, 2009.

In the current interim period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on November 1, 2009. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); HKASs and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current year and prior years except as stated below.

(a) HKAS 1 (Revised) Presentation of Financial Statements

HKAS 1 (Revised) "Presentation of Financial Statements" affects certain disclosures and presentation of the financial statements. The balance sheet is renamed as the statement of financial position and the cash flow statement is renamed as the statement of cash flows. All income and expenses arising from transactions with non-owners are presented in the statement of comprehensive income, and the total carried to the statement of changes in equity. The owner changes in equity are presented in the statement of changes in equity. These presentation requirements have been applied retrospectively in these condensed consolidated financial statements.

(b) HKFRS 8 Operating Segments

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. Previously, HKAS 14 "Segment Reporting" required an entity to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's system of internal financial reporting to key management personnel serving as the starting point for the identification of such segments. HKFRS 8 results in a redesignation of the Group's reportable segments, but has had no impact on the reported results or financial position of the Group. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group's most senior executive management. Corresponding amounts have been provided on a basis consistent with the revised segment information.

HKFRS 8 has been applied retrospectively.

(c) Improvements to HKFRSs (2008) — Amendments to HKAS 40 Investment Property

As a result of the amendments to HKAS 40, investment property which is under construction will be carried at fair value at the earlier of when the fair value first becomes reliably measurable and the date of completion of the property. Any gain or loss will be recognised in profit or loss. Previously such property was carried at cost until the construction was completed, at which time it was fair valued with any gain or loss being recognised in profit or loss. This amendment is applied prospectively. As a result of this amendment, the Group's certain properties under development have been reclassified to investment properties as at November 1, 2009.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

2. TURNOVER AND SEGMENT INFORMATION

The Group is principally engaged in four reportable segments as follows:

— Exhibition and event marketing services;

— Brand signage and visual communication;

— Museum, themed environment, interior and retail; and

— Conference and show management.

(a) Segment information

Information about reportable segment revenue, profit or loss:

	Exhibition and event marketing services Unaudited *HK$'000*	**Brand signage and visual communication Unaudited** *HK$'000*	**Museum, themed environment, interior and retail Unaudited** *HK$'000*	**Conference and show management Unaudited** *HK$'000*	**Total Unaudited** *HK$'000*
For the six months ended April 30, 2010					
Revenue from external customers	**1,228,596**	**132,881**	**54,785**	**44,160**	**1,460,422**
Intersegment revenue	**108,390**	**565**	**3,280**	**—**	**112,235**
Segment profit	**83,829**	**12,806**	**1,548**	**11,795**	**109,978**
Interest income	**1,462**	**635**	**1**	**5**	**2,103**
Interest expenses	**1,881**	**—**	**—**	**107**	**1,988**
Share of profits (losses) of associates	**(725)**	**—**	**—**	**2,252**	**1,527**
Share of profits (losses) of jointly controlled entities	**(254)**	**—**	**9,238**	**—**	**8,984**

	Exhibition and event marketing services Unaudited *HK$'000*	Brand signage and visual communication Unaudited *HK$'000*	Museum, themed environment, interior and retail Unaudited *HK$'000*	Conference and show management Unaudited *HK$'000*	Total Unaudited *HK$'000*
For the six months ended April 30, 2009					
Revenue from external customers	860,453	96,530	63,226	29,525	1,049,734
Intersegment revenue	97,613	1,561	1,087	3,221	103,482
Segment profit	83,959	7,956	595	5,799	98,309
Interest income	2,879	198	—	4	3,081
Interest expenses	1,228	—	13	171	1,412
Share of profits (losses) of associates	(2,768)	(580)	—	3,500	152
Share of losses of jointly controlled entities	(327)	—	—	(316)	(643)

(b) **Reconciliation of reportable segment revenue, profit or loss:**

	For the six months ended April 30,	
	2010	2009
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Revenue		
Total revenue of reportable segments	**1,572,657**	1,153,216
Elimination of intersegment revenue	**(112,235)**	(103,482)
Consolidated revenue	**1,460,422**	1,049,734
Profit or loss		
Total profits of reportable segments	**120,604**	99,487
Unallocated amounts:		
Corporate expenses	**(19,597)**	(15,141)
Consolidated profit before tax	**101,007**	84,346

3. FINANCE COSTS

	For the six months ended April 30,	
	2010	2009
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Interest on bank borrowings	**1,926**	1,304
Finance charges in respect of finance lease obligations	**62**	108
Total borrowing costs	**1,988**	1,412

4. INCOME TAX EXPENSE

	For the six months ended April 30, **2010** **Unaudited** ***HK$'000***	2009 Unaudited *HK$'000*
The charge comprises:		
Profits tax for the period		
Hong Kong	**1,298**	—
Overseas	**15,196**	14,654
Under (over) provision in prior periods		
Hong Kong	**66**	(76)
Overseas	**(317)**	(166)
	16,243	14,412
Deferred tax	**687**	1,000
	16,930	15,412

Hong Kong profits tax is calculated at 16.5% (2009: 16.5%) on the estimated assessable profit for the period. A portion of the Group's profit is derived offshore and is not subject to Hong Kong profits tax.

Tax charge on profits assessable elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The Group did not have any significant unprovided deferred tax for the period.

5. PROFIT FOR THE PERIOD

	For the six months ended April 30, **2010** **Unaudited** ***HK$'000***	2009 Unaudited *HK$'000*
Profit for the period has been arrived at after charging:		
Depreciation	**17,992**	18,678
Amortisation of intangible assets	**365**	389
Cost of inventories sold	**98,631**	93,842
Allowance for bad and doubtful debts	**1,362**	2,378
Loss on disposal of property, plant and equipment	**7**	160
Operating lease rentals in respect of:		
— Amortisation of prepaid land lease payments	**581**	560
and after crediting:		
Interest income	**2,103**	3,081
Gain on disposal of property, plant and equipment	**150**	37

6. DIVIDENDS PAID

	For the six months ended April 30, 2010	2009
	Unaudited	Unaudited
	HK$'000	*HK$'000*
2009 final dividend — HK3.5 cents per share (2008: HK2.0 cents per share)	**41,896**	23,924

Notes:

(a) The 2009 final dividend of the year ended October 31, 2009 of HK$41,896,000 (2008: HK$23,924,000), were approved after the balance sheet date. Under the Group's accounting policy, they were charged in the periods in which they were proposed and approved.

(b) The Board has determined that an interim dividend of HK3.5 cents per share (2009: HK2.5 cents) be payable on Friday, August 6, 2010 to the shareholders on the register of members of the Company on Friday, July 30, 2010.

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	For the six months ended April 30, 2010	2009
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share	**81,280**	60,422
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,196,877,695**	1,196,196,104
Effect of dilutive potential ordinary shares in respect of options	**4,305,496**	709,135
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,201,183,191**	1,196,905,239

8. DEBTORS, DEPOSITS AND PREPAYMENTS

The Group allows an average credit period of 30 to 90 days to its trade customers.

Included in debtors, deposits and prepayments are trade debtors of approximately HK$526,962,000 (as at October 31, 2009: HK$523,062,000), an ageing analysis of which at the reporting date is as follows:

	April 30, 2010 Unaudited *HK$'000*	October 31, 2009 Audited *HK$'000*
0 — 90 days	**416,237**	420,105
91 — 180 days	**77,353**	64,456
181 — 365 days	**24,413**	25,292
More than 1 year	**8,959**	13,209
	526,962	523,062

9. CREDITORS AND ACCRUED CHARGES

Included in creditors and accrued charges are trade creditors of approximately HK$272,803,000 (as at October 31, 2009: HK$263,354,000), an ageing analysis of which at the reporting date is as follows:

	April 30, 2010 Unaudited *HK$'000*	October 31, 2009 Audited *HK$'000*
0 — 90 days	**203,014**	204,621
91 — 180 days	**50,120**	30,537
181 — 365 days	**6,801**	12,580
More than 1 year	**12,868**	15,616
	272,803	263,354

INTERIM DIVIDEND

The Board recommends the payment of an interim dividend of HK3.5 cents per share for the six months ended April 30, 2010 (six months ended April 30, 2009: HK2.5 cents). The interim dividend will be payable on Friday, August 6, 2010 to shareholders on the register of members of the Company on Friday, July 30, 2010.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members will be closed from Tuesday, July 27, 2010 to Friday, July 30, 2010, both days inclusive, during which period no transfers of shares will be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Union Registrars Limited, at 18 Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, not later than 4:00pm on Monday, July 26, 2010.

BUSINESS REVIEW AND PROSPECTS

Results

Group revenue for the six months ended April 30, 2010 increased by 39% compared with the previous corresponding period to HK$1,460 million.

Profit attributable to owners of the Company increased by 35% to HK$81.3 million.

Basic earnings per share is HK6.79 cents compared with HK5.05 cents in the previous corresponding period. The Board has recommended an interim dividend of HK3.5 cents per ordinary share, compared with HK2.5 cents in the previous corresponding period.

Review of Operations

Our business in North America and Europe continues to be hobbled by the aftermath of the global financial crisis and the more recent European debt crisis. At the end of last year, we reported that we had discontinued our operations in continental Europe. During the period under review, we have also reduced our overheads in North America significantly. The current scale of operations in both regions is much smaller than a year ago. Their operations should not adversely affect the Group's results in the next six months even if the situation does not improve.

Our business in Asia and the Middle East remains resilient and all material operating units remain profitable. Some of the most significant projects that we undertook during the period under review included the 5th East Asian Games in Hong Kong, the APEC meetings in Singapore, Singapore Air show, Langkawi International Maritime and Aerospace Exhibition, Dubai Air show, China Sourcing Fairs in Mumbai and Hong Kong, and various pavilions at the Shanghai World Expo 2010.

About 50% of the turnover relating to Shanghai World Expo 2010 has been recognised during the period under review, and the rest would be recognised in the second half of this financial year. As the cost of sales in the Shanghai World Expo 2010 includes all direct overheads that are identified to this project, its gross margin is lower than the usual business. Excluding this effect, the Group's gross margin is still resilient and comparable to previous years.

Our brand signage business has a strong foothold in Shanghai and a good presence in Guangzhou and Beijing. Besides existing customers, we have won the worldwide Rolls-Royce customer lounge contract and the Thomson Reuters rebranding contracts for China and Asia.

Associates' contribution comes mainly from our share of the Singapore International Furniture Fair which is held once a year. Our 30% share of Xi'an Greenland Pico International Convention and Exhibition Company Limited contributed a loss of about HK$3.2 million.

Share of profits from jointly controlled entities comes from projects that we undertook in the integrated resorts in Singapore.

Liquidity and Financial Information

The total net tangible assets of the Group were HK$1,005 million (at October 31, 2009: HK$951 million). At April 30, 2010, the bank and cash balances, including pledged bank deposits was approximately HK$709 million, representing an increase of HK$85 million or 14% when compared with HK$624 million on October 31, 2009. The Group's total borrowings decreased by HK$31 million compared with that on October 31, 2009. Amount due within one year was HK$22 million (at October 31, 2009: HK$54 million), and the remaining portion due more than one year amounted to HK$40 million (at October 31, 2009: HK$39 million).

The liquidity ratios of the Group as at April 30, 2010 are as follows:

			April 30, 2010	October 31, 2009
(i)	Current ratio	(Current assets/Current liabilities)	**1.52 times**	1.56 times
(ii)	Liquidity ratio	(Current assets – excluding inventories and contract work in progress/Current liabilities)	**1.48 times**	1.50 times
(iii)	Gearing ratio	(Long term borrowings/Total assets)	**1.88%**	2.03%

In terms of liquidity, the Group continues to preserve our sound financial position. The current ratio, liquidity ratio and gearing ratio were stable. All in all, the long term and short term liquidity continue to be healthy, and the existing financial position can facilitate us to capitalise on any future business opportunities.

Although our subsidiaries are located in many different countries of the world, over 78% of the Group's sales and purchases were denominated in Hong Kong dollars, Renminbi ("RMB"), Singapore dollars and US dollars, and the remaining 22% were denominated in other Asian currencies and European currencies. Bank borrowings are mainly denominated in Singapore dollars and the interest is charged on floating and fixed rate basis.

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Hong Kong dollars, RMB, US dollars and Singapore dollars. The Group currently does not have a foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group monitors its foreign currency exposure closely and considers hedging significant foreign currency exposure should the need arise.

Employees and Emoluments Policies

At April 30, 2010, the Group employs a total of some 2,200 full time employees (at October 31, 2009: 2,400) engaged in project management, design, production, sales and marketing and administration, which was supported by a large pool of subcontractors and suppliers. The staff costs incurred in the period was HK$222 million (six months ended April 30, 2009: HK$207 million).

The Group's emolument policies are formulated on the performance of individual employees and on the basis of the trends of salaries in various regions, which will be reviewed regularly every year. Apart from provident fund scheme and medical insurance, discretionary bonuses and employee share options are also awarded to employees according to the assessment of individual performance.

Pledge of Assets

At April 30, 2010, the following assets were pledged as collaterals for credit facilities granted to the Group by certain banks.

	April 30, 2010 Unaudited *HK$'000*	October 31, 2009 Audited *HK$'000*
Pledged bank deposits	**4,210**	4,158
Bank and cash balances	**1,156**	5,271
Freehold land and buildings	**15,781**	15,431
Leasehold land	**3,999**	4,056
Leasehold buildings	**11,303**	11,426
Trade debtors	**1,877**	2,851
Equipment	**50**	76
Deposits, prepayment and other debtors	**613**	645
	38,989	43,914

Commitments

(a) Operating Lease Commitments

At April 30, 2010, the Group had the total future minimum lease payments under non-cancellable operating leases in respect of rented premises and equipment are payable as follows:

	April 30, 2010		October 31, 2009	
	Rented premises Unaudited *HK$'000*	**Equipment Unaudited *HK$'000***	Rented premises Audited *HK$'000*	Equipment Audited *HK$'000*
Within one year	**23,512**	**812**	18,073	773
In the second to fifth years inclusive	**53,397**	**1,098**	39,870	1,347
Over five years	**94,712**	**—**	88,424	—
	171,621	**1,910**	146,367	2,120

(b) Capital Commitments

	April 30, 2010 Unaudited ***HK$'000***	October 31, 2009 Audited *HK$'000*
Capital expenditure in respect of property, plant and equipment		
— contracted but not provided for	**1,050**	50,433
— authorised but not contracted for	**—**	—
	1,050	50,433

The Company did not have any other significant capital commitments at April 30, 2010.

Contingent Liabilities

Pico International (Macao) Limited ("Pico Macao"), a subsidiary of the Company, was sued by Redland Precast Concrete Products (Macau) Limited ("Redland") for unpaid invoices in the total amount of MOP6.6 million or HK$6.3 million for materials and products in Macau in 2007. Pico has counterclaimed in excess of HK$6.3 million for substantial delay to the works package which we believe was caused by the late, defective or failed delivery of Redland's goods. It is difficult to make an estimate on the ultimate liability, if any.

Financial Guarantees issued

At April 30, 2010, the Group has issued the following guarantees:

	THE GROUP		THE COMPANY	
	April 30, 2010	October 31, 2009	**April 30, 2010**	October 31, 2009
	Unaudited	Audited	**Unaudited**	Audited
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Guarantees given to banks in respect of banking facilities granted to				
— subsidiaries	**—**	—	**336,325**	336,325
— associates	**34,125**	38,053	**34,125**	38,053
— jointly controlled entities	**2,381**	2,567	**—**	—
	36,506	40,620	**370,450**	374,378
Performance guarantees				
— secured	**1,008**	81	**—**	—
— unsecured	**19,562**	60,582	**—**	—
	20,570	60,663	**—**	—
Other guarantees				
— secured	**—**	745	**—**	—
— unsecured	**513**	3,177	**—**	—
	513	3,922	**—**	—

At April 30, 2010, the Directors do not consider it is probable that a claim will be made against the Group under any of the above guarantees.

The fair value of the guarantees at date of inception is not material and is not recognised in the financial statements.

Prospects

The exhibition business will remain resilient barring any unforeseen economic upheaval.

In the second half of the year, we will complete the Shanghai World Expo 2010 project and be involved in the provision of temporary facilities at the Youth Olympic Games in Singapore, the Formula 1 SingTel Singapore Grand Prix and the Commonwealth Games in Delhi.

We have also started thematic works at the Ocean Park Hong Kong and facade works at the Cotai Strip for the Venetian Macao.

At the beginning of the next financial year, we will be involved in the provision of temporary facilities at the Asian Beach Games in Oman in December 2010, and we are hopeful of winning contracts at the Asian Games in Guangzhou in November 2010. We have also been appointed as the sole creative director and project manager of the schematic design of the Korea Robot Land in Incheon to be completed by 2010. It is the world's first robot-themed park and is scheduled to open in 2013. This will give us a strong local footing when it comes to bidding for projects at the next World Expo 2012 to be held in South Korea.

While the Group still relies on the strength of its Asian business, particularly China market, we are also looking forward to a gradual recovery of the North America market and the end of the European debt crisis to improve our overall business outlook.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period ended April 30, 2010, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

During the six months ended April 30, 2010, the Company has complied with the provisions of the Code on Corporate Governance Practices (the "CG Code Provision") as set out in Appendix 14 of the Listing Rules, except for the following deviations:

CG Code Provision A2.1 stipulates that the role of the Chairman and the Chief Executive Officer should be separated and should not be performed by the same individual. Given the current corporate structure, there is no separation between the roles of the Chairman and the Chief Executive Officer. Although the responsibilities of the Chairman and the Chief Executive Officer are vested in one person, all major decisions are made in consultation with the Board members and the senior management of the Company. There are three Independent Non-Executive Directors and one Non-Executive Director in the Board. The Board considers that there is sufficient balance of power and the current arrangement maintains a strong management position of the Company.

CG Code Provision A4.1 requires that Non-Executive Directors should be appointed for a specific term, subject to re-election. All existing Non-Executive Directors of the Company are not appointed for specific term, but are subject to retirement and re-election at the Company's annual general meeting. The Articles of Association of the Company requires one-third of the Directors retire by rotation. In the opinion of the Directors, it meets the same objective as the CG Code Provision A4.1.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the "Mode Code") as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry, the Company confirms that the Directors complied with the required standard set out in the Model Code for the period ended April 30, 2010.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited interim financials.

DISCLOSURE OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of Hong Kong Exchange and Clearing Limited at http://www.hkexnews.hk under "Latest Information" and at the Company website at http://www.pico.com.

The 2010 interim report of the Company containing financial statements and notes to the financial statements will be dispatched to the shareholders of the Company and will be published on the above websites in due course.

By Order of the Board
Leung Hoi Yan
Company Secretary

Hong Kong, June 29, 2010

As at the date of this announcement, (i) the executive directors of the Company are Mr. Lawrence Chia Song Huat, Mr. James Chia Song Heng and Mr. Mok Pui Keung; (ii) the non-executive director is Mr. Frank Lee Kee Wai; (iii) the independent non-executive directors are Mr. Gregory Robert Scott Crichton, Mr. Charlie Yucheng Shi and Mr. James Patrick Cunningham.