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Pioneer

PIONEER GLOBAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00224)

**MAJOR TRANSACTION: DISPOSAL OF PROPERTIES
AND RESUMPTION OF TRADING**

On 29 November 2010, Supreme Success and Nice Fortune, the wholly-owned subsidiaries of the Company, entered into the Provisional Agreement with the Purchaser, pursuant to which the Purchaser agreed to acquire the Properties for a total consideration of HK\$190.0 million payable in cash.

The Transaction constitutes a major transaction of the Company under Rule 14.06(3) of the Listing Rules and is subject to the approval of Shareholders. As no Shareholder has any interest in the Provisional Agreement, none of the Shareholders is required to abstain from voting if the Company convenes a general meeting for approving the Transaction. In addition, the Company shall obtain written approval from a closely allied group of shareholders who together hold more than 50% in nominal value of the securities giving the right to attend and vote at general meeting to approve the Transaction. The written approval from the closely allied group of shareholders will be in lieu of holding a physical shareholders' meeting.

A circular relating to the Transaction will be dispatched to the Shareholders in accordance of the Listing Rules.

RESUMPTION OF TRADING

Trading in the shares of the Company was suspended at the request of the Company with effect from 9:33 a.m. on 30 November 2010, pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the trading in the shares to resume from 9:30 a.m. on 2 December 2010 following the publication of this announcement.

THE PROVISIONAL SALE AND PURCHASE AGREEMENT (THE “PROVISIONAL AGREEMENT”)

Date of the Provisional Agreement:

29 November 2010

Vendor:

Supreme Success and Nice Fortune, the wholly owned subsidiaries of the Company

Purchaser:

Maycarol Company Limited, a limited liability company incorporated in Hong Kong with principal activity of investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Maycarol Company Limited and its ultimate beneficial owners is a third party independent of the Company and any connected person of the Company and is not a connected person of the Company.

Properties to be disposed:

Property units held by Supreme Success

- (1) Unit No. 1-33, Unit No. 34A, 34B, 36A, 36B and Unit No. 38-45 on the Portion of the Basement of the Podium of Blocks 1, 2 and 3, City Garden, No. 233 Electric Road, Hong Kong (the “Basement Units”);
- (2) Unit No. 1 and Unit No. 2 on the Portion of the Ground Floor of the Podium of Blocks 1, 2 and 3, City Garden, No. 233 Electric Road, Hong Kong and portion of exterior wall thereof for signboard; and
- (3) Unit No. 1 and Unit No. 87 on the Portion of the 1st Floor of the Podium of Blocks 1, 2 and 3, City Garden, No. 233 Electric Road, Hong Kong and portion of exterior wall thereof for signboard.

Property units held by Nice Fortune

Unit No. 47 and Unit No. 59 on the Portion of the 1st Floor of the Podium of Blocks 1, 2 and 3, City Garden, No. 233 Electric Road, Hong Kong and portion of exterior wall thereof for signboard.

Consideration:

The total consideration for the Properties is HK\$190.0 million payable in cash, of which HK\$150.0 million is paid to Supreme Success and HK\$40.0 is paid to Nice Fortune. The Consideration was determined with reference to the comparable market value of similar properties within the vicinity after arm's length negotiations between the parties.

Payment Terms:

4.7% of the total consideration was paid on signing of the Provisional Agreement. 4.9% of the total consideration shall be paid upon signing of formal sale and purchase agreement on or before 17 December 2010. The balance shall be paid upon completion of the Transaction on or before 28 February 2011.

Date of Completion:

Completion of the Transaction shall take place on or before 28 February 2011.

Special Provisions:

- (1) The Properties must be purchased and sold together as a whole;
- (2) Regardless the handover condition (physical and/or occupancy) and the existing litigation taken by the Vendor against the current tenant of the Basement Units, both the Vendor and the Purchaser shall be obliged to complete the Transaction in accordance with the Provisional Agreement.

INFORMATION ON THE PROPERTIES

The Properties are retail properties acquired by the Group in 2005 and have a total gross floor areas of 63,840 sq. ft.. The revenue, fair value gain/(loss) on revaluation of investment properties and net profit/(loss) before and after taxation attributable to the Properties for the years ended 31 March 2009 and 31 March 2010 were as follows:

Property units held by Supreme Success:

	For the year ended	
	31 March 2010	31 March 2009
Revenue	HK\$5.5 million	HK\$4.5 million
Fair value gain/(loss) on revaluation of investment properties	HK\$16.1 million	HK\$(8.2) million
Net profit/(loss) before taxation	HK\$11.8 million	HK\$(9.2) million
Net profit/(loss) after taxation	HK\$8.4 million	HK\$(7.3) million

Property units held by Nice Fortune:

	For the year ended	
	31 March 2010	31 March 2009
Revenue	HK\$1.1 million	HK\$1.3 million
Fair value gain/(loss) on revaluation of investment properties	HK\$4.4 million	HK\$(4.4) million
Net profit/(loss) before taxation	HK\$4.8 million	HK\$(3.7) million
Net profit/(loss) after taxation	HK\$4.0 million	HK\$(3.0) million

The carrying values of the property units held by Supreme Success and Nice Fortune were valued at HK\$112.2 million and HK\$30.0 million respectively by a professional independent valuer, AA Property Services Limited at 30 September 2010.

EFFECT OF THE TRANSACTION AND USE OF PROCEEDS

The effect of the Transaction is that the Group shall have (i) a net decrease of HK\$31.4 million in assets; (ii) a decrease of HK\$78.1 million in liabilities; (iii) a decrease of HK\$2.4 million annual operating profit; and (iv) a decrease of HK\$1.3 million annual finance costs.

Upon disposal, the Group shall record a total capital gain of approximately HK\$54.6 million, of which HK\$7.9 million was already reported in previous fiscal years and HK\$46.7 million shall be reported in the financial year ending 31 March 2011. This is arrived at after deducting the carrying value of the Properties and certain selling and legal costs from the Consideration.

After repaying the existing mortgage loans of the Properties, the net proceeds of about HK\$110.8 million from the disposal will be used to repay bank loans of the Group.

REASONS AND BENEFITS OF THE TRANSACTION

The principal activities of the Group are property and hotel investments and asset management. The Transaction is beneficial to the Group as it will crystalize the capital gain earned and the net proceeds will be used to reduce the debts of the Group. The Directors believe that the terms of the Provisional Agreement are fair and reasonable and in the best interest of the Company and Shareholders as a whole.

GENERAL

Under the Listing Rules, the disposal constitutes a major transaction which is subject to the approval of Shareholders. The Company shall obtain a written shareholders' approval from a closely allied group of shareholders who together hold more than 50% in nominal value of the securities giving the right to attend and vote at general meeting to approve the Transaction:

- (1) Forward Investments Inc., wholly owned by the YCK Trust, a discretionary trust, of which Madam Y.C. Koo, the mother of Rossana Wang Gaw (an executive director of the Company) is the sole beneficiary, owns 181,388,105 shares (23.58%) of the Company;
- (2) Asset-Plus Investments Ltd., wholly and beneficially owned by Winfred Ho and Elsa Wang Ho who are a married couple and respectively the brother-in-law and sister of Rossana Wang Gaw (an executive director of the Company), owns 68,076,076 shares (8.85%) of the Company;
- (3) Intercontinental Enterprises Corporation, wholly owned by the KYC 1991 Trust, a discretionary trust, of which Rossana Wang Gaw (an executive director of the Company) is the sole beneficiary, owns 123,148,701 shares (16.01%) of the Company;
- (4) Vitality Holdings Limited, wholly owned by Rossana Wang Gaw (an executive director of the Company), owns 15,934,364 shares (2.07%) of the Company;
- (5) Rising Crescent Enterprises Limited, wholly owned by the RGK Trust, a discretionary trust, of which Kenneth Gaw, an executive director of the Company (the son of Rossana Wang Gaw, an executive director of the Company) is the sole beneficiary, owns 27,537,243 shares (3.58%) of the Company;

- (6) Top Elite Company Limited, wholly owned by Kenneth Gaw (an executive director of the Company), owns 8,453,375 shares (1.10%) of the Company; and
- (7) Kenneth Gaw (an executive director of the Company) owns 1,805,527 shares (0.23%) of the Company.

The closely allied group has been Shareholders for over 8 years and has been voting in the same way in all resolutions since they became Shareholders, including previous 2 major transactions: Acquisition of Property dated 21 July 2009 and Acquisition of Property at City Garden Podium dated 18 February 2005. They are together considered as acting in concert under the Takeovers Code and have no interest in this major transaction which is different from other Shareholders. The Company confirms that the closely allied group of shareholders and their ultimate beneficial owners and their respective associates have not dealt in and are aware that they must not deal in the Company's securities before information relating the Transaction is made available to the public. The written approval from the closely allied group of shareholders will be in lieu of holding a physical shareholders' meeting.

A circular relating to the Transaction will be dispatched to the Shareholders in accordance with the Listing Rules. The Company expects that the circular will be dispatched on or before 22 December 2010.

RESUMPTION OF TRADING

Trading in the shares of the Company was suspended at the request of the Company with effect from 9:33 a.m. on 30 November 2010, pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the trading in the shares to resume from 9:30 a.m. on 2 December 2010 following the publication of this announcement.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“Company”	Pioneer Global Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People's Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Nice Fortune”	Nice Fortune Limited, a limited liability company incorporated in Hong Kong, being a wholly owned subsidiary of the Company
“Properties”	Property units held by Supreme Success and Nice Fortune
“Shareholder(s)”	holders of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supreme Success”	Supreme Success Limited, a limited liability company incorporated in Hong Kong, being a wholly owned subsidiary of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Transaction”	The sale and purchase of the Properties between the Vendor and the Purchaser
“Vendor”	Supreme Success Limited and Nice Fortune Limited, each of which being the wholly owned subsidiary of the Company

As at the date of this announcement, the executive directors of the Company are Mrs. Rossana Wang Gaw, Mr. Goodwin Gaw, Mr. Kenneth Gaw and Ms. Jane Kwai Ying Tsui. The independent non-executive directors of the Company are Dr. Charles Wai Bun Cheung, J.P., Mr. Stephen Tan and Mr. Arnold Tin Chee Ip.

By order of the Board
Kenneth Gaw
Managing Director

Hong Kong, 1 December 2010