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Pioneer

PIONEER GLOBAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00224)

DISCLOSEABLE TRANSACTION:

DISPOSAL OF SHARES IN DUSIT THANI PUBLIC COMPANY LIMITED

On 9 May 2018, the Group sold 43,458,860 Dusit Shares for a total consideration of Baht 434.6 million (equivalent to HK\$106.5 million). Following the completion of the Disposal, the Company ceased to be interested in Dusit.

As one of the applicable percentage ratios for the Disposal exceeds 5% but less than 25% per Rule 14.07 of the Listing Rules, the Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DISPOSAL OF DUSIT SHARES

On 9 May 2018, the Group disposed of a total of 43,458,860 Dusit Shares, representing approximately 5.11% of the issued share capital of Dusit as at the date of this announcement, through Yuanta Securities (Thailand) Company Limited, being a brokerage company, at the price of Baht 10.0 (equivalent to HK\$2.451) per Dusit Share, for a total consideration of Baht 434.6 million (equivalent to HK\$106.5 million).

As the Disposal was made via a brokerage company, which is an independent third party to the Company, the Company is not aware of the identities of the purchaser(s) of the Dusit Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the Dusit Shares and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets disposed of

The Group disposed of a total of 43,458,860 Dusit Shares, representing approximately 5.11% of the issued share capital of Dusit as at the date of this announcement. Before the Disposal, the Group held a total of 43,458,860 Dusit Shares. Following the completion of the Disposal, the Company ceased to be interested in Dusit.

Consideration

Comparing to the closing price of Baht 10.2 (equivalent to HK\$2.500) per Dusit Share on the Stock Exchange of Thailand on 8 May 2018 and the average closing price of Baht 10.4 (equivalent to HK\$2.549) per Dusit Share for the last 5 consecutive trading days immediately prior to the date of Disposal, the sale price of Baht 10.0 (equivalent to HK\$2.451) for each Dusit Share represents a discount of approximately 2.0% and 3.8% respectively.

The consideration of Baht 434.6 million (equivalent to HK\$106.5 million) shall be received in full by cash two days after transaction date. Such consideration was determined with reference to the trading share price of Dusit Shares. The Directors (including all the independent non-executive directors) consider that the Disposal has been made on normal commercial terms and that such terms are fair and reasonable and in the interests of the Company and Shareholders as a whole.

INFORMATION ABOUT DUSIT

Dusit is a company incorporated in Thailand whose shares are listed on the Stock Exchange of Thailand. According to publicly available information, the principal activities of Dusit and its subsidiaries are hotel business, hotel management and education.

The financial information of Dusit is set out as follows:

	For the year ended 31 December			
	2016 (audited)		2017 (audited)	
	<i>HK\$ million equivalent (at exchange rate of Baht million</i>		<i>HK\$ million equivalent (at exchange rate of Baht million</i>	
Revenue	5,425.1	1,155.5	5,569.7	1,317.2
Profit before taxation	141.4	30.1	411.3	97.3
Profit after taxation	152.9	32.6	332.4	78.6
Net asset value	5,354.1	1,140.4	5,880.7	1,390.8
Net asset value per Dusit Share	Baht 6.30	HK\$1.34	Baht 6.92	HK\$1.64
Dividend per Dusit Share	Baht 0.10	HK\$0.02	Baht 0.16	HK\$0.04

REASONS AND BENEFITS FOR THE DISPOSAL AND USE OF PROCEEDS

The Company is principally engaged in property investment and hotel investment, and other investments.

The Group's shareholding in Dusit has been accounted for as financial assets at fair value through other comprehensive income since HKFRS 9 has been adopted on 1 April 2018 (formerly accounted for as available for sale investments as at 31 March 2018 under HKAS 39) and stated at fair value in the financial statements of the Company and its change in fair value of investment has been recognized in equity. As a result of the Disposal, the Group shall realize a net gain of approximately HK\$71.1 million among which HK\$0.1 million will be recognized as other comprehensive income in the financial year ending 31 March 2019 and HK\$71.0 million accumulated in investment revaluation reserve in previous years will be transferred to retained earnings. The net gain on Disposal is calculated on the basis of the difference between the consideration of the Disposal and the investment cost of the 43,458,860 Dusit Shares plus certain selling expenses. The 43,458,860 Dusit Shares were purchased for HK\$34.4 million at Baht 4.0 (equivalent to HK\$0.79 at the exchange rate of 0.1982) per Dusit Share in 2002. The return (capital gain, exchange gain plus dividends) multiple of this investment is about 3.6 times.

The net sale proceeds of approximately HK\$105.4 million will be reserved for future investments by the Group.

LISTING RULES IMPLICATION

As one of the applicable percentage ratios for the Disposal exceeds 5% but less than 25% per Rule 14.07 of the Listing Rules, the Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Pioneer Global Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the director(s) of the Company
“Disposal”	the disposal of 43,458,860 Dusit Shares by the Group on 9 May 2018 for a total consideration of Baht 434.6 million (equivalent to HK\$106.5 million)
“Dusit”	Dusit Thani Public Company Limited, a company incorporated in Thailand, the shares of which are listed on the Stock Exchange of Thailand (stock code: DTC)

“Dusit Share(s)”	ordinary share(s) in the issued share capital of Dusit
“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
“Shareholder(s)”	holders of shares of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
Pioneer Global Group Limited
Kenneth Gaw
Managing Director

Hong Kong, 9 May 2018

As at the date of this announcement, the executive directors of the Company are Mrs. Rossana Wang Gaw, Mr. Goodwin Gaw, Mr. Kenneth Gaw, Ms. Christina Gaw and Mr. Alan Kam Hung Lee. 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.

For the purpose of illustration only and unless otherwise stated, conversion of Baht into Hong Kong dollars in this announcement is based on the exchange rate of Baht 1 to HK\$0.2451. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.