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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Pioneer Global Group Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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**Pioneer**  
**PIONEER GLOBAL GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00224)**

**MAJOR TRANSACTION: DISPOSAL OF PROPERTIES**

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## DEFINITIONS

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*In this circular, 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
“Latest Practicable Date”	16 December 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“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

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## DEFINITIONS

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“Vendor”

Supreme Success Limited and Nice Fortune Limited, each of which being the wholly owned subsidiary of the Company

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LETTER FROM THE BOARD

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**Pioneer**  
**PIONEER GLOBAL GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00224)**

*Executive Directors:*

Rossana Wang Gaw (*Chairman*)  
Goodwin Gaw (*Vice Chairman*)  
Kenneth Gaw (*Managing Director*)  
Jane Kwai Ying Tsui

*Independent Non-executive Directors:*

Dr. Charles Wai Bun Cheung, *JP*  
Stephen Tan  
Arnold Tin Chee Ip

*Registered Office:*

Canon's Court, 22 Victoria Street  
Hamilton HM 12  
Bermuda

*Principal Place of Business and  
Head Office in Hong Kong:*

20th Floor,  
Lyndhurst Tower,  
No. 1 Lyndhurst Terrace,  
Central, Hong Kong

22 December 2010

*To Shareholders*

Dear Sir/Madam

**MAJOR TRANSACTION: DISPOSAL OF PROPERTIES**

**INTRODUCTION**

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 purpose of this circular is to provide the Shareholders with further information in relation to the Transaction. Details of the Transaction are as follows:

**THE PROVISIONAL SALE AND PURCHASE AGREEMENT (THE "PROVISIONAL AGREEMENT")**

**Date of the Provisional Agreement:**

29 November 2010

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## LETTER FROM THE BOARD

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**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 Nos. 1-33 and Unit Nos. 34A, 34B, 36A, 36B and Unit Nos. 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*

- (4) 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 for the property units held by Supreme Success and HK\$40.0 million for the property units held by 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.

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## LETTER FROM THE BOARD

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### 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; and
- (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:*

	<b>For the year ended</b>	
	<b>31 March 2010</b>	<b>31 March 2009</b>
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:*

	<b>For the year ended</b>	
	<b>31 March 2010</b>	<b>31 March 2009</b>
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.

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## LETTER FROM THE BOARD

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### 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 consider that the terms of the Provisional Agreement and the contemplated Transaction are on normal commercial terms and are fair and reasonable and in the best interest, and for the benefit of, the Company and the Shareholders as a whole.

### MAJOR TRANSACTION AND APPROVAL BY SHAREHOLDERS

Under the Listing Rules, the disposal constitutes a major transaction which is subject to the approval of Shareholders. The Company has obtained 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;



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## LETTER FROM THE BOARD

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- (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.

### LISTING RULES IMPLICATION

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. To the best of the Directors' knowledge, information and belief, no Shareholders, including the closely allied group of shareholders, have any material interest in the Transaction, and hence no Shareholders are required to abstain from voting if the Company were to convene a general meeting for the approval of the Transaction. The written approval from the closely allied group of shareholders will be in lieu of holding a physical shareholders' meeting.

Yours faithfully,  
For and on behalf of  
**Pioneer Global Group Limited**  
**Kenneth Gaw**  
*Managing Director*

**1. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the present available financial resources of the Group and the proceeds from the disposal, the Group has sufficient working capital for its present requirements and for the period up to twelve months from the date of this circular in the absence of unforeseen circumstances.

**2. INDEBTEDNESS****Borrowings**

At the close of business on 30 November 2010, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had aggregate outstanding bank borrowings of approximately HK\$1,213.5 million. The bank borrowings of the Group are secured by corporate guarantees, certain investment properties, leasehold property and available for sale investments with an aggregate carrying value of approximately HK\$3,178.0 million as at 30 November 2010.

**Contingent liabilities**

At the close of business on 30 November 2010, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had no material contingent liabilities.

**Disclaimers**

Save as aforesaid and apart from intra-group liabilities and normal trade payables, the Group did not, at the close of business on 30 November 2010, have any outstanding mortgages, charges, debentures or other loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, liabilities under acceptances or acceptances credits, finance leases or hire purchase commitments, guarantees or other material contingent liabilities.

**3. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 March 2010, the date to which the latest published audited consolidated financial statements of the Group were made up.

**4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The principal activities of the Group are property and hotel investments and asset management. After the disposal under the Transaction, the financial position of the Group will be further strengthened with the repayment of bank debts, about HK\$176.5 million. This will enable the Group to seek new investments to enlarge its en bloc property portfolio.

*The following is the text of the letter and valuation certificate received from AA Property Services Ltd., an independent property valuer, prepared for the purpose of incorporation in this circular in connection with its valuation of the properties as at 30th September, 2010.*

**AA Property Services Ltd.****環亞物業顧問有限公司**

Valuation . Agency . Auction . Investment Consultancy . Project &amp; Building Management

Room 602, Mirror Tower  
No. 61 Mody Road,  
Tsimshatsui East,  
Kowloon,  
Hong Kong

22nd December, 2010

The Directors  
Pioneer Global Group Limited  
20th Floor  
Lyndhurst Tower  
No.1 Lyndhurst Terrace  
Central  
Hong Kong

Dear Sirs,

In accordance with your instruction to value the property interests owned by two subsidiaries of Pioneer Global Group Limited (hereinafter referred to as “the Company”) located in Hong Kong, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the property interests as at 30th September, 2010.

Our valuation is our opinion of the market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

The property interests have been valued primarily on the open market basis assuming sale with the benefit of vacant possession by the market approach whereby sales of property of nature and character similar to the property under consideration are collated and analysed in order to arrive at a value appropriate to the property interests and where appropriate on the basis of capitalization of the net income receivable with due allowance for reversionary income potential. Comparisons are made in respect of the locations, sizes and characters between the property and the relevant comparable property in order to arrive at a value appropriate to the property interests.

Our valuation has been made on the assumption that the owners sell the property interests in the open market without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to increase the value of such property interests. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property interests and no allowance has been made for the property interests to be sold in one lot or to a single purchaser.

We have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of property, particulars of occupation, site and floor areas, ages of buildings and all other relevant matters which can affect the values of the property interests.

We have not carried out on-site measurement to verify the site and floor areas of the property under consideration. We have assumed that the site and floor areas supplied to us or as shown on the documents handed to us are correct. We have no reason to doubt the truth and accuracy of the information provided to us. We have also been advised that no material facts have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

We have caused searches to be made at the relevant Land Registry in respect of the property interests under consideration. However, we have not scrutinised the original documents to verify ownership or to verify any lease amendments which may not appear on the copies handed to us. All documents and leases have been used as reference only and all dimensions, measurements and areas are approximate. No on-site measurements have been taken.

We have inspected the properties included in the valuation certificate attached, in respect of which we have been provided with such information as we have required for the purpose of valuation.

No structural survey has been made in respect of the property. However, in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out on any of the building services.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

In this valuation, we have complied with all the requirements contained in Chapter 5 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited; and the HKIS Valuation Standards on Properties (1<sup>st</sup> Edition) published by the Hong Kong Institute of Surveyors and effective from 1st January, 2005.

Our Summary of Valuation and Valuation Certificate are attached.

Yours faithfully,  
For and on behalf of  
**AA PROPERTY SERVICES LIMITED**  
**PATRICK W.C. LAI,**  
MRICS, MHKIS, MCI Arb., RPS  
*Executive Director*

*Note:* Mr. Patrick W. C. Lai, Chartered Valuation Surveyor, has been a qualified valuer with AA Property Services Ltd. since 1991 and has over 15 years of experience in the valuation of property located in Hong Kong and the People's Republic of China. Mr. Lai is on the List of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in connection with Takeovers and Mergers issued by the Hong Kong Institute of Surveyors under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## SUMMARY OF VALUATION

	<b>Capital value in existing state as at 30th September, 2010</b>
<b>Property held for investment</b>	
1. Unit Nos.1-34B, 36A-36B and 38-45 on the Portion of the Basement of Podium of Blocks 1, 2 & 3 City Garden No.233 Electric Road North Point Hong Kong	HK\$55,000,000
2. Unit Nos.47 & 59 on the Portion of the 1st Floor of the Podium of Blocks 1, 2 & 3 City Garden No.233 Electric Road North Point Hong Kong	HK\$30,000,000
3. Unit Nos.1-2 on the Portion of the Ground Floor and Unit Nos.1 & 87 on the Portion of the 1st Floor of the Podium of Blocks 1, 2 & 3 City Garden No.233 Electric Road North Point Hong Kong	HK\$57,200,000

## VALUATION CERTIFICATE

Property	Description and Tenure	Particulars of Occupancy	Capital Value in existing state as at 30th September, 2010
1. Unit Nos.1-34B, 36A-36B and 38-45 on the Portion of the Basement of Podium of Blocks 1, 2 & 3, City Garden, No.233 Electric Road, North Point, Hong Kong  1,135/100,180th shares of and in Inland Lot No.8580	<p>The property comprises 45 commercial units on the basement floor of a 4-storeyed commercial complex.</p> <p>The property was completed in about 1983.</p> <p>The property contains a total saleable area of approximately 2,164.62 square metres (or approximately 23,300 square feet).</p> <p>The property is held under Conditions of Exchange No.11652 for a term of 75 years from 31st August, 1914 with the right to renew for a further term of 75 years.</p> <p>The government rent payable for the whole lot is HK\$7,676,722 per annum.</p>	<p>The property was, as at 30th September, 2010, subject to a tenancy for a term from 1st January, 2010 to 31st December, 2010 at a monthly rental of HK\$450,000 inclusive of rates, government rent and management fee.</p> <p>The property was occupied for commercial purpose.</p>	HK\$55,000,000

*Notes:*

1. The registered owner of the property is Supreme Success Limited, a wholly-owned subsidiary of the Company.
2. The property, with the exception of Unit Nos.9 and 10, is subject to a mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited vide memorial no.05042002130629 dated 30th March, 2005. Unit Nos.9 and 10 of the property is subject to a mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited vide memorial no.05042500600167 dated 7th April, 2005.

Property	Description and Tenure	Particulars of Occupancy	Capital Value in existing state as at 30th September, 2010
2. Unit Nos.47 & 59 on the Portion of the 1st Floor of the Podium of Blocks 1, 2 & 3, City Garden, No.233 Electric Road, North Point, Hong Kong  5,688/24,247th of 1,635/100,180th shares of and in Inland Lot No.8580	<p>The property comprises two commercial units on the first floor of a 4-storeyed commercial complex.</p> <p>The property was completed in about 1983.</p> <p>The property contains a total saleable area of approximately 709.77 square metres (or approximately 7,640 square feet).</p> <p>The property is held under Conditions of Exchange No.11652 for a term of 75 years from 31st August, 1914 with the right to renew for a further term of 75 years.</p> <p>The government rent payable for the whole lot is HK\$7,676,722 per annum.</p>	<p>The property was vacant as at 30th September, 2010.</p> <p>The property is for commercial purpose.</p>	HK\$30,000,000

*Notes:*

1. The registered owner of the property is Nice Fortune Limited, a wholly-owned subsidiary of the Company.
2. The property is subject to a mortgage in favour of Chiyu Banking Corporation Limited vide memorial no.05042901990090 dated 8th April, 2005.



Property	Description and Tenure	Particulars of Occupancy	Capital Value in existing state as at 30th September, 2010
<p>3. Unit Nos.1-2 on the Portion of the Ground Floor and Unit Nos.1 &amp; 87 on the Portion of the 1st Floor of the Podium of Blocks 1, 2 &amp; 3, City Garden, No.233 Electric Road, North Point, Hong Kong</p> <p>The units on the ground floor of the property comprise 2,063/23,043rd of 2,541/100,180th shares of and in Inland Lot No.8580</p> <p>The units on the 1st floor of the property comprise 4,303/24,247th of 1,635/100,180th shares of and in Inland Lot No.8580</p>	<p>The property comprises a total of four commercial units on the ground floor and the first floor respectively of a 4-storeyed commercial complex.</p> <p>The property was completed in about 1983.</p> <p>The units on the ground floor of the property contain a total saleable area of approximately 198.81 square metres (or approximately 2,140 square feet).</p> <p>The units on the first floor of the property contain a total saleable area of approximately 450.58 square metres (or approximately 4,850 square feet).</p> <p>The property is held under Conditions of Exchange No.11652 for a term of 75 years from 31st August, 1914 with the right to renew for a further term of 75 years.</p> <p>The government rent payable for the whole lot is HK\$7,676,722 per annum.</p>	<p>Unit 2A on the ground floor was vacant as at 30th September, 2010.</p> <p>The remaining portions of the property were, as at 30th September, 2010, subject to various tenancies and licences with the latest expiry date on 31st August, 2012 at a total monthly rent of HK\$228,375.</p> <p>The property was occupied for commercial purpose.</p>	HK\$57,200,000

*Notes:*

1. The registered owner of the property is Supreme Success Limited, a wholly-owned subsidiary of the Company.
2. The property is subject to a mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited vide memorial no.05042500600167 dated 7th April, 2005.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the following Directors were interested, or were deemed to be interested in the following long and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors adopted by the Company to be notified to the Company and the Stock Exchange.

### Long position in shares of the Company

	Personal interests	Interests held by controlled corporation	Interests held by family trust	Total	%
Rossana Wang Gaw	–	15,934,364 <sup>1</sup>	123,148,701 <sup>3</sup>	139,083,065	18.08
Kenneth Gaw	1,805,527	8,453,375 <sup>2</sup>	27,537,243 <sup>4</sup>	37,796,145	4.91
Jane Tsui Kwai Ying	600,750	–	–	600,750	0.08

<sup>1</sup> Mrs. Rossana Wang Gaw owns the entire issued share capital of Vitality Holdings Limited, which was beneficially interested in 15,934,364 shares.

<sup>2</sup> Mr. Kenneth Gaw owns the entire issued share capital of Top Elite Company Limited, which was beneficially interested in 8,453,375 shares.

<sup>3</sup> Family trust of which Mrs. Rossana Wang Gaw is the sole beneficiary held an aggregate of 123,148,701 shares.

<sup>4</sup> Family trust of which Mr. Kenneth Gaw is a beneficiary held an aggregate of 27,537,243 shares.

**Long position in shares of associated corporations**

<b>Name of company</b>	<b>Name of director</b>	<b>Number of shares held by controlled corporation</b>	<b>%</b>
Grandsworth Pte. Ltd.	Rossana Wang Gaw	1*	50.0
Grandsworth Pte. Ltd.	Kenneth Gaw	1*	50.0
Pioneer Hospitality Siam (GBR) Ltd.	Rossana Wang Gaw	475,000*	47.5
Pioneer Hospitality Siam (GBR) Ltd.	Kenneth Gaw	475,000*	47.5
Keencity Properties Ltd.	Rossana Wang Gaw	4,721,034*	47.5
Keencity Properties Ltd.	Kenneth Gaw	4,721,034*	47.5
Pioneer iNetwork Ltd.	Rossana Wang Gaw	1*	50.0
Pioneer iNetwork Ltd.	Kenneth Gaw	1*	50.0

\* Interested by Mrs. Rossana Wang Gaw and Mr. Kenneth Gaw represented the same interests and were therefore duplicated amongst these two directors for the purpose of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors were interested, or were deemed to be interested in the long and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors adopted by the Company to be notified to the Company and the Stock Exchange.

**3. SUBSTANTIAL SHAREHOLDERS**

As at the Latest Practicable Date, so far as the Directors were aware, the following persons (other than a director or chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>%</b>
Asset-Plus Investments Ltd.	68,076,076	8.85
Forward Investments Inc.	181,388,105	23.58
Intercontinental Enterprises Corporation	123,148,701 <sup>1</sup>	16.01
Prosperous Island Limited	65,939,293	8.57

<sup>1</sup> Family trust of which Mrs. Rossana Wang Gaw is the sole beneficiary held an aggregate of 123,148,701 shares, which duplicated to those disclosed in "Long position in shares of the Company".

Save as disclosed above, the Directors were not aware of any other persons (other than a director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

#### **4. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, no Directors had any existing or proposed service contracts with the Company or any member of the Group which is not determinable within one year without payment of compensation other than statutory compensation.

#### **5. MATERIAL CONTRACTS**

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by any member of the Group within the two years preceding the Latest Practicable Date.

#### **6. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against the Group.

#### **7. COMPETING INTERESTS**

So far as the Directors were aware, as at the Latest Practicable Date, none of the Directors or their respective associates had any interest in any business which competed or was likely to compete with the business of the Group.

#### **8. DIRECTORS' INTERESTS IN ASSETS/CONTRACTS**

So far as the Directors were aware, as at the Latest Practicable Date, none of the Directors had any interest, either direct or indirect, in any assets which had been since 31 March 2010 (being the date to which the latest published audited accounts were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

So far as the Directors were aware, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the date of hereof which was significant in relation to the business of the Group.

**9. EXPERT AND CONSENT**

The following is the qualification of the expert who had given opinion contained in this circular:

<b>Name</b>	<b>Qualification</b>
AA Property Services Limited	Professional property valuer

As at the Latest Practicable Date, AA Property Services Limited did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, and did not have any interest, either direct or indirect, in any assets which had been since 31 March 2010 (being the date to which the latest published audited accounts of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

AA Property Services Limited has given and has not withdrawn its written consent to the issue of this circular with its respective report, letter and reference in the form and context in which it is included.

**10. GENERAL**

- (i) The Secretary of the Company is Ms. Law Tsui Yan, associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators.
- (ii) The registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.
- (iii) The share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (iv) In the event of inconsistency, the English text shall prevail over the Chinese text.

**11. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 20th Floor, 1 Lyndhurst Tower, No. 1 Lyndhurst Terrace, Central, Hong Kong up to and including 10 January 2011:

- (a) this circular;
- (b) the circular dated 30 September 2010 in relation to the acquisition of up to 50% issued share capital of Causeway Bay 68 Limited;

- (c) the Bye-Laws of the Company;
- (d) the consolidated audited financial statements of the Group for the years ended 31 March 2009 and 31 March 2010;
- (e) the letter and valuation certificate prepared by AA Property Services Limited, the text of which is set out in Appendix II to this circular; and
- (f) the letter of consent referred to under the section headed “Expert and Consent” in this appendix.