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Pioneer

PIONEER GLOBAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00224)

**DISCLOSEABLE TRANSACTION:
DISPOSAL OF SHARES IN ASIA FINANCIAL HOLDINGS LIMITED**

On 23 August 2016, the Group sold 31,218,733 AFH Shares to Sompo Japan Nipponkoa Insurance Inc. for a total consideration of HK\$156.41 million. Following the completion of the Disposal, the Company ceased to be interested in AFH.

As one of the applicable percentage ratios for the Disposal exceeds 5% but is less than 25%, 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 AFH SHARES

On 23 August 2016, the Group sold 31,218,733 AFH Shares, representing approximately 3.18% of the issued share capital of AFH as at the date of this announcement, to Sompo Japan Nipponkoa Insurance Inc., at the price of HK\$5.01 per AFH Share, for a total consideration of HK\$156.41 million.

Comparing to the closing price of HK\$4.38 per AFH Share on the Stock Exchange on 22 August 2016 and the average closing price of HK\$4.26 per AFH Share for the last 5 consecutive trading days immediately prior to the date of Disposal, the sale price of HK\$5.01 for each AFH Share represents a premium of approximately 14.38% and 17.61% respectively.

The consideration of HK\$156.41 million shall be payable by Sompo Japan Nipponkoa Insurance Inc. in full by cash. Such consideration was determined after arm's length negotiation between both parties with reference to the trading share price of AFH Shares. Following the completion of the Disposal, the Company ceased to be interested in AFH.

INFORMATION ABOUT AFH

AFH is a company incorporated in Bermuda with limited liability whose shares are listed in the Main Board of the Stock Exchange. According to publicly available information, its principal activity is investment holding and its principal subsidiary's business activities comprise the provision of insurance and investment services.

The profit of AFH before and after taxation, its revenue and net asset value extracted from its financial statements are set out below:

	For the year ended 31 December		For the six months ended 30
	2014	2015	June 2016
	(audited)	(audited)	(un-audited)
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	1,279.63	1,173.51	718.77
Profit before taxation	407.55	210.73	143.96
Profit after taxation	373.65	187.64	129.42
Net asset value	6,946.89	7,059.93	7,010.23

INFORMATION ABOUT THE PURCHASER

The principal activities of Sompo Japan Nipponkoa Insurance Inc. comprise of the provision of insurance services. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Sompo Japan Nipponkoa Insurance Inc. and its ultimate beneficial owners is a third party independent of the Company and any connected person of the Company.

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 AFH has been accounted for as available for sale investments 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\$79.73 million in the financial year ending 31 March 2017, which is calculated on the basis of the difference between the consideration of the Disposal and the cost of the 31,218,733 AFH Shares of HK\$2.44 per AFH Share plus certain selling expenses. The net sale proceeds of approximately HK\$155.91 million will be reserved for future investments by the Group.

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.

LISTING RULES IMPLICATION

As one of the applicable percentage ratios for the Disposal exceeds 5% but is less than 25%, 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.

“AFH”	Asia Financial Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00662))
“AFH Share(s)”	ordinary share(s) in the issued share capital of AFH
“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 31,218,733 AFH Shares by the Group on 23 August 2016 to Sompo Japan Nipponkoa Insurance Inc. for a total consideration of HK\$156.41 million
“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, 23 August 2016

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.