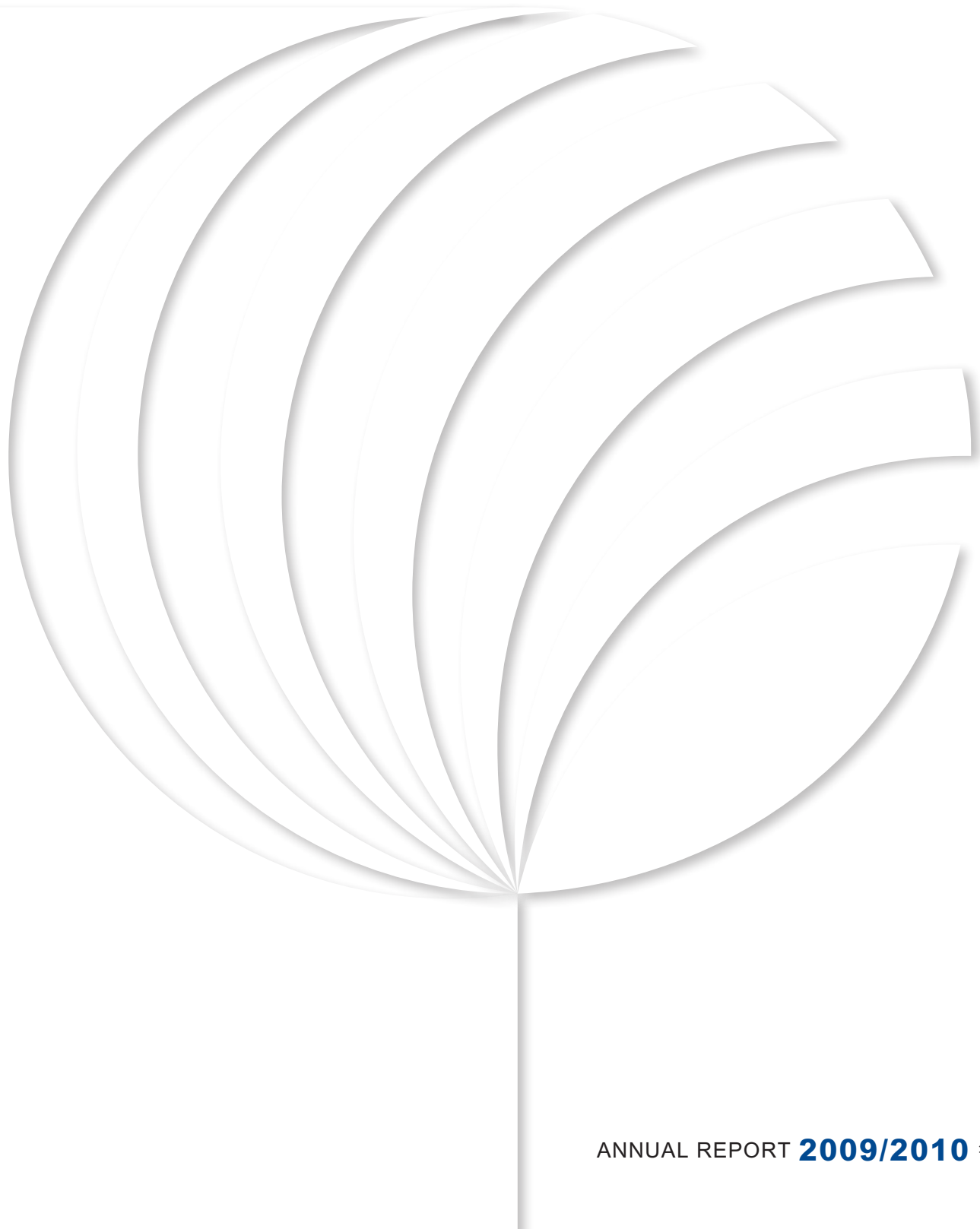




PIONEER GLOBAL GROUP LIMITED
建生國際集團有限公司

Stock Code 股份代號 : 00224



ANNUAL REPORT **2009/2010** 年報



PIONEER GLOBAL GROUP LIMITED

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Corporate Information

BOARD OF DIRECTORS

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*

Arnold Tin Chee IP

Stephen TAN

AUDIT COMMITTEE

Dr. Charles Wai Bun CHEUNG, *JP, Chairman*

Arnold Tin Chee IP

Stephen TAN

REMUNERATION COMMITTEE

Arnold Tin Chee IP, *Chairman*

Dr. Charles Wai Bun CHEUNG, *JP*

Stephen TAN

Kenneth GAW

COMPANY SECRETARY

Tsui Yan LAW

BANKERS

Bangkok Bank Public Company Limited

Chiyu Banking Corporation Limited

Citigroup

Standard Chartered Bank (Hong Kong) Limited

The Hongkong and Shanghai Banking Corporation Limited

SOLICITORS

Baker & McKenzie

Morrison & Foerster

AUDITORS

Wong Brothers & Co.

REGISTERED OFFICE

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

PRINCIPAL OFFICE IN HONG KONG

20th Floor, Lyndhurst Tower

No. 1 Lyndhurst Terrace

Central

Hong Kong

SHARE REGISTRAR & TRANSFER OFFICE IN BERMUDA

Butterfield Fund Services (Bermuda) Limited

Rosebank Centre

11 Bermudiana Road

Pembroke

Bermuda

SHARE REGISTRARS & TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited

46th Floor, Hopewell Centre

183 Queen's Road East

Hong Kong

INFORMATION

www.pioneerglobalgroup.com

www.irasia.com/listco/hk/pioneer/index.htm

Bloomberg: 224:HK

Reuters: 0224.hk

Managing Director's Report

BUSINESS REVIEW

Throughout the 2009/2010 financial year, the world economy appeared to have stabilized on the back of unprecedented and concerted rescue packages from central governments around the world. With a successfully implemented massive stimulus program from the central government, China's economy and property markets recovered strongly, leading to early calls of "bubble" from the world media as well as renowned economists. Likewise, Hong Kong's economy and asset prices reacted positively to a historically low interest rate tied to loose US monetary policies and an economy tied to strong recovery in Mainland China.

However as we saw in recent months, the world economy is not quite out of the woods yet. The Euro sovereign debt and currency crisis illustrated clearly the fragility of this liquidity led recovery and brought back fears of a double dip recession.

During the financial year 2009/2010, the Group performed very strongly. For the year ended 31 March 2010, the Group had revenues of HK\$111.5 million, compared to HK\$165.2 million in 2009. The shortfall was due to income and dividends related to the sales of AIA Tower Macau and Kowloon City Plaza properties in financial year 2009. On the other hand, profit for the year improved significantly to HK\$253.8 million, from HK\$84.6 million in 2009. This substantial improvement in profit came as a result of the strong appreciation in value of investment properties held either directly or through associated companies.



Club Lusitano

Managing Director's Report



68 Yee Wo Street

Property Investments

In April 2009, the Group disposed of its properties at Great Eagle Centre in Wanchai, Hong Kong at a price of HK\$48.9 million (total GFA of 6,630 sq.ft.). This property was purchased in 2005 for HK\$34.0 million. Thus, the sale generated a net profit of HK\$12.5 million throughout the holding period.

In September 2009, the Group acquired an 80-year leasehold interest of the Club Lusitano Building located at 16 Ice House Street in Central, Hong Kong, for a total consideration of HK\$410.0 million (of which HK\$102.5 million is deferred over a period of 5 years). The Club Lusitano Building has a GFA of 80,100 sq.ft. with annual rental of HK\$22.7 million at the time of purchase. Implementing a hands-on asset management approach since taking over the property, we have been able to substantially increase rental rates for both renewals and new leases signed. And as at 31 March 2010, the property enjoys an occupancy rate of 92.3%. As reported previously, we are very pleased with this acquisition and plan to hold the property as a long-term investment for rental income and capital appreciation.



68 Yee Wo Street

The Pioneer Building in Kwun Tong, Kowloon had HK\$20.8 million in rental revenues during the year and an occupancy rate of 95.7% as at March 2010. The Group's retail properties at Maximall, North Point (comprising of total of GFA 63,840 sq.ft.) generated rental revenues of HK\$5.9 million. The two properties also contributed fair value increase of HK\$40.0 million and HK\$20.5 million respectively. Overall, the Group's direct investment properties portfolio contributed fair value increase of HK\$71.0 million during the year.

The Group manages and owns 30% of the 229,200 sq.ft. 68 Yee Wo Street property in Causeway Bay, Hong Kong. As at 31 March 2010, the occupancy rate of the property was 86.7% while the fair market valuation of the property rebounded from HK\$1.375 billion to HK\$1.77 billion, resulting in a HK\$98.9 million fair

Managing Director's Report

value gain for the Group. During the period, three new tenants (2 restaurants and 1 retail tenant) replaced the anchor long-term tenant (GOD/Delay No Mall), which previously occupied 47,019 sq.ft. of the retail podium. In addition to taking up the space, the three new tenants will pay substantially higher rental rates, with escalating rental clauses, compared to the lease of GOD/Delay No Mall. We are very pleased with this development as these new leases will not only bring in significantly higher cash flow, but also enhance the long-term value of the building.

Rental income of the Shanghai K. Wah Centre (a GFA 750,000 sq.ft. commercial tower in Shanghai held through an associated company) held stable during the period while valuation increased, contributing fair value gain of HK\$32.7 million to the Group.

Investments in Hotel Industry

In November 2009, the Aisawan Resort & Spa in Pattaya, Thailand completed a major retrofit program, introducing new guest rooms, ballroom and meeting facilities, and a new beach club and swimming pools. Following the retrofit, the property was rebranded as Pullman Pattaya Aisawan Resort and is now managed by Accor Group of France under its "Pullman" premium five star brand. The Group is confident that this rebranding exercise has positioned the property competitively among the leading branded resorts in Pattaya.

On the other hand, the Thai tourism industry has been struck by both international and domestic challenges. First of all, the worldwide economic crisis has affected travelers' spending globally during 2009. Secondly, the Thai political crisis (which led to the closure of Bangkok's airports in November 2008) continued unabated



Pullman Pattaya Aisawan Resort

Managing Director's Report



Pullman Pattaya Aisawan Resort

in 2009 with the disruption of the ASEAN meeting in Pattaya in April 2009. Both of these events hit the Thai tourism industry hard. The effects of these factors, together with the renovation disturbances during the year, have had significant negative impacts on the performance of the Aisawan Resort. For the twelve months ended 31 March 2010, the resort had revenues of Baht 154.4 million, representing a decrease of 25.4% from the previous year (2009: Baht 206.9 million). Gross operating profit for the period was Baht 15.1 million, compared to Baht 86.4 million in 2009.

The Group's 50% owned associated company holds 10.3% of Dusit Thani Public Company Limited ("Dusit Thani"), the leading owner and operator of hotels in Thailand. As the leading hotel company in Thailand, Dusit Thani did not escape the macro economic and political difficulties as highlighted in the preceding paragraph. However, with new management contracts signed in the Middle East, India, and China, the company's room count and management income shall increase substantially over the next couple of years. For the twelve months ended 31 December 2009, Dusit Thani had revenues of Baht 3.05 billion (2008: Baht 3.73 billion) and net loss of Baht 108.0 million (2008: profit of Baht 216.6 million).

Pioneer Hospitality Siam (GBR) Limited (the Group's 49.5% owned Thai associate) owns 37.5% of a 79 acre land site at Cape Nga in Phuket, Thailand. The plan is to develop a world-class luxury resort with branded residences. Phase 1 of the project is planned as a 100-keys all villa resort and luxury residences. As reported previously, a letter of intent has been signed with one of the top luxury hotel operators in the world to manage the resort and residences. Currently, the project is undergoing the design and planning stage, with construction start expected in the second half of 2011.

Managing Director's Report

PROSPECTS

In October 2009, the Hong Kong government announced its new policy allowing qualified industrial buildings to be converted to commercial use with nil premium. The Group welcomes this new policy and believes it will significantly benefit the industrial property sector as well as those neighborhoods. In the past 6 months we have studied the policy and examined various proposals for a potential conversion of our Pioneer Building in Kwun Tong under this scheme. Currently we are in the process of working with our architect to finalize the most optimal conversion proposal with the view to maximize long-term value of the property.

Despite negative impacts of the political crises in 2008 and 2009, Thailand actually started 2010 on a positive note, with surprisingly strong economic data and a recovery in tourism for the first three months of the year. However, the political crisis hit yet again for the third time in as many years. This time a two-month siege of downtown Bangkok led to unprecedented violence and bloodshed. While the crowds have been dispersed for now, the political impasse continues with no solution in sight. We feel that the Thai economy is still facing many challenges in the year ahead.

As the world became convinced that the economy is on the path to recovery, the Chinese government heeded the “bubble” calls and pared back its massive stimulus program in April 2010. Soon after that, the Euro sovereign debt and currency crisis hit. Even if there is no double dip recession as many have feared, it is very clear that the recovery is not on solid grounds and there are continued imbalances in the world financial system. So, there will be plenty of uncertainties as we look ahead to the next twelve months. And uncertainties may bring additional opportunities. With a strong financial position, the Group will continue to take advantage of available opportunities.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2010, the Group continued to enjoy a strong financial position with substantial unutilized bank facilities. At 31 March 2010, the Group's total debt to shareholders' fund ratio was 23.5% (31 March 2009: 7.8%) and net debt to shareholders' fund ratio was 18.2% (31 March 2009: Not applicable).

EMPLOYEES

As at 31 March 2010, the number of salaried staff at the holding company level was 16 (2009: 16). The Group ensures that its employees' remuneration packages are competitive. Employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

APPRECIATION

On behalf of the Board, I would like to express our sincere gratitude to all the employees for their contributions.

Kenneth Gaw

Managing Director

Hong Kong, 5 July 2010

Directors' Report

The Directors are pleased to present their report together with the audited financial statements of the Group for the year ended 31 March 2010.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the activities of its principal subsidiaries and associated companies are shown in notes 12 and 28 to the financial statements. An analysis of the Group's turnover and contribution to results by principal activity of operations is set out in note 2 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2010 are set out in the consolidated income statement on page 23.

An interim dividend of HK1.0 cent per share, totalling HK\$7,694,000 which was paid on 19 January 2010.

The Directors recommend the payment of a final dividend for the year ended 31 March 2010 at the rate of HK1.80 cents (2009: HK1.50 cents) per share, payable on 29 September 2010 to all persons registered as shareholders on 10 September 2010. The transfer of books and register of members of the Company will be closed from 6 September 2010 to 10 September 2010, both days inclusive. Payment of the final dividend is conditional upon the passing of an ordinary resolution at the forthcoming annual general meeting.

In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Registrar, Computershare Hong Kong Investor Services Limited at 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 3 September 2010.

SHARE CAPITAL

There was no movement in the share capital of the company during the financial year.

RESERVES

Details of movements in reserves during the financial year are set out in note 19 to the financial statements.

GROUP FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 68.

FIXED ASSETS

Details of movements in fixed assets are set out in note 11 to the financial statements.

Directors' Report

MAJOR SUBSIDIARIES

Details of the major subsidiaries as at 31 March 2010 are set out in note 28 to the financial statements.

LOANS AND BORROWINGS

Details of loans and borrowings are set out in notes 20 and 21 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the financial year, the five largest customers of the Group accounted for less than 30% of the Group's turnover while the five largest suppliers accounted for 32% of the Group's expenditure on goods and services with the largest supplier of goods and services accounting for 16%.

None of the Directors, their associates or any shareholders (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) has an interest in the share capital of any of those customers and suppliers.

DONATIONS

During the financial year, the Group has made HK\$500 charitable donations (2009: Nil).

DIRECTORS

The Directors in office during the financial year and up to the date of this report were:

Executive Directors

Rossana WANG GAW

Goodwin GAW

Kenneth GAW

Jane Kwai Ying TSUI

Independent Non-executive Directors

Dr. Charles Wai Bun CHEUNG, JP

Arnold Tin Chee IP

Stephen TAN

In accordance with Bye-Laws 82 & 83, Mrs. Rossana Wang Gaw, Dr. Charles Wai Bun Cheung, JP and Mr. Stephen Tan will retire, and being eligible, offer themselves for re-election at the forthcoming annual general meeting. None of directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation other than statutory compensation.

Directors' Report

DISCLOSURE OF DIRECTORS' INTERESTS

As at 31 March 2010, the following Directors of the Company 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 Securities and Futures Ordinance (“SFO”)) which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (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 (the “Model Code”) 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 ¹	123,148,701 ³	139,083,065	18.08
Kenneth Gaw	1,805,527	8,453,375 ²	27,537,243 ⁴	37,796,145	4.91
Jane Kwai Ying Tsui	600,750	–	–	600,750	0.08

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

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

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

⁴ 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

Name of company	Name of director	Number of shares held by controlled corporation	%
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.

Directors' Report

Save as disclosed above, as at 31 March 2010, none of the Directors of the Company 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 adopted by the Company to be notified to the Company and the Stock Exchange.

DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 March 2010, so far as the Directors were aware, the following persons (other than a director or chief executive of the Company) who had interests or short positions 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, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

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

¹ 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 31 March 2010, had interests or short positions 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, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

As at 31 March 2010, there were no outstanding options to subscribe for the shares of the Company. There were no other arrangements to which the Company or any of its subsidiaries was a party to enable the directors of the Company to acquire benefits by means of the acquisition of shares, or debentures of the Company or any other body corporate.

DIRECTORS' SERVICE CONTRACTS

No Director has a service contract with any member of the Group which is not determinable within one year without payment of compensation other than statutory compensation.

Directors' Report

DIRECTORS' INTEREST IN CONTRACTS

No Director has a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries is a party during the financial year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of any business of the Company or its subsidiaries were entered into or existed during the financial year.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist in Bermuda, the jurisdiction in which the Company was incorporated.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors at the date of the annual report, there was a sufficient public float of the Company.

CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Company are set out in the Corporate Governance Report on pages 16 to 20.

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

During the financial year, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the shares of the Company.

RELATED PARTY TRANSACTION

The Group entered into certain transaction with parties regarded as "related parties" under the applicable accounting standards. Details of the transaction are set out in note 27 to the financial statements.

AUDITORS

The financial statements for the year ended 31 March 2010 have been audited by Wong Brothers & Co. who retire and being eligible offer themselves for re-appointment. A resolution for the re-appointment of Wong Brothers & Co. as auditors of the Company will be proposed at the forthcoming annual general meeting.

On Behalf of the Board

Rossana Wang Gaw

Chairman

Hong Kong, 5 July 2010

Biographical Details of Directors

EXECUTIVE DIRECTORS

Mrs. Rossana WANG GAW (Chairman)

Aged 64, was appointed to the Board in 1980 and has been Chairman of the Group since February 1999. She is the Managing Director of Pioneer Estates Limited. She is responsible for the management of the real estate sector in the Group. Mrs. Gaw has 8 years of experience in the garment manufacturing industry and over 20 years of experience in real estate investments and hotels business. Mrs. Gaw is a graduate of the University of California, Berkeley, and holds a Degree in Business Administration. She is the mother of Mr. Goodwin Gaw and Mr. Kenneth Gaw.

Mr. Goodwin GAW (Vice Chairman)

Aged 41, was appointed to the Board in 1994 and became Vice Chairman of the Group in August 1996. He is the Chairman of Gaw Capital Partners, a real estate private equity fund focusing on Asia real estate markets and the President of Downtown Properties Holdings, a private real estate investment company with commercial properties interest in the United States. He was an independent non-executive director of Tian An China Investments Company Limited until July 2007. Mr. Gaw graduated with a Bachelor of Science Degree in Civil Engineering from the University of Pennsylvania, a Finance Degree from Wharton Business School and a Master of Science Degree in Construction Management from Stanford University. He is the son of Mrs. Rossana Wang Gaw and the brother of Mr. Kenneth Gaw.

Mr. Kenneth GAW (Managing Director)

Aged 39, was appointed to the Board in 1994 and became Managing Director of the Group in February 1999. He holds directorships at Dusit Thani Public Company Limited, Home Inns & Hotels Management Inc., and Hong Kong-Thailand Business Council. He was a director of Siam Food Products Public Company Limited until 2006 and was a director and Deputy Chairman of Wah Kwong Shipping Holdings Limited until the company was privatized in July 2000. Mr. Gaw co-founded Gaw Capital Partners, a real estate private equity fund focusing on Asia real estate markets, in July 2005. He graduated with a Bachelor of Science Degree in Applied Mathematics and Economics from Brown University (Magna Cum Laude). Before joining the Group, Mr. Gaw worked in the structured finance group at Goldman, Sachs & Co. in New York and in corporate finance with Goldman Sachs (Asia) LLC in Hong Kong. He is the son of Mrs. Rossana Wang Gaw and the brother of Mr. Goodwin Gaw.

Ms. Jane Kwai Ying TSUI

Aged 66, was appointed to the Board in 1984. She is responsible for the day-to-day operation of the Group, including general administration. She is also advising on company secretarial matters of the Group. Ms. Tsui previously worked in the banking sector for about 3 years before joining the Group in 1980.

Biographical Details of Directors

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Charles Wai Bun CHEUNG, JP

Aged 73, was appointed to the Board in 1986. He is the Chairman of the Audit Committee of the Company. Dr. Cheung holds an Honorary Doctor's Degree, a Master's Degree and a Bachelor of Science Degree in Business Administration. He has over 30 years of experience in the senior management of companies in various industries including over 22 years of experience of banking business in senior management positions. Dr. Cheung is Chairman of Joy Harvest International Limited, a director and Vice Chairman of the Executive Committee of Metropolitan Bank (China) Ltd.. He is an independent non-executive director and Chairman of Audit Committee of both Shanghai Electric Group Company Limited and Sunshine Capital Investments Group Limited (formerly named Prime Investments Holdings Limited) which are listed on the main board of the Stock Exchange. Dr. Cheung is also an independent non-executive director and Chairman of Remuneration Committee of Grand T G Gold Holdings Limited which is listed in GEM board of the Stock Exchange. He is also a director and director of Audit Committee of Zhuhai City Commercial Bank Limited. Dr. Cheung is a Senior Adviser to the Metropolitan Bank & Trust Company, Philippines. He is a council member of The Hong Kong Institute of Directors. Dr. Cheung was formerly Chief Executive and Executive Deputy Chairman of Mission Hills Group and a former director and adviser of Tung Wah Group of Hospitals. He is a Vice Chairman of Guangdong Province Golf Association. He was awarded the Directors of the year Awards 2002 of Listed Company Non-executive Director.

Mr. Arnold Tin Chee IP

Aged 47, was appointed to the Board in 1999. He is the Chairman of the Remuneration Committee of the Company. Mr. Ip is a graduate of Trinity College, Cambridge University. Mr. Ip's work focuses on fund raising for listed and unlisted companies, and management of real estate investment funds. He is a director of Altus Capital Limited where he is involved in the supervision and management of corporate finance and advisory work for companies in Hong Kong and in advising on property investment. He is an independent non-executive director of Pak Fah Yeow International Limited, a company listed on the main board of the Stock Exchange; and Chairman of Japan Residential Assets Manager Limited, manager of a real estate investment trust listed in Singapore. Between 1989 and March 1997, Mr. Ip worked for Standard Chartered Asia Limited and was a director of Yuanta Securities (Hong Kong) Limited thereafter until January 2001, specializing in a range of corporate finance and advisory activities for companies based in Hong Kong and China. From 1984 to 1988, he worked at Arthur Andersen & Co in London specializing in taxation and qualified as a chartered accountant in 1988.

Biographical Details of Directors

Mr. Stephen TAN

Aged 56, was appointed to the Board in 2007. He was educated in the United States and holds a Bachelor's Degree in Business Administration at Rutgers University, and a Master Degree in Business Administration at St. John's University. Mr. Tan is currently the executive director of Asia Financial Holdings Limited which is listed on the main board of the Stock Exchange. He also sits on the boards of Bank Consortium Trust Company Limited, Hong Kong Life Insurance Limited, The Chinese General Chamber of Commerce and Hong Kong Chiu Chow Chamber of Commerce. Mr. Tan serves as the Chairman of Bangkok Mercantile (Hong Kong) Company Limited and Chinese Entrepreneurs Organization. Mr. Tan is a voting member of Tung Wah Group of Hospitals Advisory Board, a founding member of Hong Kong-Thailand Business Council, a trustee of Outward Bound Trust of Hong Kong and the Board of Trustees of Hong Kong Jockey Club Music and Dance Fund. Mr. Tan has also been appointed as a committee member of Shenzhen Municipal Committee of The Chinese People's Political Consultative Conference, a member of Election Committee (Finance) of the Hong Kong Special Administrative Region, the Board of Governor of Hong Kong Sinfonietta Limited and an honorary advisor of both The New Graduate School of Business of the Hong Kong Polytechnic University and Hong Kong Baseball Association.

Corporate Governance Report

Good corporate governance provides a framework that is essential for effective management, healthy corporate culture, successful business growth and better shareholders' value. The Group's corporate governance practices emphasize a well-balanced quality Board, effective internal controls and accountability to shareholders. Constant review of the systems and controls within the Group has been carried out by the Company to comply with the prevailing corporate governance standards and requirements.

CORPORATE GOVERNANCE PRACTICES

The Board has duly adopted the principles of good governance provided by the Code on Corporate Governance Practices (the "CG Code") in the Appendix 14 of the Listing Rules. For the year ended 31 March 2010, the Company has applied and complied with the applicable CG Code.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules for securities transactions by directors of the Company. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the year ended 31 March 2010.

BOARD OF DIRECTORS

There is a clear division of responsibilities between the Board and the management. The Board is responsible for directing business affairs of the Company and its subsidiaries which include determining the corporate objectives, business strategies and operational policies, controlling the operating and financial performance, setting appropriate policies to manage risks in pursuit of the Group's strategic objectives and ensuring the Group's operations are conducted in accordance with the framework of laws and regulatory guidelines. The management is delegated with the day-to-day running and operational matters of the Company. The respective functions to the Board and the management have been formalized and set out in writing.

The Board currently comprises seven directors, including four Executive Directors and three Independent Non-executive Directors. The brief biographical details of the Directors including their name, position and relationship are set out on pages 13 to 15. In particular, Mrs. Rossana Wang Gaw is the mother of Mr. Goodwin Gaw and Mr. Kenneth Gaw. Save as aforesaid, none of the members of the Board is related to one another.

The Independent Non-executive Directors possess appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. Their active participation in the Board and committee meetings brings an objective, independent voice that protects the minority interests. The Company has received in writing the confirmation of independence from each of the Independent Non-executive Directors and considers them to be independent of the management and free of any relationship that could materially interfere with the exercise of their independent judgment.

Corporate Governance Report

The Board meets regularly, and at least four times a year, to review the business development and discuss any matters arising from corporate governance, risk management, accounting and financing. Additional meetings will be held upon the request of the members when they think necessary. Every Director is entitled to have full access to information on the Group and may, in appropriate circumstances, take independent professional advice at the Company's expense. In respect of regular Board meetings, at least 14 days' notice is normally given to all Directors. Draft minutes of every Board meeting are circulated to all Directors for their comment within a reasonable time after the Board meeting is held.

During the financial year, four Board meetings were held and attendance record of each Director is set out below:

Directors	Number of Board Meeting attended	Attendance rate
Executive Directors		
Rossana Wang Gaw (<i>Chairman</i>)	4/4	100%
Goodwin Gaw (<i>Vice Chairman</i>)	2/4	50%
Kenneth Gaw (<i>Managing Director</i>)	4/4	100%
Jane Kwai Ying Tsui	4/4	100%
Independent Non-executive Directors		
Dr. Charles Wai Bun Cheung, JP	4/4	100%
Arnold Tin Chee Ip	4/4	100%
Stephen Tan	3/4	75%

CHAIRMAN AND MANAGING DIRECTOR

The role of the Chairman and the Managing Director of the Company is separate to reinforce their respective independence and accountability. The Chairman provides leadership to and oversees the effective functioning of the Board while the Managing Director heads the management and focuses on the day-to-day operation of the Group. During the year under review, the Chairman of the Company is Mrs. Rossana Wang Gaw whereas the Managing Director is Mr. Kenneth Gaw.

NON-EXECUTIVE DIRECTORS

Each Independent Non-executive Director is appointed for a specific term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-Laws.

Corporate Governance Report

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Company does not have a Nomination Committee. The Board as a whole is responsible for ensuring all the directors and senior executives appointed are fit and proper persons and for nominating appropriate person for election by shareholders at the annual general meeting, either to fill a casual vacancy or as an addition to the existing directors. In identifying and evaluating whether a candidate is suitable to act as a director of the Company, the Board will consider his professional knowledge, experience, skills as well as personal ethics, integrity and time commitment. All directors appointed by the Board are subject to election by shareholders at the forthcoming general meeting.

REMUNERATION COMMITTEE

The Company has set up a Remuneration Committee with specific terms of reference in compliance with the Listing Rules. The Remuneration Committee consists of three Independent Non-executive Directors, including Mr. Arnold Tin Chee Ip (Chairman), Dr. Charles Wai Bun Cheung, JP, Mr. Stephen Tan and an Executive Director, Mr. Kenneth Gaw. Under its terms of reference, the principal duties of the Remuneration Committee are to make recommendations to the Board regarding the Group's remuneration policy and to formulate and review the remuneration packages of all the directors and senior executives. The remuneration of directors is determined with reference to the Company's performance and profitability as well as remuneration benchmark in the industry and the prevailing market conditions.

During the financial year, one Remuneration Committee meeting was held and attendance record of each Director is set out as below:

Directors	Number of Remuneration Committee Meeting attended	Attendance rate
Independent Non-executive Directors		
Arnold Tin Chee Ip (<i>Chairman</i>)	1/1	100%
Dr. Charles Wai Bun Cheung, JP	1/1	100%
Stephen Tan	0/1	0%
Executive Director		
Kenneth Gaw (<i>Managing Director</i>)	1/1	100%

In the meeting, the Remuneration Committee assessed the performance of the Executive Directors and approved the remuneration packages for the Executive Directors and senior executives for year 2010 and the bonus for year 2009.

Corporate Governance Report

AUDIT COMMITTEE

The Audit Committee consists of three Independent Non-executive Directors, including Dr. Charles Wai Bun Cheung, JP (Chairman), Mr. Arnold Tin Chee Ip and Mr. Stephen Tan with its terms of reference in compliance with the Listing Rules. The principal duties of the Audit Committee are to review the interim and annual financial statements, assess the internal control and risk management systems, and monitor the financial aspects of the Group. The members of Audit Committee may request a meeting if they think necessary.

During the financial year, two Audit Committee meetings were held and attendance record of each Director is set out as below:

Directors	Number of Audit Committee Meeting attended	Attendance rate
Independent Non-executive Directors		
Dr. Charles Wai Bun Cheung, JP (<i>Chairman</i>)	2/2	100%
Arnold Tin Chee Ip	2/2	100%
Stephen Tan	2/2	100%

Throughout the year, the Audit Committee had reviewed the interim and annual financial statements and reports of the Group and assessed the effectiveness of the Group's internal control system with the management and external auditors.

AUDITORS' REMUNERATION

During the financial year ended 31 March 2010, the fees charged for statutory audit services provided to the Company and its subsidiaries amounted to HK\$390,000, and in addition HK\$40,000 was charged for other non-statutory audit services, such as tax compliance.

ACCOUNTABILITY AND AUDIT

The Directors acknowledge that they are responsible for preparing the accounts. In preparing the financial statements, the generally accepted accounting standards in Hong Kong have been adopted, appropriate accounting policies have been consistently applied, and reasonable and prudent judgments and estimates have been made. The Auditors' reporting responsibilities are included in the Independent Auditors' Report on pages 21 to 22.

Corporate Governance Report

INTERNAL CONTROLS

The Board recognizes its responsibility for maintaining a sound and effective system of internal control to ensure shareholders' investment and the Company's assets are properly safeguarded. The system of internal control is designed according to the risk-based approach which identifies the possible risks associated with and controls over various operations and activities of the Company and its environment.

The Board has, through the Audit Committee and the external auditors, conducted the review of effectiveness of the Company's internal control system for the year ended 31 March 2010, including all material financial, operational and compliance controls and risk management functions and assessed the adequacy of resources, qualification and experience of the staff of the Company's accounting and financial reporting function, and their training programs and budgets. The result of assessment is satisfactory and there are no significant control failings or weaknesses identified during the year which might affect shareholders.

COMMUNICATION WITH SHAREHOLDERS

The Company's annual general meeting is a valuable forum for the Board to communicate directly with the shareholders. An annual general meeting circular is distributed to all shareholders at least 20 clear business days prior to the annual general meeting, setting out details of each proposed resolution and other relevant information. As required by the Listing Rules, all resolutions at the annual general meeting of the Company must be decided on a poll. The Company will engage external scrutineer for proper counting of the votes.

The Board recognizes the importance of good communication with shareholders. Information in relation to the Group is disseminated to shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars. Investors and shareholders can also visit the Company's website (www.pioneerglobalgroup.com or www.irasia.com/listco/hk/pioneer/index.htm) for copies of relevant corporate and financial information.

Independent Auditors' Report

Independent Auditors' Report to the Shareholders of

PIONEER GLOBAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Pioneer Global Group Limited set out on pages 23 to 66, which comprise the consolidated and company statement of financial positions as at 31 March 2010 and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditors' Report

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the company and of the group as at 31 March 2010 and of the group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Wong Brothers & Co.

Certified Public Accountants

19/F., MassMutual Tower

38 Gloucester Road

Wanchai,

Hong Kong, 5 July 2010

Consolidated Income Statement

For the year ended 31 March 2010

	Notes	2010 HK\$'000	2009 HK\$'000
Turnover			
Company and subsidiaries		68,515	119,038
Share of associates		42,988	46,149
		111,503	165,187
Turnover of Company and subsidiaries	3	68,515	119,038
Properties operating expenses		(10,969)	(7,228)
Staff costs		(12,065)	(11,616)
Depreciation & amortization		(4,470)	(2,870)
Other expenses		(3,299)	(4,836)
		(30,803)	(26,550)
Operating profit		37,712	92,488
Share of profits of associates		145,859	8,568
Change in fair value of investment properties	11	71,000	(24,800)
Other gains and losses	4	15,890	(642)
Finance costs		(4,611)	(2,939)
Profit before taxation	5	265,850	72,675
Taxation			
Current	6	(1,144)	(1,499)
Deferred	6	(10,888)	13,446
Profit for the year		253,818	84,622
Attributable to:			
Minority interests		565	(71)
Profit attributable to shareholders		253,253	84,693
		253,818	84,622
		HK cents	HK cents
Earnings per share (HK cents)	9	32.92	11.01

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2010

	2010 HK\$'000	2009 HK\$'000
Profit for the year	253,818	84,622
Other comprehensive income		
Change in fair value of available for sale investments		
– subsidiaries	84,876	(147,836)
– associates	35,536	(30,402)
Exchange difference on translation of		
– subsidiaries	3	(50)
– associates	7,514	(9,205)
Other comprehensive income for the year, net of tax	127,929	(187,493)
Total comprehensive income for the year	381,747	(102,871)
Total comprehensive income attributable to:		
Shareholders of the Company	379,036	(100,595)
Minority interests	2,711	(2,276)
	381,747	(102,871)

Consolidated Statement of Financial Position

At 31 March 2010

	Notes	2010 HK\$'000	2009 (Restated) HK\$'000
ASSETS			
Non-current assets			
Investment properties	11	508,800	453,800
Leasehold properties	11	427,707	–
Associates	12	710,449	592,524
Available for sale investments	13	361,279	150,164
Property, plant and equipment	11	2,322	29,034
Other assets		1,447	1,447
		2,012,004	1,226,969
Current assets			
Debtors, advances & prepayments	14	5,146	24,612
Financial assets at fair value	15	3,604	32,262
Cash & bank balances	17	86,930	161,902
		95,680	218,776
Total assets		2,107,684	1,445,745
EQUITY			
Share capital	18	76,935	76,935
Reserves	19	1,547,450	1,187,648
Shareholders' funds		1,624,385	1,264,583
Minority interests		15,933	13,775
Total equity		1,640,318	1,278,358
LIABILITIES			
Non-current liabilities			
Secured bank loans	20	271,100	78,100
Deferred payment	21	102,500	–
Deferred taxation	22	61,105	48,841
		434,705	126,941
Current liabilities			
Creditors & accruals	23	22,620	14,333
Secured bank loans	20	8,173	22,100
Tax liabilities		1,868	4,013
		32,661	40,446
Total liabilities		467,366	167,387
Total equity and liabilities		2,107,684	1,445,745

Statement of Financial Position

At 31 March 2010

	Notes	2010 HK\$'000	2009 HK\$'000
ASSETS			
Non-current assets			
Subsidiary companies	16	812,514	770,022
Associates	12	40,866	40,794
Available for sale investments	13	94,730	30,481
		948,110	841,297
Current assets			
Debtors, advances & prepayments		1,170	1,686
Financial assets at fair value		–	20,164
Cash & bank balances	17	80,966	135,143
		82,136	156,993
Total Assets		1,030,246	998,290
EQUITY			
Share capital	18	76,935	76,935
Reserves	19	952,571	921,261
Total equity		1,029,506	998,196
LIABILITIES			
Current liabilities			
Creditors & accruals		386	387
Secured bank loans	20	173	–
Tax payable/(refundable)		181	(293)
Total liabilities		740	94
Total equity and liabilities		1,030,246	998,290

Consolidated Statement of Cash Flows

For the year ended 31 March 2010

	2010 HK\$'000	2009 HK\$'000
Cash flows from operating activities		
Profit before taxation	265,850	72,675
Share of net profit of associates	(145,859)	(8,568)
Other gains and losses	(15,890)	642
(Increase)/decrease in fair value of investment properties	(71,000)	24,800
Depreciation & amortization	4,470	2,870
Interest income	(10,441)	(3,856)
Interest expenses	4,611	2,939
Dividend income		
– listed	(1,689)	(5,541)
– unlisted	(3,546)	(38,828)
Operating cash flows before working capital changes	26,506	47,133
Decrease in debtors, advances & prepayments	833	561
Increase in creditors & accruals	8,161	2,438
Cash generated from operations	35,500	50,132
Hong Kong profits tax paid	(3,267)	(983)
Hong Kong profits tax refunded	–	29
Overseas profits tax paid	(22)	(70)
Net cash from operating activities	32,211	49,108
Cash flows from investing activities		
Interest received	10,944	3,324
Dividend received	5,235	26,253
Investment properties:		
Proceeds on disposal of investment properties	57,870	69,806
Leasehold properties:		
Purchase of leasehold properties	(327,987)	–
Associates:		
Advance from/(to) associates	1,017	(3,131)
Distribution from associates	69,967	171,520
Available for sale investments:		
Purchase of available for sale investments	(157,039)	(32,759)
Deposit refunded/(paid) on purchase of available for sale investments	12,649	(12,649)
Distribution from available for sale investments	758	754
Proceeds on disposal of available for sale investments	36,893	2,583
Property, plant and equipment:		
Purchase of property, plant & equipment	(999)	(257)
Other assets:		
Purchase of other assets	–	(3,013)
Financial assets at fair value:		
Purchase of financial assets	–	(44,565)
Proceeds on disposal of financial assets	29,360	15,673
Investment project written off	(656)	–
Net cash (used in)/generated from investing activities	(261,988)	193,539

Consolidated Statement of Cash Flows

For the year ended 31 March 2010

	<i>Note</i>	2010 HK\$'000	2009 HK\$'000
<hr/>			
Cash flows from financing activities			
Interest paid		(4,485)	(3,069)
Distributions to minority shareholders		(553)	(735)
Advance from minority shareholders		–	800
Dividend paid to shareholders		(19,234)	(17,695)
Bank loans raised		205,173	–
Bank loans repaid		(26,100)	(82,363)
<hr/>			
Net cash generated from/(used in) financing activities		154,801	(103,062)
<hr/>			
Net (decrease)/increase in cash and cash equivalents		(74,976)	139,585
Cash and cash equivalents at the beginning of the year		161,902	22,367
Effect of foreign exchange rates changes		4	(50)
<hr/>			
Cash and cash equivalents at the end of the year		86,930	161,902
<hr/>			
Analysis of the balances of cash and cash equivalents			
Bank balances, cash & deposits placed with banks up to three months' maturity	<i>17</i>	86,930	161,902
<hr/>			

Consolidated Statement of Changes in Equity

For the year ended 31 March 2010

	Attributable to shareholders of the Company								
	Share capital	Share premium	Capital reserve & contributed surplus	Exchange reserve	Investment revaluation reserve	Retained earnings	Total	Minority interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2009	76,935	307,687	41,242	6,623	138,886	693,210	1,264,583	13,775	1,278,358
Fair value change of available for sale investments									
– subsidiaries	–	–	–	–	82,730	–	82,730	–	82,730
– minority interests	–	–	–	–	–	–	–	2,146	2,146
– associates	–	–	–	–	35,536	–	35,536	–	35,536
Exchange on translation of									
– subsidiaries	–	–	–	3	–	–	3	–	3
– associates	–	–	–	7,514	–	–	7,514	–	7,514
Net income recognized directly in equity	–	–	–	7,517	118,266	–	125,783	2,146	127,929
Profit attributable to equity holders	–	–	–	–	–	253,253	253,253	565	253,818
Total comprehensive income for the year	–	–	–	7,517	118,266	253,253	379,036	2,711	381,747
Distribution to minority interests	–	–	–	–	–	–	–	(553)	(553)
2009 final dividend paid	–	–	–	–	–	(11,540)	(11,540)	–	(11,540)
2010 interim dividend paid	–	–	–	–	–	(7,694)	(7,694)	–	(7,694)
At 31 March 2010	76,935	307,687	41,242	14,140	257,152	927,229	1,624,385	15,933	1,640,318

Consolidated Statement of Changes in Equity

For the year ended 31 March 2010

	Attributable to shareholders of the Company								
	Share capital	Share premium	Capital reserve & contributed surplus	Exchange reserve	Investment revaluation reserve	Retained earnings	Total	Minority interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2008	76,935	307,687	41,242	15,878	314,919	626,212	1,382,873	15,986	1,398,859
Fair value change of available for sale investments									
– subsidiaries	-	-	-	-	(145,631)	-	(145,631)	-	(145,631)
– minority interests	-	-	-	-	-	-	-	(2,205)	(2,205)
– associates	-	-	-	-	(30,402)	-	(30,402)	-	(30,402)
Exchange on translation of									
– subsidiaries	-	-	-	(50)	-	-	(50)	-	(50)
– associates	-	-	-	(9,205)	-	-	(9,205)	-	(9,205)
Net loss recognized directly in equity	-	-	-	(9,255)	(176,033)	-	(185,288)	(2,205)	(187,493)
Profit attributable to equity holders	-	-	-	-	-	84,693	84,693	(71)	84,622
Total comprehensive income for the year	-	-	-	(9,255)	(176,033)	84,693	(100,595)	(2,276)	(102,871)
Distribution to minority interests	-	-	-	-	-	-	-	(735)	(735)
Contribution from minority interests	-	-	-	-	-	-	-	800	800
2008 final dividend paid	-	-	-	-	-	(11,540)	(11,540)	-	(11,540)
2009 interim dividend paid	-	-	-	-	-	(6,155)	(6,155)	-	(6,155)
At 31 March 2009	76,935	307,687	41,242	6,623	138,886	693,210	1,264,583	13,775	1,278,358

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES

(a) General information

Pioneer Global Group Limited is a limited liability company, incorporated in Bermuda with its shares listed on the Stock Exchange. The principal activities of the Company, through its subsidiaries and associates, are described in notes 12 and 28.

(b) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Listing Rules.

In the current year, the Group has adopted the new and revised standards and interpretations (“new HKFRSs”) issued by HKICPA, which are relevant to its operations.

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 17 (Amendment)	Leases
HKAS 23 (Revised)	Borrowing Costs
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments

The adoption of the standard of HKAS 1 (Revised) requires a new statement of consolidated statement of comprehensive income and certain presentation changes in the statement of change in equity.

HKAS 17 (Amendment) is applicable to accounting period beginning on or after 1 January 2010. The Group has early adopted this standard because the Directors consider the land and building elements of the newly acquired leasehold interest of a property cannot be separated. The financial impact on the early adoption of the HKAS 17 (Amendment) has been presented in Note 11 of this Report.

HKFRS 8 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. The adoption of HKFRS 8 has no material impact on the disclosure of the Group’s segment information.

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Statement of compliance *(continued)*

Save as disclosed above, the adoption of the other new or revised HKFRSs did not have any material effect on the financial position or performance of the Group for the current or prior accounting periods.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of improvements to HKFRSs issued in 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 ²
HKAS 24 (Revised)	Related Party Disclosures ⁶
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 32 (Amendment)	Classification of Right Issues ⁴
HKAS 39 (Amendment)	Eligible Hedged Items ¹
HKFRS 1 (Amendment)	Additional Exceptions for First-time Adopters ³
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ⁵
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions ³
HKFRS 3 (Revised)	Business Combinations ¹
HKFRS 9	Financial instruments ⁷
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁶
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments ⁵

¹ Effective for annual periods beginning on or after 1 July 2009.

² Amendments that are effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.

³ Effective for annual periods beginning on or after 1 January 2010.

⁴ Effective for annual periods beginning on or after 1 February 2010.

⁵ Effective for annual periods beginning on or after 1 July 2010.

⁶ Effective for annual periods beginning on or after 1 January 2011.

⁷ Effective for annual periods beginning on or after 1 January 2013.

The Group is in the process of making an assessment of the potential impact of the above new and revised standards, amendments or interpretations. The Group is not yet in a position to determine the impact of these new and revised standards or interpretations on the results of operations and financial position of the Group.

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2010 comprise the Company and its subsidiaries (the “Group”) and the Group’s interest in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that investment properties, available for sale investments and financial assets at fair value are stated at their fair values as explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(d) Subsidiaries

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital or controls more than half of the voting power or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. All material intra-group transactions, balances and realized surplus and deficits on transactions between group companies have been eliminated. Minority interests represent the proportion of the results and net assets of subsidiaries not attributable to the Group.

In the Company’s statement of financial position, an investment in a subsidiary is stated at cost less any impairment losses, unless the investment is classified as held for sale.

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Associates

Associates are companies where the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associates for the year, including any impairment loss on goodwill relating to the investments in associates recognized for the year.

In the Company's statement of financial position, its investments in associates are stated at cost less impairment losses, unless it is classified as held for sale.

(f) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment of associates over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Goodwill is stated at cost less accumulated impairment losses.

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognized immediately in the income statement.

(g) Investment properties

Investment properties are land and/or buildings, which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. Investment properties are stated in the statement of financial position at fair value. Any gain or loss arising from a change in fair value is recognized in the income statement.

(h) Leasehold properties

Leasehold properties are land and/or buildings, which are held under a leasehold interest to earn rental income and/or for capital appreciation. But under some special circumstances, when their fair values cannot be reliably determinable on a continuing basis, the leasehold properties are stated at cost less accumulated depreciation and impairment loss (if any) in the statement of financial position. The cost includes expenditures that are directly attributable to the acquisition of the properties. Depreciation of leasehold properties is provided using the straight-line method to allocate their cost over the unexpired term of the leases.

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation and impairment losses. Depreciation is calculated to write off the cost over their estimated useful lives on the following bases:

Buildings	4% p.a.	straight-line method
Others	10-25% p.a.	reducing balance method

(j) Financial instruments

Financial assets, other than investments in subsidiaries and associates, are classified into two categories: financial assets at fair value and available for sale investments. Financial assets at fair value are stated at fair value with changes recognized in the income statement. Available for sale investments are carried at fair value with any changes recognized in equity.

Effective on 1 April 2009, the Group adopted the amendment to HKFRS 7 for financial instruments that are measured in the statement of financial position at fair value. The amendment requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

Level 1: Fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments.

Level 2: Fair values measured using significant inputs, directly or indirectly, based on observable market data, other than those quoted prices in active markets for similar financial instruments.

Level 3: Fair values measured using valuation techniques in which any significant input is not based on observable market data.

(k) Impairment of assets

At each year end date, the Group reviews the carrying amounts of its tangible and intangible assets other than financial assets excluding investment in subsidiaries and associates to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized in the income statement.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Except for available for sale investments, a reversal of an impairment loss is recognized as income in the income statement.

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Leases

(i) Operating leases

Leases whereby substantially all the rewards and risks of ownership of assets remain with the leasing company are considered as operating leases. Rental income and expenses under operating leases are accounted for on a straight-line basis over the respective periods of the leases.

(ii) Leasehold land lease

Leasehold land represents up-front payments to acquire long-term interests in leasee-occupied properties. The land leases are stated at cost and are amortized over the period of the lease on a straight-line basis to the income statement or, when there is impairment, which is expensed in the income statement.

(m) Foreign currencies

The functional and presentation currency of the Company, subsidiaries and associates which operate in Hong Kong is in Hong Kong dollars. Certain overseas subsidiaries and associates which operate overseas are in their respective local currencies.

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the year end date are translated at the applicable rates ruling at that date. Exchange differences are dealt with in the income statement. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

On consolidation, the income statement of overseas subsidiaries and associates are translated into Hong Kong dollars at the weighted average exchange rates for the year, and their statements of financial position are translated into Hong Kong dollars at the exchange rates ruling at the year end date. The resulting translation differences are included in the exchange reserve.

(n) Revenue recognition

(i) Rental income

Rental income is recognized on a straight-line basis over the periods of the leases.

(ii) Rendering of services

Services income is recognized when the services are rendered and billed to clients.

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(n) Revenue recognition *(continued)*

(iii) Dividend income

Dividend income from listed investments is recognized when the share price of the investment goes ex-dividend. Dividend income from unlisted investments is recognized when the Group's right to receive payment is established.

(iv) Interest income

Interest income is recognized on a time proportion basis.

(o) Employee benefits

The Group participates in a defined contribution mandatory provident fund retirement benefits scheme in compliance with the Mandatory Provident Fund Schemes Ordinance. The assets of this scheme are held separately from those of the Group and administered independently. The Group's contributions are recognized in the income statement when incurred. The amount of contributions by the Group is based on a specified percentage of the monthly relevant income of the eligible employees. Forfeited contributions of the fund will be used to reduce the existing retirement scheme costs.

(p) Taxation

Income tax expense represents the sum of the tax currently payable and the deferred tax. The tax currently payable is based on the taxable profit using tax rates that have been enacted or substantively enacted by the year end date. Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, deposits with banks repayable within three months from the date of placement, less bank overdrafts and advances from banks repayable within three months from the date of advance.

Notes to the Financial Statements

For the year ended 31 March 2010

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. Capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in the income statement in the period in which they are incurred.

2. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary businesses and geographical location.

Business segment

	Property and hotels		Investments and others		Consolidated	
	2010	2009	2010	2009	2010	2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment turnover						
Company and subsidiaries	51,751	70,779	16,764	48,259	68,515	119,038
Segment result	21,946	45,148	15,935	47,467	37,881	92,615
Unallocated corporate expenses					(169)	(127)
Operating profit					37,712	92,488
Share of profits of associates	145,859	8,568	-	-	145,859	8,568
Change in fair value of investment properties	71,000	(24,800)	-	-	71,000	(24,800)
Other gains and losses	7,993	3,633	7,897	(4,275)	15,890	(642)
Finance costs					(4,611)	(2,939)
Taxation					(12,032)	11,947
Minority interests					(565)	71
Profit attributable to shareholders					253,253	84,693

Notes to the Financial Statements

For the year ended 31 March 2010

2. SEGMENT INFORMATION (continued)

Segment assets and liabilities

	Property and hotels		Investments and others		Consolidated	
	2010	2009	2010	2009	2010	2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	989,385	533,765	407,850	319,456	1,397,235	853,221
Investment in associates	710,449	592,524	-	-	710,449	592,524
Consolidated total assets					2,107,684	1,445,745
Segment liabilities	(465,188)	(164,001)	(415)	(1,958)	(465,603)	(165,959)
Unallocated corporate liabilities					(1,763)	(1,428)
Consolidated total liabilities					(467,366)	(167,387)
Other information						
Capital expenditure	431,143	15,662	158,038	77,582	589,181	93,244
Depreciation & amortisation	4,470	2,870	-	-	4,470	2,870

Geographical Segment

In geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. Overseas segment includes China, Thailand, Malaysia & United States.

	Turnover by geographical market		Segment assets	
	2010	2009	2010	2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	62,072	83,635	1,274,927	759,854
Overseas	6,443	35,403	122,308	93,367
	68,515	119,038	1,397,235	853,221

Notes to the Financial Statements

For the year ended 31 March 2010

3. TURNOVER

	2010	2009
	HK\$'000	HK\$'000
Rental income	41,529	29,011
Property expenses recovery	5,438	2,683
Asset management fee	4,783	10,351
Carried interest income	–	28,734
Dividend income	5,235	44,369
Interest income	10,441	3,856
Others	1,089	34
	68,515	119,038

4. OTHER GAINS AND LOSSES

	2010	2009
	HK\$'000	HK\$'000
Net gain/(loss) on disposal of available for sale investments	12,315	(886)
Gain on disposal of investment properties and other fixed assets	9,056	159
Increase/(decrease) in fair value of financial assets at fair value	660	(3,389)
Provision for impairment losses on available for sale investments	(5,422)	–
Other (losses)/gains	(719)	3,474
	15,890	(642)

Notes to the Financial Statements

For the year ended 31 March 2010

5. PROFIT BEFORE TAXATION

	2010 HK\$'000	2009 HK\$'000
Profit before taxation has been arrived at after charging:		
Interest on bank loans wholly repayable within five years	4,611	2,939
Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	11,923	11,464
Pension scheme contributions	142	152
Auditors remuneration	435	330
Depreciation and amortization	4,470	2,870
Provision for long service payments to employees	75	51
Exchange loss	–	340
and after crediting:		
Rental income from investment properties	41,529	29,011
Less: Direct outgoings	(4,083)	(3,516)
Listed investment income	1,689	5,541
Unlisted investment income	3,546	38,828
Interest income	10,441	3,856
Exchange gain	438	–

6. TAXATION

(a) Taxation

	2010			2009		
	Current taxation HK\$'000	Deferred taxation HK\$'000	Total HK\$'000	Current taxation HK\$'000	Deferred taxation HK\$'000	Total HK\$'000
Hong Kong						
– Provision for the year	1,452	10,888	12,340	1,429	(13,446)	(12,017)
– Over-provision in prior years	(330)	–	(330)	–	–	–
Overseas						
– Provision for the year	22	–	22	44	–	44
– Under-provision in prior years	–	–	–	26	–	26
	1,144	10,888	12,032	1,499	(13,446)	(11,947)

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated Hong Kong source assessable profits for the year. Overseas tax has been provided at the applicable rates in the countries in which the tax is levied.

Notes to the Financial Statements

For the year ended 31 March 2010

6. TAXATION *(continued)*

(b) Reconciliation between accounting profits and the tax charge/(credit)

	2010 HK\$'000	2009 HK\$'000
Profit before taxation	265,850	72,675
Less: Share of profits of associates	(145,859)	(8,568)
Profit before taxation attributable to the Company and its subsidiaries	119,991	64,107
Tax calculated at applicable tax rate of 16.5% (2009: 16.5%)	19,799	10,578
Expenses not deductible for taxation purposes	624	737
Income not subject to taxation	(9,121)	(22,194)
Current year tax losses not recognized	1,650	310
Utilization of previously unrecognized tax loss	(739)	(1,576)
Deferred tax asset not recognized during the year	149	198
Over-provision in prior years	(330)	–
Taxation charge/(credit)	12,032	(11,947)

7. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit for the year attributable to equity holders of the Company for the year ended 31 March 2010 in the financial statements of the Company was HK\$43,288,000 (2009: HK\$21,147,000).

Notes to the Financial Statements

For the year ended 31 March 2010

8. DIVIDENDS

	2010	2009
	HK\$'000	HK\$'000
Interim dividend of HK1.00 cent (2009: HK0.80 cent) per ordinary share	7,694	6,155
Proposed final cash dividend of HK1.80 cents (2009: HK1.50 cents) per ordinary share	13,848	11,540
	21,542	17,695

The dividends which have been paid during the year by cash are as follows:

Interim for the year ended 31 March 2010 (2009)	7,694	6,155
Final for the year ended 31 March 2009 (2008)	11,540	11,540
	19,234	17,695

The 2010 final cash dividend of HK1.80 cents (2009: HK 1.50 cents) per ordinary share has been proposed by the Directors and is subject to approval by the shareholders at the forthcoming annual general meeting.

9. EARNINGS PER SHARE

Earnings per share is calculated on profit attributable to shareholders amounting to HK\$253,253,000 (2009: HK\$84,693,000) and on 769,359,104 shares (2009: 769,359,104 shares) in issue during the year.

No diluted earnings per share have been presented for the years ended 31 March 2010 and 31 March 2009 as the Company had no dilutive potential ordinary shares during both years.

Notes to the Financial Statements

For the year ended 31 March 2010

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

	Directors' fee HK\$'000	Salaries, allowances and benefits HK\$'000	Discretionary bonus HK\$'000	Pension scheme contributions HK\$'000	2010 Total HK\$'000
Executive directors					
Rossana Wang Gaw	50	1,800	120	12	1,982
Goodwin Gaw	50	420	-	-	470
Kenneth Gaw	50	2,610	270	12	2,942
Jane Kwai Ying Tsui	50	180	30	-	260
Independent non-executive directors					
Dr. Charles Wai Bun Cheung, JP	80	-	-	-	80
Stephen Tan	80	-	-	-	80
Arnold Tin Chee Ip	80	-	-	-	80
Total	440	5,010	420	24	5,894

	Directors' fee HK\$'000	Salaries, allowances and benefits HK\$'000	Discretionary bonus HK\$'000	Pension scheme contributions HK\$'000	2009 Total HK\$'000
Executive directors					
Rossana Wang Gaw	50	1,800	120	12	1,982
Goodwin Gaw	50	420	-	-	470
Kenneth Gaw	50	2,520	1,200	12	3,782
Jane Kwai Ying Tsui	50	180	30	9	269
Independent non-executive directors					
Dr. Charles Wai Bun Cheung, JP	80	-	-	-	80
Stephen Tan	80	-	-	-	80
Arnold Tin Chee Ip	80	-	-	-	80
Total	440	4,920	1,350	33	6,743

Notes to the Financial Statements

For the year ended 31 March 2010

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS *(continued)*

(b) Other senior management's emoluments

During the year, the five highest paid individuals included three directors (2009: three directors), details of whose emoluments are included above. The details of the remuneration of the remaining two (2009: two) highest paid individual are set out below:

	2010	2009
	HK\$'000	HK\$'000
Salaries, allowances and benefits	1,542	1,524
Discretionary bonus	476	756
Pension scheme contributions	24	24
	2,042	2,304

The number of highest paid individuals fell within emoluments bands are as follows:

	2010	2009
HK\$		
Nil – 1,000,000	1	1
1,000,001 – 2,000,000	1	1

Notes to the Financial Statements

For the year ended 31 March 2010

11. FIXED ASSETS

(a) Investment properties

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
At Valuation at 31 March 2009 (31 March 2008)	453,800	555,600
Disposals	(16,000)	(77,000)
Revaluation	71,000	(24,800)
At 31 March 2010 (31 March 2009)	508,800	453,800

Investment properties comprised the following:

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
At valuation:		
Leasehold properties in Hong Kong – long term	156,200	149,200
Leasehold properties in Hong Kong – medium term	343,400	297,100
Long term leasehold properties in Mainland China	9,200	7,500
	508,800	453,800

Investment properties have been valued at 31 March 2010 by AA Property Services Limited, independent professional valuers, on an open market value basis.

Notes to the Financial Statements

For the year ended 31 March 2010

11. FIXED ASSETS (continued)

(b) Leasehold properties

On 15 July 2009, a subsidiary of the Group entered into an agreement to acquire an 80-year leasehold interest of a property ("the Property") located at 16 Ice House Street, Hong Kong for a total consideration of HK\$410 million payable in cash. For accounting purposes, this lease is a finance lease and should have been treated as an investment property valued at fair value. But due to the rare occurrence of this type of lease, the fair value determination of the Property is not reliable and available on a continuing basis, the Property is therefore classified as a leasehold property stated at cost less accumulated depreciation and impairment loss (if any). Details of the acquisition were provided in the circular to shareholders dated 21 September 2009.

	2010 HK\$'000
Balance as at 31 March 2009	–
Additions – acquisition cost	410,000
– related expenses	20,487
Cost as at 31 March 2010	430,487
Depreciation	(2,780)
Balance as at 31 March 2010	427,707

As the land and building elements of the Property cannot be separated under the lease, the Group has early adopted the amended Hong Kong Accounting Standard 17 – Leases, which does not require such separation. Under the amendments, a land lease with a lease term of several decades or longer may be classified as a finance lease, even if at the end of the lease term title will not pass to the lessee. By adoption of this amendments, the leasehold land of the company's investment property, recorded at cost model, is not required to account for separately as leasehold land.

The impact of the March 2009 and March 2008 financial position are as follows:

	At 31 March 2009 HK\$'000	Reclassification HK\$'000	Total after reclassification HK\$'000
Property, plant and equipment	18,386	10,648	29,034
Leasehold land	10,648	(10,648)	–
	At 31 March 2008 HK\$'000	Reclassification HK\$'000	Total after reclassification HK\$'000
Property, plant and equipment	20,762	10,885	31,647
Leasehold land	10,885	(10,885)	–

Notes to the Financial Statements

For the year ended 31 March 2010

11. FIXED ASSETS (continued)

(c) Property, plant and equipment

	Leasehold land and building HK\$'000	Other assets HK\$'000	Total HK\$'000
Cost			
At 31 March 2008	11,832	20,181	32,013
Reclassification	10,885	–	10,885
Restated at 31 March 2008	22,717	20,181	42,898
Additions	–	257	257
At 31 March 2009	22,717	20,438	43,155
Additions	–	999	999
Disposals	(22,717)	(13,050)	(35,767)
At 31 March 2010	–	8,387	8,387
Accumulated depreciation			
At 31 March 2008	1,420	9,831	11,251
Reclassification	237	–	237
Restated at 31 March 2008	1,657	9,831	11,488
Charge for the year	473	2,160	2,633
At 31 March 2009	2,130	11,991	14,121
Charge for the year	–	1,690	1,690
Disposals	(2,130)	(7,616)	(9,746)
At 31 March 2010	–	6,065	6,065
Net book value			
At 31 March 2010	–	2,322	2,322
At 31 March 2009	20,587	8,447	29,034

Other assets comprised of leasehold improvements, furniture and fixtures and motor vehicles.

Notes to the Financial Statements

For the year ended 31 March 2010

12. ASSOCIATES

	2010	2009
	HK\$'000	HK\$'000
The Group		
At cost	195,588	195,588
Goodwill written off	(3,029)	(3,029)
Impairment loss	(18,588)	(18,588)
Exchange reserves	10,444	2,931
Attributable to post acquisition profit	230,992	130,133
Attributable to investment revaluation reserve	205,520	169,984
	620,927	477,019
Share of net assets	620,927	477,019
Amount due from associates	112,469	124,319
Amount due to associates	(22,947)	(8,814)
	710,449	592,524
The Company		
At cost	2,093	2,093
Amount due from associates	38,773	38,701
	40,866	40,794

The amounts due from/to associates are unsecured, interest-free and have no fixed terms of repayment. The carrying value of the amounts due from/to associates approximates their fair value.

(a) Major associates

Name	Country of incorporation	Investment by associates	Group's effective interest in		Issued share capital
			investment	associates	
Causeway Bay 68 Ltd	British Virgin Islands	68 Yee Wo Street, Hong Kong	30.0%	30.0%	US\$1,000
Keencity Properties Ltd	British Virgin Islands	Pullman Pattaya Aisawan Resort, Thailand	49.5%	49.5%	US\$9,939,020
Pioneer Hospitality Siam (GBR) Ltd	Thailand	Hotel operating businesses	49.5%	49.5%	Baht 20,000,000

Notes to the Financial Statements

For the year ended 31 March 2010

12. ASSOCIATES (continued)

(a) Major associates (continued)

Name	Country of incorporation	Investment by associates	Group's effective interest in		Issued share capital
			investment	associates	
Pioneer iNetwork Ltd	Hong Kong	10% of listed shares of Dusit Thani Public Company Ltd and 5% of shares of Gateway China Fund I	50.0%	50.0%	HK\$2
Right Cheer Ltd	Hong Kong	Guangzhou Jie Fang Building, China	50.0%	50.0%	HK\$2
Strand Hotels International Ltd	British Virgin Islands	Three hotels in Myanmar	14.0%	28.0%	US\$11,101,191
Tidefull Investment Ltd	Liberia	Shanghai K Wah Centre, China	7.7%	50.0%	2 full paid without par value

(b) The summarized financial information in respect of the Group's associates is set out below:

	2010 HK\$'000	2009 HK\$'000
Total assets	3,331,341	2,846,182
Total liabilities	(1,675,537)	(1,489,597)
Net assets	1,655,804	1,356,585
Revenue	113,999	119,271
Profit/(loss) for the year	429,052	(108,350)

Notes to the Financial Statements

For the year ended 31 March 2010

13. AVAILABLE FOR SALE INVESTMENTS

	2010 HK\$'000 Level 1	2010 HK\$'000 Level 2	2010 HK\$'000 Level 3	2010 HK\$'000 Total	2009 HK\$'000
The Group					
Listed investments					
In Hong Kong	109,230	–	–	109,230	66,982
Outside Hong Kong	129,578	–	–	129,578	33,787
Unlisted investments					
In Hong Kong	–	64,701	37	64,738	1,864
Outside Hong Kong	–	–	57,733	57,733	47,531
	238,808	64,701	57,770	361,279	150,164
The Company					
Listed investments					
In Hong Kong	9,716	–	–	9,716	5,290
Outside Hong Kong	51,349	–	–	51,349	25,191
Unlisted investments					
In Hong Kong	–	33,665	–	33,665	–
	61,065	33,665	–	94,730	30,481

The available for sale investments are shown at fair value. The fair values of listed investments are measured using quoted prices in active market (level 1 inputs). For unlisted investments that do not have quoted market price in active markets, they are either measured using significant inputs, directly or indirectly, based on observable market data (level 2 inputs) or using valuation techniques in which any significant input is not based on observable market data (level 3 inputs).

The following represents the changes in level 3 instruments for the year ended 31 March 2010:

	The Group HK\$'000
Unlisted available for sale investments	
At 1 April 2009	49,395
Payment for purchases	7,904
Total gains or losses:	
In income statement as other gains and losses	(5,422)
In other comprehensive income as change in fair value of available for sale investments of subsidiaries	6,651
Proceeds from sales	(758)
At 31 March 2010	57,770

Notes to the Financial Statements

For the year ended 31 March 2010

14. DEBTORS, ADVANCES & PREPAYMENTS

Debtors, advances & prepayments comprised the followings:

	2010 HK\$'000	2009 HK\$'000
Deposit on acquisition of available for sale investments	–	12,649
Deposit on acquisition of properties	–	5,481
Other deposits and prepayments	4,081	5,030
Trade and rental debtors	1,065	1,452
	5,146	24,612

At 31 March, the aging analysis of the trade and rental debtors was as follows:

	2010 HK\$'000	2009 HK\$'000
0 – 30 days	860	498
31 – 60 days	113	455
61 – 90 days	32	455
> 90 days	60	44
	1,065	1,452

The Group only allows an average credit period of 30 days to its trade customers. The Group considered the above trade and rental debtors are fully recoverable.

15. FINANCIAL ASSETS AT FAIR VALUE

The Group

	2010 HK\$'000	2009 HK\$'000
Listed shares, at market value		
In Hong Kong	–	29,317
Outside Hong Kong	3,604	2,945
	3,604	32,262

The Company

	2010 HK\$'000	2009 HK\$'000
Listed shares, at market value		
In Hong Kong	–	20,164

All of the financial assets at fair value as at 31 March 2010 were measured using quoted price (unadjusted) in active markets for identical financial instruments (level 1 inputs).

Notes to the Financial Statements

For the year ended 31 March 2010

16. SUBSIDIARY COMPANIES

	2010	2009
	HK\$'000	HK\$'000
Unlisted shares, at cost	424,433	424,433
Amount due by subsidiaries	433,747	391,255
Provision for impairment	(45,666)	(45,666)
	812,514	770,022

The amounts due by subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The carrying value of these amounts due by subsidiaries approximates their fair values. A list of major subsidiaries is set out in note 28.

17. CASH & BANK BALANCES

	2010	2009
	HK\$'000	HK\$'000
The Group		
Cash at bank and in hand	54,332	51,976
Short-term bank deposits	32,598	109,926
	86,930	161,902
The Company		
Cash at bank and in hand	48,368	26,817
Short-term bank deposits	32,598	108,326
	80,966	135,143

The effective interest rate on short-term bank deposits was 4.12% (2009: 1.61%) The carrying amounts of these assets approximate their fair values.

Notes to the Financial Statements

For the year ended 31 March 2010

17. CASH & BANK BALANCES (continued)

The cash and bank balances were denominated in the following currencies:

	2010 HK\$'000	2009 HK\$'000
The Group		
Hong Kong dollar	65,329	53,890
United States dollar	21,601	108,012
	86,930	161,902
The Company		
Hong Kong dollar	60,373	36,292
United States dollar	20,593	98,851
	80,966	135,143

18. SHARE CAPITAL

	No. of Shares of HK\$0.10 each	HK\$'000
Authorized		
At 31 March 2010 and 31 March 2009	2,000,000,000	200,000
Issued and fully paid		
At 31 March 2010 and 31 March 2009	769,359,104	76,935

Notes to the Financial Statements

For the year ended 31 March 2010

19. RESERVES

The Group

	2010 HK\$'000	2009 HK\$'000
Share premium	307,687	307,687
Capital reserve and contributed surplus	41,242	41,242
Exchange reserve	14,140	6,623
Investment revaluation reserve	257,152	138,886
Retained earnings	927,229	693,210
	1,547,450	1,187,648

The Company

	Share premium HK\$'000	Contributed surplus HK\$'000	Retained earnings HK\$'000	Investment revaluation reserve HK\$'000	Total HK\$'000
At 31 March 2009	307,687	381,051	237,981	(5,458)	921,261
Profit for the year	–	–	43,288	–	43,288
Final dividend paid for the year ended 31 March 2009	–	–	(11,540)	–	(11,540)
Interim dividend paid for the year ended 31 March 2010	–	–	(7,694)	–	(7,694)
Revaluation of available for sale investments	–	–	–	7,256	7,256
At 31 March 2010	307,687	381,051	262,035	1,798	952,571
At 31 March 2008	307,687	381,051	234,529	1,155	924,422
Profit for the year	–	–	21,147	–	21,147
Final dividend paid for the year ended 31 March 2008	–	–	(11,540)	–	(11,540)
Interim dividend paid for the year ended 31 March 2009	–	–	(6,155)	–	(6,155)
Reversal to impairment loss	–	–	–	374	374
Revaluation of available for sale investments	–	–	–	(6,987)	(6,987)
At 31 March 2009	307,687	381,051	237,981	(5,458)	921,261

The reserves of the Company available for distribution to shareholders as at the reporting date, calculated in accordance with the Bermuda Companies Act, amounted to HK\$643,086,000 (2009: HK\$619,032,000).

Notes to the Financial Statements

For the year ended 31 March 2010

20. SECURED BANK LOANS

	2010 HK\$'000	2009 HK\$'000
The Group		
Current		
Repayable on demand	8,173	22,100
Non-current		
Repayable more than one year but not exceeding two years	25,000	17,000
Repayable more than two years but not exceeding five years	246,100	61,100
	271,100	78,100
The Company		
Current		
Repayable on demand	173	–

The Group and the Company has a bank loan of HK\$173,000 which is denominated in Euro. Except for that, all bank loans are denominated in Hong Kong Dollars (2009: all bank loans were denominated in Hong Kong Dollars). The effective interest rate at the year end date was 1.35% (2009: 1.40%). The carrying amount of bank loans approximates their fair values based on prevailing market interest rate.

21. DEFERRED PAYMENT

On the acquisition of the 80-year leasehold interest of the Property during the reporting period, 25% of the consideration has been deferred and shall be paid by installments over a 5-year period at an interest rate of 3% p.a.. The carrying value of the deferred payment approximates its fair value.

Notes to the Financial Statements

For the year ended 31 March 2010

22. DEFERRED TAXATION

The components of deferred tax liabilities recognized in the consolidated statement of financial position and movements thereon during the current and prior years are as follows:

	Revaluation of investment properties <i>HK\$'000</i>	Accelerated tax depreciation <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31 March 2008	58,288	3,999	62,287
Charge to income statement	(3,894)	(196)	(4,090)
Reversal upon disposal of investment properties	(5,334)	(814)	(6,148)
Change in profits tax rate	(3,026)	(182)	(3,208)
At 31 March 2009	46,034	2,807	48,841
At 31 March 2009	46,034	2,807	48,841
Charge to income statement	9,371	1,517	10,888
Reversal upon disposal of investment properties	1,376	–	1,376
At 31 March 2010	56,781	4,324	61,105

The Group has tax losses of HK\$36,832,000 (2009: HK\$33,309,000) to offset against future taxable profits for which no deferred tax assets have been recognized due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

23. CREDITORS & ACCRUALS

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Creditors and accruals comprised the followings:		
Rental deposit received	14,639	8,559
Provision for long service payments	1,966	1,945
Accruals	3,607	2,486
Trade payables	2,408	1,343
	22,620	14,333

Notes to the Financial Statements

For the year ended 31 March 2010

23. CREDITORS & ACCRUALS *(continued)*

At 31 March, the aging analysis of the trade payables was as follows:

	2010	2009
	HK\$'000	HK\$'000
0 – 30 days	481	678
31 – 60 days	23	183
61 – 90 days	23	183
> 90 days	1,881	299
	2,408	1,343

Trade payables are non-interest-bearing and have an average term of three months.

24. GUARANTEES & COMMITMENTS

	The Group		The Company	
	2010	2009	2010	2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Guarantees				
– given to bank in respect of banking facilities utilized by subsidiaries	–	–	279,633	100,200
– on utility deposits	693	160	–	–
Commitments				
– for total future minimum lease payments				
– not later than one year	2,543	1,842	–	–
– later than one year and not later than five years	2,693	3,128	–	–
– for purchase of investment properties				
– later than one year and not later than five years	–	12,548	–	–
– for purchase of available for sale investments				
– not later than one year	43,147	–	–	–

Notes to the Financial Statements

For the year ended 31 March 2010

25. OPERATING LEASE RECEIVABLE

At the year end date, the Group's total future minimum lease payments to be received under non-cancelable rental leases in respect of investment properties were as follows:

	2010	2009
	HK\$'000	HK\$'000
Not later than one year	38,710	29,821
Later than one year but not later than five years	24,777	23,799
	63,487	53,620

26. PLEDGE OF ASSETS

At the year end date, properties with total carrying values of approximately HK\$880 million (2009: HK\$440 million) were pledged to secure banking and other loan facilities to the extent of HK\$476 million (2009: HK\$297 million) of which HK\$280 million (2009: HK\$100 million) was utilized at that date.

27. RELATED PARTY TRANSACTION

The Group rented office space at market rate from an entity controlled by two directors of the Company. Gross rental expenses in the financial year ended 31 March 2010 amounted to HK\$979,200 (2009: HK\$979,200).

The transaction was exempted from announcement, reporting and shareholders' approval as the transaction was within the relevant maximum amount permitted under the Listing Rules.

Notes to the Financial Statements

For the year ended 31 March 2010

28. LIST OF MAJOR SUBSIDIARIES

Name of company	Main activity	Country of incorporation	No. of issued shares	Par value	Percentage of equity held
All Success Holdings Limited	Real Estate	Hong Kong	1	HK\$1	100
Asian Champion Limited	Investment	Liberia	2	US\$1,000	100
Brilliant Valley Investment Limited	Investment	Liberia	1	Nil	100
Dragon Phoenix Land Investment Limited	Real Estate	Hong Kong	1,000	HK\$10	100
Dynamic Business Limited	Real Estate	Hong Kong	1	HK\$1	100
Forerunner Investments Limited	Investment	Hong Kong	3,000,000	HK\$1	65
Fortune Far East Limited	Investment	Liberia	1	US\$1,000	100
Future Star Company Limited	Investment	British Virgin Islands	1	US\$1	100
Gamolon Investments Limited	Real Estate	Hong Kong	1,000	HK\$10	100
Glory East Limited	Real Estate	Liberia	1	Nil	100
Golden Mile Limited	Real Estate	Liberia	1	Nil	100
Long Growth Investments Limited	Real Estate	British Virgin Islands	1	US\$1	100
Master Yield Limited	Investment	British Virgin Islands	1	Nil	100
Nice Fortune Limited	Real Estate	Hong Kong	1	HK\$1	100
Pearl River Investment Limited	Investment	Liberia	1	Nil	100
PGG Development Company Limited	Investment	Hong Kong	70,000	HK\$10	100
PGG Asset Management Limited	Asset management	British Virgin Islands	1	US\$1	100
PGG Morrison Holding Limited	Real Estate	Hong Kong	2	HK\$1	100
Pine International Limited	Investment	British Virgin Islands	1	HK\$1	100

Notes to the Financial Statements

For the year ended 31 March 2010

28. LIST OF MAJOR SUBSIDIARIES (continued)

Name of company	Main activity	Country of incorporation	No. of issued shares	Par value	Percentage of equity held
Pioneer Estates Limited	Real Estate	Hong Kong	100	HK\$10	100
Pioneer Industries (Holdings) Limited	Investment	Hong Kong	150,794,424	HK\$0.50	100
Supreme Success Limited	Real Estate	Hong Kong	1	HK\$1	100

The principal place of operations of the major subsidiaries is mainly in Hong Kong.

29. FINANCIAL RISKS MANAGEMENT

The Group's principal financial instruments comprise bank loans and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operation. The Group has various other financial assets and liabilities such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarized below.

(a) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank borrowings and short-term bank deposits with a floating interest rate. The interest rates and terms of repayment of the Group's bank borrowings are disclosed in note 20 to the financial statements.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group's profit before taxation (through the impact on floating rate borrowings and floating rate bank deposits) and the Group's and the Company's equity.

Notes to the Financial Statements

For the year ended 31 March 2010

29. FINANCIAL RISKS MANAGEMENT *(continued)*

(a) Interest rate risk *(continued)*

	The Group			The Company		
	Change in basis points	Change in profit before taxation HK\$'000	Change in equity HK\$'000	Change in basis points	Change in profit before taxation HK\$'000	Change in equity HK\$'000
2010						
Bank borrowings	100	2,793	2,793	100	2	2
Short-term bank deposits	100	326	326	100	326	326
2009						
Bank borrowings	100	1,002	1,002	100	–	–
Short-term bank deposits	100	1,099	1,099	100	1,083	1,083

(b) Foreign currency risk

The Group's financial assets and financial liabilities are substantially denominated in Hong Kong dollars or United States dollars. As Hong Kong dollars are pegged to the United States dollars, the management considers that the foreign currency risk to the Group is not significant.

The Group's exposure to foreign currency risk is primarily through its investment in available for sale investments and financial assets at fair value which is denominated in Thai Baht, Singapore Dollar and Malaysian Ringgit. The following table demonstrates the sensitivity at the year end date to a reasonable possible change in the foreign exchange rate, with all other variables held constant, of the Group's profit before taxation and the Group's equity.

	Change in exchange rate %	Change in profit before taxation HK\$'000	Change in equity HK\$'000
At 31 March 2010			
Thai Baht	5%	180	357
Singapore Dollar	5%	–	700
Malaysian Ringgit	5%	–	2,250
At 31 March 2009			
Thai Baht	5%	94	772
Singapore Dollar	5%	73	807
Malaysian Ringgit	5%	105	1,944

Notes to the Financial Statements

For the year ended 31 March 2010

29. FINANCIAL RISKS MANAGEMENT (continued)

(c) Credit risk

The Group's exposure to credit risk is mainly attributable to bank deposits and investments. Bank deposits are placed with high-quality financial institutions with good credit ratings. Investments are those listed securities and investment funds of counterparties that have high credit standing, the equity share price movements are closely monitored by our management.

The Group is also exposed to counterparties credit risk from its operating activities. Stringent monitoring procedures are in place to deal with the overdue debts. Debtors balance are reviewed regularly to ensure adequate impairment loss is provided.

(d) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities.

The maturity profile of the Group's financial liabilities as at the year end date, based on the contracted undiscounted payments, was as follows:

The Group at 31 March 2010

	Within 1 year or on demand HK\$'000	1 to 2 years HK\$'000	3 to 5 years HK\$'000	Total HK\$'000
Interest bearing bank borrowings	8,173	25,000	246,100	279,273
Rental deposit received	14,639	–	–	14,639
Accruals and trade payables	6,015	–	–	6,015
	28,827	25,000	246,100	299,927

Notes to the Financial Statements

For the year ended 31 March 2010

29. FINANCIAL RISKS MANAGEMENT *(continued)*

(d) Liquidity risk *(continued)*

The Group at 31 March 2009

	Within 1 year or on demand <i>HK\$'000</i>	1 to 2 years <i>HK\$'000</i>	3 to 5 years <i>HK\$'000</i>	Total <i>HK\$'000</i>
Interest bearing bank borrowings	22,100	17,000	61,100	100,200
Rental deposit received	1,625	6,934	–	8,559
Accruals and trade payables	3,829	–	–	3,829
	27,554	23,934	61,100	112,588

The Company at 31 March 2010

	Within 1 year or on demand <i>HK\$'000</i>	1 to 2 years <i>HK\$'000</i>	3 to 5 years <i>HK\$'000</i>	Total <i>HK\$'000</i>
Interest bearing bank borrowings	173	–	–	173
Accruals and trade payables	386	–	–	386
	559	–	–	559

The Company at 31 March 2009

	Within 1 year or on demand <i>HK\$'000</i>	1 to 2 years <i>HK\$'000</i>	3 to 5 years <i>HK\$'000</i>	Total <i>HK\$'000</i>
Accruals and trade payables	387	–	–	387

Notes to the Financial Statements

For the year ended 31 March 2010

29. FINANCIAL RISKS MANAGEMENT (continued)

(e) Equity price risk

Equity price risk is the risk that the fair value of equity securities decreases as a result of changes in the level of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual investments classified as available for sale investments (note 13) and financial assets at fair value (note 15) as at 31 March 2010. The Group's listed investments are valued at quoted market prices at the year end date.

The following table demonstrates the sensitivity to every 5% change in fair value of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the year end date. For the purpose of this analysis, for the available for sale investments the impact is deemed to be on the available for sale investments revaluation reserve and no account is given for factors such as impairment which might impact on the income statement.

	Carrying amount of investments HK\$'000	Change in profit before taxation HK\$'000	Change in equity HK\$'000
At 31 March 2010			
Listed investments:			
Available for sale	238,808	–	11,940
Financial assets at fair value	3,604	180	180
At 31 March 2009			
Listed investments:			
Available for sale	100,769	–	5,038
Financial assets at fair value	32,262	1,613	1,613

(f) Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the years ended 31 March 2010 and 31 March 2009.

Notes to the Financial Statements

For the year ended 31 March 2010

29. FINANCIAL RISKS MANAGEMENT *(continued)*

(f) Capital management *(continued)*

The Group monitors capital using a gearing ratio, which is net debt divided by the total assets. Net debt includes interest bearing bank borrowings and deferred payment less cash and cash equivalents. The gearing ratios as at the year end dates were as follows:

	2010	2009
	HK\$'000	HK\$'000
Interest bearing bank borrowings	279,273	100,200
Deferred payment	102,500	–
Less: Cash and cash equivalents	(86,930)	(161,902)
Net debt	294,843	(61,702)
Total assets	2,107,684	1,445,745
Gearing ratio	14.0%	N/A

The gearing ratio for 2009 was not applicable because the Group was in a net cash position as its cash and cash equivalents exceed its interest bearing bank borrowings.

30. APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 23 to 66 have been approved by the Board of Directors on 5 July 2010.

Schedule of the Group's Properties

The following is a list of properties held for investment as at 31 March 2010:

Location/Lot No.	Type of property	Lease term	Group's effective interest	GFA
1. Pioneer Building, 213 Wai Yip Street, Kwun Tong, Kowloon Kwun Tong Inland Lot No. 294	Industrial	Medium-term	100%	245,678 ft ²
2. 12th Floor and the roof and car parking spaces Nos. 24 and 25, Edwick Industrial Centre, 4-30 Lei Muk Road, Kwai Chung, New Territories The remaining portion of Kwai Chung Town Lot No. 302	Industrial	Medium-term	100%	51,340 ft ²
3. 1st Floor, Fu Hop Factory Building, Nos. 209 & 211 Wai Yip Street, Kwun Tong, Hong Kong Kwun Tong Inland Lot No. 293	Industrial	Medium-term	100%	11,100 ft ²
4. 6th Floor, On Lok Yuen Building, Nos. 25, 27 and 27A Des Voeux Road Central, Hong Kong Inland Lot No. 2178	Commercial	Long-term	100%	3,878 ft ²
5. The whole of basement, shops 1 & 2 on Ground Floor, Shops 1, 47, 59 & 87 on 1st Floor of the podium of blocks 1, 2 & 3, City Garden, No. 233 Electric Road, Hong Kong Inland Lot No. 8580	Commercial	Long-term	100%	63,840 ft ²
6. Club Lusitano, No. 16 Ice Street, Central, Hong Kong The Remaining Portion of Inland Lot No. 339	Commercial	Long-term	100%	80,100 ft ²
7. Apartments A and B on 19th Floor, Wah Tai Mansion, No. 388 Zhao Jia Bang Road, Shanghai, People's Republic of China	Residential	Long-term	100%	5,248 ft ²

Five Years Financial Summary

	2006 HK\$'000 Restated	2007 HK\$'000	2008 HK\$'000	2009 HK\$'000	2010 HK\$'000
RESULTS					
Turnover	45,853	96,112	61,886	119,038	68,515
Profit attributable to shareholders	129,519	189,461	149,146	84,693	253,253
Dividends	11,541	13,079	17,695	17,695	19,234
Earnings per share (<i>HK cents</i>)	16.83	24.63	19.39	11.01	32.92
FINANCIAL POSITION					
Total assets	1,175,357	1,394,617	1,667,760	1,445,745	2,107,684
Total liabilities	(243,894)	(214,837)	(268,901)	(167,387)	(467,366)
	931,463	1,179,780	1,398,859	1,278,358	1,640,318
Capital and reserves					
Share capital	76,935	76,935	76,935	76,935	76,935
Reserves	838,119	1,087,513	1,305,938	1,187,648	1,547,450
Shareholders' funds	915,054	1,164,448	1,382,873	1,264,583	1,624,385
Minority interests	16,409	15,332	15,986	13,775	15,933
	931,463	1,179,780	1,398,859	1,278,358	1,640,318
	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
Net asset value per share	118.9	151.4	179.7	164.4	211.1

