



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

Stock Code : 00224



INTERIM REPORT **2023**



PIONEER GLOBAL GROUP LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Rossana WANG GAW, *Chairman*

Goodwin GAW, *Vice Chairman*

Kenneth GAW, *Managing Director*

Christina GAW

Alan Kam Hung LEE

Independent Non-executive Directors

Dr. Charles Wai Bun CHEUNG, JP

Arnold Tin Chee IP

Stephen TAN

Kin CHAN

AUDIT COMMITTEE

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

Arnold Tin Chee IP

Stephen TAN

Kin CHAN

COMPANY SECRETARY

Clara Yuk Yee CHENG

BANKERS

BNP Paribas

Citibank N.A. Hong Kong

Hang Seng Bank Limited

Standard Chartered Bank

(Hong Kong) Limited

The Hongkong and Shanghai Banking Corporation Limited

SOLICITORS

Fangda Partners

Mayer Brown

AUDITOR

CHENG & CHENG LIMITED

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Victoria Place, 5th Floor

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Hamilton HM 10, Bermuda

PRINCIPAL OFFICE IN HONG KONG

18th Floor

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SHARE REGISTRAR & TRANSFER OFFICE IN BERMUDA

MUFG Fund Services (Bermuda) Limited

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Hamilton HM 12, Bermuda

SHARE REGISTRARS & TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited

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INFORMATION

<http://www.pioneerglobalgroup.com>

<http://www.irasia.com/listco/hk/pioneer/index.htm>

Bloomberg: 224:HK

Reuters: 0224.hk

The Board of Directors of Pioneer Global Group Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2023, together with the comparative figures for the corresponding period in 2022 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		For the six months ended 30 September	
		2023	2022
	Notes	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue	4, 5	125,427	118,089
Properties operating expenses		(27,792)	(25,749)
Staff costs		(8,489)	(7,851)
Depreciation		(373)	(414)
Other expenses		(2,171)	(2,828)
		(38,825)	(36,842)
Operating profit	4	86,602	81,247
Share of results of associates		(39,280)	(35,320)
Change in fair value of investment properties		25,100	16,378
Change in fair value of investments in equity instruments at fair value through profit or loss (“FVTPL”)		(6,913)	(21,097)
Other gains and losses		(31)	207
Finance costs	6	(56,773)	(21,942)
Profit before taxation	7	8,705	19,473
Taxation			
Current	8	(1,961)	(5,772)
Deferred	8	20,835	(1,883)
Profit for the period		27,579	11,818
Profit attributable to:			
Shareholders of the Company		18,098	2,821
Non-controlling interests		9,481	8,997
		27,579	11,818
		HK cents	HK cents
Earnings per share	10	1.57	0.24

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the six months ended	
	30 September	
	2023	2022
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Profit for the period	27,579	11,818
Other comprehensive expense:		
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
Change in fair value of investments in equity instruments designated at fair value through other comprehensive income ("FVTOCI")	(7,717)	(32,144)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Reclassification of investment revaluation reserve upon redemption of debt instruments at FVTOCI	-	(345)
Exchange difference on translation of associates	(16,712)	(72,423)
Other comprehensive expense for the period, net of tax	(24,429)	(104,912)
Total comprehensive income/(expense) for the period	3,150	(93,094)
Total comprehensive income/(expense) attributable to:		
Shareholders of the Company	(5,518)	(98,749)
Non-controlling interests	8,668	5,655
	3,150	(93,094)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 September 2023 (Unaudited) HK\$'000	At 31 March 2023 (Audited) HK\$'000
	Notes		
ASSETS			
Non-current assets			
Investment properties	11	7,928,400	7,903,300
Interests in associates	12	2,594,524	2,584,702
Equity instruments designated at FVTOCI	13	197,640	204,384
Equity instruments at FVTPL	13	151,529	154,924
Property, plant & equipment		1,977	2,350
Other assets		300	300
		10,874,370	10,849,960
Current assets			
Debtors, advances & prepayments	14	26,477	26,960
Tax recoverable		841	942
Cash & bank balances	15	214,873	262,773
		242,191	290,675
Total assets		11,116,561	11,140,635
EQUITY			
Share capital		115,404	115,404
Reserves		7,444,939	7,450,457
Shareholders' funds		7,560,343	7,565,861
Non-controlling interests		1,114,320	1,105,652
Total equity		8,674,663	8,671,513

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		At 30 September 2023 (Unaudited) Notes	At 31 March 2023 (Audited) HK\$'000
LIABILITIES			
Non-current liabilities			
Creditors & other payables	16	45,824	42,673
Secured bank loans	17	1,017,500	1,617,500
Lease liabilities		109	237
Deferred taxation		65,402	86,237
		1,128,835	1,746,647
Current liabilities			
Creditors & other payables	16	46,686	57,905
Secured bank loans	17	1,263,500	663,500
Lease liabilities		294	349
Tax liabilities		2,583	721
		1,313,063	722,475
Total liabilities		2,441,898	2,469,122
Total equity and liabilities		11,116,561	11,140,635
Net current liabilities		(1,070,872)	(431,800)
Total assets less current liabilities		9,803,498	10,418,160

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to shareholders of the Company									
	Capital							Total	Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve & contributed surplus	Exchange reserve	Investment revaluation reserve	Property revaluation reserve	Retained earnings			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2023	115,404	547,748	41,242	(5,697)	81,493	174,497	6,611,174	7,565,861	1,105,652	8,671,513
Fair value change of investments in equity instruments designated at FVTOCI	-	-	-	-	(6,904)	-	-	(6,904)	(813)	(7,717)
Exchange on translation of associates	-	-	-	(16,712)	-	-	-	(16,712)	-	(16,712)
Other comprehensive expense for the period	-	-	-	(16,712)	(6,904)	-	-	(23,616)	(813)	(24,429)
Profit for the period	-	-	-	-	-	-	18,098	18,098	9,481	27,579
Total comprehensive (expense)/ income for the period	-	-	-	(16,712)	(6,904)	-	18,098	(5,518)	8,668	3,150
At 30 September 2023	115,404	547,748	41,242	(22,409)	74,589	174,497	6,629,272	7,560,343	1,114,320	8,674,663

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Attributable to shareholders of the Company												
	Share capital	Share premium	Capital reserve & contributed surplus		Exchange reserve	Investment revaluation reserve	Property revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity		
			HK\$'000	HK\$'000								HK\$'000	HK\$'000
			HK\$'000	HK\$'000								HK\$'000	HK\$'000
At 1 April 2022	115,404	547,748	41,242	23,731	80,855	174,497	6,574,823	7,558,300	1,115,185	8,673,485			
Fair value change of investments in equity instruments designated at FVTOCI	-	-	-	-	(28,802)	-	-	(28,802)	(3,342)	(32,144)			
Redemption of debt instruments at FVTOCI	-	-	-	-	(345)	-	-	(345)	-	(345)			
Exchange on translation of associates	-	-	-	(72,423)	-	-	-	(72,423)	-	(72,423)			
Other comprehensive expense for the period	-	-	-	(72,423)	(29,147)	-	-	(101,570)	(3,342)	(104,912)			
Profit for the period	-	-	-	-	-	-	2,821	2,821	8,997	11,818			
Total comprehensive (expense)/ income for the period	-	-	-	(72,423)	(29,147)	-	2,821	(98,749)	5,655	(93,094)			
Disposal of equity instruments designated at FVTOCI	-	-	-	-	420	-	(420)	-	-	-			
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(8,000)	(8,000)			
At 30 September 2022	115,404	547,748	41,242	(48,692)	52,128	174,497	6,577,224	7,459,551	1,112,840	8,572,391			

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the six months ended	
	30 September	
	2023	2022
	(Unaudited)	(Unaudited)
Notes	HK\$'000	HK\$'000
Net cash generated from operating activities	69,454	81,870
Cash flows from investing activities		
Increase in short-term bank deposits maturing after three months	(880)	–
Additions to investment properties	–	(702)
Associates:		
Advance to associates	(65,814)	(17)
Distribution from associates	–	1,809
Financial instruments:		
Purchase of investments in equity instruments designated at FVTOCI	(1,168)	(7,154)
Additions to investments in equity instruments at FVTPL	(3,532)	–
Proceeds from return of capital of equity instruments designated at FVTOCI	195	167
Proceeds from return of capital of equity instruments at FVTPL	14	806
Proceeds from redemption of investments in debt instruments designated at FVTOCI	–	2,003
Proceeds from disposal of investments in equity instruments designated at FVTOCI	–	7,490
Purchase of property, plant & equipment	–	(24)
Dividend received from investments in equity instruments designated at FVTOCI	4,688	5,855
Interest received	5,065	1,259
Net cash (used in)/generated from investing activities	(61,432)	11,492

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	For the six months ended	
	30 September	
	2023	2022
	(Unaudited)	(Unaudited)
<i>Notes</i>	HK\$'000	HK\$'000
Cash flows from financing activities		
Repayment of lease liabilities	(183)	(174)
Interest paid	(56,590)	(21,169)
Dividend paid to non-controlling shareholders of subsidiaries	–	(8,000)
Net cash used in financing activities	(56,773)	(29,343)
Net (decrease)/increase in cash and cash equivalents	(48,751)	64,019
Exchange difference	(29)	(144)
Cash and cash equivalents at the beginning of the period	254,706	227,329
Cash and cash equivalents at the end of the period	205,926	291,204
Analysis of the balances of cash and cash equivalents		
Bank balances, cash and deposits placed with banks up to three months' maturity	205,926	291,204

NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2023 have been prepared in accordance with applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of amendments to HKFRSs, the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 September 2023 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2023. Details of the changes in accounting policies are set out below.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2023 for the preparation of the Group’s unaudited condensed consolidated financial statements:

Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
HKFRS 17	Insurance Contracts and the related Amendments

The application of the amendments to HKFRSs in the current period has had no material impact on the Group’s financial performance and positions for the current and prior periods and on the disclosures set out in these unaudited condensed consolidated financial statements.

3. FINANCIAL RISKS MANAGEMENT

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. There have been no changes in the Group’s financial risk management policies and procedures since the year ended 31 March 2023.

4. SEGMENT INFORMATION

Segment information is presented in respect of the Group's primary business segments. In accordance with the internal financial reporting of the Group provided to the chief operating decision maker (i.e. Board of Directors) for the purposes of allocating resources to segments, assessing their performance and making strategic decisions, the reportable and operating segments are (i) properties and hotels and (ii) investments and others.

The following are the analyses of the Group's revenue and results; assets and liabilities by reportable and operating segments for the period under review:

Segment Revenue and Results

For the six months ended 30 September 2023 (30 September 2022)

	Properties and hotels		Investments and others		Consolidated	
	2023	2022	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue	116,173	110,908	9,254	7,181	125,427	118,089
Segment results	77,848	74,789	8,859	6,814	86,707	81,603
Unallocated corporate expenses					(105)	(356)
Operating profit					86,602	81,247
Share of results of associates	(39,280)	(35,320)	–	–	(39,280)	(35,320)
Change in fair value of investment properties	25,100	16,378	–	–	25,100	16,378
Change in fair value of investments in equity instruments at FVTPL	(6,913)	(21,097)	–	–	(6,913)	(21,097)
Other gains and losses	–	–	(31)	207	(31)	207
Finance costs					(56,773)	(21,942)
Profit before taxation					8,705	19,473
Other Information						
Capital expenditure	–	719	–	7,178	–	7,897

Segment results represent the profit earned by each segment without allocation of general administrative expenses incurred by corporate office, share of results of associates, change in fair value of investment properties, change in fair value of investments in equity instruments at FVTPL, other gains and losses and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and performance assessment.

4. SEGMENT INFORMATION (Continued)

Segment Assets and Liabilities

As at 30 September 2023 (31 March 2023)

	Properties and hotels		Investments and others		Consolidated	
	30 September	31 March	30 September	31 March	30 September	31 March
	2023	2023	2023	2023	2023	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	8,263,914	8,243,968	258,123	311,965	8,522,037	8,555,933
Interests in associates	2,594,524	2,584,702	-	-	2,594,524	2,584,702
Consolidated total assets					11,116,561	11,140,635
Segment liabilities	(2,439,025)	(2,466,468)	(157)	(607)	(2,439,182)	(2,467,075)
Unallocated corporate liabilities					(2,716)	(2,047)
Consolidated total liabilities					(2,441,898)	(2,469,122)

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable and operating segments other than interests in associates.
- all liabilities are allocated to reportable and operating segments other than creditors and other payables of investment holding companies.

4. SEGMENT INFORMATION (Continued)

Geographical Segments

In geographical segments, segment revenue is based on the geographical location of customers. Information about the Group's non-current assets (excluding financial instruments) is presented based on the geographical location of the assets. Overseas segments mainly include China, Thailand, Malaysia and Japan.

Segment revenue

For the six months ended 30 September 2023 (30 September 2022)

	2023	2022
	HK\$'000	HK\$'000
Hong Kong	120,722	116,734
Overseas	4,705	1,355
	125,427	118,089

Information about the Group's non-current assets

As at 30 September 2023 (31 March 2023)

	30 September	31 March
	2023	2023
	HK\$'000	HK\$'000
Hong Kong	9,775,757	9,732,346
Overseas	749,444	758,306
	10,525,201	10,490,652

5. REVENUE

Disaggregation of revenue from contracts with customers by major service lines is as follows:

	For the six months ended	
	30 September 2023	2022
	HK\$'000	HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Property management service income	20,153	16,773
Revenue from other sources		
Rental income from property leasing	96,020	94,135
Dividend income		
– equity instruments designated at FVTOCI	4,688	5,855
Interest income		
– financial assets at amortised cost	4,566	1,305
– debt instruments at FVTOCI	–	21
	125,427	118,089

6. FINANCE COSTS

	For the six months ended	
	30 September 2023	2022
	HK\$'000	HK\$'000
Interest on bank loans	56,761	21,922
Interest on lease liabilities	12	20
	56,773	21,942

7. PROFIT BEFORE TAXATION

	For the six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
Profit before taxation has been arrived at after charging:		
Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	6,799	6,162
Short-term lease payment for directors' quarters	1,560	1,560
Pension scheme contributions	130	129
Auditor's remuneration	325	310
Depreciation	373	414
Net exchange loss	30	138
and after crediting:		
Rental income from property leasing	96,020	94,135
Less: direct outgoings	(7,586)	(8,643)
Listed investment dividend income	3,998	4,943
Unlisted investment dividend income	690	912
Interest income	4,566	1,326

8. TAXATION

	For the six months ended 30 September					
	2023			2022		
	Current	Deferred	Total	Current	Deferred	Total
	taxation	taxation		taxation	taxation	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Charged/(credited)						
for the period						
Hong Kong	1,961	1,348	3,309	5,772	2,613	8,385
Overseas	-	(175)	(175)	-	(730)	(730)
Over-provision						
in prior years	-	(22,008)	(22,008)	-	-	-
	1,961	(20,835)	(18,874)	5,772	1,883	7,655

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Overseas tax has been provided at the applicable rates in the countries in which the tax is levied.

9. INTERIM DIVIDEND

The Board of Directors does not recommend the payment of any interim dividend for the period ended 30 September 2023 (2022: Nil).

10. EARNINGS PER SHARE

Earnings per share is calculated on profit attributable to ordinary shareholders of the Company amounting to HK\$18,098,000 (2022: HK\$2,821,000) and on 1,154,038,656 shares (2022: 1,154,038,656 shares) in issue during the period.

No diluted earnings per share have been presented for the periods ended 30 September 2023 and 30 September 2022 as the Company had no dilutive potential ordinary shares during both periods.

11. INVESTMENT PROPERTIES

	HK\$'000
Fair Value	
At 1 April 2022	7,895,300
Additions	2,028
Revaluation	5,972
	7,903,300
At 31 March 2023 and 1 April 2023	25,100
Revaluation	7,928,400
At 30 September 2023	7,928,400

Investment properties have been valued at 30 September 2023 and 31 March 2023 by independent professional valuers who have recognised relevant professional qualifications and experiences in valuation of properties. The directors of the Company had on-going discussions with the valuers upon producing the valuation reports in respect of valuation assumption use and other inputs relevant for the valuations of the Group's investment properties.

As at 30 September 2023 and 31 March 2023, the fair value of the investment properties was determined on the basis of capitalisation of the net income receivable with due allowance for reversionary income potential.

12. INTERESTS IN ASSOCIATES

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Cost of investment	219,623	219,623
Share of post-acquisition reserves	642,129	698,121
	861,752	917,744
Amounts due from associates	1,732,772	1,666,958
	2,594,524	2,584,702

Included in the amounts due from associates, HK\$1,123,876,000 (31 March 2023: HK\$1,123,876,000) is unsecured, interest-free, repayable upon unanimous consent of the shareholders of an associate. The residual amounts due from associates are unsecured, interest-free, have no fixed terms of repayment and repayable on demand. The directors of the Company consider that the amounts due from associates as at the end of the reporting period form part of the net investments in the relevant associates (i.e. deemed capital contribution to the associates).

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Carrying value of the material associate in the consolidated financial statements:		
Supreme Key Limited	1,873,580	1,855,595
Aggregate carrying value of associates that are not individually material in the consolidated financial statements	720,944	729,107
	2,594,524	2,584,702

Supreme Key Limited is a limited liability company incorporated in British Virgin Islands with the principal business of hotel investment, the Regent Hong Kong ("Regent HK") (Previously known as InterContinental Hong Kong ("ICHK")). As at 30 September 2023 and 31 March 2023, the Group owned 3 shares of Supreme Key Limited which represents 30% equity interests in the company. As at 30 September 2023, the total investment costs including amount due from Supreme Key Limited was HK\$1,784,449,000 (31 March 2023: HK\$1,718,656,000).

12. INTERESTS IN ASSOCIATES (Continued)

Summary of financial information of the material associate, Supreme Key Limited (accounted for as an investment entity), is as follows:

	Supreme Key Limited	
	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Non-current assets	6,142,159	6,093,561
Current assets	97,383	66,342
Non-current liabilities	(3,758,405)	(3,745,877)
Current liabilities	(1,740,686)	(1,517,212)
Net assets	740,451	896,814
Reconciled to the Company's interest in the associate:		
Gross amounts of net assets of the associate	740,451	896,814
Group's effective interest	30.0%	30.0%
Group's share of net assets of the associate	222,135	269,044
Amount due from the associate	1,651,445	1,586,551
Carrying value of the associate in the consolidated financial statements	1,873,580	1,855,595
	For the six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
Revenue		
Net change in unrealised appreciation on financial assets at FVTPL	(161,781)	(158,126)
Dividend and interest income	1,677	2,745
Total revenue	(160,104)	(155,381)
Loss for the period	(156,363)	(155,395)
Total comprehensive expense	(156,363)	(155,395)

13. INVESTMENTS IN EQUITY INSTRUMENTS DESIGNATED AT FVTOCI/EQUITY INSTRUMENTS AT FVTPL

The Group's financial instruments are measured at fair value. They are classified as equity instruments designated at FVTOCI and equity instruments at FVTPL. The financial instruments are grouped into 3 levels based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair value measurements are those derived from inputs other than quoted prices included with level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table provides an analysis of the Group's financial instruments that are grouped into different levels of fair value measurements.

	30 September 2023				31 March 2023			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Investments in equity instruments designated at FVTOCI								
<i>Equity investments classified as non-current assets</i>								
Listed in Hong Kong	56,502	-	-	56,502	59,961	-	-	59,961
Unlisted in Hong Kong	-	-	37	37	-	-	37	37
Unlisted outside Hong Kong	-	-	141,101	141,101	-	-	144,386	144,386
	56,502	-	141,138	197,640	59,961	-	144,423	204,384
Investments in equity instruments at FVTPL								
<i>Equity investments classified as non-current assets</i>								
Unlisted in Hong Kong	-	-	86,137	86,137	-	-	86,593	86,593
Unlisted outside Hong Kong	-	-	65,392	65,392	-	-	68,331	68,331
	-	-	151,529	151,529	-	-	154,924	154,924
Total	56,502	-	292,667	349,169	59,961	-	299,347	359,308

13. INVESTMENTS IN EQUITY INSTRUMENTS DESIGNATED AT FVTOCI/EQUITY INSTRUMENTS AT FVTPL (Continued)

The fair value of the listed investments are measured using quoted prices in active market (level 1 inputs). They are derived from the current bid price of the listed shares and investment funds at reporting date.

For unlisted investments that do not have quoted market price in active markets, they are measured using valuation techniques in which maximizing the use of observable market data where it is available (level 2 input).

For unlisted investments that do not have quoted market price in active markets, they are measured using valuation techniques in which any significant input is based on observable market data (level 3 inputs).

The unlisted equity instruments at FVTOCI outside Hong Kong mainly represents a 9.75% ownership in a Malaysian private company with principal operation in property development in Malaysia. The fair value measurement remains at level 3.

The unlisted equity instruments at FVTPL represents a 3.13% ownership in a company which indirectly holds an investment property in Tai Koo Shing, Hong Kong and a 4% ownership in a company which indirectly holds an investment property in Shanghai, China for rental income. The investments were classified as level 3.

The following table shows the movement of level 3 financial instruments during the period/year:

	HK\$'000
At 1 April 2022	321,826
Return of capital	(2,856)
Total gains or losses recognised due to change in fair value of investments:	
In profit or loss	(23,043)
In other comprehensive income	3,420
At 31 March 2023 and 1 April 2023	299,347
Additions	3,546
Return of capital	(209)
Total gains or losses recognised due to change in fair value of investments:	
In profit or loss	(6,913)
In other comprehensive expense	(3,104)
At 30 September 2023	292,667

14. DEBTORS, ADVANCES & PREPAYMENTS

Debtors, advances & prepayments comprised the following:

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Deferred rental receivables	12,971	12,396
Other deposits and prepayments	10,040	10,724
Debtors	3,466	3,840
	26,477	26,960

Debtors mainly comprise rental receivables. Rent from leasing of investment properties are normally received in advance.

At the reporting date, the aging analysis of the debtors based on the date of invoices and which are past due was as follows:

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
0 – 30 days	1,767	2,554
31 – 60 days	1,157	404
61 – 90 days	158	305
> 90 days	384	577
	3,466	3,840

15. CASH & BANK BALANCES

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Cash at bank and in hand	14,090	17,959
Short-term bank deposits	191,836	236,747
Cash and cash equivalents	205,926	254,706
Short-term bank deposits maturing after three months	8,947	8,067
	214,873	262,773

16. CREDITORS & OTHER PAYABLES

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Creditors & other payables (due within one year)		
Rental deposits received	13,926	22,936
Accruals and other payables	28,043	29,378
Creditors	4,717	5,591
	46,686	57,905
Creditors & other payables (due more than one year)		
Rental deposits received	45,824	42,673
	92,510	100,578

At the reporting date, the aging analysis of the creditors based on the date of the invoices was as follows:

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
0 – 30 days	3,486	3,527
31 – 60 days	714	915
61 – 90 days	105	226
> 90 days	412	923
	4,717	5,591

17. SECURED BANK LOANS

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Current		
Repayable within one year	1,263,500	663,500
Non-current		
Repayable more than one year but not exceeding two years	1,017,500	1,617,500

As at 30 September 2023 and 31 March 2023, all bank loans were denominated in Hong Kong dollars and carry interest at benchmarks ranged from 1.10% to 1.22% over HIBOR. The effective interest rate at 30 September 2023 was 5.80% p.a. (31 March 2023: 4.10% p.a.).

18. GUARANTEES & COMMITMENTS

	30 September 2023 HK\$'000	31 March 2023 HK\$'000
Guarantees		
– given to a bank by the Company in respect of banking facilities utilised by subsidiaries of the Company	1,879,800	1,879,800
Commitments (contracted but not provided for)		
– for total future minimum lease payments in respect of land and buildings (short-term lease)		
– not later than one year	1,110	2,670
– for capital contribution to investees classified as equity instruments designated at FVTOCI not yet called		
– upon called	1,455	1,495
– for additional capital contribution to an associate		
– not later than one year	28,080	93,600
	1,910,445	1,977,565

19. RELATED PARTY TRANSACTIONS

(a) Transaction with related parties

Based on the lease agreements signed with the related companies, rental income of HK\$4,863,000 (2022: HK\$5,638,000) was recognised, of which HK\$5,623,000 (2022: HK\$3,402,000) were receivables during the interim period.

(b) Key management personnel compensation

The remuneration of Directors and other members of key management during the period were as follows:

	For the six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
Directors' fees	287	138
Salaries, allowances and benefits	5,892	4,929
Pension scheme contributions	54	36
	6,233	5,103

BUSINESS REVIEW

Despite the rapid increase in interest rates, US consumer spending continued to be surprisingly resilient, combined with low unemployment and sustained wage growth. While inflation moderated, the much anticipated recession during the year never came. The consensus of the market now is that interest rates will remain higher for longer. While the US economy has performed better than expected, the higher for longer interest rate environment has made it challenging for commercial real estate markets globally, with the exception of Japan where the Bank of Japan has kept interest rates very low.

The re-opening of China post COVID was initially greeted with a great deal of optimism. With record level of savings during the COVID period, the market expected a strong and rapid recovery of the Chinese economy. However, the continued credit crisis in the residential housing sector and the tepid policy response have substantially dampened investor and business confidence. While consumption is up and domestic tourism has been strong, consumers are spending mostly on lower cost goods and services and staying away from big purchases like apartments and cars.

For Hong Kong, the slower than expected recovery of China's economy together with geopolitical concerns have been especially challenging for the commercial office sector. With no clear economic driver, there is little demand from multinational companies to grow in Hong Kong. As a result, the commercial office sector in Hong Kong has been hit with a continued downward trend in both occupancy and rental rates. For the Group, our commercial office portfolio also faced similar headwinds but has performed in a resilient manner. One silver lining is that the hotel industry is making a comeback with the post COVID re-opening of the borders, though even on this front the recovery has been weaker than expected due to the time lag on the return of full flights schedule and outbound travel for China.

Tourism in Thailand is recovering with over 18 million visitors for the first 8 months, and a projection of over 25 million visitors for the full year of 2023. Whilst this is still well below the nearly 40 million arrivals in 2019, it is a good trend considering that scheduled flights and China's outbound travel have not recovered in full yet. In any event, we are pleased to see our two hotels in Thailand (Bangkok and Pattaya) returning to operating profits and continuing to ramp up.

For the six months interim period ended 30 September 2023, the Group had revenues of HK\$125.4 million, an increase of 6.2% from last year's HK\$118.1 million. The growth in revenues was due to higher rental revenues at some of our investment properties (increase from Pioneer Place and Club Lusitano Building, net of a decrease at 68 Yee Wo Street Building), increase in property management fees, and increase in interest income. During this interim reporting period, operating profit was HK\$86.6 million, a 6.7% increase from HK\$81.2 million the year before. Share of results of associates was a loss of HK\$39.3 million, compared to a loss of HK\$35.3 million during the same period in 2022. This loss was caused by higher interest expense and operating loss of The Regent Hotel Hong Kong (as the hotel starts to ramp up to full operations), as well as the depreciation of the Japanese Yen for our investments in Tokyo properties. Change in fair value of investment properties was an increase of HK\$25.1 million, compared to an increase of HK\$16.4 million during the same period in 2022. Due to the increase in interest rates, it is no surprise that finance costs jumped substantially from HK\$21.9 million in 2022 to HK\$56.8 million for this interim period. The Group's net profit for the six months interim period was HK\$27.6 million (2022: HK\$11.8 million), of which net profit attributable to shareholders was HK\$18.1 million (2022: HK\$2.8 million).

Property Investments (Hong Kong and Asia)

By Subsidiaries

As of 30 September 2023, the occupancy rate of Pioneer Place (245,678 sq. ft.) in Kwun Tong, Hong Kong was 76%, up from 58% in September 2022. Due to a substantial supply of new office stock in the area, the East Kowloon district had been the most challenging district in Hong Kong for office leasing, with high vacancies and falling rental rates. For the six months period, Pioneer Place contributed rental and related revenues of HK\$24.0 million (2022: HK\$21.5 million) and a fair value increase of HK\$10.0 million (2022: no fair value increase).

At the end of September 2023, the Group's 60% owned 68 Yee Wo Street Building (229,200 sq. ft.) in Causeway Bay, Hong Kong had an occupancy rate of 86% (September 2022: 81%). Despite average rental rates have been dropping throughout the period, but the overall occupancy increased. For the six months ended 30 September 2023, the property had rental and related revenues of HK\$49.8 million (2022: HK\$50.2 million) and a fair value increase of HK\$3.0 million (2022: no fair value increase).

For the six months period ended 30 September 2023, the Club Lusitano Building (80,100 sq. ft.) in Central, Hong Kong was able to maintain a stable occupancy rate of 96%, which is same as the 96% occupancy rate a year ago. For the six months interim period, the property contributed HK\$30.7 million (2022: HK\$27.6 million) in rental and related revenues and fair value increase of HK\$10.0 million (2022: HK\$19.3 million).

At the end of the interim reporting period, the 56,740 sq. ft. commercial podium of Kiu Fat Building (115 – 119 Queen’s Road West) in Sai Ying Pun, Hong Kong maintained an occupancy rate of 100% (September 2022: 100%), benefiting from long-term leases. For the six months ended 30 September 2023, the property contributed HK\$10.6 million (2022: HK\$10.6 million) in rental and related revenues and a fair value increase of HK\$4.0 million (2022: no fair value increase).

By Associates

The Group has an investment in Shanghai K. Wah Centre (7.7%) in China through an associate company. As of 30 September 2023, the property has a healthy occupancy rate of 94% (compared to 95% in September 2022) and the share of associate’s results recorded a profit of HK\$4.9 million (2022: HK\$5.6 million) before foreign exchange difference.

The Group owns an effective stake of 5.1% in three adjacent commercial buildings in Tokyo, Japan through an associate company. The three buildings are the Aoyama Building (400,594 sq. ft.), Mihashi Building (5,419 sq. ft.), and Clover Aoyama Building (9,250 sq. ft.) on Aoyama Dori on top of three subway lines. As of 30 September 2023, the three buildings had occupancy rates of 78%, 91%, and 100% (September 2022: 96%, 68% and 100%) respectively. During the reporting period, this investment recorded a share of associate’s loss of HK\$11.1 million (2022: loss of HK\$17.3 million). The share of associate’s loss was mainly due to the devaluation of the Japanese Yen.

By Equity Instruments

The Group is part of an investment consortium that owns the Cityplaza Three (half block) and Cityplaza Four in Tai Koo Shing, Hong Kong. The two adjacent buildings have a total GFA of 792,780 sq. ft. and the Group’s investment constitutes a 0.9% effective stake in the properties. As of 30 September 2023, the properties had an occupancy rate of 76% (September 2022: 78%). This investment recorded a fair value loss of HK\$4.0 million during the period (2022: loss of HK\$1.4 million) due mainly to lower valuation reflecting the Hong Kong office sector.

The Group has an investment in Ciro’s Plaza (4.0%) in Shanghai, China through an equity instrument. As of 30 September 2023, the property had an occupancy rate of 77% (September 2022: 74%) and the investment recorded a fair value loss of HK\$2.9 million (2022: loss of HK\$19.7 million) due mainly to foreign exchange loss.

Hotel Investments (Hong Kong and Thailand)

The Group's investments in the hotel industry have all been made through associate companies.

The Group owns 30% in The Regent Hotel, Hong Kong. The hotel (previously known as The InterContinental Hong Kong) had been closed for renovation since April 2020 and was partially soft opened as The Regent Hotel, Hong Kong in December 2022, re-establishing the original name of the hotel when it was first opened in 1980. During renovation, the only part of the hotel that remained operational had been the Yan Toh Heen Restaurant (now renamed Lai Ching Heen). In late December 2022, the hotel's lobby lounge, Harbourside Restaurant, and The Steak House were opened for business. Since the end of March, guest rooms opened in batches as they were turned over by the contractors. From April to September 2023, the hotel had an average occupancy rate of 55% and an average daily room rate of HK\$4,485 for the rooms that were opened. By the end of September 2023, 284 out of 497 total rooms were available for occupancy. While the hotel's operations are still ramping up, reviews from customers on the new restaurants and hotel rooms have been very positive thus far. During the six months ended 30 September 2023, the hotel had revenues of HK\$197.2 million (2022: HK\$13.5 million) and operating loss of HK\$60.7 million (2022: loss of HK\$28.1 million). The hotel is still running at an operating loss because of the partial availability of rooms while staff count has already been ramped up to prepare for full opening. For the interim period, the share of results from this associate recorded a loss of HK\$47.8 million (2022: loss of HK\$46.6 million) mainly due to loan interest, pre-opening expenses and operating loss.

In 2023, Thailand's tourism industry continued to recuperate, and the performance of our two Thai hotels both improved substantially during the period. For the six months ended 30 September 2023, the Pullman Bangkok Hotel G (owned by the Group's 49.5% owned associate company) had revenues of Baht 237.6 million (HK\$51.7 million equivalent) (2022: Baht 145.8 million, HK\$31.6 million equivalent) and operating profit of Baht 63.6 million (HK\$13.8 million equivalent) (2022: Baht 24.4 million, HK\$5.3 million equivalent), with an average occupancy of 71% (2022: 41%). During the same period, the Pullman Pattaya Hotel G (held by the Group through the same 49.5% owned associate that holds the Pullman Bangkok Hotel G) had revenues of Baht 186.3 million (HK\$40.5 million equivalent) (2022: Baht 145.6 million, HK\$31.6 million equivalent) and operating profit of Baht 58.3 million (HK\$12.7 million equivalent) (2022: Baht 39.4 million, HK\$8.5 million equivalent), with an average occupancy rate of 77% (2022: 63%). The share of results of the Thai associate recorded a profit of HK\$4.0 million (2022: HK\$0.6 million) during the period.

PROSPECTS

Clearly, the global economy and geopolitics continue to be full of uncertainties. Hong Kong, in particular, is facing unprecedented headwinds with slower growth in China and geopolitical challenges. With no clear demand driver and new supply coming up, the commercial real estate sector will continue to be stressed in the foreseeable future. While short term government policy initiatives such as slashing of “spicy” stamps duties on property transactions have positive effects, they are not enough to overcome fundamental challenges. As the preeminent financial center for China and Asia in the past two decades, Hong Kong has created the most value from its ability to raise international capital, especially for leading Chinese corporations. Hence, until major Chinese IPOs start to take place again in Hong Kong, we feel the territory cannot regain its place as the key financial center in this region. Given the outsized influence of the financial sector in Hong Kong, there are no immediate growth drivers that can replace it in the near term. Furthermore, the higher for longer interest rate environment is starting to take its toll. With interest rates at the current level, it will take a major correction in asset prices for good investment opportunities to arise. In the longer run, we feel policies such as the introduction of talent migration scheme and further integration with the Greater Bay Area may contribute as new growth drivers for Hong Kong.

While the commercial office sector will continue to be challenging for some time to come, the hotel industry is faring better. With higher room rates for the luxury hotel sector post COVID, and with tourism and business arrivals continuing to recover, we are optimistic that revenues at our relaunched Regent Hotel Hong Kong will soon meet or surpass pre-COVID levels. The key task going forward is to keep cost structure under control given the global inflationary environment. Likewise, we expect performance for our Thai hotels will continue to improve as regional travels, especially Chinese outbound sector, return to full capacity.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group continued to maintain a healthy financial position. As at 30 September 2023, the Group had cash and bank balances amounting to HK\$214.9 million (31 March 2023: HK\$262.8 million) which were mainly denominated in Hong Kong dollars and United States dollars. An undrawn standby banking facility of HK\$50.0 million (31 March 2023: HK\$50.0 million) was maintained by the Group.

As at 30 September 2023, the total bank borrowings of the Group were HK\$2,281.0 million (31 March 2023: HK\$2,281.0 million) of which HK\$1,263.5 million (31 March 2023: HK\$663.5 million) will be matured within one year. The bank loans of both Club Lusitano Building and Kiu Fat Building will be re-financed by February 2024, while the bank loan of Pioneer Place will be re-financed in June 2024. The Group's total debts to total assets ratio was 20.5% (31 March 2023: 20.5%) and net debt to total assets ratio was 18.6% (31 March 2023: 18.1%).

Interest Rate Management

Among the bank loans of HK\$2,281.0 million (31 March 2023: HK\$2,281.0 million), HK\$300.0 million (31 March 2023: HK\$300 million) bear interest at fixed rates while the rest are at floating rates. The effective interest rate was 4.98% p.a. for the interim period (2022: 1.93% p.a.).

Foreign Exchange Management

There is no foreign currency risk to the Group's financial liabilities as they are all denominated in Hong Kong dollars. However, the Group has investments in associates operating in Thailand, China and Japan with carrying amounts of HK\$350.7 million, HK\$217.6 million and HK\$99.6 million equivalents respectively as at 30 September 2023 (31 March 2023: HK\$356.4 million, HK\$219.8 million and HK\$110.7 million equivalents respectively). The management will closely monitor the currency market and take any necessary measures to reduce the exposure.

Pledge of Assets

As at 30 September 2023, investment properties with a carrying value of HK\$7,852.1 million (31 March 2023: HK\$7,825.1 million) were pledged to secure bank loan facilities to the extent of HK\$2,281.0 million (31 March 2023: HK\$2,281.0 million) of which all facilities have been fully utilized.

Contingent Liabilities

As at 30 September 2023, the Group had guarantees of HK\$1,879.8 million (31 March 2023: HK\$1,879.8 million) given to a bank in respect of banking facilities utilised by subsidiaries.

Significant Investment

As at 30 September 2023, the Group held a significant investment in an associated company, Supreme Key Limited, with a carrying value of HK\$1,873.6 million (31 March 2023: HK\$1,855.6 million) representing approximately 16.9% (31 March 2023: 16.7%) of the total assets of the Group.

The principal business of Supreme Key Limited is hotel investment in Regent HK (Previously known as ICHK). Regent HK is undergoing a major refurbishment since April 2020 and partially soft opened in December 2022. The renovation cost is financed by internal resources and bank loans. The Group intends to hold the investment as a long-term investment for capital appreciation and dividend income. Details of the financial information of Supreme Key Limited is set out in note 12.

EMPLOYEES

As at 30 September 2023, the number of salaried staff at the holding company level was 18 (31 March 2023: 17). 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.

DISCLOSURE OF DIRECTORS' INTERESTS

As at 30 September 2023, 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 of Listed Issuers (the “Model Code”) adopted by the Company to be notified to the Company and the Stock Exchange.

Long Position in Shares of the Company

Name of director	Number of ordinary shares					
	Interests held			Others	Total	%
	Personal interests	by controlled corporation	Interests held by family trust			
Rossana Wang Gaw	-	312,914,946 ¹	215,768,260 ²	-	528,683,206	45.81
Kenneth Gaw	61,418,428	12,725,857 ³	43,246,864 ⁴	-	117,391,149	10.17
Christina Gaw	-	20,699,216 ⁵	-	-	20,699,216	1.79
Goodwin Gaw	-	1,749,000 ⁶	-	-	1,749,000	0.15
Stephen Tan	-	4,136,754 ⁷	-	504,658 ⁸	4,641,412	0.40

¹ Mrs. Rossana Wang Gaw owns the entire issued share capital of Forward Investments Inc. and Vitality Holdings Ltd., which were beneficially interested in 283,200,215 and 29,714,731 shares respectively.

² Family trust of which Mrs. Rossana Wang Gaw is the sole beneficiary held an aggregate of 215,768,260 shares.

³ Mr. Kenneth Gaw owns the entire issued share capital of Top Elite Company Limited, which was beneficially interested in 12,725,857 shares.

⁴ Family trust of which Mr. Kenneth Gaw is the sole beneficiary held an aggregate of 43,246,864 shares.

- ⁵ Ms. Christina Gaw owns the entire issued share capital of Eternity Rich Investments Ltd., which was beneficially interested in 20,699,216 shares.
- ⁶ Mr. Goodwin Gaw owns the entire issued share capital of Time Legend International Limited, which was beneficially interested in 1,749,000 shares.
- ⁷ Mr. Stephen Tan and his spouse together own 2.88% issued share capital of Bangkok Mercantile (Hong Kong) Company Limited (“Bangkok Mercantile”), besides, Mr. Stephen Tan and his brother jointly own 0.52% of Bangkok Mercantile which was beneficially interested in 4,136,754 shares. Mr. Stephen Tan is the Chairman of Bangkok Mercantile and its directors are accustomed to act in accordance with the direction of Mr. Stephen Tan.
- ⁸ Mr. Stephen Tan is one of the trustees and administrators of his father’s residuary estate which was beneficially interested in 504,658 shares.

Long Position in Shares of Associated Corporations

Name of company	Name of director	Number of ordinary shares held by controlled corporation	%
Pioneer Hospitality Siam (GBR) Limited	Rossana Wang Gaw	30,300,000*	50.5
Pioneer Hospitality Siam (GBR) Limited	Kenneth Gaw	30,300,000*	50.5
Keencity Properties Limited	Rossana Wang Gaw	5,019,205*	50.5
Keencity Properties Limited	Kenneth Gaw	5,019,205*	50.5

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

Save as disclosed above, as at 30 September 2023, 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 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 30 September 2023, 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 fall to be disclosed to the Company under the provision 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 ordinary shares	%
Asset-Plus Investments Ltd.	115,351,866	9.99
Forward Investments Inc.	283,200,215 ¹	24.54
Intercontinental Enterprises Corp.	215,768,260 ²	18.70
Prosperous Island Limited	97,324,936	8.43

¹ Forward Investments Inc. of which Mrs. Rossana Wang Gaw is the sole beneficiary held an aggregate of 283,200,215 shares, which duplicated to those disclosed in "Long Position in Shares of the Company".

² Family trust of which Mrs. Rossana Wang Gaw is the sole beneficiary held an aggregate of 215,768,260 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 30 September 2023, 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.

DIRECTORS' RIGHT TO ACQUIRE SHARES

As at 30 September 2023, no outstanding options granted under the share option scheme. During the six months period ended 30 September 2023, none of the directors had exercised any rights to subscribe for shares of the Company or any other body corporate.

INTERIM DIVIDEND

The Board of Directors does not recommend the payment of any interim dividend for the six months ended 30 September 2023 (2022: Nil).

REVIEW OF INTERIM REPORT

The Audit Committee comprises four independent non-executive directors, including Dr. Charles Wai Bun Cheung, JP, Mr. Stephen Tan, Mr. Arnold Tin Chee Ip and Mr. Kin Chan. The Committee has reviewed and recommended for board approval of the unaudited consolidated interim financial statements of the Group for the six months ended 30 September 2023.

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

During the six months ended 30 September 2023, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the shares of the Company.

CHANGE IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in information of Directors since the date of the last annual report are set out below:

- Mr. Kin Chan was appointed as an independent non-executive Director and a member of the audit committee, remuneration committee and nomination committee of the Company on 13 September 2023.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to protect the interests of its shareholders and to enhance corporate value and accountability.

The Company has adopted the principles and the corporate governance code (the "CG Code") set out in Part 2 of Appendix 14 of the Listing Rules. During the six months ended 30 September 2023, the Company has complied with all the code provisions set out in the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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. The Company, having made specific enquiry of all Directors, confirmed that all Directors have complied with the required standard set out in the Model Code throughout the period ended 30 September 2023.

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

Hong Kong, 28 November 2023