



Pioneer
PIONEER GLOBAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code : 00224)

FINAL SCRIP DIVIDEND WITH CASH OPTION FOR THE YEAR ENDED 31 MARCH 2004

At the annual general meeting (“**AGM**”) of Pioneer Global Group Limited (the “**Company**”) held on 6 September 2004, it was resolved that a final dividend for the year ended 31 March 2004 (“**2004 Final Dividend**”) of HK\$0.01 per issued share of the Company of HK\$0.10 each (a “**Share**”) be paid to shareholders whose names appear on the register of members on 2 September 2004 (the “**Record Date**”). It was also resolved that such dividend should be satisfied by way of scrip dividend by an allotment of new shares (“**New Shares**”) credited as fully paid in accordance with the Memorandum of Association and Bye-laws of the Company and that shareholders may elect to receive cash wholly or partly in lieu of scrip dividend (“**Scrip Dividend Scheme**”).

For the purpose of calculating the number of New Shares to be allotted under the Scrip Dividend Scheme, the discounted market value (“**Discounted Market Value**”) of a New Share is HK\$0.2451.

At the AGM of the Company held on 6 September 2004, it was resolved that the 2004 Final Dividend of HK\$0.01 per Share be paid to shareholders whose names appear on the register of members on the Record Date. The shareholders may elect to receive the 2004 Final Dividend in the form of New Shares or cash or partly in New Shares and partly in cash under the Scrip Dividend Scheme.

This announcement should be read in conjunction with the circular relating to the Scrip Dividend Scheme to be despatched to the shareholders on 15 September 2004 (the “**Circular**”).

For the purpose of calculating the number of New Shares to be allotted, the Discounted Market Value is HK\$0.2451, being the average of the closing prices of one Share on The Stock Exchange of Hong Kong Limited for the 5 trading days from 7 September 2004 to 13 September 2004, both days inclusive, which was HK\$0.2580, less five per cent discount, rounding down such figure to four decimal places as stated in the Circular.

Under the Scrip Dividend Scheme, shareholders will receive the following number of New Shares as scrip dividend on that part of their shareholdings in respect of which they have not made cash elections:

$$\begin{array}{l} \text{Number of Shares held on} \\ \text{2 September 2004 for which} \\ \text{cash election is not made} \end{array} \quad \times \quad \frac{\text{HK\$0.01}}{\text{HK\$0.2451}}$$

The New Shares to be issued pursuant to the Scrip Dividend Scheme will rank pari passu in all respects with the existing issued Shares, except for the 2004 Final Dividend, and will rank in full for all future dividends and distributions which may be declared, made or paid. Fractional entitlements to Shares will be disregarded and the benefit thereof will accrue to the Company.

Based on the Company's register of members at 2 September 2004, there were overseas shareholders with registered address in Japan, Singapore, Thailand and the Philippines. In view of the legal advice received from the relevant local legal counsels of the aforesaid locations, there are no legal restrictions under the laws or regulatory requirements for the issuing of scrip dividend and sending the relevant circular and election form to overseas shareholders in Japan, Singapore, Thailand, and the Philippines.

No shareholder will be excluded from the Scrip Dividend Scheme. However, it is the responsibility of any shareholder wishing to join the Scrip Dividend Scheme to satisfy themselves as to full observance of the laws of any territory, including obtaining any governmental or other consents which may be required. The Circular, the form of election and the Final Scrip Dividend Shares will be registered or filed under the securities laws of Hong Kong. For the avoidance of doubt, the final scrip dividend shares are not offered to the public and the forms of election are not transferable.

All shareholders resident outside Hong Kong should consult their bankers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to receive Shares in satisfaction of the final dividend for the year ended 31 March 2004. No person receiving in any territory outside Hong Kong a copy of this letter and/or a form of election may treat the same as an invitation to him unless in the relevant territory such invitation could lawfully be made to him without having to comply with any unfulfilled registration or other legal requirements.

Circular containing details of the Scrip Dividend Scheme and relevant election form will be despatched to the shareholders on 15 September 2004. **Shareholders who wish to receive all or part of their 2004 Final Dividend in cash in lieu of New Shares are reminded to complete the election form and lodge it with the Company's Branch Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 30 September 2004.**

Application has been made to The Stock Exchange of Hong Kong Limited for the listing and permission to deal in the New Shares. It is expected that share certificates in respect of such Shares and dividend warrants will be posted at the risk of those entitled thereto on 15 October 2004 and dealings in such Shares will commence on 21 October 2004. In the unlikely event that New Shares are not admitted to listing by The Stock Exchange of Hong Kong Limited before 15 October 2004, the forms of election will be disregarded and the full cash dividend will be paid to the entitled shareholders according to their registered shareholdings.

As at the date of this announcement, the executive directors of the Company are Mrs. Rossana Wang Gaw, Mr. Goodwin Gaw, Mr. Kenneth Gaw and Ms. Jane Kwai Ying Tsui and the independent non-executive directors of the Company are Dr. Charles Wai Bun Cheung, J.P., The Hon. Bernard Charnwut Chan and Mr. Arnold Tin Chee Ip.

By Order of the Board
Jane Kwai Ying Tsui
Company Secretary

Hong Kong, 13 September 2004

"Please also refer to the published version of this announcement in The Standard"