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**SUCCESS**

**SUCCESS UNIVERSE GROUP LIMITED**  
**實德環球有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00487)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO  
THE PROVISION OF FINANCIAL ASSISTANCE TO  
A JOINT VENTURE COMPANY**

The Board announces that on 25 August 2011, Victory Devotion, a direct wholly-owned subsidiary of the Company, entered into the Supplemental Agreement with Up Fly and its ultimate beneficial owner, Mr. Wu, pursuant to which Victory Devotion agreed to provide further shareholder's loans to the JV Company from time to time up to not more than HK\$69,868,000 (exclusive of approximately HK\$22,827,000 already advanced by Victory Devotion). The JV Company is beneficially owned as to 70% by Victory Devotion and 30% by Up Fly. The subsidiaries of the JV Company are principally engaged in the provision of technology services platform and technical support as well as sports lottery sales agency services to the mobile sports lottery market in the PRC.

As the Maximum Further Contribution, when aggregated with the Initial Commitment, exceeds 5% but is less than 25% of the applicable percentage ratios under Rule 14.07 of the Listing Rules, the provision of the Maximum Further Contribution pursuant to the Supplemental Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## **BACKGROUND**

On 20 September 2010, Victory Devotion, a direct wholly-owned subsidiary of the Company, entered into a cooperative agreement (which was supplemented by a supplemental agreement dated 18 March 2011) with Mr. Wu and an entity controlled by him (“**Ex-party**”) in relation to the formation of the JV Company. Pursuant to the said cooperative agreement, Victory Devotion and Up Fly were required to advance to the JV Company not exceeding RMB24,900,000 (equivalent to approximately HK\$30,703,000) and not exceeding RMB5,100,000 (equivalent to approximately HK\$6,289,000) respectively and Victory Devotion has further agreed to advance to Mr. Wu a sum of not exceeding RMB5,100,000 (equivalent to approximately HK\$6,289,000) for his on-lending to Up Fly to finance the said capital commitment. Based on the amount of the Initial Commitment, the formation of the JV Company pursuant to the said cooperative agreement did not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Up to the date of this announcement, each of Victory Devotion and Up Fly has contributed approximately HK\$22,827,000 and HK\$7,305,000 to the JV Company respectively and Victory Devotion has advanced approximately HK\$5,867,000 to Mr. Wu and/or Up Fly.

## **THE SUPPLEMENTAL AGREEMENT**

### **Date:**

25 August 2011

### **Parties:**

- (i) Victory Devotion, a direct wholly-owned subsidiary of the Company, which was incorporated in the British Virgin Islands with limited liability;
- (ii) Mr. Wu, the ultimate beneficial owner of Up Fly; and
- (iii) Up Fly, a company incorporated in the British Virgin Islands with limited liability which is engaged in investment holding.

Mr. Wu is the ultimate beneficial owner of the entire issued share capital of Up Fly and a director of the JV Company. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, except for Up Fly being a 30% shareholder of the JV Company and Mr. Wu being a director of the JV Company, Up Fly and Mr. Wu are third parties independent of the Company and its connected persons and are not connected persons of the Company. As Up Fly and Mr. Wu are only connected persons of the Company at subsidiary level, the provision of the Maximum Further Contribution, by virtue of Rule 14A.13(2)(a)(ii) of the Listing Rules, does not constitute a connected transaction of the Company.

Apart from the aforementioned cooperative agreement, there is no prior transaction between the Company, Up Fly and Mr. Wu.

### **Maximum Further Contribution**

Under the Supplemental Agreement, Victory Devotion undertakes to provide further shareholder's loans to the JV Company not exceeding HK\$69,868,000 (exclusive of the Initial Commitment), to meet the cash flow requirement of the JV Company from time to time. Such loans to be advanced to the JV Company shall be unsecured, has no fixed repayment date and may bear interest at such rate as may be agreed between Victory Devotion and the JV Company but in any event not exceeding the prime rate for Hong Kong dollar from time to time quoted by The Hongkong and Shanghai Banking Corporation Limited.

The Maximum Further Contribution is intended to be financed by internal resources of the Group and/or external borrowings. Should the provision of the Maximum Further Contribution be financed by the Group's internal resources, it will not have any material effects on the Group's assets and liabilities. Should the provision of the Maximum Further Contribution be financed by external borrowings, there will be a corresponding increase in both assets and liabilities of the Group. The provision of the Maximum Further Contribution will not have any immediate impact on the results of the Group.

Apart from the Initial Commitment and the Maximum Further Contribution to be contributed by Victory Devotion as set out above, neither Victory Devotion nor Up Fly has any further commitments to make further contributions to the JV Company as at the date of this announcement.

### **INFORMATION ON THE JV COMPANY**

The JV Company is an investment holding company which is held as to 70% by Victory Devotion and 30% by Up Fly. Under the aforementioned cooperative agreement, it was intended that the JV Company shall develop the Business with the Ex-party which possesses a value-added telecom operation licence. Pursuant to the Supplemental Agreement, the Ex-party withdrew from the said cooperative agreement without any compensation.

On the other hand, a PRC subsidiary of the JV Company ("**PRC Subsidiary**"), which has a value-added telecom operation licence, has been authorised to provide sports lottery sales agency services in Jiangxi Province via telephone for a term from May 2011 to December 2013 through the provision of technology services platform and related technical support. The PRC Subsidiary will receive a sales commission calculated at a certain percentage of the total sales revenue so generated.

The JV Company intends to expand the said business through the PRC Subsidiary to other provinces in the PRC. Up to the date of this announcement, no agreement has been signed with other provinces in the PRC yet.

## **REASONS FOR AND BENEFITS OF THE PROVISION OF THE MAXIMUM FURTHER CONTRIBUTION**

The Group is principally engaged in the leasing and management of cruise as well as travel and entertainment-related businesses.

As mentioned in the annual report of the Company for the year ended 31 December 2010, the Group has initiated the Business in 2010, not only to extend the Group's footprint in the PRC, but also enable the Group to capture the enormous potential and growth opportunities of the PRC's burgeoning lottery industry. The PRC's lottery industry keeps growing at a rapid pace, with a compound annual growth rate (CAGR) of approximately 25% in the last ten years. The PRC lottery sales in 2010 reached RMB166 billion, a growth of 25.5% compared to that of 2009. Moreover, the PRC lottery sales in the first half year of 2011 reached RMB101 billion, a growth of 31% compared to that of 2010.

The Board considers that the provision of the Maximum Further Contribution will facilitate the development of the business of the PRC Subsidiary, which the Board believes will allow the Group to capture the enormous potential of the PRC's growing lottery industry.

In view of the above, the Board considers that the provision of the Maximum Further Contribution is in the interests of the Group and the Shareholders as a whole and the terms of the Supplemental Agreement are on normal commercial terms and are fair and reasonable.

## **GENERAL INFORMATION**

As the Maximum Further Contribution, when aggregated with the Initial Commitment, exceeds 5% but is less than 25% of the applicable percentage ratios under Rule 14.07 of the Listing Rules, the provision of the Maximum Further Contribution constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Business”	the business of provision of technology services platform and technical support to the mobile sports lottery market in the PRC
“Company”	SUCCESS UNIVERSE GROUP LIMITED (Stock Code: 00487), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Initial Commitment”	the initial commitment of Victory Devotion to: (i) advance to the JV Company the sum of not exceeding RMB24,900,000 (equivalent to approximately HK\$30,703,000); and (ii) advance to Mr. Wu the sum of not exceeding RMB5,100,000 (equivalent to approximately HK\$6,289,000) for on-lending to Up Fly
“JV Company”	Honour Rich China Development Limited, a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maximum Further Contribution”	the maximum further contribution of HK\$69,868,000 to the JV Company to be made by Victory Devotion
“Mr. Wu”	Mr. Wu Hong, the ultimate beneficial owner of Up Fly
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement dated 25 August 2011 entered into among Victory Devotion, Mr. Wu and Up Fly
“Up Fly”	Up Fly Limited, a company incorporated in the British Virgin Islands with limited liability
“Victory Devotion”	Victory Devotion Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

*In this announcement, RMB are converted into HK\$ on the basis of HK\$1 = RMB0.811. The conversion rate is for indication purposes only and should not be taken as a representation that the relevant currency could actually be converted into HK\$ at that rate or at all.*

By Order of the Board of  
**SUCCESS UNIVERSE GROUP LIMITED**  
**Yeung Hoi Sing, Sonny**  
*Chairman*

Hong Kong, 25 August 2011

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Yeung Hoi Sing, Sonny (Chairman) and Dr. Ma Ho Man, Hoffman (Deputy Chairman); one non-executive Director, namely Mr. Choi Kin Pui, Russelle; and three independent non-executive Directors, namely Mr. Luk Ka Yee, Patrick, Mr. Yim Kai Pung and Ms. Yeung Mo Sheung, Ann.*