

**Press Release**

[For Immediate Release]

**Success Universe Announces 2014 Interim Results**

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**Adjusted EBITDA of Ponte 16 Surged by Approximately 51%**

**Lottery Business Achieved Turnaround  
Expanded into the Welfare Lottery Telephone Agency Sales Services  
in Shanghai and Tianjin**

**Overview**

- Turnover achieved approximately HK\$730.6 million for the first half of 2014
- Gross profit increased by approximately 60% to approximately HK\$62.5 million
- Profit attributable to owners of the Company realised approximately HK\$47.7 million
- Earnings per share was 0.97 HK cents
- Driven by the FIFA World Cup 2014, lottery business grew by 190% to approximately HK\$67.6 million; expanded into the telephone agency sales services of welfare lottery in Shanghai and Tianjin
- Adjusted EBITDA\* of Ponte 16 increased by approximately 51% to approximately HK\$260.0 million; attributable to the steady growth in the number of visitors to Macau as well as the increase in gaming revenue from the mass market

**28 August 2014, Hong Kong** — **Success Universe Group Limited** (“Success Universe” or the “Company”, Stock Code: 00487.HK), today announced the interim results for the six months ended 30 June 2014.

For the six months ended 30 June 2014, Success Universe recorded a turnover of approximately HK\$730.6 million (2013: approximately HK\$834.7 million). Gross profit

*\*Adjusted EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation (and excluded interest income from the pledged deposit)*

increased by approximately 60% to approximately HK\$62.5 million (2013: approximately HK\$38.9 million). Shared profit of the associates relating to Ponte 16 for the first half of 2014 was approximately HK\$56.3 million, approximately 366% increase compared with approximately HK\$12.1 million for the last corresponding period. Notwithstanding the increase in gross profit and the shared profit of the associates relating to Ponte 16, the results of Success Universe was affected by the non-recurrence of the gain from derecognition of a long-term payable pursuant to the exercise of option by Maruhan Corporation of approximately HK\$83.4 million recorded in the first half of 2013. Profit attributable to owners of the Company amounted to approximately HK\$47.7 million (2013: approximately HK\$70.9 million). Earnings per share was 0.97 HK cents (2013: 1.69 HK cents).

Commenting on the Company's performance, Mr. Sonny Yeung, the Chairman of Success Universe said, "Lottery business in China and Ponte 16 remained the growth drivers of Success Universe. During the reporting period, as stimulated by the global event FIFA World Cup 2014, our lottery business in China recorded a substantial growth. On the other hand, the gaming and tourist-related industries of Macau stayed buoyant, which led to encouraging results in Ponte 16."

### **Travel Business**

During the reporting period, the North American market experienced slow recovery. The sluggish sentiment resulted in financial difficulties of a number of travel agencies in the market. Amidst such environment, turnover of the segment recorded approximately HK\$618.5 million (2013: approximately HK\$769.4 million). Loss in this segment posted approximately HK\$11.9 million (2013: approximately HK\$9.8 million), including an impairment loss on intangible assets of approximately HK\$3.9 million and bad debts written off of approximately HK\$2.2 million (2013: impairment loss on goodwill of approximately HK\$1.9 million) which were recognised for the reporting period.

### **Cruise Ship Business**

Success Universe had a 55% interest in the cruise ship, M.V. Macau Success as at 30 June 2014. During the reporting period, turnover of the cruise ship business increased by approximately 6% to HK\$44.5 million (2013: approximately HK\$42.0 million). The business recorded a profit of approximately HK\$0.9 million (2013: approximately HK\$2.1 million). On 2 July 2014, the Company announced the disposal of the cruise ship at a consideration of HK\$93.0 million.

### **Lottery Business**

The lottery business of Success Universe achieved significant growth, driven by the FIFA World Cup 2014. For the six months ended 30 June 2014, turnover of the lottery business increased substantially by approximately 190% to approximately HK\$67.6 million (2013: approximately HK\$23.3 million); segment profit amounted to approximately HK\$7.8 million (2013: loss of approximately HK\$9.1 million).

During the reporting period, the Company launched a broadcasting channel to provide football commentary on its specialised online portal 128cai.com, and organised a series of football-related promotional campaigns via WeChat. Success Universe's endeavour was well-received by lottery players and successfully attracted strong sales in its sports lottery segment for the FIFA World Cup games.

In addition to the existing sports lottery sales agency services, the Company expanded into the telephone agency sales services of welfare lottery in Shanghai and Tianjin in the first half of 2014. The testing of the technology service platform for the welfare lottery is expected to be completed in the second half of 2014. The venture into welfare lottery market has opened up new revenue streams for Success Universe and increased the Company's competitiveness in the lottery market in China.

In early 2014, Success Universe entered into a cooperation agreement with 北京中投視訊文化傳媒有限公司 (Beijing Zhongtoushixun Culture Media Co., Ltd) and 北京天潤瑞怡文化發展有限公司 (Beijing Rejoy Culture Development Co., Ltd) to strengthen the distribution capability and promote the lottery agency sales of the Company.

### **Investment Project – Ponte 16**

Benefiting from the steady growth in the number of visitors to Macau as well as the increase in gaming revenue from the mass market, adjusted EBITDA\* of Ponte 16 increased by approximately 51% to approximately HK\$260.0 million for the six months ended 30 June 2014 (2013: approximately HK\$172.5 million).

As at 30 June 2014, the casino of Ponte 16 had 109 gaming tables, 84 of which were mass gaming tables, 9 were high-limit tables and 16 were VIP tables. Average occupancy rate of Sofitel Macau At Ponte 16 stayed at over 90% in the first half of 2014.

Ponte 16 continued efforts in strengthening its position as an integrated cultural, leisure and entertainment destination. A new Cantonese restaurant, Le Chinois, was opened in January 2014 with an aim to enhance the culinary experience of guests. Ponte 16 also launched an online travel magazine “Macau Hot Spot P16” in April 2014. The online travel magazine was broadcasted through various popular channels such as Facebook, Youtube, Weibo, Tudou and Tencent, to guide travellers to discover the inner beauty of Macau. During the reporting period, Sofitel Macau At Ponte 16 earned a number of reputable industrial recognition as well as environmental protection awards. These certified the positioning of Ponte 16 as a five-star resort, and demonstrated its efforts on developing a greener society.

### **Prospects**

Success Universe will keep up its efforts in expanding its lottery sales agency services network in China and relentlessly advance its services to lottery players to retain loyal customers and acquire new players. The Company expects to have the test run of the new technology service platform for welfare lottery completed in the second half of 2014. Coupled with the new establishment in the welfare lottery sector, Success Universe is confident to capture upcoming opportunities in the lottery market in China.

*\*Adjusted EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation (and excluded interest income from the pledged deposit)*

The Company will also enrich its specialised online lottery platform 128cai.com by introducing live programmes in the near future to provide interactive services to customers.

Ponte 16, being the only integrated casino-entertainment resort in the Inner Harbour of Macau, will constantly add new elements to enrich guest experience in the resort. As part of the marketing strategies for the second half of 2014, Ponte 16 will feature another master chef from France to offer exquisite world-class cuisine at the French restaurant, Privé. On the other hand, the construction plan of phase 3 of the Ponte 16 development project is currently under reviewing process by the Macau Government. Occupying a gross floor area of approximately 40,000 square meters, this project will consist of a shopping arcade, an entertainment and recreation complex, dining destinations as well as gaming zones. It will soon become another preferred travel and leisure destination in Macau.

Success Universe completed the disposal of its cruise ship M.V. Macau Success at a consideration of HK\$93.0 million in August 2014. The Company was able to realise its investment in the cruise ship with a gain and enhance its working capital. The unaudited pre-tax gain, before expenses and non-controlling interests, from the disposal is expected to be approximately HK\$44.2 million, which will be recognised in the second half of 2014.

Looking forward, Success Universe will consolidate the travel business to maintain its competitiveness. The Company will capture every cross selling opportunity with Ponte 16 and its extensive clientele in China and Macau to seek sustainable growth opportunities in the travel business.

Commenting on the prospects of the Company, Mr. Sonny Yeung, the Chairman concludes, "Looking ahead, we are well-prepared to materialise the goal of becoming a leading player in the gaming, entertainment and tourist-related industries. We are confident in the long-term outlook of the Company's businesses, and are committed to creating value for its shareholders and customers."

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### **About Success Universe Group Limited**

Success Universe Group Limited is listed on The Stock Exchange of Hong Kong Limited (Stock Code: 00487.HK) and is the flagship of Success Universe Group. The Company, through its subsidiaries, operates travel and lottery businesses. It also actively involves in gaming, entertainment and tourist-related industries through its investment project Ponte 16, a world-class integrated casino-entertainment resort located in the Inner Harbour of Macau.

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