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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)

CONTINUING CONNECTED TRANSACTION
TENANCY AGREEMENT

The Board wishes to announce that on 26 June 2017 after trading hours, the Landlord, an indirect wholly-owned subsidiary of the Company, entered into the Tenancy Agreement with the Tenant in respect of the leasing of the Premises. Since the Tenant is a company wholly and beneficially owned by Mr. Yeung who is the Chairman of the Board and an executive Director as well as a controlling shareholder of the Company, the Tenant is a connected person of the Company and the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As the largest Annual Cap payable by the Tenant to the Landlord under the Tenancy Agreement for each of the three financial years ending 31 December 2019 is more than HK\$3,000,000 but all the applicable percentage ratios calculated on an annual basis pursuant to Rule 14.07 of the Listing Rules are less than 5%, the entering into of the Tenancy Agreement is subject to the reporting, announcement and annual review requirements but is exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

TENANCY AGREEMENT

The Board wishes to announce that on 26 June 2017 after trading hours, the Landlord, an indirect wholly-owned subsidiary of the Company, entered into the Tenancy Agreement with the Tenant in respect of the leasing of the Premises. The principal terms of the Tenancy Agreement are as follows:

Landlord	:	Good Sun Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
Tenant	:	Success International Management Services Limited, a company incorporated in the British Virgin Islands with limited liability and registered in Hong Kong as a non-Hong Kong company, and is wholly and beneficially owned by Mr. Yeung, the Chairman of the Board and an executive Director as well as a controlling shareholder of the Company
Premises	:	Units 1003 and 1004A, 10th Floor, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong
Tenancy term	:	Two (2) years commencing from 2 July 2017 with an option to renew for a further term of two (2) years at the then open market rental
User	:	For office purpose only
Rental	:	HK\$465,348 per month, exclusive of government rates, air-conditioning charges and management fees and all other outgoings
Security Deposit	:	HK\$999,702, representing two months' rental and air-conditioning charges and management fees
Rent-free period	:	Two (2) months from 2 July 2017 to 1 September 2017

Special conditions : The Premises are at present being occupied by an existing tenant which tenancy would be determined on 1 July 2017. The Landlord and the Tenant agreed to postpone the commencement date of the Tenancy Agreement for one (1) month from 2 July 2017 if the existing tenant fails to vacate and deliver up vacant possession of the Premises to the Landlord on 1 July 2017. If the Landlord fails to recover vacant possession of the Premises from the existing tenant within the said one (1) month period, the Tenant shall have the right to cancel the Tenancy Agreement at any time whereupon the Landlord shall forthwith refund to the Tenant in full all moneys advance payments and the deposit paid by the Tenant to the Landlord but without any interest, costs or compensation, and the Landlord and the Tenant shall release each other from all their obligations and liabilities under the Tenancy Agreement and neither the Landlord nor the Tenant shall have any claim or demand whatsoever against the other in respect thereof or in connection therewith

The terms of the Tenancy Agreement were negotiated on an arm's length basis and the rental chargeable under the Tenancy Agreement was determined after taking into account the valuation conducted by an independent valuer in connection with the market rental chargeable in May 2017 in respect of the Premises.

The aggregate gross floor area of the Premises is approximately 8,949 sq. ft. The stamp duty and Land Registry registration fee payable in respect of the Tenancy Agreement shall be borne by the Landlord and the Tenant in equal shares.

REASONS AND BENEFITS FOR ENTERING INTO THE TENANCY AGREEMENT

As disclosed in the announcement of the Company dated 11 May 2016 in respect of the acquisition of the Premises, it was the Group's intention that the Premises will be held as an investment property for long-term capital growth and rental purposes.

The Directors (including the independent non-executive Directors) believe that the Tenancy Agreement will generate steady recurring rental income and strengthen income base of the Group and consider that the terms of the Tenancy Agreement are fair and reasonable and the transaction contemplated thereunder is on normal commercial terms and in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

Mr. Yeung, the Chairman of the Board and an executive Director as well as a controlling shareholder of the Company who is also the sole and beneficial owner of the Tenant, and Dr. Ma Ho Man, Hoffman, the Deputy Chairman of the Board and an executive Director, who is the nephew of Mr. Yeung, are considered to have a material interest in the transactions contemplated under the Tenancy Agreement and they have abstained from voting on the Board resolutions approving the Tenancy Agreement and the transactions contemplated thereunder.

INFORMATION ON THE GROUP, THE LANDLORD AND THE TENANT

The principal businesses and investments of the Group include travel-related business, provision of technology services platform and related technical support for lottery business in the People's Republic of China, property investment business and the investment project of Ponte 16, a world-class integrated casino-entertainment resort located in Macau.

The Landlord is an indirect wholly-owned subsidiary of the Company and its principal business is property investment.

To the best of the Directors' knowledge, information and belief having made reasonable enquires, the principal business of the Tenant is provision of management services.

LISTING RULES IMPLICATION

Since the Tenant is a company wholly and beneficially owned by Mr. Yeung who in turn is the Chairman of the Board and an executive Director as well as a controlling shareholder of the Company, the Tenant is a connected person of the Company and the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

Based on the monthly rental under the Tenancy Agreement, it is expected that the aggregate maximum amount payable by the Tenant to the Landlord under the Tenancy Agreement for each of the three financial years ending 31 December 2019 should not exceed HK\$1,846,000, HK\$5,585,000 and HK\$2,808,000 respectively (collectively, the "**Annual Cap(s)**"). The Directors (including the independent non-executive Directors) consider that the Annual Caps are fair and reasonable.

As the largest Annual Cap payable by the Tenant to the Landlord under the Tenancy Agreement for each of the three financial years ending 31 December 2019 is more than HK\$3,000,000 but all the applicable percentage ratios calculated on an annual basis pursuant to Rule 14.07 of the Listing Rules are less than 5%, the entering into of the Tenancy Agreement is subject to the reporting, announcement and annual review requirements but is exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

DEFINITIONS

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

“Annual Cap(s)”	has the same meaning ascribed to it under the section headed “Listing Rules Implication” in this announcement
“Board”	the board of Directors
“Company”	Success Universe Group Limited (Stock Code: 00487), a company incorporated in Bermuda with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	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 People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Landlord”	Good Sun Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Mr. Yeung”	Mr. Yeung Hoi Sing, Sonny, the Chairman of the Board and an executive Director as well as a controlling shareholder of the Company

“percentage ratios”	has the same meaning ascribed to it under the Listing Rules
“Premises”	Units 1003 and 1004A, 10th Floor, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong
“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)
“sq. ft.”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement dated 26 June 2017 entered into between the Landlord and the Tenant in relation to the leasing of the Premises
“Tenant”	Success International Management Services Limited, a company incorporated in the British Virgin Islands with limited liability and registered in Hong Kong as a non-Hong Kong company, and is wholly and beneficially owned by Mr. Yeung
“%”	per cent

By order of the Board
SUCCESS UNIVERSE GROUP LIMITED
Ma Ho Man, Hoffman
Deputy Chairman

Hong Kong, 26 June 2017

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 Ms. Yeung Mo Sheung, Ann, Mr. Chin Wing Lok, Ambrose and Mr. Chong Ming Yu.