

Press Release

[For Immediate Release]

Success Universe Announces 2024 Annual Results

Overview

- Revenue was approximately HK\$51.4 million and gross profit was approximately HK\$17.3 million for 2024
- Profit attributable to owners of the Company was approximately HK\$93.4 million.
- Revenue of the travel business decreased to approximately HK\$48.7 million, while gross profit margin increased to approximately 30%. Segment profit was approximately HK\$0.5 million
- Revenue of the property investment business was approximately HK\$2.7 million, while segment loss was approximately HK\$34.9 million which was primarily attributable to the recognition of a fair value loss on the Group's investment properties and the write-down of carrying amount of the Group's stock of properties in the aggregate amount of approximately HK\$39.7 million
- The Group's shared profit of the associates relating to Ponte 16, the flagship investment project of the Group, was approximately HK\$112.0 million

28 March 2025, Hong Kong - Success Universe Group Limited ("Success Universe" or the "Company", Stock Code: 00487.HK, together with its subsidiaries, collectively the "Group") today announces the consolidated annual results for the year ended 31 December 2024.

RESULTS

For the year ended 31 December 2024, revenue of the Group was approximately HK\$51.4 million, decreased by approximately 50.0% from approximately HK\$101.9 million for the last corresponding year. Gross profit increased by approximately 3% to approximately HK\$17.3 million (2023: approximately HK\$16.8 million). A gain on the disposal of the Group's overseas listed equity securities of approximately HK\$31.1 million (the "Gain on Disposal of Listed Securities") was recognised for 2024 (2023: nil). A fair value gain on the Group's overseas listed equity securities of approximately HK\$89.2 million was recognised for 2024 (2023: approximately HK\$95.4 million). The Group's shared profit of the associates relating to Ponte 16, the flagship investment project of the Group (the "Associates"), for 2024 was

approximately HK\$112.0 million (2023: approximately HK\$143.7 million). Profit attributable to owners of the Company for the year ended 31 December 2024 was approximately HK\$93.4 million (2023: approximately HK\$169.3 million), whilst earnings per share was 1.90 HK cents (2023: 3.44 HK cents).

Notwithstanding that the Gain on Disposal of Listed Securities was recorded for the year, the decrease in profit was mainly attributable to (i) the substantial increase in the fair value loss on the Group's investment properties and the write-down of carrying amount of the Group's stock of properties (the "Write-down of the Stock of Properties") in the aggregate amount of approximately HK\$39.7 million (2023: approximately HK\$19.0 million); (ii) the recognition of a substantial impairment loss of carrying amount of the Group's leasehold land and building classified under property, plant and equipment in the amount of approximately HK\$36.1 million (2023: nil); and (iii) the decrease in the Group's share of profit of the Associates.

DIVIDENDS

No interim dividend was paid in 2024 (2023: nil). The directors of the Company do not recommend any payment of a final dividend for the year ended 31 December 2024 (2023: nil).

REVIEW OF OPERATIONS

Travel Business

Jade Travel Ltd. ("Jade Travel"), one of the prominent and leading travel agencies in Canada, continues to provide exceptional travel products and services to its wholesale and retail clients. With the resurgence of global tourism, fuelled by increased travel flexibility and a rise in outbound trips, Jade Travel is well-positioned to capitalise on this trend by leveraging its extensive airline network and diverse range of service offerings.

According to UN Tourism (formerly known as the United Nations World Tourism Organization), 2024 marked a significant recovery in international tourism, with a record of 1.4 billion arrivals worldwide. Many destinations surpassed pre-pandemic international visitor levels, driving robust growth in traveller spending. The Asia-Pacific region showcased a rapid rebound, with arrivals reaching 87% of pre-pandemic levels, an improvement from 66% at the end of 2023. Overall, international arrivals surged by 33% in 2024, representing an increase of 78 million visitors compared to the previous year, despite ongoing geopolitical tensions impacting some potential travellers. According to the International Air Transport Association (IATA) analysis, falling inflation, moderating ticket prices and low unemployment rate in member countries of The Organization for Economic Cooperation and Development (OECD) fuelled travel demands. China's annual passenger volume and load factor reached historical highs, increasing by 12.3% compared to 2023. Meanwhile, strong travel demands from Western

Europe and North America further bolstered the global tourism recovery, boosting traveller spending and overall sector growth.

Capitalising on these positive industry trends, Jade Travel expanded its product offerings with a 24/7 online auto ticketing system and an efficient online ticketing platform, Jade Travel has further enhanced its operational efficiency. This improvement was accompanied by increased operating expenses during the year. Revenue of the travel business segment for the year ended 31 December 2024 decreased by approximately 50.9% to approximately HK\$48.7 million (2023: approximately HK\$99.2 million), while gross profit margin increased from approximately 14.2% to approximately 30.0%. Segment profit for the year was approximately HK\$0.5 million (2023: approximately HK\$4.3 million that included a reversal of impairment loss recognised on intangible assets of approximately HK\$2.0 million).

Property Investment Business

In the relatively high-interest rate environment, Hong Kong's commercial property market has been facing headwinds. This, combined with persistently high supply levels and elevated vacancy rates, led to a significant decline in property prices. According to Jones Lang LaSalle, the overall vacancy rate for Grade A office spaces reached 13.1% in 2024, marking its highest level in 25 years, driven largely by new completions in Central and surrounding areas. Market-wide rents decreased by 8.6%, with Central experiencing a more pronounced decline of 12.0% due to increased competition from new developments.

Despite these challenges, the Group remains cautiously optimistic about the long-term prospects of the commercial property sector. The Hong Kong government has actively implemented initiatives to attract global businesses and talents, reinforcing the city's status as a leading financial hub and maintaining its competitive edge. The Group is diligently monitoring market conditions and regularly evaluating its investment portfolio to ensure ongoing stability while consistently generating rental income.

Revenue of the property investment business for the year ended 31 December 2024 amounted to approximately HK\$2.7 million (2023: approximately HK\$2.7 million). Segment loss was approximately HK\$34.9 million (2023: approximately HK\$14.2 million) which was primarily attributable to the recognition of a fair value loss on the Group's investment properties and the Write-down of the Stock of Properties in the aggregate amount of approximately HK\$39.7 million for the year ended 31 December 2024 (2023: approximately HK\$19.0 million).

Investment Project – Ponte 16

Macau's tourism sector showed robust growth in 2024, welcoming approximately 34.9 million visitors, representing a 23.8% increase year-on-year ("YOY"), according to the Statistics and Census Service (DSEC) of Macau. The majority of arrivals were from Mainland China, which rose by 28.6% to approximately 24.5 million. This surge was driven by favourable policies

from the Central Government and initiatives by the Macau government aimed at enhancing accessibility. In April 2024, the introduction of the Hengqin-Macao multiple-entry visa policies facilitated multiple trips for Mainland Chinese tourists within a week. Furthermore, the Central Government expanded the individual visit scheme to include eight additional cities in Mainland China, bringing the total to 59 as of May 2024. Infrastructure improvements, including the Hengqin Line of the Light Rapid Transit (LRT) officially opened in early December 2024, further enhanced connectivity to Macau, attracting a wider audience and boosting tourism.

Capitalising on the influx of visitors, Macau's GGR reached approximately MOP226.8 billion in 2024, representing a nearly 24% increase YOY, surpassing the official target of MOP216 billion. The mass-market segment alone generated approximately MOP137.9 billion, accounting for approximately 60.8% of total Macau's GGR and approximately 24.8% increase compared to 2023. This figure notably exceeded the mass-market segment of Macau's GGR in 2019 by approximately 14.2%, highlighting the vital role of the mass-market in securing the future prosperity of Macau's gaming industry. At the same time, Ponte 16 also experienced the increase in operating expenses during the year.

Ponte 16, with its strategic focus on the mass-market segment, continued to offer a refined integrated casino-entertainment resort experience, featuring diverse entertainment options and international cuisine. Located within the United Nations Educational, Scientific and Cultural Organisation (UNESCO) World Heritage site, Ponte 16 is deeply rooted in Macau's rich cultural heritage. Committed to enhancing the local travel and entertainment sectors, Ponte 16 has consistently refined its comprehensive platform, "OLA 澳優遊" ("OLA"), which provides tourists with valuable travel information and exclusive promotions from local businesses, encouraging diversified spending. Expanding beyond Macau, OLA has forged partnerships with business in other Greater Bay Area cities, particularly Zhuhai. By the end of 2024, OLA boasted approximately 260 merchant partners, encompassing nearly 300 outlets and serving around 44,000 registered members. These initiatives significantly strengthen Ponte 16's market presence within Macau's tourism ecosystem and contribute positively to the overall economy of the Macau Peninsula.

2024 marked the 16th anniversary of Ponte 16's resort opening and the 60th anniversary of the Sofitel hotel brand. To celebrate these joint anniversaries, a series of events were held throughout the year, including the "Precious Moment with Ponte 16" photo contest, a light-up ceremony for the "16 x 60" installation, the award ceremony for the photo contest, and the opening of the "16 Photography Exhibition". Aligned with the Macau government's commitment to economic diversification beyond the gaming and its encouragement for concessionaires to invest in non-gaming projects, Ponte 16 has embraced this strategy by integrating non-gaming elements into its offerings, fostering Macau's holistic development. In fact, over the past 16 years, Ponte 16 has not only established itself as a landmark in the Inner Harbour area, but has also significantly contributed to the growth and transformation of Macau's tourism sector. Its dedication to enhancing local culture, travel and entertainment is

evident through its support for charitable activities and collaborations with local communities and the Macau's government on various exhibitions and events. These initiatives also contributed to enriching Macau's tourism and reinforcing Ponte 16's dedication to fostering social value, and positioning Macau as the "World Centre of Tourism and Leisure".

In November 2024, the Macau government approved the land concession modification of Ponte 16 which includes, inter alia, a plaza and a commercial building to be developed as a mall (the "Phase 3 Project"), aligning with the city's initiative to revitalise Inner Harbour Pier 16 and expansion of non-gaming facilities. The Phase 3 Project has integrated the initiative to feature a blend of cultural and artistic elements.

As at 31 December 2024, the casino at Ponte 16 operated 109 gaming tables, comprising 103 mass tables and 6 high-limit tables. The average occupancy rate of Sofitel Macau At Ponte 16 was approximately 88% for the year ended 31 December 2024 (2023: approximately 83%). For the year ended 31 December 2024, the Group's shared profit of the Associates was approximately HK\$112.0 million (2023: approximately HK\$143.7 million).

PROSPECTS

Looking ahead to 2025, the Group maintains a cautiously optimistic outlook on the business and global landscape. The International Monetary Fund's World Economic Outlook projects steady global growth of 3.3% in both 2025 and 2026, following an estimated 3.2% growth in 2024. However, the change in the USA presidency introduces policy uncertainty regarding trade, fiscal, monetary and regulatory measures, potentially impacting global economy sentiment and growth. Escalating geopolitical tensions and conflicts may pose risks to global markets. Conversely, China has set a clear growth target of approximately 5% for 2025, supported by improvements in export strength and recent policy easing measures aimed at stabilizing the economy. The Central Government is committed to implementing a moderately loose monetary policy in 2025, adjusting its pace and intensity as needed, alongside a more proactive fiscal policy to sustain its growth trajectory.

Global tourism is expected to continue its recovery in 2025, building on a strong rebound in 2024. Initiatives such as the introduction of visa-free agreements between China and several key European and Asian countries, coupled with the expansion and resumption of flight routes, are expected to significantly boost travel activities. With a strong brand presence in wholesale and a comprehensive network across North America and Asia, Jade Travel is well-positioned to capitalise on the industry's resurgence by broadening its product offerings to meet evolving preferences. Leveraging its reputation and strong connections within the Asian community, Jade Travel will continue to expand its customer base and seize emerging opportunities in its business.

The Hong Kong commercial property market is currently encountering significant challenges, with vacancy rates reaching historic highs since 2019, particularly in core business districts. This trend is driven by several factors, including weak economic performance, declining demand, shifting tenant preferences and the impact of rising interest rates. While Hong Kong's 14.8% vacancy rate in 2024 appears high, it is comparable to similar levels in other major cities like London (10%), Sydney (12%), and New York (28%), according to Savills. The market expects that falling rents in prime areas will lead to new dynamics, as the narrowing rent gap between core and non-core locations may encourage some businesses to relocate to central business districts, indicating resilient underlying demand. The Group maintains an optimistic outlook for Hong Kong's commercial property market recognising the enduring strength and exceptional value of its commercial real estate underpinned by the city's unparalleled global connectivity and its position as a leading financial hub in the Asia-Pacific region. The Group is confident that its investment portfolio is solid and will continue to provide stable and resilient returns, despite current market fluctuations.

Macau continues to be a preferred destination for Mainland Chinese visitors and is gaining traction as a destination for international travellers. During the Chinese New Year holiday in 2025, Mainland Chinese visitor arrivals exceeded one million and a daily average of 125,000, according to the Macau Government Tourism Office (MGTO). Single-day arrivals peaked at over 219,000 on the third day of the Chinese New Year holiday, marking the second-highest single-day figure on record. International arrivals also reached 58,000, reflecting a 10.2% increase YOY. These encouraging results can be mainly attributed to new visa policies for neighbouring cities and a range of festive events. Ponte 16 also presented a strong hotel occupancy during the holiday period. Ponte 16 is dedicated to offering exceptional guest experiences with unique cultural elements, while strengthening local community partnerships to promote Macau's tourism. Capitalising on the rise in both Mainland Chinese and international visitors, Ponte 16 offers a diverse range of accommodations, entertainment, and activities. To enhance its reach among visitors, Ponte 16 will continue targeted marketing campaigns across popular social media and online platforms.

Looking ahead, **Mr. Yeung Hoi Sing, Sonny, Chairman of Success Universe Group Limited** commented, "In this dynamic economic environment, we are well-positioned to navigate evolving market conditions by maintaining a balance of optimism and prudence. The Group will continue to closely monitor market dynamics, adopt its strategies to tackle challenges and remain steadfast in its dedication to enhancing its business portfolio, ensuring sustainable growth and seizing emerging opportunities."

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About Success Universe Group Limited

Success Universe Group Limited (together with its subsidiaries, collectively the “Group”) is a listed company on The Stock Exchange of Hong Kong Limited (Stock Code: 00487.HK) and is the listed arm of Success Universe Group. The Group operates travel and property investment businesses, and is involved in entertainment-related sector through its flagship investment project – Ponte 16. The Group endeavours to create long-term value for stakeholders through the balanced and diversified business portfolio, while adhering to a high standard of corporate governance.

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