

**Press Release**

[For Immediate Release]

**Success Universe Announces 2019 Interim Results**

\*\*\*

**Profit for the Period Surged by around 2.4 Times  
Diversified Business Portfolio with Solid Foundation and Resilience**

**Overview**

- Revenue was approximately HK\$663.2 million and gross profit was approximately HK\$16.6 million for the first half of 2019
- Profit attributable to owners of the Company was approximately HK\$48.7 million
- Revenue of the travel business increased by approximately 37% to approximately HK\$650.3 million; segment loss was substantially decreased by approximately 51% to approximately HK\$1.2 million due to strategic collaborations with leading domestic and international travel portals and the further development on online presence
- Revenue of the property investment business increased by approximately 269% to approximately HK\$13.0 million, while segment profit was approximately HK\$19.6 million mainly due to gain on disposal of properties and recognition of a fair value gain on investment properties
- The Adjusted EBITDA\* of Ponte 16, the Group's flagship investment project, increased by approximately 20% to approximately HK\$206.1 million. The Group's shared profit of the associates relating to Ponte 16 increased by approximately 146% to approximately HK\$56.6 million. Ponte 16 outperformed Macau's gaming industry growth in its gross gaming revenue mainly contributing from its mass market segment

**29 August 2019, 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 interim results for the six months ended 30 June 2019.

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

## RESULTS

For the six months ended 30 June 2019, revenue of the Group was approximately HK\$663.2 million, increased by approximately 39% from approximately HK\$478.5 million for the same period of 2018. Gross profit increased by approximately 36% to approximately HK\$16.6 million (2018: approximately HK\$12.2 million). The Group's shared profit of the associates relating to Ponte 16, the flagship investment project of the Group, for the first half of 2019 was approximately HK\$56.6 million, increased by approximately 146% from approximately HK\$23.0 million for the last corresponding period. Profit attributable to owners of the Company for the reporting period amounted to approximately HK\$48.7 million (2018: approximately HK\$14.7 million), whilst earnings per share was 0.99 HK cents (2018: 0.30 HK cents).

The Group recorded an increase of around 2.4 times in the profit for the six months ended 30 June 2019 as compared with that for the last corresponding period of approximately HK\$14.2 million. Notwithstanding the decrease in fair value gain on investment properties of the Group, the increase in the profit for the reporting period was mainly attributable to the increase in the Group's share of profit of the associates relating to Ponte 16.

### Interim Dividend

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2019 (2018: nil).

## REVIEW OF OPERATIONS

### *Travel Business*

Revenue of the segment increased by approximately 37% to approximately HK\$650.3 million for the six months ended 30 June 2019 (2018: approximately HK\$475.0 million). Loss in this segment was substantially decreased by approximately 51% to approximately HK\$1.2 million from approximately HK\$2.4 million for the last corresponding period, including an impairment loss on intangible assets of approximately HK\$0.1 million (2018: approximately HK\$0.2 million) which was recognised for the reporting period.

Jade Travel Ltd. ("Jade Travel"), being one of the largest travel agencies in Canada, has developed dedicated business segments to serve wholesale and retail markets respectively to ensure its appeal to target customers, aiming at offering great convenience to global customers. In addition to the strategic collaborations with leading domestic and international travel portals and the steady growth in the online ticketing fulfilment services for travel agencies, Jade Travel has further developed its online presence as a primary marketing and booking channel in recent years to keep up with the fast-paced environment of the travel and tourism industry.

### ***Property Investment Business***

Revenue of the property investment business for the reporting period amounted to approximately HK\$13.0 million, representing an increase of approximately 269% as compared with approximately HK\$3.5 million for the last corresponding period, while segment profit was approximately HK\$19.6 million (2018: approximately HK\$24.7 million) which was mainly due to gain on disposal of properties of approximately HK\$10.5 million (2018: nil) and recognition of a fair value gain on investment properties of approximately HK\$7.1 million (2018: approximately HK\$22.3 million).

The Group has been strategically managing its investment portfolio of commercial properties in prime locations in Hong Kong. The Group stayed close to the property market and will make swift decisions in the best interests of the Group. With the refined portfolio of commercial properties in prime strategic locations, the Group continued to record a steady rental income and capital appreciation during the reporting period.

### ***Investment Project – Ponte 16***

Macau's gross gaming revenue ("GGR") recorded a slight drop of 0.5% year-on-year for the first half of 2019. The ongoing structural growth momentum of the mass market segment was sustained by the support of the local infrastructure development like Hong Kong-Zhuhai-Macau Bridge, the rise in China's disposable income per capita and the rules eased for mainlander visa bids for Macau visits.

Ponte 16 outperformed Macau's gaming industry growth with a growth of approximately 6% in its GGR for the reporting period which was mainly contributing from its mass market segment. Ponte 16 has also been restlessly exploring new experiences and enhancing its non-gaming entertainment facilities, and introduced Macau's first Angry Birds-themed playground – Angry Birds Play Center @ Ponte 16 which has been well-received by the locals and tourists and has attracted a vast amount of visitors since the official opening in April 2019.

As at 30 June 2019, the casino of Ponte 16 had 109 gaming tables, consisting of 98 mass gaming tables, 7 high-limit tables and 4 VIP tables, maintaining a balanced mix to cater for the needs of the market. Adjusted EBITDA\* for the reporting period increased by approximately 20% to approximately HK\$206.1 million (2018: approximately HK\$171.8 million). The average occupancy rate of Sofitel Macau At Ponte 16 maintained at a high level at around 90% for the first half of 2019.

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

## PROSPECTS

Concerns have been growing about global economy recently, while trade and geopolitical frictions have become the principal driving force to the world's economic development. 2019 is likely to be a challenging year, the Group will remain cautious about the economic situation but is positive towards growth opportunities arising from the Mainland's further opening-up and reforms over the long-term. Leveraging the strengths of its diversified business portfolio, the Group maintains strong confidence in the future business growth potential.

The outline development plan for the Greater Bay Area commences a new phase of economic integration for the Pearl River Delta region, in which Macau will continue to maximise its advantages as a global tourism and leisure centre and service platform. The Group will seize the opportunities in the development of a world-class city cluster in the Guangdong-Hong Kong-Macao Bay Area, and the opening of the Hong Kong-Zhuhai-Macau Bridge that further enhances the accessibility to Macau for both Chinese and international visitors. Ponte 16 will continue to leverage on its position as an integrated resort offering premium hospitality and unique Macau experiences, enhancing the competitiveness of comprehensive entertainment offerings, in particular non-gaming and family-friendly entertainment.

The travel and tourism industry is fast-growing with promising outlook, while online sales channel is becoming an indispensable part. Under the prestigious brand name and strategic initiatives in an effort to evolve the business, Jade Travel strives for improvement of its service quality in a comprehensive way in order to capture business opportunities from ever-changing market trends. With advancement in the automatic ticketing system and establishment of strategic partnerships with leading travel portals, Jade Travel is expected to address travellers' diverse interests and conducive to maintain healthy and sustainable growth over the medium- to long-term.

The performance of residential and commercial property markets in Hong Kong is expected to vary. Notwithstanding an uncertain external environment, the ongoing developments in the Greater Bay Area would create new growth drivers for Hong Kong's real estate sector and breed new demands for office, retail and industrial properties. The Group's existing property investment portfolio located in prime locations in Hong Kong will be able to provide long-term and stable yields. The Group will continue to seek acquisition opportunities that provide satisfactory returns in capital appreciation of properties and stable recurrent income.

Looking forward, **Mr. Yeung Hoi Sing, Sonny, Chairman of Success Universe Group Limited** commented, "SUGL has always been cautious and prudent towards the formulation and implementation of corporate strategies to create long-term value for stakeholders. Although the year ahead will be full of challenges, the Group will continue to stick to this principle and stay competitive in the rapidly changing business environment."

### **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.

For investor and media enquiries, please contact:

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

Gloria Chan

Email: [gloria.chan@successug.com](mailto:gloria.chan@successug.com)

Tel: 852-3101 8175

Yoki Fung

Email: [yoki.fung@successug.com](mailto:yoki.fung@successug.com)

Tel: 852-3106 4271

#### **DLK Advisory Limited**

Maggie Lee

Email: [maggielee@dlkadvisory.com](mailto:maggielee@dlkadvisory.com)

Tel: 852-2854 8720

Skye Shum

Email: [skyeslum@dlkadvisory.com](mailto:skyeslum@dlkadvisory.com)

Tel: 852-2854 8722