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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)

**(I) PROPOSED RIGHTS ISSUE ON THE BASIS OF
TWO RIGHTS SHARES FOR EVERY THREE SHARES
HELD ON THE RECORD DATE;
(II) APPLICATION FOR WHITEWASH WAIVER;
(III) CONNECTED TRANSACTION
IN RESPECT OF UNDERWRITING COMMISSION;
AND
(IV) RESUMPTION OF TRADING**

Underwriter

Silver Rich Macau Development Limited

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**

ALTUS CAPITAL LIMITED

**PROPOSED RIGHTS ISSUE AND THE UNDERWRITING
ARRANGEMENT**

The Company proposes to raise approximately HK\$308.9 million before expenses by way of a rights issue of 1,625,976,154 Rights Shares at the Subscription Price of HK\$0.19 per Rights Share on the basis of two Rights Shares for every three existing Shares held on the Record Date. The Rights Issue is available to all Qualifying Shareholders and is fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement.

The Underwriter, in its capacity as a Qualifying Shareholder, has irrevocably agreed and undertaken to the Company that, among other things, (i) it shall accept and take up all the SR Shares, the aggregate Subscription Price of which shall be paid by way of setting off against the Assigned Loans; (ii) it shall not dispose of or transfer any Existing Shares from the date of the Underwriting Agreement and up to and including the Business Day after the Latest Acceptance Date; (iii) it shall procure that excess application in respect of all the Underwritten Shares, with cheques for the full amount payable thereof, shall be lodged with the Registrar by no later than the Latest Acceptance Date; and (iv) the Concert Group will not acquire (except by taking up the SR Shares and the Underwritten Shares pursuant to the terms of the Underwriting Agreement) or dispose of (except for entering into any legally binding agreement(s) before the bulk-printing of the Circular for the placing down or otherwise disposal of Shares by the Underwriter after completion of the Rights Issue for the purpose of maintaining sufficient public float requirement of the Company under the Listing Rules) any voting rights of the Company from the date of the Underwriting Agreement and up to completion of the Rights Issue or the termination of the Underwriting Agreement, whichever is earlier.

On the basis that the Underwriter subscribes for the SR Shares provisionally allotted to it under the Rights Issue and pays the aggregate Subscription Price thereof by way of setting off the Assigned Loans of HK\$128,054,101.26, and the expenses to be incurred by the Company in connection with the Rights Issue is estimated to be approximately HK\$7.5 million, the gross proceeds and the net cash proceeds of the Rights Issue will be approximately HK\$308.9 million and approximately HK\$173.4 million respectively. Please refer to the paragraph headed “Reasons for the Rights Issue and use of proceeds” below for further details.

If the Underwriter terminates the Underwriting Agreement (the details of which are set out in the paragraph headed “Termination of the Underwriting Agreement” below) or the conditions of the Rights Issue (the details of which are set out in the paragraph headed “Conditions of the Rights Issue” below) are not fulfilled or waived (where applicable) by the Underwriter, the Rights Issue will not proceed. **Accordingly, the Rights Issue may or may not proceed. The attention of investors and the Shareholders is drawn to the paragraph headed “Warning of the risks of dealings in the Shares” below.**

The last day of dealings in the Shares on a cum-rights basis is expected to be on 5 December 2011. The Shares are expected to be dealt in on an ex-rights basis from 6 December 2011. Dealings in the Rights Shares in nil-paid form are expected to take place from 19 December 2011 to 28 December 2011 (both dates inclusive). To qualify for the Rights Issue, any transfer of the Shares (together with the relevant share certificate(s)) must be lodged with the Registrar for registration by no later than 4:30 p.m. on 7 December 2011.

The latest time for acceptance and payment of the Rights Shares is expected to be at 4:00 p.m. on 3 January 2012. The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms.

WHITEWASH WAIVER

The Underwriter, being the controlling Shareholder, is wholly-owned by a discretionary trust, the beneficiaries of which are the Yeung Family. As at the date of this announcement, the Underwriter is interested in 1,010,953,432 Shares, representing approximately 41.45% of the existing total issued share capital of the Company. In the event that (i) all the Underwritten Shares are allotted and issued to the Underwriter under the excess application made pursuant to the Irrevocable Undertaking (assuming all Qualifying Shareholders (other than the Underwriter) do not accept their respective provisional allotment of the Rights Shares nor apply for any excess Rights Shares); or (ii) the Underwriter is called upon to subscribe for all the Underwritten Shares in full pursuant to its obligations under the Underwriting Agreement, the shareholding of the Concert Group in the Company would increase from approximately 41.45% of the existing total issued share capital of the Company to a maximum of approximately 64.87% (assuming that the number of the issued Shares remains unchanged on or before the Record Date) of the enlarged total issued share capital of the Company immediately upon completion of the Rights Issue. Under Rule 26 of the Takeovers Code, the acquisition of voting rights under such circumstances will trigger a mandatory general offer by the Underwriter for all the securities of the Company other than those already owned or agreed to be acquired by the Concert Group, unless, among others, the Whitewash Waiver is obtained from the Executive and approved by the Independent Shareholders at the SGM by way of poll. An application will be made by the Underwriter to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted, will be subject to the approval of the Independent Shareholders on a vote taken by way of poll at the SGM and such other condition(s) as may be imposed by the Executive. If the Whitewash Waiver is not granted by the Executive or not approved by the Independent Shareholders, the Rights Issue will not become unconditional and will not proceed.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES

The Rights Issue is conditional, inter alia, upon the fulfillment or waiver (where applicable) of the conditions set out under the paragraph headed “Conditions of the Rights Issue” below. In particular, the Rights Issue is conditional upon, among other things, (i) the Whitewash Waiver having been granted by the Executive; and (ii) the approval of the Rights Issue and the Whitewash Waiver by the Independent Shareholders at the SGM by way of poll. The Underwriter is entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events as described in the paragraph headed “Termination of the Underwriting Agreement” below. Accordingly, the Rights Issue may or may not proceed.

Any dealing in the Shares immediately after the date of this announcement and up to the date on which all the conditions of the Rights Issue are fulfilled or waived (where applicable) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares are advised to consult their own professional advisers.

LISTING RULES IMPLICATIONS

The Underwriter is a controlling Shareholder and is therefore a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.31(3)(c) of the Listing Rules, the allotment and issue of the Underwritten Shares is exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Pursuant to Rule 7.19(6)(a) of the Listing Rules, the Rights Issue will be subject to the approval of the Independent Shareholders at the SGM by way of poll.

In addition, the payment of the underwriting commission to the Underwriter constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the underwriting commission to be received by the Underwriter pursuant to the Underwriting Agreement is approximately HK\$4.5 million and the relevant percentage ratios (other than the profits ratio) as defined in the Listing Rules are less than 5% and the total underwriting commission payable is more than HK\$1,000,000, it is therefore subject to reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Rule 14A.32 of the Listing Rules. Mr. Yeung and Dr. Ma Ho Man, Hoffman have not voted in respect of the proposed resolution approving the payment of the underwriting commission at the Board meeting as Mr. Yeung and Dr. Ma Ho Man, Hoffman are members of the Concert Group.

GENERAL

The Rights Issue is conditional on, among other things, the approval of the Rights Issue and the Whitewash Waiver by the Independent Shareholders at the SGM. The Concert Group, the respective associates of the Underwriter and the Yeung Family, and all those parties who are involved or interested in the Underwriting Agreement and/or the Whitewash Waiver will abstain from voting on the proposed resolution(s) approving the Rights Issue and the Whitewash Waiver at the SGM. The Independent Board Committee comprising all the independent non-executive Directors (but not the non-executive Director who has taken part in finalising the terms of the Rights Issue) has been established by the Company to advise the Independent Shareholders as to whether the terms of the Rights Issue (including the Setting Off) and the Whitewash Waiver are fair and reasonable and as to voting in respect thereof at the SGM. An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard and such appointment was approved by the Independent Board Committee.

The Circular containing, among other things, further details of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver, a letter of recommendation from the Independent Board Committee to the Independent Shareholders, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue and the Whitewash Waiver and a notice of the SGM, is expected to be despatched by the Company to the Shareholders on or before 15 November 2011.

Subject to, among other things, the Rights Issue and the Whitewash Waiver being approved at the SGM, the Prospectus Documents or the Prospectus, where appropriate, will be despatched to the Qualifying Shareholders, and for information only, to the Excluded Shareholders in due course.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 20 October 2011 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 26 October 2011.

PROPOSED RIGHTS ISSUE

Issue statistics

| | | |
|--|---|---|
| Basis of the Rights Issue | : | Two Rights Shares for every three existing Shares held on the Record Date |
| Number of Shares in issue | : | 2,438,964,233 Shares as at the date of this announcement |
| Number of Rights Shares | : | 1,625,976,154 Rights Shares which have aggregate nominal value of HK\$16,259,761.54 |
| Subscription Price | : | HK\$0.19 per Rights Share |
| Enlarged issued share capital upon completion of the Rights Issue assuming no issue of new Shares on or prior to the Record Date | : | 4,064,940,387 Shares |

As at the date of this announcement, the Company has no outstanding options, warrants or other securities convertible into or giving rights to the holders thereof to subscribe for the Shares.

The number of Rights Shares is arrived based on two Rights Shares for every three existing Shares held on the Record Date, (i) taking into account the 2,438,964,233 Shares in issue as at the date of this announcement; and (ii) assuming no new Shares will be issued after the date of this announcement and up to the Record Date. The Rights Shares represent approximately 66.7% of the Company's existing issued share capital and approximately 40.0% of the Company's issued share capital as enlarged by the issue of the Rights Shares.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only. For the Excluded Shareholders, the Company will send copies of the Prospectus to them for their information only, but the Application Forms will not be sent to the Excluded Shareholders.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and must be a Qualifying Shareholder.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) with the Registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration by no later than 4:30 p.m. on 7 December 2011.

Rights of Overseas Shareholders

As at the date of this announcement, the Company has certain Shareholders whose addresses as shown on the register of members are located outside Hong Kong. The Company will ascertain on the Record Date whether there is any Shareholder whose address as shown on the register of members is outside Hong Kong. In determining who will be the Excluded Shareholders on the Record Date, the Company will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any). If, based on the legal opinions provided by the overseas' legal advisers, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of legal restrictions under the laws of the places of their registered addresses or the requirements of the relevant regulatory bodies or stock exchanges in those places outside Hong Kong, the Rights Issue will not be available to such Overseas Shareholders. The basis for excluding the Excluded Shareholders, if any, from the Rights Issue will be set out in the Circular and the Prospectus. The Company will send copies of the Prospectus to the Excluded Shareholders for their information only, but will not send the Application Forms to them. The Excluded Shareholders are entitled to attend and vote on the proposed resolution(s) approving the Rights Issue and Whitewash Waiver at the SGM.

Arrangements will be made for as many as possible the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form, to be sold as soon as practicable after dealings in the nil-paid Rights Shares commence if a premium (net of expenses) can be obtained. The Company will then distribute such proceeds in Hong Kong dollars to the Excluded Shareholders pro rata (but rounded down to the nearest cent) to their shareholdings on the Record Date, except that individual amount of less than HK\$100 will not be so distributed but shall be retained for the benefit of the Company. Any such nil-paid Rights Shares remaining unsold at the time the dealings in nil-paid Rights Shares ends shall be made available for excess application.

Closure of register of members

The register of members of the Company will be closed from 8 December 2011 to 14 December 2011, both dates inclusive. No transfers of Shares will be registered during the book closure period.

Subscription Price

The Subscription Price of HK\$0.19 per Rights Share represents:

- (i) a discount of approximately 24.00% to the closing price of HK\$0.250 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 28.30% to the average of the closing prices of approximately HK\$0.265 per Share for the last five trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- (iii) a discount of approximately 26.36% to the average of the closing prices of approximately HK\$0.258 per Share for the last ten trading days as quoted on the Stock Exchange up to and including the Last Trading Day; and
- (iv) a discount of approximately 15.93% to the theoretical ex-rights price of approximately HK\$0.226 per Share calculated based on the closing price of HK\$0.250 per Share on the Last Trading Day.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to the current market price of the Shares. The Board (including the non-executive Director who has taken part in finalising the terms of the Rights Issue but excluding the independent non-executive Directors whose opinion will be set forth in the Circular after having been advised by the Independent Financial Adviser) considers the Subscription Price is fair and reasonable. The net price per Rights Share, after deducting all the expenses incurred and to be incurred thereof, to the Company upon full acceptance of the provisional allotment of the Rights Shares will be approximately HK\$0.185.

Basis of provisional allotment

The basis of the provisional allotment shall be two Rights Shares (in nil-paid form) for every three existing Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price of HK\$0.19 per Rights Share. Subject to the terms of the Underwriting Agreement, acceptance of all or any part of a Qualifying Shareholder's provisional allotment of the Rights Shares should be made by completing the PAL and lodging the same with a remittance of the aggregate Subscription Price in respect thereof with the Registrar by no later than the Latest Time for Acceptance.

Fractional entitlements

The Company will not provisionally allot fractions of Rights Shares in nil-paid form. All fractions of Rights Shares will be rounded down to the nearest whole number of the Rights Shares and aggregated and, if a premium (net of expenses) can be obtained, sold in the market. The Company will retain the proceeds from such sales for its own benefit. Any unsold fractions of the Rights Shares shall be available for excess application.

Status of the Rights Shares

The Rights Shares, when allotted and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid forms.

Application for excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of the Excluded Shareholders, any unsold fractions of the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders.

Application for excess Rights Shares may be made by completing the EAFs for application for excess Rights Shares and lodging the same with a separate remittance of the aggregate Subscription Price for the excess Rights Shares being applied for with the Registrar. Pursuant to the Irrevocable Undertaking, the Underwriter has irrevocably undertaken, among other things, to lodge the EAF in respect of all the Underwritten Shares and cheque(s) for the full amount in respect thereof with the Registrar by no later than the Latest Acceptance Date. The Board (excluding the Directors who are members of the Concert Group) will allocate the excess Rights Shares at its discretion on a fair and equitable basis, and on the following principles:

- (i) preference will be given to applications for less than a board lot of the Rights Shares where they appear to the relevant Directors that such applications are made to round up odd-lot holdings to whole-lot holdings and that such applications are not made with intention to abuse this mechanism; and
- (ii) subject to the availability of excess Rights Shares after allocation under principle (i) above, the excess Rights Shares will be allocated to the Qualifying Shareholders based on a sliding scale with reference to the number of excess Rights Shares applied by them (i.e. Qualifying Shareholders applying for smaller number of Rights Shares are allocated with a higher percentage of successful application but will receive less number of Rights Shares; whereas Qualifying Shareholders applying for larger number of Rights Shares are allocated with a smaller percentage of successful application but will receive greater number of the Rights Shares) and with board lot allocations to be made on best effort basis.

No preference treatment will be given to the Concert Group in the allocation of the excess Rights Shares.

Shareholders with their Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners of the Shares individually. Shareholders with their Shares held by a nominee company are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

Shareholders whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company prior to the Record Date must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. on 7 December 2011.

Share certificates and refund cheques of Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before 12 January 2012. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before 12 January 2012 by ordinary post to the applicants at their own risk.

Application for listing

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms (both in board lots of 4,000), which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy or any other applicable fees and charges in Hong Kong.

Conditions of the Rights Issue

The obligations of the Underwriter under the Underwriting Agreement are conditional upon the following:

- (i) the passing of the requisite resolutions by the Independent Shareholders at the SGM approving, confirming and ratifying (as appropriate):
 - (a) the Rights Issue and the transactions contemplated thereunder and authorising the Directors to allot and issue the Rights Shares (in their nil-paid and fully-paid forms);
 - (b) the Underwriting Agreement and the performance of the transactions contemplated thereunder by the Company; and
 - (c) the Whitewash Waiver,

each in accordance with the bye-laws of the Company, the Listing Rules and the Takeovers Code (if applicable) on or before the Record Date;

- (ii) the Executive granting to the Underwriter the Whitewash Waiver and the satisfaction of all conditions (if any) attached thereto and such other necessary waiver or consent of the Executive for the transactions contemplated under the Rights Issue;
- (iii) the delivery to the Stock Exchange and the filing with and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Prospectus Posting Date of one copy of each of the Prospectus Documents duly certified in compliance with section 342C of the Companies Ordinance (and all other documents required to be attached thereto) and otherwise complying with the requirements of the Companies Ordinance and the Listing Rules;
- (iv) the delivery and filing of the Prospectus Documents (all having been received or accepted by the Stock Exchange and duly signed by or on behalf of all Directors) with the Registrar of Companies in Bermuda in compliance with the Companies Act prior to, or as soon as reasonably practicable after the Prospectus Posting Date;
- (v) the posting on the Prospectus Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders and of the Prospectus marked “For information only” to the Excluded Shareholders;
- (vi) the Listing Committee granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, all the Rights Shares in both their nil-paid and fully-paid forms before 9:00 a.m. on the Nil-paid Rights Shares Trading Date, either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) and not having withdrawn or revoked such listing and permission before 9:00 a.m. on the Nil-paid Rights Shares Trading Date;
- (vii) the due execution of the SS Loan Assignment and the Yeung Loan Assignment by the respective parties thereto prior to the Prospectus Posting Date;
- (viii) obligations of the Underwriter under the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms thereof;
- (ix) the compliance with and performance of all the undertakings and obligations of the Underwriter under the Underwriting Agreement and the representations and warranties given by the Underwriter under the Underwriting Agreement remaining true and correct in all material respects and not misleading;
- (x) the compliance with and performance of all the undertakings and obligations of the Company under the Underwriting Agreement and the representations and warranties given by the Company under the Underwriting Agreement remaining true and correct in all material respects and not misleading; and
- (xi) if necessary, the consent or permission from the Bermuda Monetary Authority in respect of the issue of the Rights Shares on or before the Prospectus Posting Date.

The condition set out in (x) above can be waived by the Underwriter at any time before the Long Stop Date by notice in writing to the Company. Save as aforesaid, all other conditions set out above cannot be waived by any party to the Underwriting Agreement. In the event that all the conditions above have not been satisfied or waived (as appropriate and applicable) on or before the times and dates specified in the Underwriting Agreement (or, if no time or date is specified, the Long Stop Date), all obligations of the Company and the Underwriter shall cease and determine and neither the Company nor the Underwriter shall have any claim against the other save for all such reasonable costs, fees and other out-of-pocket expenses (excluding sub-underwriting fees and related expenses) as have been reasonably and properly incurred by the Underwriter in connection with the underwriting of the Underwritten Shares by the Underwriter shall, subject to a maximum amount of HK\$200,000 and to the extent agreed by the Company, be borne by the Company. If the Underwriting Agreement terminates in accordance with its terms, the Rights Issue will not proceed.

UNDERWRITING ARRANGEMENT

Irrevocable Undertaking by the Underwriter

Pursuant to the Irrevocable Undertaking given by the Underwriter in the Underwriting Agreement, the Underwriter, in its capacity as a Qualifying Shareholder, has irrevocably agreed and undertaken to the Company that, among other things, (i) it shall accept and take up all the SR Shares, the aggregate Subscription Price of which shall be paid by way of setting off against the Assigned Loans; (ii) it shall not dispose of or transfer, or create any option, charge or other encumbrances in respect of any Existing Shares or any interests therein (so far as applicable) from the date of the Underwriting Agreement and up to and including the Business Day after the Latest Acceptance Date; (iii) it shall procure that excess application in respect of all the Underwritten Shares, with cheques for the full amount payable thereof, shall be lodged with the Registrar by no later than the Latest Acceptance Date; and (iv) the Concert Group will not acquire (except by taking up the SR Shares and the Underwritten Shares pursuant to the terms of the Underwriting Agreement) or dispose of (except for entering into any legally binding agreement(s) before the bulk-printing of the Circular for the placing down or otherwise disposal of Shares by the Underwriter after completion of the Rights Issue for the purpose of maintaining sufficient public float requirement of the Company under the Listing Rules) any voting rights of the Company from the date of the Underwriting Agreement and up to completion of the Rights Issue or the termination of the Underwriting Agreement, whichever is earlier.

Underwriting Agreement

Date : 19 October 2011 (after trading hours)

Parties : (i) the Company; and
(ii) the Underwriter.

Underwriter : Silver Rich Macau Development Limited

The Underwriter is wholly-owned by a discretionary trust, the beneficiaries of which are the Yeung Family. As at the date of this announcement, the Underwriter is interested in 1,010,953,432 Shares, representing approximately 41.45% of the existing total issued share capital of the Company. Mr. Yeung is the Chairman of the Company and an executive Director. The Underwriter does not underwrite issues of securities in its ordinary course of business.

Number of Rights Shares undertaken to be subscribed for by the Underwriter pursuant to the Irrevocable Undertaking : Pursuant to the Irrevocable Undertaking, the Underwriter has irrevocably undertaken, among other things, to (i) accept and subscribe in full for all the SR Shares to which the Underwriter is entitled under the Rights Issue; and (ii) lodge the EAF in respect of all the Underwritten Shares and cheque(s) for the full amount in respect thereof with the Registrar, on and subject to the terms and conditions of the Rights Issue. Assuming that the number of Shares held by the Underwriter remains unchanged up to the close of business on the Record Date, the Underwriter will be obliged to subscribe for 673,968,954 SR Shares and 952,007,200 Underwritten Shares pursuant to the Irrevocable Undertaking.

Number of the Rights Shares underwritten by the Underwriter : Being all the Rights Shares under the Rights Issue but excluding the SR Shares undertaken to be subscribed for by the Underwriter pursuant to the Irrevocable Undertaking.

Assuming that there is no change in the issued share capital of the Company and the number of Shares held by the Underwriter up to the close of business on the Record Date, the total number of Underwritten Shares will be 952,007,200 Rights Shares.

Commission : 2.5% of the aggregate Subscription Price in respect of the Underwritten Shares, being approximately HK\$4.5 million, which was determined after arm's length negotiation between the Company and the Underwriter and the Board (excluding the Directors who are members of the Concert Group) considers that the underwriting commission rate is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Information on the Assigned Loans and the Setting Off

As at the date of the Underwriting Agreement, the Company was indebted to Mr. Yeung for a principal amount of HK\$135,000,000 and Smart Class was indebted to Star Spangle for a total sum of HK\$23,386,199.24. Smart Class is a wholly-owned subsidiary of the Company and Star Spangle is a company beneficially wholly-owned by Mr. Yeung. According to the terms of the Underwriting Agreement, the Underwriter and the Company have agreed to execute, and procure the execution of, the SS Loan Assignment and the Yeung Loan Assignment for the assignment of the Assigned SS Loan and the Assigned Yeung Loan prior to the Prospectus Posting Date and the obligations of the Underwriter under the Underwriting Agreement are also conditional on, among other things, the due execution of the SS Loan Assignment and the Yeung Loan Assignment. The Assigned SS Loan in the amount of HK\$23,386,199.24 represents the total sum owing by Smart Class to Star Spangle under the SS Loan as at the date of the Underwriting Agreement. The Assigned Yeung Loan in the amount of HK\$104,667,902.02 represents a portion of the principal amount owing by the Company to Mr. Yeung under the Yeung Loan as at the date of the Underwriting Agreement. Upon execution of the SS Loan Assignment and the Yeung Loan Assignment, the Company will be indebted to the Underwriter for the aggregate amount of the Assigned SS Loan and the Assigned Yeung Loan, being HK\$128,054,101.26.

Pursuant to the terms of the Underwriting Agreement, the Underwriter and the Company have agreed that the entire amount of the Assigned Loans shall be used to set off against the aggregate Subscription Price of the SR Shares.

Termination of the Underwriting Agreement

The Underwriter may at its sole and absolute discretion terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination if there occurs, arises, exists, or comes into effect any of the following events or matters:

- (i) the Underwriter shall become aware of the fact that, or shall, in its reasonable opinion, believe that, any warranties contained in the Underwriting Agreement was untrue, inaccurate misleading or breached, and in each case the same represents or is likely to represent (in the reasonable opinion of the Underwriter) a material and adverse change in the business, financial or trading position or prospects of the Group as a whole or is otherwise likely to have a material and adverse effect on the Rights Issue;**

- (ii) the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement; or**
- (iii) (a) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;**
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, currency, epidemic or other nature (whether or not sui generis with any of the foregoing, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict);**
- (c) any change in the conditions of local, national or international securities or currency markets (including but without limitation, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise);**
- (d) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;**
- (e) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which shall or may materially and adversely affect the Group or a material proportion of the shareholders in their capacity as such; or**
- (f) any withdrawal of the listing of the Shares or suspension in their trading on the Stock Exchange for more than fourteen consecutive trading days (save for the purposes of clearing this announcement or any other announcements, circulars or prospectus(es) relating to the Underwriting Agreement and the ancillary agreements thereto) or indication being received from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to in connection with the terms of the Underwriting Agreement or for any other reason,**

which event or events is or are in the reasonable opinion of the Underwriter: (1) likely to have a material adverse effect on the business or financial position of the Group as a whole; or (2) likely to have material adverse effect on the success of the Rights Issue; or (3) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue.

If the Underwriter gives a notice of termination to the Company in accordance with the terms of the Underwriting Agreement, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and no party thereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement. If the Underwriter exercises its right to terminate the Underwriting Agreement, the Rights Issue will not proceed.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES

The Rights Issue is conditional, inter alia, upon the fulfillment or waiver (where applicable) of the conditions set out under the paragraph headed “Conditions of the Rights Issue” above. In particular, the Rights Issue is conditional upon, among other things, (i) the Whitewash Waiver having been granted by the Executive; and (ii) the approval of the Rights Issue and the Whitewash Waiver by the Independent Shareholders at the SGM by way of poll. The Underwriter is entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events as described above. Accordingly, the Rights Issue may or may not proceed.

Any dealing in the Shares immediately after the date of this announcement and up to the date on which all the conditions of the Rights Issue are fulfilled or waived (where applicable) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares are advised to consult their own professional advisers.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the associated trading arrangements is set out below:

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| Despatch of the Circular and notice of SGM | Tuesday, 15 November |
| Latest time for return of the form of proxy for use at the SGM. | By 3:45 p.m., Wednesday, 30 November |
| SGM | At 3:45 p.m., Friday, 2 December |
| Last day of dealings in the Shares on a cum-rights basis | Monday, 5 December |

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| Commencement of dealings in the Shares on an ex-rights basis | Tuesday, 6 December |
| Latest time for lodging transfers of Shares to be entitled for the Rights Issue | By 4:30 p.m., Wednesday, 7 December |
| Closure of register of members of the Company to determine the entitlements to the Rights Issue (both dates inclusive) | Thursday, 8 December to Wednesday, 14 December |
| Record Date | Wednesday, 14 December |
| Prospectus Documents to be posted | Thursday, 15 December |
| Register of members of the Company re-opens | Thursday, 15 December |
| First day of dealings in nil-paid Rights Shares | Monday, 19 December |
| Latest time for splitting nil-paid Rights Shares | By 4:30 p.m., Wednesday, 21 December |
| Last day of dealings in nil-paid Rights Shares | Wednesday, 28 December |

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| Latest time for acceptance of and payment for the Rights Shares and application for excess Rights Shares | By 4:00 p.m., Tuesday, 3 January |
| Latest time for the Rights Issue to become unconditional | By 4:30 p.m., Friday, 6 January |
| Announcement of the results of the Rights Issue to be published | Wednesday, 11 January |
| Refund cheques for wholly and partially unsuccessful applications for excess Rights Shares to be posted | Thursday, 12 January |
| Share certificates of fully-paid Rights Shares to be posted | Thursday, 12 January |
| Commencement of dealings in fully-paid Rights Shares | Monday, 16 January |

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

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

The Company considers that the Rights Issue, which is on a fully underwritten basis, will (i) increase the capital base of the Company; (ii) provide funding to the Company to repay certain of its loans payable, fulfill its financial assistance commitment to a joint venture company and for the operation of the Group's businesses; and (iii) reduce the liability due to its Director which in turn will enhance the financial position of the Company. As referred to in the interim report of the Company as at 30 June 2011, the gearing ratio of the Company was approximately 76% (being the Group's interest-bearing borrowings over the total equity attributable to owners of the Company). Upon completion of the Rights Issue, it is expected that the Company will be able to reduce its gearing ratio without having to incur further interest expenses in respect of the Assigned Loans and the entire amount of the Assigned Loans could be settled without any cash outflow of the Group while the facility under the Facility Letter will remain available until 30 October 2012. In view of the prevailing market condition and given that the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company, the Board (including the non-executive Director who has taken part in finalising the terms of the Rights Issue but excluding the independent non-executive Directors whose opinion will be set forth in the Circular after having been advised by the Independent Financial Adviser) considers that the terms of the Rights Issue (including the Setting Off) and the Underwriting Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

On the basis that the Underwriter subscribes for the SR Shares provisionally allotted to it under the Rights Issue and pays the aggregate Subscription Price thereof by way of setting off against the Assigned Loans, and the expenses to be incurred by the Company in connection with the Rights Issue is estimated to be approximately HK\$7.5 million, the gross proceeds and the net cash proceeds of the Rights Issue is estimated to be approximately HK\$308.9 million and HK\$173.4 million respectively. The Company intends to apply from the net cash proceeds up to HK\$100 million for settlement of certain of the Group's loans payables (excluding the Yeung Loan) when they fall due, approximately HK\$29 million for fulfillment of its commitment to provide financial assistance to a joint venture company as announced by the Company on 25 August 2011 and the remaining balance of approximately HK\$44.4 million for general working capital of the Group.

PREVIOUS FUND RAISING EXERCISES OF THE COMPANY

The Company has not conducted any fund raising exercises in the past 12 months immediately preceding the date of this announcement.

SHAREHOLDINGS STRUCTURE

The table below sets out the shareholdings structure of the Company as at the date of this announcement and the possible changes upon completion of the Rights Issue, on the basis of the public information available to the Company on the date of this announcement, after the Directors having making reasonable enquiries and assuming that there is no other changes in the shareholdings structure of the Company since the date of this announcement to the date immediately after completion of the Rights Issue:–

| Shareholders | Immediately after completion of the Rights Issue assuming the number of issued Shares remains unchanged on or before the Record Date | | | | | |
|---|--|------------------|---|------------------|--|------------------|
| | As at the date of this announcement | | Assuming nil acceptance by the Qualifying Shareholders other than the Concert Group (Note 1) | | Assuming 100% acceptance by the Qualifying Shareholders (Note 2) | |
| | Number of Shares | Approximate % | Number of Shares | Approximate % | Number of Shares | Approximate % |
| The Underwriter and parties acting in concert with it (Note 3) | 1,010,953,432 | 41.45 | 2,610,477,290 | 64.22 | 1,684,922,386 | 41.45 |
| Maruhan Corporation (Note 4) | 438,228,000 | 17.97 | 438,228,000 | 10.78 | 730,380,000 | 17.97 |
| Other public Shareholders | 989,782,801 | 40.58 | 989,782,801 | 24.35 | 1,649,638,001 | 40.58 |
| Placing down Shares | – | – | 26,452,296 | 0.65 | – | – |
| Total public Shareholders | 989,782,801 | 40.58 | 1,016,235,097 | 25.00 | 1,649,638,001 | 40.58 |
| Total | 2,438,964,233 | 100.00 | 4,064,940,387 | 100.00 | 4,064,940,387 | 100.00 |

Notes:

- Assuming (i) all Qualifying Shareholders (save for the Underwriter which subscribes for the SR Shares provisionally allotted to it under the Rights Issue and pays the aggregate Subscription Price thereof by way of the Setting Off) do not subscribe for any Rights Shares; (ii) all Underwritten Shares are taken up by the Underwriter pursuant to the underwriting obligations of the Underwriter or by way of the excess application by the Underwriter pursuant to the Irrevocable Undertaking; and (iii) there will be concrete placing down arrangement by the Underwriter to procure that the Company will be able to comply with the minimum 25% public float requirement under the Listing Rules.
- Assuming all Qualifying Shareholders accept their respective provisional allotments of the Rights Shares in full.
- The Underwriter is wholly-owned by a discretionary trust, the beneficiaries of which are the Yeung Family.
- As at the date of this announcement, the Company has no knowledge of the intention of Maruhan Corporation, a substantial Shareholder, whether it will accept the Rights Shares to be provisionally allotted to it.

WHITEWASH WAIVER

The Underwriter, being the controlling Shareholder, is wholly-owned by a discretionary trust, the beneficiaries of which are the Yeung Family. As at the date of this announcement, the Underwriter is interested in 1,010,953,432 Shares, representing approximately 41.45% of the existing total issued share capital of the Company. In the event that (i) all the Underwritten Shares are allotted and issued to the Underwriter under the excess application made pursuant to the Irrevocable Undertaking (assuming all Qualifying Shareholders (other than the Underwriter) do not accept their respective provisional allotment of the Rights Shares nor apply for any excess Rights Shares); or (ii) the Underwriter is called upon to subscribe for all the Underwritten Shares in full pursuant to its obligations under the Underwriting Agreement, the shareholding of the Concert Group in the Company would increase from approximately 41.45% of the existing total issued share capital of the Company to a maximum of approximately 64.87% (assuming that the number of the issued Shares remains unchanged on or before the Record Date) of the enlarged total issued share capital of the Company immediately upon completion of the Rights Issue. Under Rule 26 of the Takeovers Code, the acquisition of voting rights under such circumstances will trigger a mandatory general offer by the Underwriter for all the securities of the Company other than those already owned or agreed to be acquired by the Concert Group, unless, among others, the Whitewash Waiver is obtained from the Executive and approved by the Independent Shareholders by way of poll. An application will be made by the Underwriter to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted, will be subject to the approval of the Independent Shareholders on a vote taken by way of poll at the SGM and such other condition(s) as may be imposed by the Executive. If the Whitewash Waiver is not granted by the Executive or not approved by the Independent Shareholders, the Rights Issue will not become unconditional and will not proceed.

Save as disclosed in the paragraph headed “Shareholdings structure” above, none of the Concert Group and the respective associates of the Underwriter and the Yeung Family own(s), control(s) or direct(s) any Shares, convertible securities, warrants, options or derivatives in respect of the Shares as at the date of this announcement, and there is no outstanding derivative in respect of securities in the Company which has been entered into by any of the parties in the Concert Group as at the date of this announcement.

Save for the entering into of the Underwriting Agreement, none of the parties in the Concert Group has dealt in the securities of the Company in the six-month period prior to and including the date of this announcement.

Save for the transactions contemplated under the Underwriting Agreement, as at the date of this announcement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares or the shares of the Underwriter which might be material to the Underwriting Agreement and/or the Rights Issue and/or the Whitewash Waiver.

As at the date of this announcement, none of the parties in the Concert Group has received any irrevocable commitment to vote in favour of or against the proposed resolution(s) approving the Rights Issue and/or the Whitewash Waiver at the SGM.

As at the date of this announcement, save for the Underwriting Agreement, there is no agreement or arrangement to which the Underwriter is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Underwriting Agreement and/or the Rights Issue and/or the Whitewash Waiver.

None of the parties in the Concert Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company as at the date of this announcement.

LISTING RULES IMPLICATIONS

The Underwriter is a controlling Shareholder and is therefore a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.31(3)(c) of the Listing Rules, the allotment and issue of the Underwritten Shares is exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Pursuant to Rule 7.19(6)(a) of the Listing Rules, the Rights Issue will be subject to the approval of the Independent Shareholders at the SGM by way of poll.

In addition, the payment of the underwriting commission to the Underwriter constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the underwriting commission to be received by the Underwriter pursuant to the Underwriting Agreement is approximately HK\$4.5 million and the relevant percentage ratios (other than the profits ratio) as defined in the Listing Rules are less than 5% and the total underwriting commission payable is more than HK\$1,000,000, it is therefore subject to reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Rule 14A.32 of the Listing Rules. Mr. Yeung and Dr. Ma Ho Man, Hoffman have not voted in respect of the proposed resolution approving the payment of the underwriting commission at the Board meeting as Mr. Yeung and Dr. Ma Ho Man, Hoffman are members of the Concert Group.

GENERAL

The Rights Issue is conditional on, among other things, the approval of the Rights Issue and the Whitewash Waiver by the Independent Shareholders at the SGM. The Concert Group, the respective associates of the Underwriter and the Yeung Family, and all those parties who are involved or interested in the Underwriting Agreement and/or the Whitewash Waiver will abstain from voting on the proposed resolution(s) approving the Rights Issue and the Whitewash Waiver at the SGM. The Independent Board Committee comprising all the independent non-executive Directors (but not the non-executive Director who has taken part in finalising the terms of the Rights Issue) has been established by the Company to advise the Independent Shareholders as to whether the terms of the Rights Issue (including the Setting Off) and the Whitewash Waiver are fair and reasonable and as to voting in respect thereof at the SGM. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard and such appointment was approved by the Independent Board Committee.

The Circular containing, among other things, further details of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver, a letter of recommendation from the Independent Board Committee to the Independent Shareholders, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue and the Whitewash Waiver, and a notice of the SGM, is expected to be despatched by the Company to the Shareholders on or before 15 November 2011.

Subject to, among other things, the Rights Issue and the Whitewash Waiver being approved at the SGM, the Prospectus Documents or the Prospectus, where appropriate, will be despatched to the Qualifying Shareholders, and for information only, to the Excluded Shareholders in due course.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 20 October 2011 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 26 October 2011.

DEFINITIONS

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

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| “acting in concert” | has the meaning ascribed to it under the Takeovers Code |
| “Application Forms” | together, the PAL and the EAF |
| “Assigned Loans” | collectively, the Assigned SS Loan and the Assigned Yeung Loan in the aggregate amount of HK\$128,054,101.26 as at the date of the Underwriting Agreement |
| “Assigned SS Loan” | HK\$23,386,199.24, being the total sum owing by Smart Class to Star Spangle under the SS Loan as at the date of the Underwriting Agreement (comprising the principal amount of HK\$20,719,906.39 and the accrued interest of HK\$2,666,292.85), which shall be novated and assigned under the SS Loan Assignment |
| “Assigned Yeung Loan” | HK\$104,667,902.02, being a portion of the principal amount owing by the Company to Mr. Yeung under the Yeung Loan as at the date of the Underwriting Agreement, which shall be assigned by Mr. Yeung to the Underwriter under the Yeung Loan Assignment |
| “associate(s)” | has the meaning ascribed to it under the Listing Rules |

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| “Board” | the board of Directors |
| “Business Day” | a day (excluding Saturday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning is hoisted or remains hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “Circular” | the circular to be issued to the Shareholders by the Company relating to, among other things, the Rights Issue, the Underwriting Agreement and the Whitewash Waiver |
| “Companies Act” | the Companies Act 1981 of Bermuda (as amended) |
| “Companies Ordinance” | the Companies Ordinance, Chapter 32 of the Laws of Hong Kong |
| “Company” | Success Universe Group Limited (stock code: 00487), a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange |
| “Concert Group” | the Underwriter, the Yeung Family and the parties acting in concert with any of them (including Mr. Yeung, and Dr. Ma Ho Man, Hoffman, who are executive Directors, and the discretionary trust holding the Underwriter and its trustee) |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “EAF(s)” | the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares |

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| “Excluded Shareholder(s)” | Overseas Shareholder(s) in respect of whom the Directors, based on legal opinions provided by the legal adviser(s), consider it necessary or expedient not to offer the Rights Shares to such Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place |
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director |
| “Existing Shares” | 1,010,953,432 Shares held by the Underwriter as at the date of this announcement |
| “Facility Letter” | the loan facility letter dated 1 December 2008 as amended by the letters dated 14 April 2009, 25 June 2009 and 23 June 2010 signed between the Company as borrower and Mr. Yeung as lender for the grant of a term loan facility of up to HK\$290 million by Mr. Yeung to the Company |
| “Group” | the Company and its subsidiaries from time to time |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Independent Board Committee” | the independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Luk Ka Yee, Patrick, Mr. Yim Kai Pung and Ms. Yeung Mo Sheung, Ann, established to give recommendation to the Independent Shareholders regarding the Rights Issue (including the Setting Off) and the Whitewash Waiver |
| “Independent Financial Adviser” | Altus Capital Limited, a licensed corporation under the SFO permitted to conduct Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) of the regulated activities (as defined in the SFO), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders |

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| “Independent Shareholders” | Shareholders other than (i) the Concert Group; (ii) the respective associates of the Underwriter and the Yeung Family; and (iii) those who are involved or interested in the Underwriting Agreement and/or the Whitewash Waiver |
| “Irrevocable Undertaking” | the irrevocable undertaking given by the Underwriter in the Underwriting Agreement, details of which are set out in the paragraph headed “Irrevocable Undertaking by the Underwriter” above |
| “Last Trading Day” | 19 October 2011, being the last trading day before the suspension of trading of the Shares on the Stock Exchange for the purpose of the release of this announcement |
| “Latest Acceptance Date” | not less than ten Business Days after the Prospectus Posting Date as may be agreed in writing between the Company and the Underwriter, being the latest date for acceptance of, and payment for, the Rights Shares as described in the Prospectus |
| “Latest Time for Acceptance” | 4:00 p.m. on the Latest Acceptance Date or such other time as may be agreed in writing between the Company and the Underwriter, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus |
| “Latest Time for Termination” | 4:30 p.m. on the Settlement Date or such other time or date as may be agreed in writing between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement |
| “Listing Committee” | the listing sub-committee of the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Long Stop Date” | 5:00 p.m. on 20 February 2012 or such later time and date as the Underwriter may agree with the Company in writing |
| “Mr. Yeung” | Mr. Yeung Hoi Sing, Sonny, the Chairman of the Company and an executive Director |

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| “Nil-paid Rights Shares Trading Date” | the first date of dealings in nil-paid Rights Shares on the Stock Exchange as set out in the Prospectus Documents (as may be supplemented from time to time by subsequent announcements of the Company) |
| “Overseas Shareholder(s)” | Shareholder(s) whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is(are) outside Hong Kong |
| “PAL(s)” | the renounceable provisional allotment letter(s) in respect of the Rights Shares proposed to be issued to the Qualifying Shareholders |
| “Prospectus” | the prospectus to be despatched to the Shareholders containing details of the Rights Issue |
| “Prospectus Documents” | the Prospectus, the PAL and the EAF |
| “Prospectus Posting Date” | the date (being not less than one Business Day after the date on which the Shareholders have approved the Rights Issue, the Underwriting Agreement and the Whitewash Waiver) as may be agreed in writing between the Company and the Underwriter, for posting of the Prospectus Documents to the Qualifying Shareholders and the Prospectus to the Excluded Shareholders for their information only |
| “Qualifying Shareholder(s)” | Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date |
| “Record Date” | the date by reference to which entitlements to the Rights Issue are to be determined |
| “Registrar” | the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong |
| “Rights Issue” | the issue by way of rights of the Rights Shares in the proportion of two Rights Shares for every three existing Shares held on the Record Date at the Subscription Price |

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| “Rights Share(s)” | 1,625,976,154 new Shares to be issued and allotted under the Rights Issue |
| “Setting Off” | the setting off of the Assigned SS Loan and the Assigned Yeung Loan in order to settle the payment of the aggregate Subscription Price of the SR Shares |
| “Settlement Date” | the date being the third Business Day following the Latest Acceptance Date |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “SFO” | the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) |
| “SGM” | the special general meeting of the Company to be held at which resolution(s) will be proposed to consider, and, if thought fit, approve, among others, the Rights Issue and the Whitewash Waiver |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of issued Share(s) |
| “Smart Class” | Smart Class Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company |
| “SR Shares” | 673,968,954 Rights Shares to be provisionally allotted to the Underwriter derived from the Existing Shares held by it pursuant to the Rights Issue |
| “SS Loan” | the entire amount of the unsecured loan owing by Smart Class to Star Spangle at the interest rate of 4% per annum, which principal amount and all interest accrued thereon shall be repaid by Smart Class to Star Spangle upon Star Spangle serving not less than fourteen days’ prior written notice on Smart Class |

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| “SS Loan Assignment” | the deed of novation and assignment to be executed by Smart Class, Star Spangle, the Underwriter and the Company in relation to the novation and assignment of the Assigned SS Loan pursuant to which (i) Smart Class will novate, and the Company will assume, all and any obligations, duties and liabilities of Smart Class in all respects as borrower of the Assigned SS Loan; and (ii) Star Spangle will assign and transfer, and the Underwriter will accept the assignment and transfer of, the Assigned SS Loan |
| “Star Spangle” | Star Spangle Corporation, a company incorporated in the British Virgin Islands with limited liability and beneficially wholly-owned by Mr. Yeung |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription Price” | HK\$0.19 per Rights Share |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |
| “Underwriter” | Silver Rich Macau Development Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by a discretionary trust (the beneficiaries of which are the Yeung Family) |
| “Underwriting Agreement” | the underwriting agreement dated 19 October 2011 entered into between the Company and the Underwriter in relation to the underwriting and certain other arrangements in respect of the Rights Issue |
| “Underwritten Shares” | 952,007,200 Rights Shares, being all the Rights Shares less the SR Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement |
| “Whitewash Waiver” | a waiver required to be granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code to waive the obligation of the Concert Group to make a mandatory general offer for all the issued Shares not already owned and/or agreed to be acquired by the Concert Group which may otherwise arise as a result of the subscription of the SR Shares and the excess Rights Shares allocated to the Underwriter under the excess application made by the Underwriter pursuant to the Irrevocable Undertaking or the underwriting obligation under the Underwriting Agreement |

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| “Yeung Loan Assignment” | the deed of assignment to be executed by Mr. Yeung as assignor, the Underwriter as assignee and the Company pursuant to which Mr. Yeung will assign and transfer and the Underwriter will accept the assignment and transfer of, the Assigned Yeung Loan |
| “Yeung Family” | the family members of Mr. Yeung |
| “Yeung Loan” | the entire amount of the loan being drawn down and owing by the Company to Mr. Yeung under the Facility Letter, which is unsecured, bears interest at the prime rate for Hong Kong dollars loans as quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time and is repayable by the Company to Mr. Yeung on or before 30 October 2012 |
| “%” or “per cent.” | percentage or per centum |

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

Hong Kong, 25 October 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any such statement contained in this announcement misleading.