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LONG SUCCESS INTERNATIONAL (HOLDINGS) LIMITED

百齡國際(控股)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8017)

**SUBSCRIPTION FOR NEW SHARES
TO BE ISSUED UNDER THE GENERAL MANDATE**

SUBSCRIPTION FOR NEW SHARES

On 3 August 2009 (after trading hours), the Company entered into the Subscription Agreement with the Subscribers pursuant to which the Subscribers conditionally agreed to subscribe for and the Company conditionally agreed to issue the Subscription Shares at the Subscription Price of HK\$0.04 per Subscription Share.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed herein, each of the Subscribers and its ultimate beneficial owner (as the case may be) is a third party independent of and not connected with the Company and its connected persons.

The Company will apply to the Listing Committee of the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Subscription Shares.

A. SUBSCRIPTION FOR NEW SHARES

Subscription Agreement dated 3 August 2009

Parties

- (i) the Company; and
- (ii) Ms. Liang Xiaomin and More Rich (Asia) Investment Limited as the Subscribers.

* *for identification purpose only*

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed herein, each of the Subscribers and its ultimate beneficial owner (as the case may be) is a third party independent of and not connected with the Company and its connected persons.

Number of Subscription Shares

The Subscription Shares, representing approximately 8.39% of the existing issued share capital of the Company of 3,097,780,000 Shares and approximately 7.74% of the issued share capital of the Company of 3,357,780,000 Shares as enlarged by the issue and allotment of the Subscription Shares. The Share Consolidation will be considered by the Shareholders at the annual general meeting of the Company to be held on 11 August 2009. If the Share Consolidation becomes effective, 65,000,000 Consolidated Shares will be issued and allotted to the Subscribers upon completion of the Subscription.

Subscription Price

HK\$0.04 per Subscription Share, which was determined on an arm's length basis. The Directors consider the Subscription Price to be fair and reasonable.

The Subscription Price represents:

- (i) a discount of approximately 11.11% to the closing price of HK\$0.045 per Share as stated in the daily quotation sheet of the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 11.50% to the average closing price of approximately HK\$0.0452 per Share as stated in the daily quotation sheet of the Stock Exchange for the last five trading days up to and including the Last Trading Day; and
- (iii) a discount of approximately 11.11% to the average closing price of approximately HK\$0.045 per Share as stated in the daily quotation sheet of the Stock Exchange for the last 10 trading days up to and including the Last Trading Day.

Allocation of Subscription Shares

The following table summaries the number of Subscription Shares and the aggregate amount of the Subscription Price to be paid by each of the Subscribers:

Name of Subscriber	Number of Subscription Shares	Aggregate amount of Subscription Price (HK\$)
Ms. Liang Xiaomin	100,000,000	4,000,000.00
More Rich (Asia) Investment Limited	160,000,000	6,400,000.00
Total:	<u>260,000,000</u>	<u>10,400,000.00</u>

Each of the Subscribers will pay a sum equivalent to their respective aggregate amount of Subscription Price to the Company as deposit within seven (7) business days from the signing of the Subscription Agreement and such deposit shall be refunded in full to the Subscribers if the conditions precedent of the Subscription Agreement cannot be satisfied.

Ranking of Subscription Shares

The Subscription Shares, when issued and fully paid, will rank pari passu among themselves and with the Shares (or if applicable, the Consolidated Shares) in issue at the time of issue and allotment of the Subscription Shares.

Completion of Subscription

The Subscription is expected to be completed within two (2) business days from the date of fulfillment of the conditions precedent set out below or such later date as the Company and the Subscribers may agree in writing.

Conditions of the Subscription Agreement

Completion of the Subscription Agreement is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Subscription Shares; and
- (ii) (if required) the Bermuda Monetary Authority granting permission to allot and issue the Subscription Shares.

If the above conditions precedent of the Subscription Agreement are not fulfilled within twenty (20) days from the date of the Subscription Agreement or such later date as the parties to the Subscription Agreement may agree in writing, the Subscription Agreement shall terminate.

General Mandate to issue the Subscription Shares

The Subscription Shares will be issued under the General Mandate. Under the General Mandate, the Company is authorized to issue 545,715,444 Shares. As at the date of this announcement, the Company has utilised 52.15% of the General Mandate by (i) placing 169,232,000 new Shares as announced on 24 February 2009 and (ii) issuing the Convertible Note convertible into 115,384,615 new Shares as announced on 19 June 2009. Accordingly, the Company is allowed to further issue up to 261,098,829 Shares under the General Mandate. The Subscription Shares will utilise 260,000,000 Shares that are allowed to be allotted and issued under the General Mandate (approximately 47.64% thereof).

B. EFFECT OF THE SUBSCRIPTION ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The effect of the Subscription on the shareholding structure of the Company (assuming no exercise of the outstanding options under the share option scheme of the Company) is set out below:

	Before completion of the Subscription		After completion of the Subscription	
	<i>Number of Shares</i>	<i>% (approx.)</i>	<i>Number of Shares</i>	<i>% (approx.)</i>
Wide Fine International Limited (<i>Note 1</i>)	852,500,000	27.52%	852,500,000	25.39%
Yip Wai Ki (<i>Note 2</i>)	10,000,000	0.32%	10,000,000	0.30%
Tong Jian (<i>Note 3</i>)	54,220,000	1.75%	54,220,000	1.61%
More Rich (Asia) Investment Limited (<i>Note 4</i>)	0	0%	160,000,000	4.76%
Liang Xiaomin	0	0%	100,000,000	2.98%
Other public Shareholders	<u>2,181,060,000</u>	<u>70.41%</u>	<u>2,181,060,000</u>	<u>64.96%</u>
Subtotal	<u>3,097,780,000</u>	<u>100%</u>	<u>3,357,780,000</u>	<u>100%</u>

Notes:

1. The 852,500,000 Shares are beneficially owned by and registered in the name of Wide Fine International Limited (“Wide Fine”), a company incorporated in Hong Kong with limited liability and is wholly-owned by Mr. Wong Kam Leong, a Director.
2. Mr. Yip Wai Ki is a Director.
3. Mr. Tong Jian is the holder of the Convertible Note which is convertible into 115,384,615 Shares upon full conversion of the same.
4. More Rich (Asia) Investment Limited is beneficially wholly-owned by Ms. Yang Xin.

C. EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The following table summarizes the fund raising activities of the Group for the 12 months immediately preceding the date of this announcement.

Date of announcement	Event	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
24 February 2009	Placing of new Shares under General Mandate	HK\$10,800,000	General working capital to develop and expand the Group’s principal business and future business developments	Applied as part payment of the refundable deposit under the Acquisition
19 June 2009	Issuing the Convertible Note	HK\$14,800,000	Financing the Acquisition and as general working capital of the Group	Applied as part payment of the balance of purchase price under the Acquisition

D. USE OF PROCEEDS AND REASONS FOR THE SUBSCRIPTION

The Group is principally engaged in paper manufacturing business; sharing of profits of a junket representative of a VIP lounge in a casino in Macau; money lending business and IT consulting services. In view of the current market conditions, the Directors consider that the Subscription represents a good opportunity to broaden the shareholders' base and the capital base of the Company. The Directors considered that the terms of the Subscription to be fair and reasonable and in the interest of the Group and the Shareholders as a whole.

The total subscription monies payable by the Subscribers to the Company will be HK\$10,400,000. After deducting the professional fees and other expenses in respect of which the Company is liable for in relation to the Subscription, the maximum net proceeds from the Subscription is estimated to be approximately HK\$10,300,000. The net price of each Subscription Share will be approximately HK\$0.0396. The aggregate nominal value of the Subscription Shares is HK\$2,600,000.

The net proceeds from the Subscription will be applied towards financing the Acquisition and as general working capital of the Group.

E. DEFINITIONS

In this announcement, unless otherwise defined, terms used shall have the following meanings:

“Acquisition”	the acquisition of 100% equity interest in Mega Bright Investment Development Limited which holds 51% interest in Jining Gangning Paper Co., Ltd., a sino-foreign joint venture company incorporated in the PRC engaging in the manufacture and sale of various types of kraft paper, brief particulars of which are set out in the Company's circular dated 14 May 2009 and completion of the same took place on 1 July 2009;
“Board”	the board of Directors;
“business day”	a day (excluding Saturday) on which banks in Hong Kong are generally open for business;
“Company”	Long Success International (Holdings) Limited (百齡國際(控股)有限公司)*, an exempted company incorporated in Bermuda with limited liability and the issued Shares of which are listed on GEM;

“connected person”	has the same meaning as ascribed in the GEM Listing Rules;
“Consolidated Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company after the Share Consolidation becoming effective;
“Convertible Note”	the redeemable convertible note, bearing an interest rate of 36% per annum payable monthly to the holder(s) thereof issued by the Company in the principal amount of HK\$15,000,000 on 13 July 2009;
“Directors”	directors of the Company;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“General Mandate”	the general unconditional mandate to issue 545,715,444 Shares granted to the Directors at the annual general meeting of the Company held on 30 July 2008;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Last Trading Day”	3 August 2009, being the last full trading day for the Shares immediately before the issue of this announcement;
“PRC”	the People’s Republic of China, and for the sole purpose of this announcement excludes Hong Kong, Macau Special Administrative Region and Taiwan;
“Share(s)”	share(s) of HK\$0.01 each in the capital of the Company;

“Shareholder(s)”	holder(s) of Shares;
“Share Consolidation”	the proposed consolidation of every four (4) Shares of HK\$0.01 each into one (1) Consolidated Share of HK\$0.04 each; brief particulars of which are set out in the Company’s announcement dated 3 July 2009;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscribers”	Ms. Liang Xiaomin and More Rich (Asia) Investment Limited, a company incorporated in Hong Kong with limited liability;
“Subscription”	the subscription of the Subscription Shares by the Subscribers pursuant to the Subscription Agreement;
“Subscription Agreement”	the subscription agreement dated 3 August 2009 entered into between the Subscribers and the Company in relation to the Subscription;
“Subscription Price”	HK\$0.04 per Subscription Share; and
“Subscription Shares”	a total of 260,000,000 new Shares (equivalent to 65,000,000 Consolidated Shares if the Share Consolidation becoming effective).

By order of the board of directors of
Long Success International (Holdings) Limited
Wong Kam Leong
Chairman

Hong Kong, 3 August 2009

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wong Kam Leong, Ms. Li Jie Yi and Mr. Yip Wai Ki; and three independent non-executive Directors, namely Mr. Ng Kwok Chu, Winfield, Mr. Ng Chau Tung, Robert and Mr. Cheng Tze Kit, Larry.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- 1. the information contained in this announcement is accurate and complete in all material respects and not misleading;*
- 2. there are no other matters the omission of which would make any statement in this announcement misleading; and*
- 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from the date of its posting and on the Company’s website at www.long-success.com.