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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)

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Financial adviser to the Company



**WALLBANCK BROTHERS
Securities (Hong Kong) Limited**

PLACING OF NEW SHARES

On 10 February 2010 (after trading hours), the Company and the Subscribers (being Independent Third Parties) have entered into the Agreements whereby the Subscribers have conditionally agreed to subscribe for an aggregate of 159,110,000 new Shares. The Placing Price is HK\$0.22 per Placing Share. Completion of the Placing is subject to, amongst other matters, (i) the Stock Exchange granting listing of, and permission to deal in, the Placing Shares and (ii) the approval by the Shareholders (or, as the case may be, the independent Shareholders) at the SGM of the Placing, the Agreements and the transactions contemplated thereunder according to the provisions of the Bye-laws and GEM Listing Rules.

The price per Placing Share represents (i) a discount of approximately 6.78% to the closing price of HK\$0.236 per Share as quoted on the Stock Exchange at 4:00 p.m. on the date of the Agreements; and (ii) a discount of approximately 10.93% to the average closing price of approximately HK\$0.247 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Agreements (including the date of the Agreements).

* For identification purpose only

The Placing Shares represent (i) approximately 14.11% of the existing issued share capital of the Company and (ii) approximately 12.36% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The gross proceeds to be raised from the Placing will be approximately HK\$35,004,200. The net proceeds from the Placing will amount to approximately HK\$34,650,000 which the Company intends to be used for the proposed possible acquisition of the entire equity interest in Ever Stable as stated in the announcement dated 4 February 2010 and as general working capital of the Group.

SPECIFIC MANDATE

As the Existing General Mandate has been fully utilized, the Company will seek the grant of a Specific Mandate to allot and issue the Placing Shares at the SGM to be convened and held by the Company.

An application will be made to the Stock Exchange for the listing of and permission to deal in the Placing Shares.

GENERAL

The SGM will be convened and held for the purpose of considering and, if thought fit, approving the Placing and the Specific Mandate to issue the Placing Shares. To the best knowledge of the Directors, none of the Shareholders has a material interest in the transactions contemplated under the Agreements as at the date of this announcement. Accordingly, none of the Shareholders will be required to abstain from voting at the SGM in respect of the resolution(s) relating to the Placing and the Specific Mandate.

Shareholders and potential investors should be aware that the Placing is subject to conditions under the Agreements to be fulfilled. As the Placing may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

A circular containing further information on the abovementioned matters together with a notice to convene the SGM will be dispatched to the Shareholders as soon as possible.

THE PLACING

1. The Agreements

Date : 10 February 2010

Parties : (i) the Company
(ii) the Subscribers

Parties to the Agreements:

The Agreements dated 10 February 2010 were entered into between the Company (as issuer) and the Subscribers (as subscribers).

Ms. Li Meilang, Mr. Tong Feng and Ms. Pan Jianling as the Subscribers.

Otherwise than the agreement to subscribe for the Placing Shares under the Agreements, the Subscribers and their ultimate beneficial owners are Independent Third Parties. Immediately before the signing of the Agreements, Mr. Tong Feng, one of the Subscribers owned approximately 2.02% of the Company's existing issued share capital. Immediately after completion of the Placing (if completed), the Subscribers will become interested in about 14.13% of the Company's enlarged issued share capital.

Number of Placing Shares:

The Placing Shares, representing approximately 14.11% of the existing total number of issued shares of the Company of 1,127,945,000 Shares and approximately 12.36% of the total number of issued shares of the Company of 1,287,055,000 Shares as enlarged by the issue and allotment of the Placing Shares. The aggregate nominal value of the Placing Shares is HK\$6,364,400.

Placing Price:

HK\$0.22 per Placing Share.

The Placing Price has been determined after arm's length negotiations between the Company and the Subscribers with reference to the prevailing market price of the Shares.

The price per Placing Share represents:–

- (i) a discount of approximately 6.78% to the closing price of HK\$0.236 per Share as quoted on the Stock Exchange at 4:00 p.m. on the date of the Agreements; and
- (ii) a discount of approximately 10.93% to the average closing price of approximately HK\$0.247 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Agreements (including the date of the Agreements).

Allocation of Placing Shares:

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

Name of Subscriber	Number of Placing Shares	Aggregate amount of Placing Price (HK\$)
Li Meilang	78,190,000	17,201,800
Tong Feng	49,100,000	10,802,000
Pan Jianling	31,820,000	7,000,400
Total	<u>159,110,000</u>	<u>35,004,200</u>

Each of the Subscribers will pay a sum equivalent to their respective aggregate amount of Placing Price to the Company on the completion of the Placing.

Ranking of Placing Shares:

The Placing Shares, when issued and fully paid, will rank pari passu among themselves and with the Shares in issue at the time of issue and allotment of the Placing Shares.

Completion of Placing:

The Placing is expected to be completed within five (5) 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.

Conditions of the Agreements:

Completion of the Agreements is conditional upon the following conditions being fulfilled:—

- (a) the GEM Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Placing Shares;
- (b) the approval by the Shareholders (or, as the case may be, the independent Shareholders) at the SGM of the Placing, the Agreements and the transactions contemplated thereunder according to the provisions of the Bye-laws and GEM Listing Rules;
- (c) the execution of a sale and purchase agreement for the acquisition of the entire issued share capital of Ever Stable by the Company or its wholly owned subsidiary as purchaser; and
- (d) all approvals and consents required for the Placing having been obtained (including but not limited to the obtaining of waiver from the SFC, if necessary).

If any of the above conditions are not fulfilled on or before 31 December 2010 (or such other date as the Company and the Subscribers may agree), the respective obligations of the parties under the Agreements shall forthwith cease and terminate and none of the Company or the Subscribers shall have any claim against the other of them (save for any antecedent breaches of the Agreements).

Existing General Mandate and Specific Mandate:

The Board was granted the Existing General Mandate at the annual general meeting of the Company held on 11 August 2009 to allot, issue and otherwise deal in up to 154,889,000 Shares, representing 20% of the share capital of the Company in issue on the date of the aforementioned annual general meeting.

The Directors have, prior to the date of this announcement, fully exercised any of their powers conferred by such general mandate. The Placing will therefore be subject to the approval of Shareholders or Independent Shareholders (as the case may be) and the Shares will be issued under the Specific Mandate to be sought at the SGM.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

2. Effect of the Placing on the Shareholding Structure of the Company

The effect of the Placing on the shareholding structure of the Company is set out below:

Name of Shareholder	As at the date of this announcement		Immediately following completion of the Placing	
	Number of Shares	Approximate %	Number of Share	Approximate %
Wide Fine International Limited (<i>Note 1</i>)	248,125,000	22.00	248,125,000	19.28
Zhang Chi (<i>Note 2</i>)	36,350,000	3.22	36,350,000	2.82
Li Meilang	–	–	78,190,000	6.08
Tong Feng	22,750,000	2.02	71,850,000	5.58
Pan Jianling	–	–	31,820,000	2.47
Subtotal	307,225,000	27.24	466,335,000	36.23
Other public Shareholders	820,720,000	72.76	820,720,000	63.77
Total	<u>1,127,945,000</u>	<u>100</u>	<u>1,287,055,000</u>	<u>100</u>

Notes:

- The 248,125,000 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, an executive Director.
- Mr. Zhang Chi is an executive Director.

3. Equity fund raising activities in the past twelve months

The following table summarizes the fund raising activities of the Company 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 the 2008 General Mandate	HK\$10,800,000	General working capital to develop and expand the Group's principal business and future business developments	All of which has been applied as part payment of the refundable deposit under the Acquisition
19 June 2009	Issuing of convertible note under the 2008 General Mandate	HK\$14,800,000	Financing the Acquisition and as general working capital of the Group	All of which has been applied as part payment of the balance of purchase price under the Acquisition
3 August 2009	Placing of new Shares under the 2008 General Mandate	HK\$10,300,000	Financing the Acquisition and as general working capital of the Group	All of which has been applied as part payment of the balance of purchase price under the Acquisition
16 November 2009	Placing of 224,000,000 new Shares, of which 154,000,000 new Shares were issued under the Existing General Mandate; 70,000,000 new Shares were issued to connected persons of the Company	HK\$44,000,000	Financing the Acquisition, for redemption of the Redeemable Convertible Note and as general working capital of the Group	HK\$26.6 million has been applied as part payment of the balance of purchase price under the Acquisition; HK\$15.45 million has been applied for the redemption of the Redeemable Convertible Note, and HK\$1.95 million has been applied as working capital

Save as disclosed above, the Company has not undertaken any equity fund raising exercise in the 12-month period immediately preceding the date of this announcement.

4. Reasons for the Placing and use of proceeds

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.

The Directors (including the independent non-executive Directors) consider that, in view of the current market conditions, the Placing represents a good opportunity to broaden the capital base of the Company and that the terms of the Placing are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

The total proceeds from the Placing will be HK\$35,004,200. After deducting the professional fees and other expenses in relation to the Placing for which the Company is liable, the maximum net proceeds from the Placing is estimated to be approximately HK\$34,650,000. The net price of each Placing Share will be approximately HK\$0.218. The aggregate nominal value of the Placing Shares is HK\$6,364,400.

The net proceeds from the Placing will be applied for the proposed possible acquisition of the entire equity interest in Ever Stable, details of which are stated in the announcement of the Company dated 4 February 2010 and as general working capital of the Group.

GENERAL

An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

The SGM will be convened and held for the purposes of considering and, if thought fit, approving the Placing and the Specific Mandate to issue the Placing Shares, to the best knowledge of the Directors, none of the Shareholders has a material interest in the transactions contemplated under the Agreements as at the date of this announcement. Accordingly, none of the Shareholders will be required to abstain from voting at the SGM in respect of the resolution(s) relating to the Placing and the Specific Mandate.

Shareholders and potential investors should aware that the Placing is subject to conditions under the Agreements to be fulfilled. As the Placing may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

A circular containing, among other things, further details of (i) the Placing; and (ii) a notice convening the SGM will be dispatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

DEFINITIONS

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

“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;
“Agreements”	the three placing agreements dated 10 February 2010 entered into between the Company and each of the Subscribers respectively of the Placing;
“Announcement”	the announcement made by the Company dated 10 February 2010 in relation to the Placing;
“associates”	has the meaning ascribed to it in the GEM Listing Rules;
“Bye-laws”	Bye-laws of the Company as amended, supplemented or modified from time to time;
“Board”	the board of directors of the Company;
“Business Day”	A day (other than a Saturday) on which banks in Hong Kong are 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;
“Director(s)”	the director(s) of the Company;
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates;
“Existing General Mandate”	the general mandate granted to the Board at the annual general meeting of the Company on 11 August 2009 to allot, issue and otherwise deal in up to 154,889,000 Shares;

“Ever Stable”	Ever Stable Holdings Limited (永順控股有限公司), incorporated in the British Virgin Islands, as an investment holding company;
“2008 General Mandate”	the general unconditional mandate to issue Shares granted to the Directors at the annual general meeting of the Company held on 30 July 2008;
“GEM”	The Growth Enterprise Market operated by the Stock Exchange;
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Independent Third Party(ies)”	such person(s) who is(are) independent of and not connected nor acting in concert with the Directors, chief executive, management shareholders or substantial shareholders of the Company or its subsidiaries, or any of their respective associates, or parties acting in concert with any of them;
“Placing”	the placement of Placing Shares to the Subscribers at the Placing Price pursuant to the terms of the Agreements;
“Placing Price”	the placing price of HK\$0.22 per Share;
“Placing Shares”	up to 159,110,000 new Shares;
“Redeemable Convertible Note”	the redeemable convertible note in the principal amount of HK\$15,000,000 with an interest rate of 36% per annum issued by the Company on 13 July 2009;
“SFC”	Securities and Futures Commission of Hong Kong;
“Shares”	share(s) of HK\$0.04 each in the capital of the Company;
“Shareholder(s)”	Shareholder(s) of the Company;

“Specific Mandate”	a specific mandate to be sought from Shareholders (or, as the case may be, the independent Shareholders) at the SGM for the allotment and issue of the Placing Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscribers”	Ms. Li Meilang, Mr. Tong Feng and Ms. Pan Jianling as the Subscribers;
“%”	per cent.

By Order of the Board
Long Success International (Holdings) Limited
Wong Kam Leong
Chairman

Hong Kong, 10 February 2010

As at the date hereof, the executive Directors are Mr. Wong Lam Leong, Mr. Hu Dongguang, Miss Li Jie Yi and Mr. Wu Bingxiang; the non-executive Directors is Mr. Zhang Chi; and the independent non-executive Directors are Mr. Ng Kwok Chu, Winfield, Mr. Ng Chau Tung, Robert, Mr. Tse Ching Leung and Mr. Wang Qingyi.

This announcement, for which the directors of the Company (“Directors”) 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: (i) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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 7 days from the date of its publication.