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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 GENERAL MANDATE

SUBSCRIPTION FOR NEW SHARES

On 30 June 2010 (after trading hours), the Company entered into the Subscription Agreements with the Subscribers pursuant to which, the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to issue the Subscription Shares at the Subscription Price of HK\$0.20 per Subscription Share. The Subscription Shares will be allotted and issued under the General Mandate.

The aggregate net proceeds from the Subscriptions of approximately HK\$24,000,000 will be applied for part payment of the consideration under the Ever Stable Acquisition and as general working capital of the Group.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Subscribers are third parties 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 Agreements all dated 30 June 2010

Parties

- (i) the Company; and
- (ii) Mr. Cheng Guanshan (程觀善), Mr. Deng Haizhe (鄧海哲), Ms. Chen Yanfen (陳艷芬) and Mr. Long Xiaoping (龍小平) as the Subscribers.

The Company entered into four subscription agreements with each of the Subscribers respectively in relation to the Subscriptions.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Subscribers are third parties independent of and not connected with the Company and its connected persons.

Number of Subscription Shares

The Subscription Shares, representing approximately 8.66% of the existing issued share capital of the Company of 1,397,945,000 Shares and approximately 7.97% of the issued share capital of the Company of 1,518,945,000 Shares as enlarged by the issue and allotment of the Subscription Shares.

Subscription Price

The Subscription Price of HK\$0.20 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 2.44% to the closing price of HK\$0.205 per Share as stated in the daily quotation sheet of the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 1.01% over the average closing price of approximately HK\$0.198 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 premium of approximately 7.53% over the average closing price of approximately HK\$0.186 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\$)
Mr. Cheng Guanshan (程觀善)	35,000,000	7,000,000
Mr. Deng Haizhe (鄧海哲)	66,000,000	13,200,000
Ms. Chen Yanfen (陳艷芬)	15,000,000	3,000,000
Mr. Long Xiaoping (龍小平)	5,000,000	1,000,000
Total	<u>121,000,000</u>	<u>24,200,000</u>

Each of the Subscribers will pay a sum equivalent to their respective aggregate amount of Subscription Price to the Company within seven (7) business days from the date of signing of the Subscription Agreements and such payment shall be refunded in full (but without interest) within seven (7) business days to the Subscribers if the conditions precedent of the Subscription Agreements 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 in issue at the time of issue and allotment of the Subscription Shares.

Completion of Subscriptions

The Subscriptions are 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 in writing.

Completion of each of the Subscription Agreements is not inter-conditional upon each other.

Conditions of the Subscription Agreements

Completion of the Subscription Agreements 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) the Company being obtained all necessary approvals in relation to the Subscriptions (including but not limited to the Bermuda Monetary Authority and/or the SFC granting permission to allot and issue the Subscription Shares (if required)).

If the above conditions precedent of the Subscription Agreements are not fulfilled on or before 31 July 2010 or such later date as the parties to the Subscription Agreements may agree in writing, the Subscription Agreements shall terminate save in respect of any antecedent breach of any obligation thereunder.

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 225,589,000 Shares. As at the date of this announcement, the Company has utilised 46.3% of the General Mandate by placing 104,390,000 new Shares as announced on 16 April 2010. Accordingly, the Company is allowed to further issue up to 121,199,000 Shares under the General Mandate. The Subscription Shares will utilise 121,000,000 Shares that are allowed to be allotted and issued under the General Mandate (approximately 53.64% thereof).

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

The effect of the Subscriptions 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 Subscriptions		After completion of the Subscriptions	
	<i>Number of Shares</i>	<i>Approximately %</i>	<i>Number of Shares</i>	<i>Approximately %</i>
Wide Fine International Limited (<i>Note 1</i>)	248,125,000	17.75	248,125,000	16.34
Mr. Zhang Chi (<i>Note 2</i>)	36,350,000	2.60	36,350,000	2.39
Mr. Cheng Guanshan	-	-	35,000,000	2.30
Mr. Deng Haizhe	-	-	66,000,000	4.34
Ms. Chen Yanfen	-	-	15,000,000	0.99
Mr. Long Xiaoping	-	-	5,000,000	0.33
Subtotal	284,475,000	20.35	405,475,000	26.69
Other public Shareholders	1,113,470,000	79.65	1,113,470,000	73.31
Total	1,397,945,000	100.00	1,518,945,000	100.00

Notes:

1. The 248,125,000 Shares are beneficially owned by and registered in the name of Wide Fine International Limited, a company incorporated in Hong Kong with limited liability and is wholly-owned by Mr. Wong Kam Leong, an executive Director.
2. Mr. Zhang Chi is a non-executive Director.

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
3 August 2009	Placing of new Shares under the 2008 General Mandate	HK\$10,300,000	Financing the Mega Bright Acquisition and as general working of the Group	All has been applied as part payment of the balance of purchase price under the Mega Bright Acquisition
16 November 2009	Placing of new Shares under the 2009 General Mandate and the 2009 Specific Mandate respectively	HK\$44,000,000	Financing the Mega Bright Acquisition, redemption of the Redeemable Convertible Note and as general working capital of the Group	HK\$26,600,000 has been applied as part payment of the balance of purchase price under the Mega Bright Acquisition; HK\$15,450,000 has been applied for the redemption of the Redeemable Convertible Note; and HK\$1,950,000 has been applied as working capital

Date of announcement	Event	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
10 February 2010	Placing of new Shares under the 2010 Specific Mandate	HK\$34,650,000	Financing the Ever Stable Acquisition and as general working capital of the Group	HK\$30,000,000 has been applied as part payment of the refundable deposit for the Ever Stable Acquisition; and HK\$4,650,000 has been applied as working capital
16 April 2010	Placing of new Shares under the General Mandate	HK\$22,200,000	Financing the Ever Stable Acquisition and as general working capital of the Group	All has been applied as part payment of the refundable deposit for the Ever Stable Acquisition

D. USE OF PROCEEDS AND REASONS FOR THE SUBSCRIPTIONS

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 sale of customized software and provision of technical support. As stated in the circular of the Company dated 17 June 2010 relating to the Ever Stable Acquisition, the Company will undertake fund raising exercises to finance the payment of the consideration thereunder, in view of the current market conditions, the Directors consider that the Subscriptions represent a good opportunity for such exercise and to broaden the shareholders' base and the capital base of the Company. The Directors consider that the terms of the Subscriptions to be fair and reasonable and in the interests of the Group and the Shareholders as a whole.

The total subscription monies payable by the Subscribers to the Company will be HK\$24,200,000. After deducting the professional fees and other expenses of the Company in relation to the Subscriptions, the maximum net proceeds from the Subscriptions is estimated to be approximately HK\$24,000,000. The net price of each Subscription Share will be approximately HK\$0.198. The aggregate nominal value of the Subscription Shares is HK\$4,840,000.

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

E. DEFINITIONS

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

“Board”	the board of Directors;
“business day”	a day (excluding Saturdays, Sundays and public holidays) 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)*, a 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;
“Directors”	directors of the Company;
“Ever Stable Acquisition”	the proposed acquisition of the entire equity interest in Ever Stable Holdings Limited which holds 60% interest in Dongguan Jiu He Bioplastics Company Limited, a sino-foreign equity joint venture company incorporated in the PRC with limited liability engaging in the development, production and sales of biodegradable materials and related products, particulars of which are set out in the Company’s circular dated 17 June 2010;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“2008 General Mandate”	the general unconditional mandate to issue 136,428,861 Shares (adjusted for the Share Consolidation) granted to the Directors at the annual general meeting of the Company held on 30 July 2008;

“2009 General Mandate”	the general unconditional mandate to issue 154,889,000 Shares granted to the Directors at the annual general meeting of the Company held on 11 August 2009;
“2009 Specific Mandate”	the specific mandate granted to the Directors at the special general meeting held on 11 December 2009 to allot, issue or otherwise deal in up to 70,000,000 Shares;
“2010 Specific Mandate”	the specific mandate granted to the Directors at the special general meeting held on 15 March 2010 to allot, issue or otherwise deal in up to 159,110,000 Shares;
“General Mandate”	the general unconditional mandate to issue 225,589,000 Shares granted to the Directors at the special general meeting of the Company held on 15 March 2010;
“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”	30 June 2010, being the last full trading day for the Shares immediately before the issue of this announcement;
“Mega Bright Acquisition”	the acquisition of the entire 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, 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;

“PRC”	the People’s Republic of China and, for the sole purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan;
“Redeemable 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;
“SFC”	Securities and Futures Commission of Hong Kong;
“Share(s)”	share(s) of HK\$0.04 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Share Consolidation”	the 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 circular dated 13 July 2009 and became effective on 12 August 2009;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscribers”	Mr. Cheng Guanshan (程觀善), Mr. Deng Haizhe (鄧海哲), Ms. Chen Yanfen (陳艷芬) and Mr. Long Xiaoping (龍小平);
“Subscriptions”	the subscriptions of the Subscription Shares by the Subscribers pursuant to the Subscription Agreements;
“Subscription Agreements”	the four subscription agreements all dated 30 June 2010 entered into between the Company and each of the Subscribers respectively in relation to the Subscriptions;
“Subscription Price”	HK\$0.20 per Subscription Share; and
“Subscription Shares”	a total of 121,000,000 new Shares; and

“%”

per cent.

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

Hong Kong, 30 June 2010

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Wong Kam Leong, Mr. Hu Dongguang, Ms. Li Jie Yi, Mr. Wu Bingxiang and Dr Guo Wanda; one non-executive Director, namely, Mr. Zhang Chi; and four independent non-executive Directors, namely Mr. Ng Kwok Chu, Winfield, Mr. Ng Chau Tung, Robert, Mr. Tse Ching Leung and Mr. Wang Qingyi

This announcement, for which the 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:-

- 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 website at www.long-success.com.

** for identification purpose only*