
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Long Success International (Holdings) Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company.

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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)

**1. PROPOSED SUBSCRIPTIONS FOR NEW SHARES
UNDER SPECIFIC MANDATES
AND
2. CONNECTED TRANSACTION IN RELATION TO A
PROPOSED SUBSCRIPTION
FOR NEW SHARES UNDER A SPECIFIC MANDATE**

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



A letter from the Independent Board Committee is set out on page 14 of this circular. A letter from Guangdong Securities, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages 15 to 24 of this circular.

A notice convening a special general meeting (the “SGM”) of the Company to be held at the Function Room of Macau Jockey Club, 1/F China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong at 10:30 a.m. on Friday, 19 November 2010 is set out on pages 30 to 33 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit it to the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

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

* for identification purpose only

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“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 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;
“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;
“Announcement”	the announcement made by the Company dated 14 October 2010 relating to the Subscriptions;
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules;
“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(s)”	has the same meaning ascribed thereto under the GEM Listing Rules;
“Director(s)”	director(s) of the Company;
“Ever Stable Acquisition”	the 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 were set out in the Company’s circular dated 17 June 2010;

DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“Guangdong Securities” or “Independent Financial Adviser”	Guangdong Securities Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activity under the SFO and the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the VG Agreement and the transactions contemplated thereunder;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	an independent committee of the Board comprises Mr. Ng Kwok Chu, Winfield, Mr. Ng Chau Tung, Robert, Mr. Tse Ching Leung and Mr. Wang Qinyi, has been constituted to advise the Independent Shareholders on the VG Agreement and the transactions contemplated thereunder;
“Independent Third Party(ies)”	third party(ies) and their ultimate beneficial owner(s) which are independent of the Company, the directors, chief executive/substantial shareholders of the Company or its subsidiaries or any of their respective associates;
“Independent Shareholder(s)”	Shareholder(s) (other than Wide Fine and its associates and parties acting in concert with them);
“I3P Agreements”	three subscription agreements all dated 14 October 2010 entered into between the Company and each of Win Right, Mr. Keung and Mr. Chan in relation to the I3P Subscription;
“I3P Subscription”	the subscription of a total of 447,000,000 new Shares by Win Right, Mr. Keung and Mr. Chan pursuant to the terms of the I3P Agreements;
“Last Trading Day”	14 October 2010, being the last full trading day for the Shares immediately before the issue of the Announcement;

DEFINITIONS

“Latest Practicable Date”	29 October 2010 being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Mega Bright 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 were set out in the Company’s circular dated 14 May 2009 and completion of the same took place on 1 July 2009;
“Mr. Chan”	Mr. Chan Sheung Wai, an Independent Third Party;
“Mr. Keung”	Mr. Keung Kam Wing, Vincent, an Independent Third Party;
“Mr. Wong”	Mr. Wong Kam Leong, the Chairman and an executive Director of the Company;
“PRC”	the People’s Republic of China, and for the sole purpose of this circular 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”	the Securities and Futures Commission of Hong Kong;
“SGM”	the special general meeting of the Company to be convened on Friday, 19 November 2010 at 10:30 a.m. at the Function Room of Macau Jockey Club, 1/F China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong to consider, if thought fit, and approve by the Shareholders or Independent Shareholders (as the case may be), among other things, the Subscription Agreements, the issue and allotment of the Subscription Shares and the transactions contemplated thereunder;
“Share(s)”	ordinary share(s) of HK\$0.04 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscribers”	Mr. Chan, Mr. Keung, Win Right and View Good;

DEFINITIONS

“Subscriptions”	I3P Subscription and VG Subscription;
“Subscription Agreements”	the I3P Agreements and VG Agreement;
“Subscription Price”	HK\$0.145 per Subscription Share;
“Subscription Shares”	853,000,000 new Shares to be subscribed by the Subscribers pursuant to the Subscription Agreements;
“VG Agreement”	the subscription agreement dated 14 October 2010 entered into between the Company and View Good (as supplemented by a supplemental agreement dated 20 October 2010) in relation to the VG Subscription;
“VG Subscription”	the subscription of 406,000,000 new Shares by View Good pursuant to the terms of the VG Agreement;
“View Good”	View Good International Limited;
“Wide Fine”	Wide Fine International Limited, the substantial Shareholder of the Company, which is interested in approximately 16.34% of the issued share capital of the Company as at the Latest Practicable Date;
“Win Right”	Win Right Holdings Limited, an Independent Third Party;
“WR Agreement”	the subscription agreement dated 14 October 2010 entered into between the Company and Win Right in relation to its subscription of 422,000,000 new Shares; and
“%”	per cent.

LETTER FROM THE BOARD



LONG SUCCESS INTERNATIONAL (HOLDINGS) LIMITED

百齡國際（控股）有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8017)

Executive Directors:

Mr. Wong Kam Leong
Mr. Hu Dongguang
Mr. Wu Bing Xiang
Dr. Guo Wanda

Registered Office:

Canon Court
22 Victoria Street
Hamilton HM12
Bermuda

Non-executive Director:

Mr. Zhang Chi

*Head Office and Principal Place
of Business:*

26/F., EIB Centre,
40-44 Bonham Strand,
Sheung Wan,
Hong Kong

Independent non-executive Directors:

Mr. Ng Kwok Chu, Winfield
Mr. Ng Chau Tung, Robert
Mr. Tse Ching Leung
Mr. Wang Qingyi

3 November 2010

To the Shareholders

Dear Sir or Madam,

**PROPOSED SUBSCRIPTIONS FOR NEW SHARES
UNDER SPECIFIC MANDATES
AND
CONNECTED TRANSACTION IN RELATION TO A
PROPOSED SUBSCRIPTION
FOR NEW SHARES UNDER A SPECIFIC MANDATE**

1. INTRODUCTION

Reference is made to the announcement made by the Company dated 14 October 2010.

On 14 October 2010, the Company entered into, inter alia, four separate Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to issue 853,000,000 Subscription Shares at the Subscription Price of HK\$0.145 per Subscription Share.

* for identification purpose only

LETTER FROM THE BOARD

Subsequently on 20 October 2010, the Company entered into a supplemental agreement with View Good to provide that completion of the VG Agreement is conditional upon completion of the WR Agreement. The supplemental agreement was entered into to reflect the intention of the parties that the shareholding of View Good and parties acting in concert with it would not exceed 30% of the enlarged share capital of the Company at any point of time during the completion of the Subscriptions, such as in the event that the VG Agreement is completed earlier than the WR Agreement.

The Subscription Shares represent approximately 56.16% of the existing issued share capital of the Company of 1,518,945,000 Shares as at the Latest Practicable Date and approximately 35.96% of the issued share capital of the Company of 2,371,945,000 Shares as enlarged by the issue and allotment of the Subscription Shares.

One of the Subscribers, View Good is beneficially owned by Ms. Tam Sio Wan, the wife of Mr. Wong, an executive Director and also the substantial Shareholder and therefore, an associate of a connected person of the Company within the meaning of the GEM Listing Rules. The VG Subscription constitutes a connected transaction under Chapter 20 of the GEM Listing Rules and is subject to, among other things, the approval of the Independent Shareholders at the SGM. Mr. Wong is considered to have a material interest in the VG Subscription and has abstained from voting on the board resolution in relation to the VG Subscription.

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in relation to the VG Agreement and the transactions contemplated thereunder. Guangdong Securities has been appointed as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the VG Agreement and the transactions contemplated thereunder.

The purpose of this circular is to provide you with information in respect of, among other things, (i) further details of the Subscriptions and the transactions contemplated thereunder; (ii) the letter of the Independent Board Committee containing its advice and recommendation in respect of the VG Agreement and the transactions contemplated thereunder; (iii) the letter from Guangdong Securities to the Independent Board Committee and the Independent Shareholders in respect of the VG Agreement and the transactions contemplated thereunder; and (iv) a notice to convene the SGM.

2. THE SUBSCRIPTION AGREEMENTS

Parties and dates

1. The subscription agreement dated 14 October 2010 entered into between the Company as the issuer with Mr. Chan (who held 3,200,000 Shares as at the Latest Practicable Date).
2. The subscription agreement dated 14 October 2010 entered into between the Company as the issuer with Mr. Keung (who held 9,500,000 Shares as at the Latest Practicable Date).
3. The subscription agreement dated 14 October 2010 entered into between the Company as the issuer with Win Right (being a company incorporated in Hong Kong).

LETTER FROM THE BOARD

4. The subscription agreement dated 14 October 2010 entered into between the Company as the issuer with View Good (as supplemented by a supplemental agreement dated 20 October 2010). View Good, a company incorporated in Hong Kong which is beneficially owned by Ms. Tam Sio Wan, the wife of Mr. Wong, an executive Director and also the substantial Shareholder holding approximately 16.34% of the issued share capital of the Company as at the Latest Practical Date through his wholly-owned company.

Number of Subscription Shares

The Subscription Shares represent (i) approximately 56.16% of the existing issued share capital of the Company of 1,518,945,000 Shares as at the Latest Practicable Date; and (ii) approximately 35.96% of the issued share capital of the Company of 2,371,945,000 Shares as enlarged by the issue and allotment of the Subscription Shares.

Allocation of Subscription Shares

The following table summarizes 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. Chan	5,000,000	725,000
Mr. Keung	20,000,000	2,900,000
Win Right	422,000,000	61,190,000
View Good	406,000,000	58,870,000
Total:	853,000,000	123,685,000

Each of the Subscribers shall pay a sum equivalent to their respective aggregate amount of Subscription Price to the Company upon completion.

Subscription Price

The Subscription Price of HK\$0.145 per Subscription Share was determined after arm's length negotiations between the Company and the Subscribers with reference to the prevailing market price of the Shares. The Board considers the Subscription Price to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Subscription Price represents:

- (i) a premium of approximately 5.84% to the closing price of HK\$0.137 per Share as stated in the daily quotation sheet of the Stock Exchange on the Last Trading Day;

LETTER FROM THE BOARD

- (ii) a premium of approximately 7.73% to the average closing price of approximately HK\$0.1346 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;
- (iii) a premium of approximately 6.85% to the average closing price of approximately HK\$0.1357 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; and
- (iv) a premium of approximately 4.32% to the closing price of HK\$0.139 per Share as stated in the daily quotation sheet of the Stock Exchange on the Latest Practicable Date.

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 the issue and allotment of the Subscription Shares.

Completion of the Subscriptions

The Subscriptions are expected to be completed within seven (7) 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. Other than that the completion of the VG Agreement is conditional upon the completion of the WR Agreement, the completion of the Subscription Agreements is not inter-conditional upon each other.

If the WR Agreement is not completed in accordance with its terms, the VG Agreement shall terminate save in respect of any antecedent breach of any obligation under the VG Agreement.

Conditions of the Subscription Agreements

Completion of the Subscription Agreements is conditional upon the satisfaction of the following conditions (“Conditions”):

- (i) in the case of the I3P Subscriptions, the Company having obtained the approval of the Shareholders (other than those who are taken as materially interested in the relevant transaction) at the SGM on the I3P Agreements and the specific mandates to issue the relevant Subscription Shares, and in the case of the VG Subscription, the Company having obtained the approval of the Independent Shareholders at the SGM on the VG Agreement and the specific mandate to issue the relevant Subscription Shares to View Good;
- (ii) the Listing Committee of the Stock Exchange having granted approval for the listing of, and permission to deal in, the Subscription Shares; and

LETTER FROM THE BOARD

- (iii) the Company having 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)).

The Conditions cannot be waived by any party to the Subscription Agreements. If the Conditions are not satisfied/fulfilled on or before 10 December 2010 or such later date as agreed by the respective parties to the Subscription Agreements in writing, the relevant Subscription Agreement(s) shall terminate save in respect of any antecedent breach of any obligation under the Subscription Agreement(s).

Listing of Subscription Shares

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Subscription Shares.

3. EFFECT ON THE SHAREHOLDING STRUCTURE

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 and there is no further issue of Shares prior to the issue and allotment of the consideration shares to the vendor under the Ever Stable Acquisition) is set out below:

	Before completion of the Subscriptions		Immediately after completion of the Subscriptions		Immediately after completion of the Subscriptions and the issue of consideration shares under the Ever Stable Acquisition	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Wide Fine (Note 1)	248,125,000	16.34	248,125,000	10.46	248,125,000	9.59
Mr. Zhang Chi (Note 2)	36,350,000	2.39	36,350,000	1.53	36,350,000	1.4
View Good (Note 3)	–	–	406,000,000	17.12	406,000,000	15.69
Sub-total:	284,475,000	18.73	690,475,000	29.11	690,475,000	26.68
Mr. Chan	3,200,000	0.21	8,200,000	0.35	8,200,000	0.32
Mr. Keung	9,500,000	0.63	29,500,000	1.24	29,500,000	1.14
Win Right (Note 4)	–	–	422,000,000	17.79	422,000,000	16.31
Mr. Leung Wa (Note 5)	–	–	–	–	216,000,000	8.34
Other public Shareholders	1,221,770,000	80.43	1,221,770,000	51.51	1,221,770,000	47.21
Total	1,518,945,000	100.00	2,371,945,000	100.00	2,587,945,000	100.00

LETTER FROM THE BOARD

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, an executive Director.
2. Mr. Zhang Chi is a non-executive Director.
3. View Good is beneficially owned by Ms. Tam Sio Wan, the wife of Mr. Wong.
4. Win Right is beneficially owned by Mr. Liang Yu Cheng and Mr. Wu Shao Hong, both are Independent Third Parties.
5. Mr. Leung Wa is the vendor under the Ever Stable Acquisition who is entitled to the issue and allotment of 216,000,000 Shares as consideration shares within two months from the date of completion of the Ever Stable Acquisition.

4. REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Board has been actively in search of attractive investments in environmental businesses in the PRC and globally with a view to generating positive cash flow and earnings for the Group in the long term and has identified a number of investment opportunities but negotiations are still in progress and no legally binding agreements have been entered as at the Latest Practicable Date. In view of the current market conditions, the Directors consider that the Subscriptions represent a good opportunity to raise additional funding to strengthen the capital base of the Company and to provide financial flexibility when investment opportunities materialise and that the terms of the Subscriptions are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

The total proceeds from the Subscriptions will be HK\$123,685,000. After deducting the professional fees and other expenses in respect of which the Company is liable for in relation to the Subscriptions, the maximum net proceeds from the Subscriptions are estimated to be approximately HK\$120,000,000. The net price of each Subscription Share will be approximately HK\$0.1407. The aggregate nominal value of the Subscription Shares is HK\$34,120,000.

The net proceeds from the Subscriptions will be applied as general working capital to develop and expand the Group's principal businesses and future business developments. It is currently intended that all the net proceeds will be applied for future business development relating to environmental business in the Guangdong Province, the PRC and if the investment opportunities do not materialise, the Group will continue to identify other suitable investment opportunities and all the net proceeds will be applied as general working capital to facilitate the operation of the Group.

LETTER FROM THE BOARD

5. 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 the Announcement:

Date of announcement	Event	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the date of the Announcement
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 Redeemable Convertible Note and as general working capital of the Group	HK\$26,600,000 applied as part payment of the balance of purchase price under the Mega Bright Acquisition; HK\$15,450,000 applied for the redemption of the Redeemable Convertible Note and HK\$1,950,000 applied as working capital
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 applied as part payment of the refundable deposit for the Ever Stable Acquisition; and HK\$4,650,000 applied as working capital
16 April 2010	Placing of new Shares under the 2010 General Mandate	HK\$22,200,000	Financing the Ever Stable Acquisition and as general working capital of the Group	All applied as part payment of the refundable deposit for the Ever Stable Acquisition
30 June 2010	Placing of new shares under the 2010 General Mandate	HK\$24,200,000	Financing the Ever Stable Acquisition and as the general working capital of the Group	All applied as part payment of the refundable deposit for the Ever Stable Acquisition

LETTER FROM THE BOARD

6. GEM LISTING RULES IMPLICATIONS

View Good is beneficially owned by Ms. Tam Sio Wan, the wife of Mr. Wong, an executive Director and also the substantial Shareholder and therefore, an associate of a connected person of the Company within the meaning of the GEM Listing Rules. The VG Subscription constitutes a connected transaction under Chapter 20 of the GEM Listing Rules and is subject to the approval of the Independent Shareholders. Wide Fine and its associates will be required to abstain from voting in respect of the VG Agreement and the transactions contemplated thereunder.

Each of Mr. Chan and Mr. Keung, being materially interested in their respective subscriptions for Shares and also being Shareholders holding 3,200,000 Shares and 9,500,000 Shares respectively, will be required to abstain from voting at the SGM in respect of the resolution relating to their respective subscription agreements and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as aforesaid, no Director or Shareholder has a material interest in the Subscriptions. Accordingly, (i) no Shareholder is required to abstain from voting at the SGM in respect of the resolution relating to the WR Agreement, (ii) apart from Mr. Chan and his associates (holding 3,200,000 Shares representing approximately 0.21% of the issued share capital of the Company), no Shareholder is required to abstain from voting at the SGM in respect of the resolution relating to the subscription agreement made between the Company and Mr. Chan, (iii) apart from Mr. Keung and his associates (holding 9,500,000 Shares representing approximately 0.63% of the issued share capital of the Company), no Shareholder is required to abstain from voting at the SGM in respect of the resolution relating to the subscription agreement made between the Company and Mr. Keung, and (iv) apart from Wide Fine and its associates (holding 248,125,000 Shares representing approximately 16.34% of the issued share capital of the Company), no Shareholder is required to abstain from voting at the SGM in respect of the resolution relating to the VG Agreement.

7. SGM

A notice convening the SGM at which ordinary resolutions will be proposed to consider, and if thought fit, to approve the terms of each of the Subscription Agreements and the specific mandates to issue the Subscription Shares and the transactions contemplated thereunder to be held at the Function Room of Macau Jockey Club, 1/F China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong at 10:30 a.m. on Friday, 19 November 2010 is set out on pages 30 to 33. Voting on the ordinary resolutions will be taken by poll.

Whether or not you propose to attend the SGM, you are requested to complete the enclosed form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the SGM. The completion and return of the form of proxy will not prevent you from attending and voting in person at the SGM if you so wish.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the terms of the Subscription Agreements are fair and reasonable, on normal commercial terms and the entering into of the Subscription Agreements is in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the ordinary resolutions to approve the Subscription Agreements, the specific mandates to issue the Subscription Shares and the transactions contemplated thereunder to be proposed at the SGM.

9. ADDITIONAL INFORMATION

The Independent Board Committee has been formed to advise the Independent Shareholders in respect of the VG Agreement and the transactions contemplated thereunder. Guangdong Securities has been appointed to advise the Independent Board Committee and the Independent Shareholders in such regard. Your attention is drawn to the letter from the Independent Board Committee set out on page 14 of this circular, which contains its recommendation to the Independent Shareholders, and the letter from Guangdong Securities set out on pages 15 to 24 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders.

Your attention is also drawn to the general information set out in the Appendix to this circular.

Yours faithfully,
For and on behalf of
Long Success International (Holdings) Limited
Wong Kam Leong
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



LONG SUCCESS INTERNATIONAL (HOLDINGS) LIMITED

百齡國際（控股）有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8017)

3 November 2010

To the Independent Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION
SUBSCRIPTION FOR SHARES BY A CONNECTED PERSON**

We refer to the circular of the Company dated 3 November 2010 (the “**Circular**”), of which this letter forms part. Unless the context requires otherwise, capitalized terms used in this letter will have the same meanings given to them in the section headed “Definitions” of the Circular.

We have been appointed to form the Independent Board Committee to consider the VG Agreement and to advise the Independent Shareholders whether, in our opinion, the terms of the VG Agreement are fair and reasonable and on normal commercial terms so far as the Independent Shareholders are concerned and whether the VG Agreement is in the interests of the Company and the Shareholders as a whole. Guangdong Securities has been appointed as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the VG Agreement.

We wish to draw your attention to the letter from the Board set out in the section headed “Letter from the Board” in this Circular which contains, among others, information on the VG Agreement, and the letter of advice from Guangdong Securities set out in the section “Letter from Guangdong Securities” in the Circular which contains its advice in respect of the VG Agreement.

Having considered the terms of the VG Agreement, and having taken into account the advice of Guangdong Securities, we consider that the terms of the VG Agreement are fair and reasonable and on normal commercial terms so far as the Independent Shareholders are concerned and the VG Subscription in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the VG Agreement, the specific mandate to issue the VG Subscription Shares and the transactions contemplated thereunder.

Yours faithfully,
The Independent Board Committee of
Long Success International (Holdings) Limited
Mr. Ng Kwok Chu, Winfield
Mr. Ng Chau Tung, Robert
Mr. Tse Ching Leung
Mr. Wang Qingyi

LETTER FROM GUANGDONG SECURITIES

Set out below is the text of a letter received from Guangdong Securities, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the VG Subscription for the purpose of inclusion in this circular.



Units 2505-06, 25/F.
Low Block of Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

3 November 2010

*To: The independent board committee and
the independent shareholders of
Long Success International (Holdings) Limited*

Dear Sirs,

CONNECTED TRANSACTION IN RELATION TO A PROPOSED SUBSCRIPTION FOR NEW SHARES UNDER A SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the VG Subscription, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 3 November 2010 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

The Board announced on 14 October 2010 that on even date, the Company and View Good entered into the VG Agreement, pursuant to which View Good has conditionally agreed to subscribe for and the Company has conditionally agreed to issue 406,000,000 new Shares (the “**VG Subscription Shares**”) at HK\$0.145 per VG Subscription Share.

Subsequently on 20 October 2010, the Company entered into a supplemental agreement with View Good to provide that completion of the VG Agreement is conditional upon completion of the WR Agreement (the “**Supplemental Agreement**”). The Supplemental Agreement was entered into to reflect the intention of the parties that the shareholding of View Good and parties acting in concert with it would not exceed 30% in the enlarged share capital of the Company at any point of time following the completion of the Subscriptions, such as in the event that the WR Agreement is completed after the VG Agreement.

LETTER FROM GUANGDONG SECURITIES

View Good is a connected person of the Company within the meaning of the GEM Listing Rules. Accordingly, the VG Subscription constitutes a connected transaction for the Company under Chapter 20 of the GEM Listing Rules and is subject to, among other things, the approval of the Independent Shareholders at the SGM with vote to be taken by way of poll. As referred to in the Board Letter, Wide Fine and its associates have to abstain from voting at the SGM in respect of the resolution(s) proposed to approve the VG Subscription and the transactions contemplated thereunder.

An Independent Board Committee comprising Mr. Ng Kwok Chu, Winfield, Mr. Ng Chau Tung, Robert, Mr. Tse Ching Leung and Mr. Wang Qingyi (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the VG Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the VG Subscription is in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the relevant resolution(s) to approve the VG Agreement and the transactions contemplated thereunder at the SGM. We, Guangdong Securities Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 17.92 of the GEM Listing Rules.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, which to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, View Good or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the VG Subscription. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date.

LETTER FROM GUANGDONG SECURITIES

Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, the sole responsibility of Guangdong Securities is to ensure that such information has been correctly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the VG Subscription, we have taken into consideration the following principal factors and reasons:

(1) Background and reasons for the VG Subscription

Business overview of the Group

As extracted from the Board Letter, the Group is principally engaged in the paper manufacturing and biodegradable materials manufacturing businesses.

Set out below is a summary of the consolidated financial information on the Group for the three months ended 30 June 2010 and the two years ended 31 March 2010 as extracted from the Company's quarterly report for the three months ended 30 June 2010 and its annual report for the year ended 31 March 2010 (the "Annual Report") respectively:

	For the three months ended 30 June 2010 <i>HK\$'000</i>	For the year ended 31 March 2010 <i>HK\$'000</i>	For the year ended 31 March 2009 <i>HK\$'000</i>	% change from 2009 to 2010
Revenue	67,190	159,432	12,778	1,147.71
- Sale of package and other paper products	66,917	155,417	-	N/A
- Sale and implementation of customised software and related computer equipment and computer-related technical support and maintenance service income	89	2,446	9,863	(75.20)
- Profits assigned from a junket representative of a casino VIP lounge in Macau	10	239	1,019	(76.55)
- Interest income from money lending business	174	1,330	1,896	(29.85)
Gross profit	7,280	14,036	6,200	126.39
Loss for the period/year attributable to owners of the Company	(2,237)	(45,026)	(37,604)	19.74

LETTER FROM GUANGDONG SECURITIES

From the above table, we noted that the total revenue of the Group for the year ended 31 March 2010 had increased substantially by approximately 1,147.71% as compared to the year ended 31 March 2009. With reference to the Annual Report, such increase in revenue was mainly contributed by the newly acquired paper manufacturing business of the Group. However, the difficult operating environment for the IT consulting services business and the gaming and entertainment business of the Group in Macau has narrowed the increase in revenue. The Annual Report further stated that owing to the slow recovery in consumption in the western countries after the global financial crisis, certain customers of the Group delayed or cancelled their plan to upgrade or install new software system and related computer equipments to save cost in order to cope with further potential financial crisis, resulting in a substantial decrease in the Group's revenue from the IT consulting services sector.

The Group also recorded loss attributable to owners of the Company of approximately HK\$45.03 million, representing an increase of approximately 19.74% as compared to the year ended 31 March 2009. With reference to the Annual Report, such loss was mainly due to the impairment for goodwill arising from the gaming and entertainment business; non-cash cost associated with equity-settled share options; interest expenses on convertible notes, promissory notes and bank borrowings; and the decline in revenue of IT consulting services.

With the aim of improving the Group's overall business performance and relocating its resources to focus on other profitable businesses, the Group disposed of two of its wholly-owned subsidiaries which carries out the business of sales of customised software and related computer products and provision of technical support in Hong Kong and the PRC and shares profits of a junket representative of a VIP lounge in a casino in Macau in August 2010 and October 2010 respectively. In addition, the Ever Stable Acquisition was also completed by the Group on 30 September 2010. According to the Directors, the Group will continue to seek new business collaborations and investment opportunities for diversification and expansion into the paper manufacturing and biodegradable materials manufacturing businesses since the Board is optimistic about the long term prospects of such businesses leveraging on the PRC government's strong support for industries related to environmental protection and the stable growth of the PRC's domestic consumption.

Reasons for and benefits of the VG Subscription and the use of proceeds

With reference to the Board Letter, the Board has been actively in search of attractive investment in the environmental business in the PRC and the global market with a view to generating positive cash flow and earnings for the Group in the long term and has identified a number of investment opportunities but negotiations are still in progress and no legally binding agreements had been entered into as at the Latest Practicable Date. In view of the current market conditions, the Directors consider that the Subscriptions (including the VG Subscription) represent a good opportunity to raise additional funding to strengthen the capital base of the Company and to provide financial flexibility when investment opportunities materialise.

As extracted from the Board Letter, the net proceeds from the Subscriptions (including the VG Subscription) will be applied as general working capital to develop and expand the Group's principal businesses and future business developments. It is currently intended that all the net proceeds will be applied for future business development relating to environmental business in Guangdong Province and if the investment opportunities do not materialise, the Group will continue to identify other suitable investment opportunities and all the net proceeds will be applied as general working capital to facilitate the operation of the Group.

LETTER FROM GUANGDONG SECURITIES

In light of the above and the Group's existing business strategy to continue to seek new business collaborations and investment opportunities for diversification and expansion into the paper manufacturing and biodegradable materials manufacturing businesses for improving its overall business performance and relocating its resources to focus on other profitable businesses, we consider that the reasons for the VG Subscription are justifiable and the VG Subscription would be beneficial to the Group.

Financing alternatives available to the Group

As referred to in the Board Letter and as further confirmed by the Directors, save as and except for (i) the placing of new Shares under the 2009 General Mandate and the 2009 Specific Mandate respectively as announced by the Company on 16 November 2009; (ii) the placing of new Shares under the 2010 Specific Mandate as announced by the Company on 10 February 2010; (iii) the placing of new Shares under the 2010 General Mandate as announced by the Company on 16 April 2010; and (iv) the placing of new shares under the 2010 General Mandate as announced by the Company on 30 June 2010, the Group had not carried out other equity fund raising activities during the past 12 months immediately prior to the Latest Practicable Date.

We have enquired into the Directors and were informed by the Directors that the Group has considered various methods, namely debt financing and equity financing, for fund raising. Nevertheless, the Directors consider that the Company is likely to be subject to stringent lending terms by banks or other financial institutions given the Group's existing net loss position. Accordingly, the Directors confirmed that the Company prefers not to create additional debt liabilities to the Group (if possible). As such, debt financing would be rather inappropriate for the Group at present.

With regard to equity financing, the Directors advised us that although both open offer and rights issue would allow Shareholders to maintain their respective pro-rata shareholdings in the Company and at the same time to strengthen the capital base of the Company, such fund raising exercises (i) require the Company to procure commercial underwriting which will incur extra expenses for the Company; and (ii) would also be relatively time consuming (taking into accounts the time for, amongst others, (a) procuring underwriters; (b) preparation of the prospectus; and (c) allowing acceptance of the rights share/offer share) as compared with the VG Subscription. Given (i) that immediate funding needs of the Company may arise when the investment opportunities relating to environmental business in Guangdong Province materialise; and (ii) the unpredictable market conditions in future, the Directors are of the view that a relatively speedy financing method is preferable. In light of the above, the Directors are of the opinion that the Subscriptions (including the VG Subscription) are preferable method of fund raising for the Group.

Having considered (i) the reasons for and benefits of the VG Subscription; and (ii) that the VG Subscription is a rather appropriate financing alternative currently available to the Group, we concur with the Directors that the VG Subscription is in the interests of the Company and the Shareholders as a whole.

LETTER FROM GUANGDONG SECURITIES

(2) Principal terms of the VG Agreement

The table below summarises the major terms of the VG Agreement:

Date:	14 October 2010
Parties:	(i) the Company as the issuer (ii) View Good as the subscriber
Number of VG Subscription Shares:	406,000,000 new Shares
The Subscription Price:	The Subscription Price of HK\$0.145 per VG Subscription Share was determined with reference to the prevailing market price of the Shares and was negotiated on arm's length basis between the Company and View Good.

As confirmed by the Directors, the terms of the VG Agreement were arrived at after arm's length negotiations between the Company and View Good.

The Subscription Price

As aforementioned, the Subscription Price is HK\$0.145 per VG Subscription Share.

The Subscription Price of HK\$0.145 per VG Subscription Share is equivalent to the Subscription Price under all of the Subscriptions other than the VG Subscription and represents premiums to the most recent closing prices of the Shares in the following manner:

- (i) a premium of approximately 4.32% over the closing price of HK\$0.139 per Share as quoted on the Stock Exchange as at the Latest Practicable Date;
- (ii) a premium of approximately 5.84% over the closing price of HK\$0.137 per Share as quoted on the Stock Exchange on the Last Trading Day (the "**LTD Premium**");
- (iii) a premium of approximately 7.73% over the average closing price of approximately HK\$0.1346 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- (iv) a premium of approximately 6.85% over the average closing price of approximately HK\$0.1357 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

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To further assess the fairness and reasonableness of the Subscription Price of HK\$0.145, we set out the following informative analyses for illustrative purpose:

Review on Share prices

The highest and lowest closing prices and the average daily closing price of the Shares as quoted on the Stock Exchange in each of the months during the period commencing from 2 October 2009 up to and including the Last Trading Day (the “**Review Period**”) are shown as follows:

Month	Highest closing price HK\$	Lowest closing price HK\$	Average daily closing price HK\$	No. of trading days in each month
2009				
October	0.255	0.218	0.241	20
November	0.218	0.202	0.211	21
December	0.205	0.116	0.161	22
2010				
January	0.270	0.160	0.230	20
February	0.265	0.231	0.245	18
March	0.305	0.212	0.244	23
April	0.242	0.220	0.227	19
May	0.224	0.162	0.186	20
June	0.205	0.160	0.175	21
July	0.172	0.151	0.159	21
August	0.163	0.143	0.153	22
September	0.149	0.137	0.143	21
October (up to and including the Last Trading Day)	0.143	0.132	0.136	9

Source: the Stock Exchange web-site (www.hkex.com.hk)

During the Review Period, the average daily closing price of the Shares ranged from HK\$0.136 to HK\$0.245 per Share in each month (the “**Price Range**”) and has been following a general downward moving trend since February 2010. The Subscription Price is within the Price Range and is above the average daily closing price of the Shares in September 2010 and October 2010 (up to and including the Last Trading Day) during the Review Period.

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Comparison with other share placing and share subscription exercises

As part of our analysis, we have identified share placing and share subscription exercises under specific mandate with fixed issue price from 14 September 2010 up to the Last Trading Day as announced by companies listed on GEM (the “**Comparables**”). The above selection criteria would provide the most recent common market practice of Hong Kong listed companies on GEM in share placing and share subscription exercises and we consider that the Comparables are fair and representative. To the best of our knowledge and as far as we are aware of, we found five transactions which met these criteria. Shareholders should note that the businesses, operations and prospects of the Company are not the same as the Comparables and thus the Comparables are only used to provide a general reference for the recent common market practice of Hong Kong listed companies on GEM in share placing and share subscription exercises. Summarised below is our relevant finding:

Date of announcement	Company name	Stock code	Premium/(Discount) of the issue price over/(to) closing price per share on the last trading day prior to/the date of announcement in relation to the respective issue of shares %
20 September 2010	ERA Holdings Global Limited	8043	(41.29)
27 September 2010	China Primary Resources Holdings Limited	8117	(36.50)
6 October 2010	China Nonferrous Metals Company Limited	8306	14.15
8 October 2010	Xing Lin Medical Information Technology Company Limited	8130	(51.22)
12 October 2010	Dragonlott Entertainment Group Limited	8078	(5.68)
Minimum			(51.22)
Maximum			14.15
Average			(24.11)
14 October 2010	The Company	8017	5.84

As shown by the above table, the subscription prices of the Comparables ranged from a discount of approximately 51.22% to a premium of approximately 14.15% to/over the respective closing prices of their shares on the last trading days prior to/on the date of the relevant share placing and share subscription announcements (the “**Market Range**”). The LTD Premium is thus within the Market Range.

Having taken into account that (i) the Subscription Price under the VG Subscription is equivalent to the Subscription Price under all of the Subscriptions other than the VG Subscription and represents premiums to the most recent closing prices of the Shares as illustrated under the section headed “The Subscription Price” above, and is within the Price Range during the Review

LETTER FROM GUANGDONG SECURITIES

Period; and (ii) the LTD Premium is within the Market Range, we consider that the Subscription Price is fair and reasonable so far as the Independent Shareholders are concerned.

Other terms of the VG Agreement

We have also reviewed other major terms of the VG Agreement and are not aware of any terms which are unusual. We are therefore of the opinion that the terms of the VG Agreement are fair and reasonable so far as the Independent Shareholders are concerned.

(3) Dilution effect on the shareholding interests of the existing public Shareholders

The table below demonstrates the possible shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the subscription of 422,000,000 new Shares by Win Right pursuant to the terms of the WR Agreement (the “**WR Subscription**”) and the VG Subscription:

Name of Shareholder	As at the Latest Practicable Date		Immediately after completion of the WR Subscription and the VG Subscription	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Wide Fine	248,125,000	16.34	248,125,000	10.57
Mr. Zhang Chi	36,350,000	2.39	36,350,000	1.55
View Good	–	–	406,000,000	17.30
Sub-total	284,475,000	18.73	690,475,000	29.42
Mr. Chan	3,200,000	0.21	3,200,000	0.14
Mr. Keung	9,500,000	0.63	9,500,000	0.40
Win Right	–	–	422,000,000	17.98
Other public Shareholders	1,221,770,000	80.43	1,221,770,000	52.06
Total	1,518,945,000	100	2,346,945,000	100

As depicted by the above table, upon completion of the WR Subscription and the VG Subscription, the shareholding interests of the existing public Shareholders (other than Mr. Chan and Mr. Keung) would be diluted by approximately 28.37 percentage point. Nonetheless, in view of (i) the reasons for and the possible benefits of the VG Subscription to the Company; and (ii) the terms of the VG Subscription being fair and reasonable, we are of the view that the aforementioned level of dilution to the shareholding interests of the existing public Shareholders is acceptable.

Shareholders should note that the above table is for illustrative purpose only and demonstrates the possible effect on the shareholding structure of the Company as a result of the WR Subscription and the VG Subscription.

LETTER FROM GUANGDONG SECURITIES

(4) Financial effects of the VG Subscription

Effect on net asset value

Based on the Annual Report, the audited consolidated net asset value (“NAV”) of the Group was approximately HK\$192.50 million as at 31 March 2010. As confirmed by the Directors, the VG Subscription would increase the NAV of the Group.

Effect on gearing

As at 31 March 2010, the Group’s gearing level (being calculated as interest-bearing and long term debts (including bank loans, promissory notes and convertible bonds) as a percentage of the total shareholder’s funds) was approximately 62.7%. The Directors expected that the VG Subscription would reduce the gearing level of the Group.

Effect on working capital

Upon completion of the VG Subscription, the working capital of the Group would be increased as the Group will apply the net proceeds from the Subscriptions (including the VG Subscription) as general working capital.

It should be noted that the aforementioned analyses are for illustrative purpose only and does not purport to represent how the financial position of the Group will be upon completion of the VG Subscription.

RECOMMENDATION

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the VG Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the VG Subscription is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the SGM to approve the VG Agreement and the transactions contemplated thereunder and we recommend the Independent Shareholders to vote in favour of the resolution(s) in this regard.

Yours faithfully,
For and on behalf of
Guangdong Securities Limited
Graham Lam
Managing Director

1. RESPONSIBILITY STATEMENT

This circular, 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:

- (i) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive;
- (ii) there are no other matters the omission of which would make any statement in this circular misleading; and
- (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

2. DISCLOSURE OF INTERESTS**A. Directors' and Chief Executive's interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporations**

As at the Latest Practicable Date, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the shares, underlying shares and debentures of the Company:

Directors	Type of interest	Number of Shares	Number of underlying Shares	Aggregate long positions in Shares	Percentage of Shareholding
Wong Kam Leong	Corporate Interest	654,125,000 (Note 1)			
	Personal Interest		11,250,000 (Note 2)	665,375,000	43.81%
Hu Dongguang	Personal Interest	–	11,000,000 (Note 3)	11,000,000	0.72%
Wu Bingxiang	Personal Interest	–	10,200,000 (Note 4)	10,200,000	0.67%
Zhang Chi	Personal Interest	36,350,000	6,500,000 (Note 5)	42,850,000	2.82%
Ng Kwok Chu, Winfield	Personal Interest	–	500,000 (Note 6)	500,000	0.03%
Ng Chau Tung, Robert	Personal Interest	–	500,000 (Note 6)	500,000	0.03%
Tse Ching Leung	Personal Interest	–	700,000 (Note 7)	700,000	0.05%

Notes:

1. Out of the 654,125,000 Shares, 248,125,000 Shares are beneficially owned by and registered in the name of Wide Fine, a company incorporated in Hong Kong with limited liability and is wholly-owned by Mr. Wong, an executive Director, who is also the sole director of Wide Fine. The remaining 406,000,000 Shares represent the interest of View Good under the VG Agreement.
2. 11,250,000 share options conferring rights to subscribe for 11,250,000 Shares.
3. 11,000,000 share options conferring rights to subscribe for 11,000,000 Shares.
4. 10,200,000 share options conferring rights to subscribe for 10,200,000 Shares.
5. 6,500,000 share options conferring rights to subscribe for 6,500,000 Shares.
6. 500,000 share options conferring rights to subscribe for 500,000 Shares.
7. 700,000 share options conferring rights to subscribe for 700,000 Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the Chief Executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

B. Substantial shareholders' interests and short positions in the shares and underlying shares of the Company

The register of substantial shareholders maintained under section 336 of the SFO shows that as at the Latest Practicable Date, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital.

Long positions in shares and underlying shares of the Company:

Name	Number of Shares held	Number of underlying Shares held	Aggregate long positions in Shares	Percentage of shareholding
Wide Fine (<i>Note 1</i>)	248,125,000	–	248,125,000	16.34%
Li Meilang	78,190,000	–	78,190,000	5.15%
Tam Sio Wan (<i>Note 2</i>)	406,000,000	–	406,000,000	26.73%
View Good (<i>Note 2</i>)	406,000,000	–	406,000,000	26.73%
Wu Shao Hong (<i>Note 3</i>)	422,000,000	–	422,000,000	27.78%
Liang Yu Cheng (<i>Note 3</i>)	422,000,000	–	422,000,000	27.78%
Win Right (<i>Note 3</i>)	422,000,000		422,000,000	27.78%

Note:

- Wide Fine is beneficially and wholly owned by Mr. Wong, the Chairman and an executive Director, who is also the sole director of Wide Fine.
- View Good is beneficially owned by Ms. Tam Sio Wan, the wife of Mr. Wong. The long positions in Shares represent the Subscription Shares under the VG Agreement.
- Win Right is beneficially owned by Mr. Liang Yu Cheng and Mr. Wu Shao Hong. The long positions in Shares represent the Subscription Shares under the WR Agreement.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified of any other person (other than a Director or the Chief Executive of the Company) having an interest or short position in the shares and underlying shares of the Company that was required to be reported pursuant to section 336 of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries (excluding contracts expiring or determinable by the employer within one year without payment of compensation, other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective associates had any interests in any business that competes or is likely to compete, either directly or indirectly, with the business of the Group.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2010, being the date to which the latest published audited financial statements of the Company were made up.

6. DIRECTORS' INTEREST IN THE GROUP'S ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which had been, since 31 March 2010 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group. No contract or arrangement in which any of the Directors was materially interested and which was significant in relation to the businesses of the Group subsisted as at the Latest Practicable Date.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given its opinion or advice which is contained in this circular:

Name	Qualification
Guangdong Securities	A licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activity under the SFO

As at the Latest Practicable Date, Guangdong Securities had no shareholding in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group and had no direct or indirect interests in any assets which had been, since 31 March 2010 (being the date to which the latest published audited financial statements of the Company were made up), acquired, disposed of by or leased to any member of the Group, or were proposed to be acquired, disposed of by or leased to any member of the Group.

Guangdong Securities has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the reference to its name included herein in the form and context in which they appear.

8. GENERAL

- (a) The registered office of the Company is at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.
- (b) The head office and principal place of business is at 26/F., EIB Centre, 40-44 Bonham Strand, Sheung Wan, Hong Kong.
- (c) The Company secretary is Mr. Yeung Sheung Kee.
- (d) The auditors of the Company are AGCA CPA Limited, at 9/F, Allied Kajima Building, 138 Gloucester Road, Wan Chai, Hong Kong.
- (e) The share register and transfer office of the Company is Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queens' Road East, Hong Kong.
- (f) This circular has been prepared in both English and Chinese. In the event of any discrepancy, the English text shall prevail.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during 9:00 a.m. to 5:00 p.m. at the head office and principal place of business in Hong Kong at 26/F, EIB Centre, 40-44 Bonham Strand, Sheung Wan, Hong Kong up to and including 18 November 2010:

- (a) the bye-laws of the Company;
- (b) the annual reports of the Company for the two years ended 31 March 2009 and 31 March 2010;
- (c) the Subscription Agreements;
- (d) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out on page 14 of this circular; and
- (e) the letter from Guangdong Securities to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 15 to 24 of this circular; and
- (f) the written consent from Guangdong Securities referred to in the paragraph headed "Expert and Consent" in this appendix.

NOTICE OF SGM



LONG SUCCESS INTERNATIONAL (HOLDINGS) LIMITED

百齡國際(控股)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8017)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting (“SGM”) of the shareholders of Long Success International (Holdings) Limited (the “**Company**”) will be held at the Function Room of Macau Jockey Club, 1/F China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Friday, 19 November 2010 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

“1. THAT:

- (i) the subscription agreement dated 14 October 2010 between the Company and Win Right Holdings Limited (“Win Right”) (the “**WR Agreement**”) pursuant to which Win Right has conditionally agreed to subscribe for and the Company has conditionally agreed to issue 422,000,000 new shares of HK\$0.04 each (the “**WR Subscription Shares**”) in the share capital of the Company at a price of HK\$0.145 per subscription share (a copy of which has been produced to this meeting marked “A” and initialed by the Chairman of the meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (ii) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and the permission to deal in the WR Subscription Shares, the directors of the Company (the “**Directors**”) be and are hereby authorized to issue and allot the WR Subscription Shares pursuant to and in accordance with the terms and conditions of the WR Agreement; and
- (iii) any one or more of the Directors be and is/are hereby authorized to do all other acts and things and execute all documents which he/she/they consider(s) necessary or expedient for the implementation of and giving effect to the WR Agreement and the transactions contemplated thereunder.”

NOTICE OF SGM

“2. THAT:

- (i) the subscription agreement dated 14 October 2010 between the Company and View Good International Limited (“**View Good**”) as supplemented by a supplemental agreement dated 20 October 2010 (together, the “**VG Agreement**”), pursuant to which View Good has conditionally agreed to subscribe for and the Company has conditionally agreed to issue 406,000,000 new shares of HK\$0.04 each (the “**VG Subscription Shares**”) in the share capital of the Company at a price of HK\$0.145 per subscription share (a copy of which has been produced to this meeting marked “B” and initialed by the Chairman of the meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (ii) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and the permission to deal in the VG Subscription Shares, the directors of the Company (the “**Directors**”) be and are hereby authorized to issue and allot the VG Subscription Shares pursuant to and in accordance with the terms and conditions of the VG Agreement; and
- (iii) any one or more of the Directors be and is/are hereby authorized to do all other acts and things and execute all documents which he/she/they consider(s) necessary or expedient for the implementation of and giving effect to the VG Agreement and the transactions contemplated thereunder.”

“3. THAT:

- (i) the subscription agreement (“**Chan’s Agreement**”) dated 14 October 2010 between the Company and Mr. Chan Sheung Wai (“**Mr. Chan**”) pursuant to which Mr. Chan has conditionally agreed to subscribe for and the Company has conditionally agreed to issue 5,000,000 new shares of HK\$0.04 each (“**Chan’s Subscription Shares**”) in the share capital of the Company at a price of HK\$0.145 per subscription share (a copy of which has been produced to this meeting marked “C” and initialed by the Chairman of the meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (ii) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and the permission to deal in Chan’s Subscription Shares, the directors of the Company (the “**Directors**”) be and are hereby authorized to issue and allot Chan’s Subscription Shares pursuant to and in accordance with the terms and conditions of Chan’s Agreement; and
- (iii) any one or more of the Directors be and is/are hereby authorized to do all other acts and things and execute all documents which he/she/they consider(s) necessary or expedient for the implementation of and giving effect to Chan’s Agreement and the transactions contemplated thereunder.”

NOTICE OF SGM

“4. THAT:

- (i) the subscription agreement (“**Keung’s Agreement**”) dated 14 October 2010 between the Company and Mr. Keung Kam Wing, Vincent (“**Mr. Keung**”) respectively pursuant to which Mr. Keung has conditionally agreed to subscribe for and the Company has conditionally agreed to issue 20,000,000 new shares of HK\$0.04 each (“**Keung’s Subscription Shares**”) in the share capital of the Company at a price of HK\$0.145 per subscription share (a copy of which has been produced to this meeting marked “D” and initialed by the Chairman of the meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (ii) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and the permission to deal in Keung’s Subscription Shares, the directors of the Company (the “**Directors**”) be and are hereby authorized to issue and allot Keung’s Subscription Shares pursuant to and in accordance with the terms and conditions of Keung’s Agreement; and
- (iii) any one or more of the Directors be and is/are hereby authorized to do all other acts and things and execute all documents which he/she/they consider(s) necessary or expedient for the implementation of and giving effect to Keung’s Agreement and the transactions contemplated thereunder.”

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

Hong Kong, 3 November 2010

Registered Office:

Canon Court
22 Victoria Street
Hamilton HM12
Bermuda

Head Office and Principal Place of Business:

26/F, EIB Centre,
40-44 Bonham Strand,
Sheung Wan,
Hong Kong

NOTICE OF SGM

Notes:

1. Pursuant to the Rules Governing the Listing of Securities on GEM, all the resolutions to be voted by poll at the SGM.
2. Every member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a member of the Company.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of such meeting or any adjournment thereof.
4. A form of proxy for use at the meeting is enclosed. Whether or not you are able to attend the meeting in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon.
5. Completion and delivery of the form of proxy will not preclude members from attending and voting in person at the meeting or any adjournment thereof should they so wish, and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint registered holders of any share(s) of the Company, any one of such joint holders may attend and vote at the meeting, either in person or by proxy, in respect of such share(s) as if he/she/it were solely entitled thereto, but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share(s) shall alone be entitled to vote in respect thereof.

As at the date of this notice, the Board comprises four executive Directors, namely Mr. Wong Kam Leong, Mr. Hu Dongguang, Mr. Wu Bing Xiang and Dr. Guo Wanda; one non-executive Directors, 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.

* *for identification purpose only*