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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 OF NEW SHARES UNDER GENERAL MANDATE

SUBSCRIPTION OF NEW SHARES

On 12 January 2012 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has agreed to allot and issue and the Subscriber has agreed to subscribe for the Subscription Shares at the Subscription Price for a total cash consideration of HK\$20,800,000.

The Subscription Price is HK\$0.04 per Subscription Share and was determined after arm's length negotiations between the Company and the Subscriber with reference to the Company's recent share price performance and the current market conditions. The Directors consider that as a result of the Subscription, the Company can improve liquidity in the Shares trading, broaden its Shareholders' base and strengthen the Company's financial position. The Directors consider that the terms of the Subscription are on normal commercial terms and are fair and reasonable, so far as the Company and the Shareholders are concerned, and the Subscription is in the interests of the Company and the Shareholders as a whole.

The 520,000,000 Subscription Shares represent approximately 19.82% of the existing issued share capital of the Company as at the date of this announcement and approximately 16.54% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares.

The Subscription is conditional upon, among other thing, the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares and if required, the consent from the Bermuda Monetary Authority. The Subscription Shares will be allotted and issued under the General Mandate.

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

USE OF PROCEEDS

The gross proceeds from the issue of the Subscription Shares under the Subscription will be HK\$20,800,000. The Company will bear all costs and expenses of approximately HK\$950,000 in connection with the Subscription. The net proceeds from the Subscription and the allotment and issue of the Subscription Shares will be approximately HK\$19,850,000. The Company intends to apply the net proceeds from the Subscription for financing the Proposed Acquisition as disclosed in the announcement of the Company dated 13 December 2011 (if materialize), and/or for general working capital of the Company.

GENERAL

Shareholders and potential investors should note that the Subscription is subject to the conditions precedent under the Subscription Agreement being fulfilled. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE SUBSCRIPTION AGREEMENT

On 12 January 2012 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has agreed to allot and issue and the Subscriber has agreed to subscribe for the Subscription Shares at the Subscription Price for a total cash consideration of HK\$20,800,000.

Date: 12 January 2012 (after trading hours)

Parties:

- (i) The Company; and
- (ii) The Subscriber.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Subscriber is Independent Third Party.

Subscription Price

The Subscription Price is HK\$0.04 per Subscription Share and was determined after arm's length negotiation between the Company and the Subscriber. The Directors consider the Subscription Price to be fair and reasonable based on the Company's recent share price performance and the current market conditions.

The Subscription Price of HK\$0.04 per Subscription Share represents:

- (i) no discount or premium to the closing price of HK\$0.04 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 5.21% to the average closing price of HK\$0.0422 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and
- (iii) a discount of approximately 14.89% to the average closing price of HK\$0.047 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Day.

Taking into account, amongst others, commission fees, professional fees and printing expenses, the net proceeds from the Subscription is estimated to be approximately HK\$19,850,000. As a result, the net price per Subscription Share is approximately HK\$0.0382. The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the Company's recent share price performance and the current market conditions.

Number of Subscription Shares

Pursuant to the Subscription Agreement, the 520,000,000 Subscription Shares represent (i) approximately 19.82% of the issued share capital of the Company as at the date of this announcement and (ii) approximately 16.54% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares.

Application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares. The Subscription Shares will rank, upon issue, *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Subscription Shares.

General Mandate

The Shares will be allotted and issued under the General Mandate which was granted to the Directors pursuant to an ordinary resolution of the Company passed at its annual general meeting on 11 August 2011 to allot and issue up to 524,789,000 new Shares, representing 20% of the issued share capital of the Company on that date. The General Mandate has not been previously utilised prior to the entering into the Subscription Agreement.

As the Subscription Shares are to be allotted and issued under the General Mandate, the Subscription is not subject to the Shareholders' approval.

Conditions precedent of the Subscription

Completion of the Subscription is conditional upon:

- (i) the GEM Listing Committee of the Stock Exchange agreeing to grant or having granted the listing of and permission to deal in the Subscription Shares;
- (ii) if required, the Bermuda Monetary Authority granting permission to issue and allot the Subscription Shares; and
- (iii) the granting of all other necessary approvals by relevant governmental and regulatory authorities and third party consents, approvals and filings in relation to the execution of the Subscription Agreement or the transactions contemplated under the Subscription Agreement.

In the event that any of the conditions precedent are not fulfilled on or before 29 February 2012 (or such other date as the Company and the Subscriber may mutually agree in writing), the Company and the Subscriber shall not be bound to proceed with the Subscription and the Subscription Agreement shall cease to be of any effect, whereupon the Company and the Subscriber shall have no claim against each other arising out of or in connection with the Subscription Agreement save in respect of any claims arising out of any antecedent breach of the Subscription Agreement.

Completion

Completion of the Subscription will take place within 7 Business Days after the date on which all the conditions precedent of the Subscription Agreement have been fulfilled (or such later date as the Company and the Subscriber may mutually agree in writing).

REASONS FOR AND BENEFIT OF THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in recycled paper manufacturing, biodegradable materials manufacturing business in the PRC as its main focus is on environmental protection related businesses.

The Directors consider that as a result of the Subscription, the Company can improve liquidity in the Shares trading, broaden its Shareholders' base and strengthen the Company's financial position. The Directors consider that the terms of the Subscription are on normal commercial terms and are fair and reasonable, so far as the Company and the Shareholders are concerned, and the Subscription is in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the issue of the Subscription Shares under the Subscription will be HK\$20,800,000. The Company will bear all costs and expenses, including commission fees, professional fees and printing expenses, of approximately HK\$950,000 in connection with the Subscription. The net proceeds from the Subscription and the allotment and issue of the Subscription Shares will be approximately HK\$19,850,000. The Company intends to apply the net proceeds from the Subscription for financing the Proposed Acquisition as disclosed in the announcement of the Company dated 13 December 2011 (if materialize), and/or for general working capital of the Company.

FUND RAISING ACTIVITIES OF THE COMPANY WITHIN 12 MONTHS PRIOR TO THE DATE OF THIS ANNOUNCEMENT

There had been no fund raising activities carried out by the Company during the past twelve months immediately preceding the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon the allotment and issue of the Subscription Shares (assuming that no Shares will be issued and/or repurchased by the Company from the date of this announcement up to Completion) will be as follows, for illustration only:

Shareholder	As at the date of this announcement		Upon the allotment and issue of the Subscription Shares	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Wide Fine International Limited (<i>Note 1</i>)	254,125,000	9.68	254,125,000	8.08
View Good International Limited (<i>Note 2</i>)	400,000,000	15.25	400,000,000	12.72
Subtotal	654,125,000	24.93	654,125,000	20.80
Nicky International Limited (<i>Note 3</i>)	216,000,000	8.23	216,000,000	6.87
Leung Wa Subscriber	6,000,000	0.23	6,000,000	0.19
	–	–	520,000,000	16.54
Public	1,747,820,000	66.61	1,747,820,000	55.60
Total	2,623,945,000	100.00	3,143,945,000	100.00

Notes:

1. Wide Fine International Limited is beneficially and wholly owned by Mr. Wong Kam Leong, an executive Director.
2. View Good International Limited is beneficially and wholly owned by Ms. Tam Sio Wan, the wife of Mr. Wong Kam Leong, an executive Director.
3. Nicky International Limited is beneficially and wholly owned by Mr. Chen Jianqiu and Mr. Leung Wa in equal shares.

GENERAL

Shareholders and potential investors should note that the Subscription is subject to the conditions precedent under the Subscription Agreement being fulfilled. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Board”	the board of Directors
“Business Day(s)”	any day (not being a Saturday, Sunday or days on which a typhoon signal No.8 or above or black rainstorm warning is hosted in Hong Kong at 10:00 a.m.) on which licensed banks are generally open for business in Hong Kong;
“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; (stock code: 8017)
“Completion”	completion of the Subscription
“Directors”	directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM

“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 11 August 2011 to allot and issue up to 524,789,000 new Shares, representing 20% of the issued share capital of the Company as at the date of passing of the relevant resolution
“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
“Independent Third Party(ies)”	independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, independent of and not connected with the Company and the connected persons of the Company (as defined under the GEM Listing Rules)
“Last Trading Day”	12 January 2012, being the date of the Subscription Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Acquisition”	The proposed acquisition of the entire issued share capital of Fame Shine Holdings Limited by Xu Sheng Holdings Limited from Wide Fine (Asia) Development Limited and Gain Concept Industries Limited pursuant to the sale and purchase agreement dated 13 October 2011 as supplemented and amended by a supplemental agreement dated 12 December 2011 entered into between Xu Sheng Holdings Limited and Wide Fine (Asia) Development Limited and Gain Concept Industries Limited
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Mr. Tsang Ming, the subscriber of the Subscription Shares under the Subscription Agreement
“Subscription”	the subscription of 520,000,000 Subscription Shares pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 12 January 2012 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	HK\$0.04 per Subscription Share
“Subscription Shares”	520,000,000 new Shares to be issued and allotted to the Subscriber by the Company under the Subscription
“%”	per cent

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

Hong Kong, 12 January 2012

As at the date hereof, the Board comprises of five executive Directors, namely Mr. Wong Kam Leong, Mr. Wu Shaohong, Mr. Hu Dongguang, Mr. Wu Bingxiang and Dr. Guo Wanda 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement 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 on the Company website at www.long-success.com.

* *for identification purpose only*