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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)

UPDATE ON RECENT DEVELOPMENT OF SUSPENSION OF TRADING

This announcement is made by Long Success International (Holdings) Limited (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 10 January 2014, 27 January 2014, 14 February 2014 and 18 February 2014 (the “**Announcements**”) in relation to, among other things, the legal suit in Jining Intermediate People’s Court (濟寧市中級人民法院) and the financial information of Jining Gangning Paper Company Limited* 濟寧港寧紙業有限公司. Unless the content otherwise requires, capitalised terms used in this announcement shall have the same meaning given to them in the Announcements.

ALLEGED LITIGATION IN THE PRC

With the assistance of its PRC legal adviser, the Company has obtained the relevant documents in relation to the Legal Suit from the Jining Court. The Company is reviewing these documents and assessing the merits of the Legal Suit. The Company is also seeking legal advice from its PRC legal adviser and will take necessary actions after obtaining legal advice from its PRC legal adviser. As at the date of this announcement, the Company has not received any confirmation from the Jining Court regarding the new date of the first hearing of the Legal Suit. The Company will publish further announcements to update its shareholders and the public investors the status of the Legal Suit as and when appropriate.

FINANCIAL INFORMATION OF JINING GANGNING

Despite the various continuous efforts, the Company is still unable to obtain the Relevant Financial Information from the management of Jining Gangning and the Company does not foresee a significant progress will occur in the near future. As advised by its PRC legal adviser, the Company and Mega Bright, being the holder of 51% equity interests in Jining Gangning, have lost the actual power of control over Jining Gangning as they can no longer

* For identification purpose only

control and interfere with any decision making by the board of directors of Jining Gangning. As such, the Board considers that it is not appropriate to include the financial information of Jining Gangning into the Group's unaudited consolidated financial statements for the Q3 Results.

Since the principal business activity of the holding companies of Jining Gangning, namely Glory Smile Enterprises Limited and Mega Bright (the "**Holding Companies**"), is the holding of the equity interests in Jining Gangning, the Board considers that the financial information of the Holding Companies should also be excluded from the Group's unaudited consolidated financial statements for the Q3 Results as it would be meaningless and confusing to consolidate the financial information of the Holding Companies. However, the de-consolidation of the financial information of the Holding Companies is not in compliance with the Hong Kong Financial Reporting Standard 10 "Consolidated Financial Statements".

The Board considers the above arrangements are in the best interests of the Company and its shareholders as a whole.

The Board also wishes to inform the shareholders of the Company and the potential investors that, based on the information currently available, the de-consolidation of the financial information of Jining Gangning and the Holding Companies is expected to result in a net gain on de-consolidation of subsidiaries of approximately HK\$170.4 million and an impairment loss on amounts due from de-consolidated subsidiaries of approximately HK\$183.2 million.

As the Company is still in the progress of finalizing the unaudited consolidated financial statements for the Q3 Results, the information contained in this announcement is only based on the preliminary assessment by the management of the Company and has not been reviewed by the audit committee of the Board. An announcement on the Q3 Results is expected to be published by the Company on 18 March 2014.

Despite the above, the Company is continuing to liaise with the management of Jining Gangning for the Relevant Financial Information. At the same time, the Company is assessing the pros and cons of taking legal actions against Jining Gangning and considering other possible actions (and the related costs) that the Company could take for the best interests of the Company and its shareholders. The Company will publish further announcements to update its shareholders and the public investors if there is any further material development in this regard as and when appropriate.

SUSPENSION OF TRADING OF SHARES

As at the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 1:23 p.m. on Tuesday, 3 December 2013 and will remain suspended until further notice.

By Order of the Board
Long Success International (Holdings) Limited
Hui Ngai Hon, Edward
Director

Hong Kong, 14 March 2014

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Kaneko Hiroshi, Mr. Siu Chi Keung and Mr. Hui Ngai Hon, Edward; and three independent non-executive Directors, namely Mr. Yau Paul, Mr. Wong Ka Shing and Ms. Leung Shuk Lan.

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 herein or this announcement misleading.

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