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浙江永隆實業股份有限公司
ZHEJIANG YONGLONG ENTERPRISES CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8211)

UPDATE ON RESUMPTION CONDITIONS

Financial Adviser to the Company



UPDATE ON RESUMPTION CONDITIONS

The Board is pleased to announce that, on 15 February 2012, the Company received a letter dated 15 February 2012 from the GEM Listing Division (the "Resumption Letter") in relation to the Company's resumption proposal submitted on 23 December 2011 and the subsequent submissions.

Pursuant to the Resumption Letter, the Stock Exchange agreed to allow the resumption of trading in the Shares on GEM upon satisfaction of the following Two Resumption Conditions:

1. Provision of a comfort letter, to be prepared by the Company's auditors and financial adviser, confirming that the Company will have sufficient working capital for at least 12 months after resumption; and
2. Provision of a confirmation from Zenith Risk Management Advisory Limited that the Company has an adequate and effective internal control system.

The GEM Listing Division may modify the resumption conditions if the Company's situation changes.

GENERAL

The release of this announcement and the issuance of the letter from the GEM Listing Division to the Company on 15 February 2012 do not necessarily mean that the trading in the Shares will be resumed. Shareholders should note that the GEM Listing Division may not allow the resumption of trading in the Shares of the Company on GEM should the Company fail to satisfy all the Two Resumption Conditions. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

SUSPENSION OF TRADING

Trading in the shares of the Company will remain suspended until all the Two Resumption Conditions requirements have been fulfilled.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors of the Company
“Company”	浙江永隆實業股份有限公司 (Zhejiang Yonglong Enterprises Co., Ltd.*), a joint stock limited company incorporated in the PRC
“Domestic Share(s)”	domestic share(s) of nominal value of RMB0.1 each in the registered capital of the Company
“Director(s)”	director(s) of the Company, including the independent non-executive directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Division”	the listing division of the Stock Exchange with responsibility for GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	oversea listed foreign share(s) of nominal value of RMB0.10 each in the registered capital of the Company which are listed on GEM and subscribed for in Hong Kong dollar

“PRC”	the People’s Republic of China
“Share(s)”	shares, including Domestic Shares and H Shares, of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Two Resumption Conditions”	conditions set out by the GEM Listing Division in its letter to the Company dated 15 February 2012, upon satisfaction of which the trading in the Shares will be resumed

By Order of the Board
Zhejiang Yonglong Enterprises Co., Ltd.*
Ru Guan Jun
Chairman

17 February 2012, Zhejiang, the PRC

** for identification purpose only*

As at the date of this announcement, the executive Directors are Mr. Ru Guan Jun, Mr. Xia Xian Fu, Mr. Sun Jian Feng and Mr. Xia Xue Nian; the independent non-executive Directors are Mr. Zhu Yu Lin, Mr. Zong Pei Min and Mr. Lu Guo Qing.

This announcement, for which the Directors of the Company 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 of the Company 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 on the “Latest Company Announcement” page of the GEM website for at least 7 days from the date of its publication and the website of the Company at <http://www.zj-yonglong.com>.