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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)**

**DELAY IN DESPATCH OF CIRCULAR**

Reference are made to the announcements of Zhejiang Yonglong Enterprises Co., Ltd.\* (the “Company”) dated 10 January 2012 and entitled: “Continuing Connected Transaction” (the “CCT Announcement”) and dated 16 January 2012 and entitled: “Very Substantial Disposal” (the “VSD Announcement”). Unless otherwise defined, capitalized terms used herein in relation to CCT Announcement and VSD Announcement shall have the same meanings as those defined in the CCT Announcement and the VSD Announcement respectively.

As disclosed in the CCT Announcement, a circular (“CCT Circular”) containing, among other things, (i) further details of the Electricity and Steam Supply Agreement; (ii) the respective recommendations of the Independent Financial Adviser and the Independent Board Committee; and (iii) a notice of an extraordinary general meeting to be convened and held to consider, and if though fit, approve the proposed Electricity and Steam Supply Agreement and proposed Annual Caps will be despatched to the Shareholders on or before 3 February 2012.

As disclosed in the VSD Announcement, a circular (“VSD Circular”) containing, among other things, details of the Assets Transfer Agreement together with a notice of an extraordinary general meeting to be convened and held to consider, and if though fit, approve the Assets Transfer Agreement will be despatched to the Shareholders on or before 29 February 2012.

The Company intends to combine the CCT Circular and the VSD Circular into one circular (the “Combined Circular”) and convene one extraordinary general meeting for the transactions contemplated in the CCT Circular and the VSD Circular. As additional time is required for the Company to combine the CCT Circular and the VSD Circular and to prepare and finalise certain information to be included in the Combined Circular, the Company expects to despatch the Combined Circular on or before 29 February 2012.

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

2 February 2012, Zhejiang, the PRC

*\* For identification purposes 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>.*