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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)

ANNOUNCEMENT

**LATEST DEVELOPMENT OF THE RESUMPTION OF TRADING OF
THE SHARES OF THE COMPANY**

Financial Adviser to the Company



Reference is made to the announcements of 浙江永隆實業股份有限公司(Zhejiang Yonglong Enterprises Co., Ltd.*) (the "Company") dated 20 March 2009, 15 May 2009, 24 July 2009, 14 August 2009, 31 August 2009, 13 November 2009, 31 March 2010, 19 April 2010, 20 October 2010 and 13 May 2011 respectively. Capitalized terms used in this announcement have the same meanings as defined in the announcement dated 13 May 2011 unless otherwise defined.

LATEST DEVELOPMENT

The Company announces that the Company has undertaken the following actions in relation to the Company's application for trading resumption:

1. The Company has appointed Chanceton Capital Partners Limited as the Company's financial adviser to facilitate the resumption.
2. The Company has appointed attorneys to handle all litigation issues, including debt agreements.
3. The Company is expected to sign debt agreements with various parties in or before July 2011 to settle the long-standing debt issue, which, the Board believes, may substantially improve the Company's financial position. Announcements will be made as soon as practicable as and when necessary to provide further updates.
4. The Board is discussing with Shinewing (HK) CPA Limited, the Company's auditors, regarding the estimate

of time required for its audit work in respect of the 2008 Annual Results, 2009 Annual Results and 2010 Annual Results. The Board expects that the Company will announce the 2008 Annual Results, 2009 Annual Results and 2010 Annual Results and despatch the reports to the shareholders of the Company in or before August 2011.

5. The Company has already engaged an independent auditor to prepare for the Company's internal control review report, and to make recommendations on improving the Company's internal control procedures in or before July 2011.
6. The Company has already engaged a valuer to prepare for the Company's asset valuation report which will be ready in or before July 2011.
7. The Company will submit a resumption proposal, which will summarize the Company's financial position and operation and the above actions/reports in or before August 2011

SUSPENSION OF TRADING

Trading in the shares of the Company will remain suspended until all the resumption conditions required by the Stock Exchange as set out in the announcement of the Company dated 20 March 2009 have been fulfilled.

By order of the Board

Ru Guan Jun

Chairman

Zhejiang, the PRC, 23 June 2011

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: - (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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.

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