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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

UPDATE ON THE TRANSFER OF 23,520,000 DOMESTIC SHARES

Reference is made to the announcements of the Company dated 10 July 2015 and 22 December 2015.

UPDATE ON THE TRANSFER OF 23,520,000 DOMESTIC SHARES

On 31 December 2015, the Board received the relevant approval documents from the relevant governmental authority that an aggregate of 23,520,000 Domestic Shares (representing approximate 2.21% of the total issued shares of the Company) were transferred from Mr. Sun (as to 5,880,000 Shares), Mr. Xia (as to 5,880,000 Shares) and Mr. Fang (as to 11,760,000 Shares) to Zhejiang Yongli with effect from 25 December 2015.

Immediately after the Share Transfer, Zhejiang Yongli, which has no options, warrants, convertibles or other derivatives in respect of the Shares, was interested in 588,000,000 Domestic Shares, representing approximately 55.29% of the entire issued share capital of the Company.

UPDATE ON THE TRANSFER OF 23,520,000 DOMESTIC SHARES

Reference is made to the announcements of the Company dated 10 July 2015 and 22 December 2015 in relation to the increase in shareholding in the Company by Zhejiang Yongli pursuant to the Share Transfer Agreements and the Another Share Transfer Agreement.

Pursuant to the Share Transfer Agreements, an aggregate of 11,760,000 Domestic Shares were transferred by Mr. Sun (as to 5,880,000 Shares) and Mr. Xia (as to 5,880,000 Shares) to Zhejiang Yongli on 10 July 2015 in an aggregate consideration of RMB2,352,000 (equivalent to approximately HK\$2,822,400), representing approximately RMB0.20 (equivalent to approximately HK\$0.24) per share. In accordance with the Another Share Transfer Agreement, Mr. Fang transferred 11,760,000 Domestic Shares to Zhejiang Yongli on 22 December 2015 in the consideration of RMB2,352,000. (equivalent to approximately HK\$2,822,400, representing approximately RMB0.20 (equivalent to approximately HK\$0.24) per share.

On 31 December 2015, the Board received the relevant approval documents from the relevant governmental authority that an aggregate of 23,520,000 Domestic Shares (representing approximate 2.21% of the total issued shares of the Company) were transferred from Mr. Sun (as to 5,880,000 Shares), Mr. Xia (as to 5,880,000 Shares) and Mr. Fang (as to 11,760,000 Shares) to Zhejiang Yongli with effect from 25 December 2015.

Immediately after the Share Transfer, Zhejiang Yongli, which has no options, warrants, convertibles or other derivatives in respect of the Shares, was interested in 588,000,000 Domestic Shares, representing approximately 55.29% of the entire issued share capital of the Company.

TERMS USED IN THIS ANNOUNCEMENT

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Another Share Transfer Agreement”	the share transfer agreement dated 22 December 2015 entered into between Zhejiang Yongli and Mr. Fang in order to dispose of 11,760,000 Domestic Shares from Mr. Fang to Zhejiang Yongli on 22 December 2015
“Board”	the board of Directors
“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
“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 Rules”	The Rules Governing the Listing of Securities on the GEM in effect from time to time
“Domestic Shares”	domestic shares of nominal value RMB0.10 each in the capital of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“H Share(s)”	the overseas listed foreign share(s) in the registered capital of the Company with nominal value of RMB0.1 each in the capital of the Company which are listed on the GEM and subscribed for and traded in HK\$
“Mr. Fang”	Mr. Fang Han Hong
“Mr. Sun”	Mr. Sun Jian Feng
“Mr. Xia”	Mr. Xia Xue Nian
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	Domestic Shares and /or H Shares
“Share Transfer”	the transfer of an aggregate of 23,520,000 Domestic Shares from Mr. Sun (as to 5,880,000 Shares), Mr. Xia (as to 5,880,000 Shares) and Mr. Fang (as to 11,760,000 Shares) to Zhejiang Yongli under the Share Transfer Agreements and the Another Share Transfer Agreement respectively
“Share Transfer Agreements”	the share transfer agreements dated 10 July 2015 entered into between Zhejiang Yongli and each of Mr. Sun and Mr. Xia individually in order to dispose of an aggregate of 11,760,000 Domestic Shares that each of Mr. Sun and Mr. Xia were holding 5,880,000 Domestic Shares to Zhejiang Yongli on 10 July 2015
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhejiang Yongli”	浙江永利實業集團有限公司 (Zhejiang Yongli Industry Group Co., Ltd.*) a company established in the PRC
“%”	per cent

By Order of the Board
Zhejiang Yonglong Enterprises Co., Ltd.*
Wang Xinyi
Chairman

Zhejiang, the PRC, 31 December 2015

As at the date of this announcement, the executive Directors are Mr. Wang Xinyi (Chairman), Ms. He Lianfeng (Deputy Chairman and Chief Executive Officer) and Mr. Hu Hua Jun; the non-executive Directors are Mr. Chen Dong Chun and Mr. Tang Guo Ping, the independent non-executive Directors are Mr. Xu Wei Dong, Ms. Zhang Li and Mr. Wang Weisong

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 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’s website at www.zj-yonglong.com.

For the purpose of this announcement, all amounts denominated in RMB have been converted in HK\$ at the rate of RMB1 = HK\$1.2 for illustrative purpose.

** For identification purposes only*