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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

CLARIFICATION ANNOUNCEMENT

FURTHER DELAY IN PUBLICATION OF

2008 ANNUAL RESULT ANNOUNCEMENT

AND

FURTHER DELAY IN DEPATCH OF 2008 ANNUAL REPORT

Reference is made to the announcements of Zhejiang Yonglong Enterprises Co., Ltd. (“the Company”) dated 20 March 2009, 25 March 2009, 15 May 2009, 24 July 2009 and 14 August 2009 respectively.

Clarification announcement

Reference is made to the announcement of the Company dated 25 March 2009 and 24 July 2009 respectively in relation to the temporary impoundment of certain shares of the Company held by Mr. Sun Li Yong and Ms. Fang Xiao Jian (the “Mr. and Mrs. Sun”) under an order of the relevant court in the PRC. The board (the “Board”) of directors (the “Directors”) of the Company wishes to clarify that the total number of shares of the Company currently held by Mr. and Mrs. Sun and was temporary impounded by Shaoxing Intermediate Court (the “Court”) should be 564,480,000 shares representing 53.08% of the total issued shares of the Company instead of 550,000,000 shares representing 51.72% of the total issued shares of the Company. The Board received notices from 中國證券登記結算有限責任公司 (China Securities Depository and Clearing Corporation Ltd. *) and confirmed with Zhejiang Yongli that except for the 550,000,000 shares of the Company held by Mr. and Mrs. Sun was impounded by the Court, the balance of 14,480,000 shares of the Company held by Mr. and Mrs. Sun has also been impounded by the Court thereafter. On 30 April 2009, the Court made a judgment requiring Mr. and Mrs. Sun to undertake their respective part of responsibility as guarantor. After the Directors have consulted with the relevant professional parties, the judgment has become effective since 10 August 2009. The Court will then give

an order for an auction of the 564,480,000 shares of the Company held by Mr. and Mrs. Sun, which may lead to a change in the controlling shareholder of the Company. According to the relevant regulation of law of the People's Republic of China (the "PRC"), the process of the auction may take about one to three months. However, the actual time of completion of the auction depends on the actual progress of the auction. Currently the Board cannot estimate how the Company will be affected after change of the controlling shareholder of the Company.

The Company will issue further announcements as and when appropriate if there is any material change or development in the issues mentioned above.

Further delay in publication of 2008 annual result announcement and further delay in depatch of 2008 annual report

Reference is made to the announcements of the Company dated 20 March 2009, 15 May 2009 and 14 August 2009 respectively. The Board wishes to announce that due to the amount of information required by the auditors for auditing of the annual result of 2008 of the Company, the Company is still in the process of assembling and preparing for the information as required by the auditors. In this consequence, the Board has to re-schedule the timetable for publication of 2008 annual result announcement and depatch of 2008 annual report; and publication of the relevant result announcement and depatch of the relevant quarterly and interim reports of the subsequent periods in 2009 as the followings:

<u>Accounting periods</u>	<u>Propose date of announcement</u>
2008 annual result	Before 30 November 2009
2009 first quarterly result	Before 31 December 2009
2009 interim result	Before 31 January 2010

By Order of the Board
Xia Xue Nian Li Cheng Jun Sun Jian Feng
Executive Directors

Zhejiang, the PRC, 31 August 2009

As at the date of the this announcement, the executive Directors of the Company are Mr. Sun Jian Feng, Mr. Xia Xue Nian, Mr. Marco Borio and Mr. Li Cheng Jun; 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 Rules Governing the Listing of Securities on GEM 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.

* For identification purposes only