



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting (“EGM”) of Zhejiang Yonglong Enterprises Co., Ltd. (the “Company”) will be held at the conference Room of the Office Building of the Company at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People’s Republic of China on Tuesday, 13 November 2007 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following special resolution:–

SPECIAL RESOLUTION

1. **“THAT**

- (a) the placing agreement (the **“Placing Agreement”**) dated 19 September 2007 entered into between the Company as issuer and OSK Asia Securities Limited as placing agent in relation to the placing on a best effort basis of a maximum of 880,000,000 new overseas listed foreign share(s) in the registered capital of the Company with nominal value of RMB0.10 each in the capital of the Company (the **“H Share(s)”**) at a placing price of HK\$0.55 per H Share under the Placing Agreement (the **“Placing Shares”**), a copy of which is produced to the extraordinary general meeting marked “A” and signed by the Chairman of the said meeting for the purpose of identification, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) conditional upon the fulfillment of the conditions precedent as set out in the Placing Agreement, the allotment and issue of the Placing Shares to the relevant places pursuant to the Placing Agreement (the **“Special Mandate”**) be and is hereby approved;
- (c) the aggregate number of H Shares to be issued and allotted by the directors of the Company (the **“Directors”**) shall not be more than 880,000,000 H Shares;

* For identification purposes only

- (d) any one Director be and is hereby authorised to do all such things and acts as he/she may in his/her discretion consider necessary, expedient or desirable for the purpose of or in connection with the implementation of the Placing Agreement and the Special Mandate and the transactions contemplated thereunder;
- (e) in the event that completion of the Placing Agreement has not taken place on the earlier of (i) a date which is three months from the date of obtaining the approval from China Securities Regulatory Commission for the issue and allotment of the Placing Shares or (ii) the expiration of 12-month period following the passing of this resolution (the “**Expiry Date**”), the authorization and approval granted under this resolution shall be revoked and shall expire on the Expiry Date provided that nothing shall affect the Placing Agreement, the Special Mandate and the transactions contemplated hereunder (including but not limited to the allotment and issue of the Placing Shares) in the event that any partial completion of the Placing Agreement has taken place before the Expiry Date, and the authorization and approval granted under this resolution in respect thereof shall remain valid and shall be in full force and effect in all respects accordingly; and
- (f) the Directors be and are hereby authorized to make such necessary amendments to the articles of association of the Company to increase the registered capital of the Company and to reflect changes in the registered capital of the Company arising out of the issue of the new H Shares pursuant to the Placing Agreement and the Special Mandate and to deal with all procedures relating to the placing of the Placing Shares in accordance with relevant laws, rules and regulations including all the procedures that are required to be followed under the relevant laws, rules and regulations.”

By Order of the Board of
Zhejiang Yonglong Enterprises Co., Ltd.
Sun Li Yong
Chairman

28 September 2007
Shaoxing, Zhejiang Province, the PRC

Notes:

- (i) Any shareholder entitled to attend and vote at the EGM mentioned above is entitled to appoint one or more proxies to attend and vote at the EGM on his/her behalf in accordance with the Articles of Association of the Company. A proxy need not be a shareholder of the Company.
- (ii) In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at the legal address of the Company not less than 24 hours before the time for holding the EGM or 24 hours before the time appointed for taking the poll.
- (iii) Shareholders or their proxies shall produce their identity documents when attending the meeting.
- (iv) The register of shareholders of the Company will be closed from 13 October 2007 to 13 November 2007 (both dates inclusive), during which period no transfer of shares will be registered.
- (v) Shareholders whose names appear on the register of shareholders on 13 October 2007 are entitled to attend and vote at the EGM.
- (vi) Shareholders who intend to attend the EGM shall complete and lodge the reply slip for attending the meeting at the Company's legal address at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People's Republic of China on or before 24 October 2007. The reply slip may be delivered to the Company by hand, by post or by fax (at fax No.: (86) 575-84576266).
- (vii) The EGM is not expected to take more than half a day. Shareholders or their proxies attending the EGM shall be responsible for their own travel and accommodation expenses.

As at the date of this announcement, the executive directors of the Company are Mr. Sun Li Yong, Ms. Fang Xiao Jian, 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. Zhong Pui Min and Mr. Luk Guo Qing.

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