

## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Zhejiang Yonglong Enterprises Co., Ltd.**, you should at once hand this circular and the accompanying forms of proxy and the reply slips to the purchaser or to the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Zhejiang Yonglong Enterprises Co., Ltd.

---



**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)

### **PLACING OF 880,000,000 NEW H SHARES AND NOTICE OF EXTRAORDINARY GENERAL MEETING AND CLASS MEETINGS**

---

The notices dated 28 September 2007 convening the extraordinary general meeting and the class meetings of the Company to 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, is set out on pages 19 to 27 of this circular.

If you intend to attend the extraordinary general meeting and the class meetings of the Company, please complete and return the reply slips enclosed in this circular in accordance with the instructions printed thereon to the legal address of the Company as soon as possible and in any event by not later than Wednesday, 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).

Whether or not you are able to attend the extraordinary general meeting and the class meetings of the Company, you are requested to complete and return the forms of proxy in accordance with the instructions printed thereon to the legal address of Zhejiang Yonglong Enterprises Co., Ltd. at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People's Republic of China as soon as possible and in any event not less than 24 hours before the time appointed for holding of the relevant meetings or any adjournment thereof. Completion and return of the forms of proxy will not preclude you from attending and voting at the EGM and the class meetings should you so wish.

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

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for 7 days from the date of its posting

28 September 2007

\* For identification purposes only

---

## CHARACTERISTICS OF EGM

---

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

---

# CONTENTS

---

	<i>Pages</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	4
Introduction.....	4
The Placing .....	5
Shareholding Structure before and immediately after the Placing .....	9
Fund raising activities in the past 12 months immediately preceding the date of the Announcement .....	9
Reasons for and benefit of entering into of the Placing Agreement and Use of Proceeds .....	10
Right to Demand a Poll .....	10
Recommendation .....	11
<b>Appendix – General Information</b> .....	12
<b>Notice of Extraordinary General Meeting</b> .....	19
<b>Notice of Class Meeting of the Holders of H Shares</b> .....	22
<b>Notice of Class Meeting of the Holders of Domestic Shares</b> .....	25

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Announcement”	the announcement of the Company dated 20 September 2007 in respect of the Placing
“associates”	has the meanings ascribed in the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	means any day (excluding a Saturday) on which licensed banks generally are open for business in Hong Kong;
“CSRC”	China Securities Regulatory Commission
“Class Meetings”	the respective class meetings of the holders of H Shares and holders of Domestic Shares to be convened and held for the purposes of approving, among other things, the Placing and the transactions contemplated thereunder
“Closing Date”	means any time within ten Business Days after fulfilment of the conditions precedent as referred to in sub-paragraph headed “conditions of the Placing” of this circular or such other date as the Company and the Placing Agent may agree in writing
“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
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules;
“Director(s)”	director(s) of the Company
“Domestic Shares”	domestic shares of nominal value of RMB0.10 each in the share capital of the Company, which are subscribed for or credit as fully paid up in RMB
“EGM”	the extraordinary general meeting of the Shareholders to be convened and held for the purpose of approving, among other things, the Placing and the transactions contemplated thereunder
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing sub-committee of the board of the Stock Exchange with responsibility for GEM

\* For identification purposes only

---

## DEFINITIONS

---

“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“H Shares”	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 which are listed on GEM and subscribed for and traded in HK\$
“Latest Practicable Date”	27 September 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Last Trading Day”	18 September 2007, being the last trading day prior to the release of the Announcement
“Long Stop Date”	31 March 2008 being the last day on which the conditions precedent for the Placing Agreement are fulfilled or such other day, as may be agreed between the Company and the Placing Agent
“Placing”	the placing of the Placing Shares on a best effort basis pursuant to the Placing Agreement
“Placing Agent”	OSK Asia Securities Limited, a licensed corporation to carry on business in type 1 and type 4 regulated activities under the SFO
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent on 19 September 2007 in relation to the Placing
“Placing Price”	the price of HK\$0.55 per Placing Share
“Placing Shares”	880,000,000 new H Shares to be issued by the Company pursuant to the Placing
“PRC”	the People’s Republic of China
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	shareholders of the Company
“Shares”	the Domestic Shares and the H Shares

---

## DEFINITIONS

---

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	supervisors of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC



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)

*Executive Directors:*

Mr. Sun Li Yong  
Ms. Fang Xiao Jian  
Mr. Sun Jian Feng  
Mr. Xia Xue Nian  
Mr. Marco Borio  
Mr. Li Cheng Jun

*Independent Non-executive Directors:*

Mr. Zhu Yu Lin  
Mr. Zong Pei Min  
Mr. Luk Guo Qing

*Legal Address:*

Yangxun Qiao Town  
Shaoxing County  
Zhejiang Province  
People's Republic of China

*Principal Place of Business  
in Hong Kong:*

Room 620, 6/F.,  
Chevalier Commercial Centre  
No. 8 Wang Hoi Road  
Kowloon Bay  
Hong Kong

28 September 2007

*To the Shareholders*

Dear Sir or Madam,

**PLACING OF 880,000,000 NEW H SHARES  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING  
AND CLASS MEETINGS**

**1. INTRODUCTION**

Reference is made to the Announcement in respect of the Placing of 880,000,000 new H Shares at a price of HK\$0.55 per Placing Share. The purpose of this circular is to provide you with information regarding (i) the details of the Placing; and (ii) the notice of EGM and the Class Meetings.

\* For identification purposes only

**2. THE PLACING**

**The Placing Agreement**

**Date**

19 September 2007

**Parties involved**

The Company and the Placing Agent

**Placing Agent**

OSK Asia Securities Limited

Pursuant to the Placing Agreement and subject to the terms and conditions of the Placing Agreement, the Placing Agent has agreed to place 880,000,000 Placing Shares on a best effort basis and will receive a placing commission of 2.5% of the amount equal to the Placing Price multiplied by the number of the Placing Shares successfully placed by the Placing Agent, which was determined after arm's length negotiation between the Company and the Placing Agent.

The Placing Agent and its ultimate beneficial owners are not connected persons of the Company and are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules).

**Placees**

Not less than six independent placees (which will be independent individual, professional or institutional investors, who and whose ultimate beneficial owners (i) are not connected persons (as defined in the GEM Listing Rules) of the Company; and (ii) are independent of the other placees, the Company and its connected persons (as defined in the GEM Listing Rules). It is expected that no placees will become a substantial Shareholder as a result of the completion of the Placing.

**Placing Shares**

The 880,000,000 Placing Shares to be placed pursuant to the Placing Agreement represent (i) approximately 82.75% of the existing total registered capital of the Company; (ii) approximately 185.07% of the existing H Shares in issue, (iii) approximately 64.92% of the total H Shares in issue as enlarged by the issue of the Placing Shares and (iv) approximately 45.28% of the total registered capital of the Company as enlarged by the issue of the Placing Shares.



---

## LETTER FROM THE BOARD

---

The Placing Shares will, when fully paid, be allotted and issued in accordance with the articles of association of the Company and with the relevant rules and regulations applicable to the Company and will, upon allotment and issue, be free from all liens, charges, encumbrances or third party rights of whatsoever nature and together with all rights attaching thereto at completion of the relevant tranche of the Placing and thereafter.

The Placing Shares will be allotted and issued under the special mandate proposed to be passed at the EGM and the Class Meetings. The Placing Shares will rank, upon issue, pari passu in all respects with the H Shares in issue at completion of the relevant tranche of the Placing.

### **Placing Price**

The Placing Price was determined after arm's length negotiation between the Company and the Placing Agent and with reference to the prevailing market prices of the H Shares. The Placing Price represents (i) a discount of approximately 9.84% to the closing price of HK\$0.61 per H Share as quoted on the Stock Exchange on the Last Trading Day, and (ii) a discount of approximately 7.72% to the average closing price of approximately HK\$0.596 per H Share for the last five consecutive trading days up to and including the Last Trading Day and (iii) a discount of approximately 76.60% to the closing price of approximately HK\$2.35 per H Share on the Latest Practicable Day.

After deducting the expenses to be incurred in respect of the Placing, the net price per Placing Share will be approximately HK\$0.535.

### **Conditions of the Placing**

Completion of the Placing Agreement is conditional upon:

- (a) the CSRC granting approval to the Company for the issue of the Placing Shares;
- (b) the GEM Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the relevant tranches of the Placing Shares on GEM;
- (c) the adoption of the following resolutions to approve the issue of the Placing Shares:
  - (i) special resolution of the Shareholders at the EGM;
  - (ii) special resolution of the holders of Domestic Shares at a Domestic Share class meeting; and
  - (iii) special resolution of the holders of H Shares at a H Share class meeting;

---

## LETTER FROM THE BOARD

---

- (d) the Company obtaining all consents and approvals from the relevant governmental authorities in the PRC in relation to the issue and allotment of the Placing Shares; and
- (e) the obligations of the Placing Agent not being terminated in accordance with the terms of this Agreement.

The conditions set out in the Placing Agreement are expected to be fulfilled on or before the Long Stop Date. The Company will seek approvals from the Shareholders that the validity period for the placing of the Placing Shares will expire on a date which is three months from the date of obtaining the approval from CSRC for the placing of the Placing Shares or one year from the date of EGM, whichever is earlier.

### **Termination and force majeure for the Placing**

The Placing Agreement may be terminated by the Placing Agent if at any time at or before 10:00 a.m. on the Business Day before the Closing Date, there occurs:

- (a) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the placing of the Placing Shares to potential investor(s) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs which affect the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing; or

---

## LETTER FROM THE BOARD

---

- (d) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing,

then the Placing Agent may upon giving notice to the Company terminate the Placing Agreement with immediate effect. If the Placing Agreement shall be terminated, the obligations of the Placing Agent shall be null and void.

### **Completion of the Placing**

Completion of the Placing is expected to take place within ten Business Days following the satisfaction of the conditions precedent referred to in the paragraph headed “Conditions of the Placing” above or such later date as the Company and the Placing Agent may agree. The Company and the Placing Agent have agreed that completion of the Placing is subject to compliance of public float requirement under the Listing Rules.

The Placing can be completed partially by a maximum of 16 tranches provided that the aggregate number of the Placing Shares for each partial completion shall not be less than 55,000,000 Placing Shares (save for the last tranche of the Placing where the number of the Placing Shares to be issued may be less than 55,000,000 Placing Shares, as the case may be). The Company will make a maximum of 16 listing applications to the GEM Listing Committee of the Stock Exchange for the listing of and permission to deal in the relevant Placing Shares once the Placing Agent confirms to the Company that the number of Placing Shares to be subscribed by the Placees procured by the Placing Agent has reached 55,000,000 Placing Shares and that partial completion of the Placing can take place. However, it is the intention of the Company to consolidate the tranches of Placing Shares so as to minimize the administrative work to be borne by the Company. The issue of the Placing Shares by tranches will provide flexibility to receive the maximum placing of the Placing Shares by the Placing Agent. Announcement will be made by the Company upon each partial completion of the Placing.

Application(s) will be made to the Stock Exchange to grant the listing of, and permission to deal in, the Placing Shares.

## LETTER FROM THE BOARD

### 3. SHAREHOLDING STRUCTURE BEFORE AND IMMEDIATELY AFTER THE PLACING

Holders of Shares	Before the Placing		Immediately after completion of the Placing	
	<i>No. of Shares</i>	<i>Approximate percentage of shareholding of the total registered capital (%)</i>	<i>No. of Shares</i>	<i>Approximate percentage of shareholding of the total registered capital (%)</i>
<b>Domestic Shares</b>				
Sun Li Yong	382,200,000	35.94	382,200,000	19.67
Fang Xiao Jian	182,280,000	17.14	182,280,000	9.38
Fang Han Hong	11,760,000	1.11	11,760,000	0.60
Sun Jian Feng	5,880,000	0.55	5,880,000	0.30
Xia Xue Nian	5,880,000	0.55	5,880,000	0.30
<b>Total Domestic Shares</b>	<b>588,000,000</b>	<b>55.29</b>	<b>588,000,000</b>	<b>30.25</b>
<b>H Shares</b>				
– H Shares held by the public	266,000,000	25.01	266,000,000	13.69
– H Shares held by Miroglio S.p.A.	209,500,000	19.70	209,500,000	10.78
– new H Shares to be issued under the Placing	–	–	880,000,000	45.28
<b>Total H Shares</b>	<b>475,500,000</b>	<b>44.71</b>	<b>1,355,500,000</b>	<b>69.75</b>
<b>Total Shares issued</b>	<b>1,063,500,000</b>	<b>100.00</b>	<b>1,943,500,000</b>	<b>100.00</b>

Upon completion of the Placing, the Company will maintain the public float of its H Shares as required under the GEM Listing Rules. To the best knowledge of the Directors, no holder of the Domestic Shares is a state-owned enterprise and therefore there are no state-owned shares in the Company.

### 4. FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE DATE OF THE ANNOUNCEMENT

There were no fund raising activities conducted during the past 12 months immediately preceding the date of the Announcement.

---

## LETTER FROM THE BOARD

---

### **5. REASONS FOR AND BENEFIT OF ENTERING INTO OF THE PLACING AGREEMENT AND USE OF PROCEEDS**

The Company is principally engaged in the research and development, manufacture and sale of woven fabrics in the PRC. The Placing will enlarge the shareholder and capital bases of the Company and strengthen the financial position of the Company.

The Board considers that the Placing is conducted in the best interest of the Company in view of the prevailing market conditions and that the recent market sentiment represents a good timing for the Placing. In addition, the Placing gives the opportunity to the Company to broaden its shareholder and capital base and provide funding to the Company to capture suitable investment opportunities once they are identified.

The net proceeds of the Placing, after deducting the related commission and expenses, will be approximately HK\$470,900,000, representing a net placing price of approximately HK\$0.535 per H Share. The Company intends to use such net proceeds for working capital and future investments purposes. The Company has been exploring potential investment and business opportunities and the net proceeds arising from the Placing will be used for such potential investment or business opportunities once they are identified.

The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement are fair and reasonable based on the current market condition and are in the interests of the Company and its Shareholders as a whole.

### **6. RIGHT TO DEMAND A POLL**

Pursuant to the Article 72 of the Articles of Association, at any general meeting, a resolution put to the vote at the meeting shall be decided on a show of hands unless:

- (i) a poll is demanded by the following person before or after the voting by show of hands:
  - (1) the chairman of the meeting; or
  - (2) at least two members present in person or by proxy having the right to vote on the resolution; or
  - (3) a member or members present in person or by proxy holding, singly or in aggregate, more than 10% (including 10%) shares conferring the right to attend and vote at the meeting; or
- (ii) a poll is required under the rules prescribed by the relevant stock exchange on which the shares of the Company are listed from time to time and/or any relevant laws, rules or regulations.

---

## LETTER FROM THE BOARD

---

Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried or lost and any entry to that effect in the minutes book shall be the conclusive evidence of the fact without any proof of the number or proportion of the votes recorded in favour of or against the resolution.

The person demanded the poll may withdraw the demand.

### 7. RECOMMENDATION

The Directors believe that the proposed Placing is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions set out in the notice of EGM and the Class Meetings.

Yours faithfully,  
For and on behalf of the Board of  
**Zhejiang Yonglong Enterprises Co., Ltd.**  
**Sun Li Yong**  
*Chairman*

## 1. RESPONSIBILITY STATEMENT

This circular, 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:

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

## 2. SHARE CAPITAL

As at the Latest Practicable Date, the total registered capital and the total issued shares of the Company were as follows:

<i>Total Registered Capital:</i>	<i>RMB</i>
1,063,500,000 share(s) of RMB0.10 each	106,360,000
<i>Total Issued shares:</i>	
1,063,500,000 share(s) of RMB0.10 each	106,360,000

## 3. DISCLOSURE OF INTERESTS

### (a) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors, chief executives and Supervisors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO, which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provision of the SFO)); or (b) pursuant to section 352 of the SFO to be entered into the register referred to therein; or (c) pursuant to Rules 5.40 to 5.58 of the GEM Listing Rules to be notified to the Company and the Stock Exchange were as follows:—

## Long Positions in the Shares

Name of Director	Capacity	Number of Domestic Shares held	Approximate percentage of interests in Domestic Shares in issue as at the Latest Practicable Date	Approximate percentage of interests in total issued share capital as at the Latest Practicable Date
Mr. Sun Li Yong	Beneficial owner	382,200,000	65%	35.94%
	Interest of spouse ( <i>note 1</i> )	182,280,000	31%	17.14%
Ms. Fang Xiao Jian	Beneficial owner	182,280,000	31%	17.14%
	Interest of spouse ( <i>note 2</i> )	382,200,000	65%	35.94%
Mr. Sun Jian Feng	Beneficial owner	5,880,000	1%	0.55%
Mr. Xia Xue Nian	Beneficial owner	5,880,000	1%	0.55%

*Notes:*

1. Mr. Sun Li Yong is the husband of Ms. Fang Xiao Jian and is deemed by virtue of the SFO to be interested in 182,280,000 Shares beneficially owned by Ms. Fang Xiao Jian.
2. Ms. Fang Xiao Jian is the wife of Mr. Sun Li Yong and is deemed by virtue of the SFO to be interested in 382,200,000 Shares beneficially owned by Mr. Sun Li Yong.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executives or Supervisors had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) pursuant to Rules 5.40 to 5.58 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.



**(b) Interests of Shareholders**

So far as it is known to any Directors, chief executives or Supervisors, as at the Latest Practicable Date, the interests and short positions of person in the shares and underlying shares of the Company, other than interest of the Directors or Supervisors, which would fall to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO or which were required, pursuant to section 336 of Part XV of the SFO, to be entered in the register referred to therein, or who is interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group were as follows:

**Long positions in Shares**

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of H shares held</b>	<b>Approximate percentage of interests in H Shares in issue as at the Latest Practicable Date</b>	<b>Approximate percentage of interests in total issued share capital as at the Latest Practicable Date</b>
Miroglio S.p.A.	Beneficial owner	209,500,000	44.06%	19.70%

**4. DIRECTORS' SERVICE CONTRACTS**

Each of the Directors and Supervisors (including the independent non-executive Directors and independent Supervisors) has entered into a service agreement with the Company for three years from the date of appointment. Each of the Directors and Supervisors was appointed as Director and Supervisor of the Company respectively subject to termination in certain circumstances as stipulated in the relevant services agreement.

Save as disclosed, as at the Latest Practicable Date, none of the Directors or Supervisors has entered into any service agreements with the Company or any of its subsidiaries or associated companies, excluding contracts which may not be terminated by the employer within one year without payment of compensation other than statutory compensation.

**5. INTERESTS IN CONTRACT OR ARRANGEMENT**

Except for the following other interests, none of the Directors or Supervisors was materially interested, directly or indirectly, in any contract or arrangement entered into at the Latest Practicable Date and which was significant in relation to the business of the Company.

As at the Latest Practicable Date, certain loans borrowed by the Company were guaranteed by 浙江加佰利控股集團有限公司 (Zhejiang Gabriel Holdings Group Co., Ltd.) (“Zhejiang Gabriel”), a company in which Mr. Sun Li Yong, Ms. Fang Xiao Jian, Mr. Li Cheng Jun, Mr. Sun Jian Feng and Mr. Xia Xue Nian (all are executive Directors) have interests. Details of such guarantees were disclosed in the interim report of the Company for the six months ended 30 June 2007.

As at the Latest Practicable Date, the Company has leased office premises to 浙江宏興莎美娜服飾有限公司 (Zhejiang Hongxing Sabrina Garments Co., Ltd.) and 浙江宏興紡織有限公司 (Zhejiang Hongxing Textiles Co., Ltd.) which are subsidiaries of Zhejiang Gabriel, at the annual rental of approximately RMB180,000 and approximately RMB984,000 respectively.

## **6. INTERESTS IN ASSETS**

None of the Directors or Supervisors has or has had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to the Company or are proposed to be acquired or disposed of by or leased to the Company since 31 December 2006 being the date to which the latest published audited accounts of the Company were made up.

## **7. DIRECTORS' INTEREST IN COMPETING INTEREST**

As at the Latest Practicable Date, none of the Directors or Supervisors or any of their respective associates had any business or interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Company.

## **8. LITIGATION**

So far as the Directors are aware, as at the Latest Practicable Date, the Company was not engaged in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company.

## **9. MATERIAL CONTRACTS**

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Company within two years immediately preceding the Latest Practicable Date and which are material to the Company:

- (a) The Placing Agreement.

## **10. MATERIAL ADVERSE CHANGE**

Save as disclosed, the Directors confirm that they are not aware of any material adverse change in the financial or trading position of the business or the prospects of the Company since 31 December, 2006, being the date to which the latest audited financial statements of the Company were made up.

**11. EXPENSES**

The expenses in connection with the Placing, including the placing commission, printing, registration, translation and legal fees, are estimated to be approximately HK\$13,100,000 and will be payable by the Company.

**12. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at the offices of the Company at Room 620, 6th Floor, Chevalier Commercial Centre, No. 8 Wang Hoi Road, Kowloon Bay, Hong Kong during normal business hours up to and including 15 October 2007:

- (a) the articles of association of the Company;
- (b) the annual reports of the Company for the three years ended 31 December 2006; and
- (c) the material contracts referred to in the paragraph headed "Material contracts" in this Appendix.

**13. CORPORATE INFORMATION**

- (a) The legal address of the Company is Yangxun Qiao Town, Shaoxing Country, Zhejiang Province, the PRC.
- (b) The principal place of business of the Company in Hong Kong is Room 620, 6th Floor, Chevalier Commercial Centre, No. 8 Wang Hoi Road, Kowloon Bay, Hong Kong.
- (c) The qualified accountant appointed under Rule 5.10 of the GEM Listing Rules of the Company is Ms. Chen Yen Yung who is an associate of the Hong Kong Institute of Certified Public Accountants.
- (d) The Company Secretary of the Company is Ms. Chen Yen Yung who is an associate of the Hong Kong Institute of Certified Public Accountants.
- (e) The compliance officer of the Company appointed pursuant to Rule 5.14 of the GEM Listing Rules is Mr. Xia Xue Nian who is also an executive Director.
- (f) The authorized representative of the Company are Mr. Sun Li Yong and Mr. Sun Jian Feng, both are executive Directors.

- (g) The Company has established an audit committee with written terms of reference in compliance with Rules 5.23 to 5.24 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Company and provide advice and comments to the Board. The audit committee has three members comprising the three independent non-executive Directors, Mr. Luk Guo Qing, Mr. Zhu Yu Lin and Mr. Zhong Pei Min. Mr. Luk Guo Qing is the chairman of the audit committee.

Mr. Luk Guo Qing (陸國慶), aged 42, is an independent non-executive Director. Mr. Luk graduated from the Hangzhou University in 1986 and holds a degree in law. He is a licensed lawyer and is a partner of 浙江中法大律師事務所 (Zhejiang Zhong Fa Law Firm\*), a law firm in Zhejiang Province. He has extensive experience in securities law. During 1988 to 1998, he practiced in 浙江國大律師事務所 (Zhejiang Guo Da Law Firm\*). He was re-appointed as an independent non-executive Director of the Company in May 2005.

Mr. Zhu Yuk Lin (竺玉林), aged 47, is an independent non-executive Director. Mr. Zhu graduated from Zhejiang University of Finance & Economics (浙江財經學院) in 1982 and holds a degree in commerce. He is a PRC Certified Public Accountant (中國註冊會計師), a PRC Certified Assets Appraiser (中國註冊資產評估師) and a PRC Certified Tax Appraiser (中國註冊稅務師). During the period from July 1982 to August 1999, he worked as administrative accountant in Zhejiang University of Finance & Economics (浙江財務學院). He has been practicing in Zhejiang Zhijiang Certified Public Accountants (浙江之江會計師事務所) which formerly named as Zhejiang Zhoucai Certified Public Accountants (浙江周財會計師事務所), a certified public accounting firm in Zhejiang Province, the PRC since August 1999 and he is also a director of Zhejiang Zhijiang Certified Public Accountants (浙江之江會計師事務所). He was appointed as an independent non-executive Director in September 2004.

Mr. Zong Pei Min (宗佩民), aged 43, is an independent non-executive Director. Mr. Zong graduated from Hangzhou University of Commerce (杭州商業學院) in 1989 and holds a degree in economics. During the period from August 1989 to May 1990, he worked as an assistant lecturer at 金華職業技術學院 (Jin Hua Technical Institute\*). From June 1990 to March 2000, he worked at 浙江興合集團 (Zhejiang Xing He Group\*) as supervisor of investment department. From April 2000 to July 2002, he worked at 浙江省天堂硅谷創業投資有限公司 (Zhejiang Tian Tang Gui Gu Chuang Ye Investment Ltd.\*) as general manager of consulting and research department. He is currently a director of 浙江華睿投資管理有限公司 (Zhejiang Hua Rui Investment Management Co. Ltd.\*). He was appointed as an independent non-executive Director in May 2005.

- (h) The international auditors and domestic auditors of the Company are Shinewing (HK) CPA Limited and Shulu Pan Certified Public Accountants Co., Ltd. respectively.

\* For identification purposes only

- (i) The principal banker of the Company is Agriculture Bank of China.
- (j) The solicitors acting for the Company in respect of the Placing are Tung & Co. at 19/F., No. 8 Wyndham Street, Central, Hong Kong.
- (k) The H shares registrars of the Company is Union Registrars Limited at Rooms 1901 & 1902, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong.
- (l) The English text of this circular shall prevail over the Chinese text in the case of any inconsistency.

---

# NOTICE OF EXTRAORDINARY GENERAL MEETING

---



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;
- (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;

\* For identification purposes only

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

- (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

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

*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.





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 H SHARE CLASS MEETING**

**Notice is hereby given** that a class meeting of holders of H Shares (“H Share Class Meeting”) 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 10:15 a.m. or so soon thereafter as the extraordinary general meeting of the Company to be convened on the same day at the same place shall have been concluded or adjourned 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 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

---

## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

---

- (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

---

## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

---

*Notes:*

- (i) Any holder of H Shares entitled to attend and vote at the H Share Class Meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the H Share Class Meeting 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 notorially 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 H Share Class Meeting or 24 hours before the time appointed for taking the poll.
- (iii) Holders of H Shares or their proxies shall produce their identity documents when attending the H Share Class Meeting.
- (iv) The register of holders of H shares of the Company will be closed from 13 October 2007 to 13 November 2007 (both dates inclusive), during which period no transfer of H Shares will be registered.
- (v) Holders of H Shares whose names appear on the register of holders of H Shares on 13 October 2007 are entitled to attend and vote at the H Share Class Meeting.
- (vi) Holders of H Shares who intend to attend the H Share Class Meeting 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 H Share Class Meeting is not expected to take more than half a day. Shareholders or their proxies attending the H Share Class Meeting shall be responsible for their own travel and accommodation expenses.



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 DOMESTIC SHARE CLASS MEETING**

**Notice is hereby given** that a class meeting of holders of Domestic Shares (“Domestic Share Class Meeting”) 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 10:30 a.m. or so soon thereafter as the meeting of the holders of H shares of the Company to be convened on the same day at the same place shall have been concluded or adjourned 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 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

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

- (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

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

*Notes:*

- (i) Any holders of Domestic Shares entitled to attend and vote at the Domestic Share Class Meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the Domestic Share Class Meeting 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 Domestic Share Class Meeting or 24 hours before the time appointed for taking the poll.
- (iii) Holders of Domestic Shares or their proxies shall produce their identity documents when attending the Domestic Share Class Meeting.
- (iv) The register of holders of Domestic Shares of the Company will be closed from 13 October 2007 to 13 November 2007 (both dates inclusive), during which period no transfer of Domestic Shares will be registered.
- (v) Holders of Domestic Shares whose names appear on the register of holders of Domestic Shares on 13 October 2007 are entitled to attend and vote at the Domestic Share Class Meeting.
- (vi) Holders of Domestic Shares who intend to attend the Domestic Share Class Meeting 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 Domestic Share Class Meeting is not expected to take more than half a day. Holders of Domestic Shares or their proxies attending the Domestic Share Class Meeting shall be responsible for their own travel and accommodation expenses.