
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Zhejiang Yonglong Enterprises Co., Ltd.** (the “Company”), you should at once hand this circular and the accompanying form(s) of proxy and reply slip to the purchaser or other transferee or to the licensed securities dealer, or to the bank, or to other agents through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

- (1) PROPOSED CHANGE OF COMPANY NAME;
(2) PROPOSED CHANGE OF THE BUSINESS SCOPE OF THE COMPANY;
(3) PROPOSED CHANGES TO THE BOARD;
(4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 3 to 11 of this circular.

A notice convening an extraordinary general meeting of the Company to be held at the Conference Room of the Office Building of the Company at Yangxun Qiao Town, Keqiao Qu, Shaoxing, Zhejiang Province, the PRC, at 10:00 a.m. on Tuesday, 28 February 2017 or any adjournment thereof is set out on pages 15 to 18 of this circular. A reply slip and a proxy form for use at the extraordinary general meeting are enclosed herewith.

Whether or not you propose to attend the meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same, for holders of H Shares, to the Company's H share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong and for holders of Domestic Shares, to the Company's legal address at Yangxun Qiao Town, Keqiao Qu, Shaoxing, Zhejiang Province, the PRC as soon as possible and in any event not later than 24 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

This circular will remain on the “Latest Company Announcements” page of the website of the GEM at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the website of the Company at <http://www.zj-yonglong.com>.

13 January 2017

* For identification purpose only

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. 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 trade on GEM.

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DEFINITIONS

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

“Announcement”	an announcement of the Company dated 4 January 2017 in relation to, inter alia, (i) proposed change of company name, (ii) proposed change of the business scope of the Company, (iii) proposed changes to the Board, and (iv) proposed amendments to the Articles of Association
“Articles of Association”	the articles of association of the Company, as amended, revised or supplemented from time to time
“Board”	the board of Directors
“Chairman”	the chairman of the Company
“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
“Deputy Chairman”	the deputy chairman of the Company
“Domestic Share(s)”	domestic share(s) of nominal value of RMB0.1 each in the share capital of the Company, which are subscribed for or credit as fully paid up in RMB
“EGM”	an extraordinary general meeting to be held at the Conference Room of the Office Building of the Company at Yangxun Qiao Town, Keqiao Qu, Shaoxing, Zhejiang Province, the PRC on Tuesday, 28 February 2017
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange in effect from time to time
“Guizhou Yongan”	Guizhou Yongan Finance Holdings Company Ltd.* (貴州永安金融控股股份有限公司), a company established in the PRC
“H Share(s)”	overseas listed foreign share(s) of nominal value of RMB0.1 each in the capital of the Company which are listed on GEM and subscribed for in Hong Kong dollars

DEFINITIONS

“Latest Practicable Date”	11 January 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Legal Representative”	the legal representative of the Company
“Mandatory Provisions”	the Mandatory Provisions for Companies Listing Overseas set forth in Zheng Wei Fa (1994) No.21 issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System
“Nomination Committee”	nomination committee of the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this circular
“Proposed Change of Business Scope”	the proposed change of the business scope of the Company, details of which are set out in the section headed “Proposed Change of the Business Scope of the Company” in this circular
“Proposed Change of Company Name”	the proposed change of the Chinese name and the English name of the Company, details of which are set out in the section headed “Proposed Change of Company Name” in this circular
“Remuneration Committee”	remuneration committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhejiang Yongli”	Zhejiang Yongli Industry Group Co., Ltd.* (浙江永利實業集團有限公司), a company established in the PRC and is the ultimate holding company of the Company

In this circular, the English translation of certain Chinese entities which are marked with “” is for identification purpose only.*

LETTER FROM THE BOARD



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)

Board of Directors

Executive Directors:

Mr. Wang Xinyi (*Chairman*)
Ms. He Lianfeng
(*Deputy Chairman and Chief Executive Officer*)
Mr. Hu Hua Jun

Legal address:

Yangxun Qiao Town
Keqiao Qu, Shaoxing
Zhejiang Province
The People's Republic of China

Non-Executive Directors:

Mr. Chen Dong Chun
Mr. Tang Guo Ping

Principal place of business in Hong Kong:

Suites 06-12, 33rd Floor
Shui On Centre
6-8 Harbour Road
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Xu Wei Dong
Ms. Zhang Li
Mr. Wang Weisong

13 January 2017

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED CHANGE OF COMPANY NAME;
(2) PROPOSED CHANGE OF THE BUSINESS SCOPE OF THE COMPANY;
(3) PROPOSED CHANGES TO THE BOARD;
(4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the Announcement. The purpose of this circular is to provide you with further information regarding (i) the Proposed Change of Company Name, (ii) the Proposed Change of Business Scope, (iii) the proposed appointment of Mr. Jiang Ning as an executive Director; (iv) the proposed appointment of Mr. He Weifeng as an executive Director; and (v) the proposed amendments to the Articles of Association, together with a notice of EGM.

LETTER FROM THE BOARD

2. PROPOSED CHANGE OF COMPANY NAME

The Board proposed to change the Chinese name of the Company from “浙江永隆實業股份有限公司” to “浙江永安融通控股股份有限公司” and the English name of the Company adopted for identification purpose only be changed from “Zhejiang Yonglong Enterprises Co., Ltd.” to “Zhejiang Yongan Rongtong Holdings Co., Ltd.”.

Conditions

The Proposed Change of Company Name is subject to the satisfaction of the following conditions:

- (i) a special resolution passed by the Shareholders at the EGM to approve the Proposed Change of Company Name; and
- (ii) all the necessary approval obtained from the relevant PRC authorities for the Proposed Change of Company Name.

The new name of the Company has been pre-approved by the State Administration for Industry and Commerce.

The relevant filing with relevant PRC authorities will be made after the passing of the relevant special resolution at the EGM. Subject to satisfaction of the conditions set out above, the Proposed Change of Company Name will take effect from the date when the new name is registered with the competent industry and commerce authority in the PRC. The Company will then proceed with all necessary filing procedures with the Companies Registry in Hong Kong.

Reasons for the Proposed Change of Company Name

The Board considers that the Proposed Change of Company Name will better reflect the current status of the Company’s business development and its direction of future development. The Board believes that the new name can provide the Company with a more appropriate corporate image and identity which will benefit the Company’s future business development and is in the best interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

Effects of the Proposed Change of Company Name

The Proposed Change of Company Name will not affect any rights of the Shareholders or the Company's daily business operation and financial position. All existing share certificates in respect of the H Shares in issue bearing the current name of the Company shall, after the Proposed Change of Company Name becoming effective, continue to be the evidence of title to such H Shares and will remain valid for trading, settlement, registration and delivery purposes. There will not be any arrangement for exchange of the existing share certificates of H Shares for new share certificates bearing the new name of the Company. Upon the Proposed Change of Company Name becoming effective and from then on, the new share certificates in respect of the H Shares will be issued only in the new name of the Company.

In addition, subject to the confirmation of the Stock Exchange, the English and Chinese stock short names of the Company for dealing in the H Shares on the Stock Exchange will also be changed after the Proposed Change of Company Name becoming effective. Further announcement will be made by the Company relating to, among other things, the effective date of the Proposed Change of Company Name and the Company's stock short names.

The Proposed Change of Company Name will be put forward to the Shareholders for approval by way of a special resolution at the EGM.

3. PROPOSED CHANGE OF THE BUSINESS SCOPE OF THE COMPANY

In order to cater for the needs of business development of the Company, the Board proposes to change the business scope of the Company from "the manufacturing and sales of knitted and woven garments and fashion" to "the manufacturing and sales of knitted and woven/textile fabrics and fashion; industrial investments; provision of data processing services; technology development in e-commerce; private equity investment, investment management, asset management, investment consulting, corporate management consulting, branding and marketing planning; provision of information system integration services; technology development, technical consulting and provision of technological services in computer software and hardware technology, information technology, internet technology, material technology, energy-saving technology, new energy technology; energy-saving engineering design consulting, installation and energy performance contracting services; research and development and the sales of environmental protection equipment, water treatment equipment and their relevant parts."

LETTER FROM THE BOARD

Conditions

The Proposed Change of Business Scope is subject to satisfaction of the following conditions:

- (i) a special resolution passed by the Shareholders at the EGM to approve the Proposed Change of Business Scope; and
- (ii) all the necessary approval obtained from the relevant PRC authorities for the Proposed Change of Business Scope.

The relevant filing with relevant PRC authorities will be made after the passing of the relevant special resolution at the EGM. Subject to satisfaction of the conditions set out above, the Proposed Change of Business Scope will take effect from the date when the new business scope is registered with the competent industry and commerce authority in the PRC.

The Proposed Change of Business Scope will be put forward to the Shareholders for approval by way of a special resolution at the EGM. Meanwhile the Board or its authorised persons have the right to make necessary changes to the business scope of the Company and the relevant articles of the Articles of Association in accordance with the views or requirements for approval as raised by the competent industry and commerce authority in the PRC.

4. PROPOSED CHANGES TO THE BOARD

(i) Resignation of Director

As disclosed in the Announcement, the Board was informed by Mr. Wang Xinyi (“**Mr. Wang**”) that he will resign as an executive Director, the Chairman, the Legal Representative and a member of the Remuneration Committee for personal development with effect from the date of the EGM.

Mr. Wang has confirmed that he does not have any disagreement with the Board and that there are no matters relating to his resignation which need to be brought to the attention of the Shareholders.

(ii) Resignation of Deputy Chairman

As disclosed in the Announcement, the Board was informed by Ms. He Lianfeng (“**Ms. He**”) that she will resign as the Deputy Chairman with effect from the date of the EGM but will remain as an executive Director, the chief executive officer of the Company and a member of the Nomination Committee.

Ms. He has confirmed that she does not have any disagreement with the Board and that there are no matters relating to her resignation which need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

(iii) Proposed appointment of Directors

As disclosed in the Announcement, the Board further announced that Mr. Jiang Ning (“**Mr. Jiang**”) and Mr. He Weifeng (“**Mr. He**”) are nominated as executive Directors by the Company’s controlling Shareholder, Guizhou Yongan. The Board also proposes to elect Mr. Jiang as the Chairman and Mr. He as the Deputy Chairman upon their appointment as executive Directors becoming effective.

Pursuant to the Articles of Association, the appointment of Director will only become effective after obtaining approval from the Shareholders at a general meeting and the legal representative of the Company is the chairman of the Board. As such, ordinary resolutions will be proposed at the EGM to appoint Mr. Jiang and Mr. He as executive Directors and upon passing of these resolutions by the Shareholders at the EGM, the appointment of Mr. Jiang and Mr. He as Chairman and Deputy Chairman, respectively, will take effect on the date of the EGM, and the Legal Representative shall change accordingly from Mr. Wang to Mr. Jiang, and Mr. He will be appointed as a member of the Remuneration Committee.

The biographical details of Mr. Jiang are as follows:

Mr. Jiang Ning (蔣寧), aged 45, is currently a vice general manager of Guizhou Yongan, which has been the immediate holding company of the Company since 14 November 2016. Since October 2015, Mr. Jiang has taken up various posts concurrently in four subsidiaries of Guizhou Yongan, including the posts of director and legal representative of Guiyang Yongan Internet Financial Investments Services Limited* (貴陽永安互聯網金融投資服務有限公司), Shenzhen Yongan Chengxiang Investment Management Co., Ltd.* (深圳市永安呈祥投資管理有限責任公司) and Guiyang Qingqing Internet Technology Co., Ltd* (貴陽青青互聯網科技有限公司), and also a director of Hong Kong Liren Holding Limited (香港利仁控股有限公司). He is also a general manager of Shenzhen Blockchain Financial Services Limited* (深圳區塊鏈金融服務有限公司).

Mr. Jiang has over 19 years of experience in banking industry. Mr. Jiang has worked for various banks, including Agricultural Bank of China from July 1993 to September 1997 and China Everbright Bank from October 1997 to February 2003, mainly engaged in credit management and international settlement business work. Upon the completion of his master degree in the United Kingdom in 2005, Mr. Jiang joined Shenzhen Development Bank and acted as an assistant general manager in Internal Audit Department (稽核部) of the head office from September 2005 to March 2007. From April 2007 to November 2014, Mr. Jiang has served as a general manager of various departments in Ping An Bank, including the Small and Medium Enterprise Department (中小企業部), the Trade Finance Department (貿易融資部) and the International Business Department (國際業務部) of the head office and the Corporate Department (公司部) of the Western District. In November 2014, Mr. Jiang joined Webank and acted as a general manager of the Small-micro-scale Enterprise Business Department (小微企業事業部) until September 2015, mainly engaged in the promotion of a small-micro-platform financial model (小微平台金融模式) planning and implementation.

LETTER FROM THE BOARD

Mr. Jiang graduated from Huazhong University of Science and Technology, Hankou Branch* (華中理工大學漢口分校 now known as Jiangnan University* (江漢大學)) in 1993 with a bachelor degree in Engineering. He also obtained a master degree in Business Administration in the University of Birmingham in 2005.

Saves as disclosed above, as at the Latest Practicable Date, Mr. Jiang (i) has not held any directorships in public companies listed in Hong Kong or any other major exchanges in the last three years; (ii) does not hold any other position with the Company; and (iii) has no other major appointments and professional qualifications.

As at the Latest Practicable Date, save as disclosed above, to the best knowledge, information and belief of the Board having made reasonable enquiry, Mr. Jiang does not have any interests in the Shares within the meaning of Part XV of the SFO and Mr. Jiang does not have any relationships with any Directors, senior management, substantial or controlling Shareholders of the Company. Mr. Jiang has confirmed that, save as disclosed above, there is no other information required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and no matter regarding his appointment needs to be brought to the attention of the Shareholders.

An ordinary resolution will be proposed at the EGM to elect Mr. Jiang as an executive Director effective from the date of the EGM, and to authorise the Board to enter into a service contract with Mr. Jiang. Mr. Jiang is proposed to be appointed for a term of 3 years commencing from the date of the EGM with an annual emolument of RMB600,000 plus a year-end discretionary bonus, which was determined with reference to the existing contracts entered into between the Company and the existing executive Directors and will be paid by the Company.

The biographical details of Mr. He are as follows:

Mr. He Weifeng (何偉楓), aged 36, the son-in-law of Mr. Zhou Yongli (“**Mr. Zhou**”). Mr. Zhou is the controlling shareholder of Zhejiang Yongli. Mr. He joined Zhejiang Yongli in June 2005. Mr. He had held the positions of vice general manager and general manager in Wuxi Huaqiang Properties Development Co., Ltd.* (無錫華強房地產開發有限公司), a subsidiary of Zhejiang Yongli. Mr. He formed Yongli Properties Group* (永利地產集團) which is a company with Grade I qualification in the PRC, where he acted as the chief executive officer. While working in Yongli Properties Group* (永利地產集團), he led a number of large-scale commercial real estate projects, in which he accumulated extensive experience in the acquisition and development of real estate, as well as engineering, cost control and corporate structure management. Mr. He’s leadership and managerial experience was demonstrated by his vast contribution to the development of Yongli Properties Group*(永利地產集團) from a single industry company to an integrated industries company, which involved sole development, equity cooperation and debenture cooperation in the development of real estate, commercial buildings and hotel operation.

LETTER FROM THE BOARD

Currently, Mr. He acts as vice-chairman of Zhejiang Yongli where he focuses on the group's strategic planning. Mr. He concurrently acts as vice general manager of Guiyang Yongan Internet Finance Investment Management Co., Ltd.* (貴陽永安互聯網金融投資管理有限公司), where he is responsible for the development in real estate and finance. Mr. He has taken part in several major funds, merger and acquisition projects, which showcase his rich experience in corporate management, investment and development, as well as his insights in the cross-border projects of real estate and finance.

Mr. He graduated from the University of Leicester in July 2005 with a bachelor degree in commerce and economics. He also obtained a master degree in EMBA from Cheung Kong Graduate School of Business in September 2011.

Save as disclosed above, as at the Latest Practicable Date, Mr. He (i) has not held any directorships in public companies listed in Hong Kong or any other major exchanges in the last three years; (ii) has not held any other position with the Company; and (iii) has no other major appointments and professional qualifications.

As at the Latest Practicable Date, save as disclosed above, to the best knowledge, information and belief of the Board having made reasonable enquiry, Mr. He does not have any interests in the Shares within the meaning of Part XV of the SFO. Mr. He does not have any relationships with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. He has confirmed that there is no other information required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and no matter regarding his appointment needs to be brought to the attention of the Shareholders.

An ordinary resolution will be proposed at the EGM to elect Mr. He as an executive Director effective from the date of the EGM, and to authorise the Board to enter into a service contract with Mr. He. Mr. He is proposed to be appointed for a term of 3 years commencing from the date of the EGM with an annual emolument of RMB400,000 plus a year-end discretionary bonus, which was determined with reference to the existing contracts entered into between the Company and the existing executive Directors and will be paid by the Company.

5. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board proposes to amend the Articles of Association to reflect, among other things: (i) change in the business licence with uniform social credit code pursuant to the "Three in One" Registration System Reform implemented by the State Administration for Industry and Commerce; (ii) the Proposed Change of Company Name; (iii) the Proposed Change of Business Scope; and (iv) the latest shareholding structure of the Company.

LETTER FROM THE BOARD

Details of the proposed amendments to the Articles of Association are set out in the Appendix to this circular.

Shareholders should be aware that the Articles of Association are written in Chinese only and no official translation is available. The English text of the Articles of Association (or the proposed amendments thereof) as stated in this circular (together with the accompanying notice) is only an unofficial translation prepared for reference only. The Chinese version of the Articles of Association shall prevail in case of any discrepancy in the translation and/or any inconsistency between the two versions.

6. EGM AND PROXY ARRANGEMENT

A notice convening an extraordinary general meeting of the Company to be held at the Conference Room of the Office Building of the Company at Yangxun Qiao Town, Keqiao Qu, Shaoxing, Zhejiang Province, the PRC, at 10:00 a.m. on Tuesday, 28 February 2017 or any adjournment thereof is set out on pages 15 to 18 of this circular. At the EGM, resolutions will be proposed to approve, inter alia, (i) the Proposed Change of Company Name; (ii) the Proposed Change of Business Scope; (iii) the proposed appointment of Mr. Jiang Ning as an executive Director; (iv) the proposed appointment of Mr. He Weifeng as an executive Director; and (v) the proposed amendments to the Articles of Association. A reply slip and a proxy form for use at the extraordinary general meeting are enclosed herewith.

Whether or not you propose to attend the meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same, for holders of H Shares, to the Company's H share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong and for holders of Domestic Shares, to the Company's legal address at Yangxun Qiao Town, Keqiao Qu, Shaoxing, Zhejiang Province, the PRC as soon as possible and in any event not later than 24 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

Pursuant to the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all the proposed resolutions will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD

7. 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 the information contained in this circular 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 in this circular misleading.

8. RECOMMENDATION

The Directors, including the independent non-executive Directors, are of the opinion that (i) the Proposed Change of Company Name; (ii) the Proposed Change of Business Scope; (iii) the proposed appointment of Mr. Jiang Ning as an executive Director; (iv) the proposed appointment of Mr. He Weifeng as an executive Director; and (v) the proposed amendments to the Articles of Association, are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the EGM.

9. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix (Proposed Amendments to the Articles of Association) to this circular.

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

APPENDIX PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Please note that the proposed amendments to the Articles of Association are prepared in Chinese language. The English translation of the proposed amendments to the Articles of Association in this appendix is for information only and is not an official translation of the Chinese version. In case of any discrepancy, the Chinese version shall prevail.

The full text of the proposed amendments to the Articles of Association is set out as follows:

Articles to be amended	Original Articles	Articles after amendment	Relevant Mandatory Provisions / GEM Listing Rules
Article 1	<p>The company (or the “Company”) is a joint stock limited company established in accordance with the 《Company Law of the People’s Republic of China》(hereinafter referred to as the 《Company Law》), 《the Special Regulations of the State Council Concerning the Overseas Share Subscription and Listing of Joint Stock Limited Companies》 (hereinafter referred to as the Special Regulations) and other State laws and statutory regulations.</p> <p>As approved by 浙江省人民政府企業上市工作領導小組 (Enterprise Listing Working Committee of the People’s Government of Zhejiang Province*) (Zhe Shang Shi (2002) No. 21), the Company was established by way of promotion. The Company was registered with 中華人民共和國浙江省工商行政管理局 (Commerce and Administration Bureau in Zhejiang Province of the People’s Republic of China*) and obtained the business license on 16th April, 2002. The Company was transformed into a joint stock limited company with foreign investment as approved by 中華人民共和國商務部 (by the Ministry of Commerce of the People’s Republic of China*) on 26 March 2004.</p> <p>The number of the Company’s business license is: 3300001008627.</p> <p>The promoters of the Company are: Sun Li Yong, Fang Xiao Jian, Fang Han Hong, Sun Jian Feng and Xia Xue Nian (hereinafter referred to as the “Promoters”).</p>	<p>The company (or the “Company”) is a joint stock limited company established in accordance with the 《Company Law of the People’s Republic of China》(hereinafter referred to as the 《Company Law》), 《the Special Regulations of the State Council Concerning the Overseas Share Subscription and Listing of Joint Stock Limited Companies》 (hereinafter referred to as the Special Regulations) and other State laws and statutory regulations.</p> <p>As approved by 浙江省人民政府企業上市工作領導小組 (Enterprise Listing Working Committee of the People’s Government of Zhejiang Province*) (Zhe Shang Shi (2002) No. 21), the Company was established by way of promotion. The Company was registered with 中華人民共和國浙江省工商行政管理局 (Commerce and Administration Bureau in Zhejiang Province of the People’s Republic of China*) and obtained the business license on 16th April, 2002. The Company was transformed into a joint stock limited company with foreign investment as approved by 中華人民共和國商務部 (by the Ministry of Commerce of the People’s Republic of China*) on 26 March 2004.</p> <p><u>The number of the Company’s uniform social credit code is: 91330000737791361E.</u></p> <p>The promoters of the Company are: Sun Li Yong, Fang Xiao Jian, Fang Han Hong, Sun Jian Feng and Xia Xue Nian (hereinafter referred to as the “Promoters”).</p>	Article 1 of Mandatory Provisions

Articles to be amended	Original Articles	Articles after amendment	Relevant Mandatory Provisions / GEM Listing Rules
Article 2	Registered name of the Company: Chinese: 浙江永隆實業股份有限公司 English: Zhejiang Yonglong Enterprises Co., Ltd.	Registered name of the Company: Chinese: 浙江永安融通控股股份有限公司 English: <u>Zhejiang Yongan Rongtong Holdings Co., Ltd.</u>	Article 2 of Mandatory Provisions
Article 11	The scope of business of the Company shall be based on the projects examined and approved by the company registration authority. The business scope of the Company is the manufacturing and sales of knitted and woven garments and fashion.	The scope of business of the Company shall be based on the projects examined and approved by the company registration authority. <u>The business scope of the Company is the manufacturing and sales of knitted and woven/textile fabrics and fashion; industrial investments; provision of data processing services; technology development in e-commerce; private equity investment, investment management, asset management, investment consulting, corporate management consulting, branding and marketing planning; provision of information system integration services; technology development, technical consulting and provision of technological services in computer software and hardware technology, information technology, internet technology, material technology, energy-saving technology, new energy technology; energy-saving engineering design consulting, installation and energy performance contracting services; research and development and the sales of environmental protection equipment, water treatment equipment and their relevant parts.</u>	Article 10 of Mandatory Provisions

Articles to be amended	Original Articles	Articles after amendment	Relevant Mandatory Provisions / GEM Listing Rules
Article 19	<p>After the share subdivision, the Company issued 250,000,000 Foreign Invested Shares Listed Overseas (H Shares) (excluding the 15% of over-allotment option), which constitutes the ratio of 29.83% of a total number of ordinary shares to be issued by the Company.</p> <p>As authorised at the 2003 annual general meeting held on 18 May 2004 and as approved by the extraordinary general meeting of the Company, domestic shares class meeting and H shares class meeting on 24 January 2005, an addition of an aggregate of 225,500,000 H shares were issued which constitutes the ratio of 21.2% on the total number of ordinary shares to be issued by the Company.</p> <p>As at 21 August 2012, the shareholding structure of the Company is: the number of ordinary shares is 1,063.5 million, in which Zhejiang Yongli Industry Group Co. Ltd* (浙江永利實業集團有限公司) (hereinafter referred to as “Zhejiang Yongli”) holds 564.48 million shares; Fang Han Hong holds 11.76 million shares; Sun Jian Feng holds 5.88 million shares; Xia Xue Nian holds 5.88 million shares, whereas other holders of overseas-listed foreign shares (H shares) hold 475.5 million shares.</p>	<p>After the share subdivision, the Company issued 250,000,000 Foreign Invested Shares Listed Overseas (H Shares) (excluding the 15% of over-allotment option), which constitutes the ratio of 29.83% of a total number of ordinary shares to be issued by the Company.</p> <p>As authorised at the 2003 annual general meeting held on 18 May 2004 and as approved by the extraordinary general meeting of the Company, domestic shares class meeting and H shares class meeting on 24 January 2005, an addition of an aggregate of 225,500,000 H shares were issued which constitutes the ratio of 21.2% on the total number of ordinary shares to be issued by the Company.</p> <p><u>As at 30 June 2016, the shareholding structure of the Company is: the number of ordinary shares is 1,063.5 million, in which Zhejiang Yongli Industry Group Co. Ltd* (浙江永利實業集團有限公司) holds 588.0 million shares; other holders of overseas-listed foreign shares (H shares) hold 475.5 million shares. As at 14 November 2016, the shareholding structure of the Company is: the number of ordinary shares is 1,063.5 million, in which Guizhou Yongan Finance Holdings Company Ltd.* (貴州永安金融控股股份有限公司) holds 588.0 million shares; other holders of overseas-listed foreign shares (H shares) hold 475.5 million shares.</u></p>	Article 16 of Mandatory Provisions/ Section 9 of Appendix 3 of the GEM Listing Rules

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 IS HEREBY GIVEN THAT an extraordinary general meeting (the “**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, Keqiao Qu, Shaoxing, Zhejiang Province, the People’s Republic of China (the “**PRC**”) on Tuesday, 28 February 2017 at 10:00 a.m. for the purposes of considering and, if though fit, to pass with or without modifications, the following resolutions of the Company:-

SPECIAL RESOLUTIONS

1. “**THAT** the Chinese name of the Company to be changed from “浙江永隆實業股份有限公司” to “浙江永安融通控股股份有限公司” and the English name of the Company adopted for identification purpose only to be changed from “Zhejiang Yonglong Enterprises Co., Ltd.” to “Zhejiang Yongan Rongtong Holdings Co., Ltd.”, be and are hereby approved and **THAT** any one of the directors of the Company be and is hereby authorised to do all such acts and things and to sign all documents and to take any steps which in his/her absolute discretion considered to be necessary, desirable or expedient for the purpose of implementing and/or giving effect to the change of the name of the Company.”
2. (a) “**THAT** the following amendments to the business scope of the Company be and are hereby approved:

The current business scope of the Company is:

“the manufacturing and sales of knitted and woven garments and fashion.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

be amended to:

“the manufacturing and sales of knitted and woven/textile fabrics and fashion; industrial investments; provision of data processing services; technology development in e-commerce; private equity investment, investment management, asset management, investment consulting, corporate management consulting, branding and marketing planning; provision of information system integration services; technology development, technical consulting and provision of technological services in computer software and hardware technology, information technology, internet technology, material technology, energy-saving technology, new energy technology; energy-saving engineering design consulting, installation and energy performance contracting services; research and development and the sales of environmental protection equipment, water treatment equipment and their relevant parts.”

- (b) any one of the directors of the Company be and is hereby authorised to do all such acts and things and to sign all documents and to take any steps which in his/her absolute discretion considered to be necessary, desirable or expedient for the purpose of implementing and/or giving effect to the amendments to the business scope of the Company.
3. “**THAT** the proposed amendments to the articles of association of the Company (the “**Articles of Association**”) (details of which are set out in the appendix to the circular dated 13 January 2017 despatched to the shareholders of the Company) be and are hereby considered and approved, and will become legal and effective subject to the relevant approval, filing and/or registration procedures in the PRC and **THAT** any one director of the Company be and is hereby authorised to make such adjustments or other amendments to the Articles of Association as he/she considers necessary or otherwise appropriate in connection with the abovementioned proposed amendments to the Articles of Association or as may be required by the relevant regulatory authorities, and to file the amended Articles of Association with the relevant authorities for approval, endorsement and/or registration as appropriate, and to do or authorise doing all such acts and things and to sign all documents and to take any steps which in his/her absolute discretion considered to be necessary, desirable or expedient for the purpose of implementing and/or giving effect to the proposed amendments to the Articles of Association.”

ORDINARY RESOLUTIONS

4. “**THAT** Mr. Jiang Ning (“**Mr. Jiang**”) be and is hereby appointed as an executive director of the Company for a period of 3 years effective from the date of the EGM and **THAT** the Board be and is hereby authorised to enter into a service contract with Mr. Jiang for a term of 3 years commencing from the date of the EGM with an annual emolument of RMB600,000 plus a year-end discretionary bonus.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

5. “**THAT** Mr. He Weifeng (“**Mr. He**”) be and is hereby appointed as an executive Director of the Company for a period of 3 years effective from the date of the EGM and **THAT** the Board be and is hereby authorised to enter into a service contract with Mr. He for a term of 3 years commencing from the date of the EGM with an annual emolument of RMB400,000 plus a year-end discretionary bonus.”

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

Zhejiang, the PRC, 13 January 2017

Notes:

1. The H Shares register of shareholders of the Company will be closed from 29 January 2017 to 28 February 2017 (both days inclusive), during which period no transfer of H Shares will be effected. The shareholders of H Shares whose names appeared on the register of shareholders of the Company on Tuesday, 28 February 2017 will be entitled to attend and vote at the EGM. In order to qualify for attendance and voting at the EGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company’s H share registrar (“**Company’s H Share Registrar**”), Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not later than 4:00 p.m. on Friday, 27 January 2017.
2. Any shareholder of H Shares and Domestic Shares entitled to attend and vote at the EGM convened by the above notice 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 holder of H Shares and Domestic Shares.
3. 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 delivered, for holders of H shares, to the office of the Company’s H Share Registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong and for holders of Domestic Shares, to the Company’s legal address at Yangxun Qiao Town, Keqiao Qu, Shaoxing, Zhejiang Province, the PRC not less than 24 hours before the time for holding the EGM (or any adjourned meeting thereof) or 24 hours before the time appointed for taking the poll.
4. Holders of H Shares and Domestic Shares or their proxies shall produce their identity documents when attending the EGM.
5. Holders of H Shares and Domestic Shares who intend to attend the EGM shall complete and lodge the reply slip for attending the meeting at the Company’s H Share Registrar and the Company’s legal address, respectively on or before Wednesday, 8 February 2017. The reply slip may be delivered to the Company by hand, by post or by fax (at fax No.: (86) 575-84576060).
6. The EGM is not expected to take more than half a day. Shareholders or their proxies attending the EGM shall bear their own traveling and accommodation expenses.

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7. The legal address of the Company and the details of the secretarial office of the Board are as follows:-
Yangxun Qiao Town
Keqiao Qu, Shaoxing, Zhejiang Province, The PRC
Postal Code: 312028
Tel: (86) 575-84069469
Fax: (86) 575-84576060
Contact person: Mr. Hu Hua Jun
8. As required under the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprises Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited, the above resolutions will be decided by way of poll.

As at the date of this notice, 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; and the independent non-executive Directors are Mr. Xu Wei Dong, Ms. Zhang Li and Mr. Wang Weisong.

This notice, 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 notice 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 notice misleading.

This notice will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the Company’s website at <http://www.zj-yonglong.com>.

** For identification purpose only*