
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 Yongan Rongtong Holdings 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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YONGAN HOLDINGS

浙江永安融通控股股份有限公司

ZHEJIANG YONGAN RONGTONG HOLDINGS CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code : 8211)

**PROPOSED RE-ELECTION OF DIRECTOR,
PROPOSED RE-ELECTION OF SUPERVISORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 7 of this circular.

A notice convening an annual 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, 15 May 2018 or any adjournment thereof is set out on pages 8 to 10 of this circular. A reply slip and a proxy form for use at the annual 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 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-yongan.com>.

* For identification purposes only

29 March 2018

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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:

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|---------------------------|---|
| “Articles” | the articles of association of the Company, as amended, revised or supplemented from time to time |
| “Chairman” | the chairman of the Company |
| “Company” | 浙江永安融通控股股份有限公司 (Zhejiang Yongan Rongtong Holdings 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 |
| “AGM” | an annual 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, 15 May 2018 |
| “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 |
| “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 |
| “Latest Practicable Date” | 23 March 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular |
| “PRC” | the People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |

DEFINITIONS

| | |
|-------------------------|---|
| “SFO” | the Securities and Futures Ordinance, Cap.571 of the Laws of Hong Kong |
| “Shareholders” | shareholders of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Supervisor(s)” | supervisor(s) of the Company |
| “Supervisory Committee” | supervisory committee of the Company |
| “Zhejiang Yongli” | 浙江永利實業集團有限公司 (Zhejiang Yongli Industry Group Co., Ltd. *), a company established under the laws of the PRC and the ultimate holding company of the Company. |

LETTER FROM THE BOARD



YONGAN HOLDINGS

浙江永安融通控股股份有限公司

ZHEJIANG YONGAN RONGTONG HOLDINGS CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code : 8211)

Board of Directors

Executive Directors:

Mr. Jiang Ning (*Chairman*)
Mr. He Weifeng (*Deputy Chairman*)
Ms. He Lianfeng (*Chief Executive Officer*)
Mr. Hu Hua Jun

Legal Address:

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

Independent non-executive Directors:

Mr. Song Ke
Mr. Wang Hui
Mr. Wang Zhong

Place of business in Hong Kong:

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

29 March 2018

To the Shareholders

Dear Sir or Madam,

**PROPOSED RE-ELECTION OF DIRECTOR,
PROPOSED RE-ELECTION OF SUPERVISORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with further information regarding (i) the Proposed Re-election of Director and (ii) the Proposed reelection of Supervisors together with a notice of AGM.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTOR

The Board is pleased to announce that Mr. Hu Hua Jun, an executive Director will retire upon expiration of the term of his office at the AGM and will offer himself for re-election as an executive Director at the AGM. Pursuant to the Articles, such appointment will only become effective after obtaining approval of the Shareholder at the AGM.

Biographical details of the re-election of Mr. Hu Hua Jun as an executive Director is as follows:-

Mr. Hu Hua Jun (胡華軍先生) (“Mr. Hu”), aged 33, is currently an executive Director of the Company. He is responsible for all secretarial work of the chairman and the routine management of administrative department. Prior to joining the Company, Mr. Hu worked in the finance department and the general manager’s office of Zhejiang Yongli from July 2008 to May 2010 and from May 2010 to December 2010, respectively. He received a bachelor degree in Accounting at Economics and Management Faculty in 湖南南華大學 (University of South China, Hunan*). He joined the Company in December 2010 and was re-elected as an executive Director at the annual general meeting held on 15 May 2015.

The Company will enter into a service contract with Mr. Hu. The term of office of Mr. Hu shall be 3 years commencing upon the approval by the Shareholders of his appointment at the AGM.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Hu as an executive Director, for a period of 3 years effective from the date of the AGM, and the Board will be authorised to enter into a service contract with Mr. Hu for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB60,000 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.

As at the Latest Practicable Date, save as disclosed above, to the best of knowledge, information and belief of the Board having made reasonable enquiry, (i) Mr. Hu Hua Jun has not been a director of any other listed company in Hong Kong or overseas in the past 3 years, and had no prior relationship, business or otherwise, with the Company and its subsidiary; (ii) he has no relationship with any members of the Board, senior management, substantial Shareholders or controlling Shareholders of the Company and its subsidiary (as respectively defined in the GEM Listing Rules); (iii) he does not have or is not deemed to have interests in any shares or underlying shares of the Company (within the meaning of Part XV of the SFO); (iv) he does not hold any other position in the Company; and (v) he does not have any other major appointments and professional qualifications.

In relation to the appointments of Mr. Hu Hua Jun as an executive Director, there is no information which is discloseable nor are / were they involved in any matters required to be disclosed pursuant to the requirements of the provisions under paragraphs 17.50(2)(h) to (v) of the GEM Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

3. PROPOSED RE-ELECTION OF SUPERVISORS

The Board is pleased to announce that Mr. Chen Wei (“Mr. Chen”), Supervisor and Mr. Pan Xing Biao, an independent Supervisor, will retire upon expiration of the term of their offices until the expiry of the term of the second session of the Supervisory Committee. Mr. Chen Wei will offer himself for re-election as Supervisor at the employee representative general meeting of the Company while Mr. Pan Xing Biao will offer himself for re-election as an independent Supervisor at the AGM.

The appointment of Mr. Pan Xing Biao will only become effective after obtaining approval of the Shareholders at the AGM while the appointment of Mr. Chen Wei will only become effective after obtaining approval from the employee representatives general meeting of the Company and does not require the Shareholders’ approval.

Biographical details of the re-election of Supervisors are as follows:

A. Mr. Chen Wei

Mr. Chen Wei (陳偉先生) (“Mr. Chen”) aged 37, is currently the deputy manager of the production department of the Company since February 2007. He was a workshop supervisor in 浙江偉創紡織有限公司 (Zhejiang Wei Chuang Textiles Company Limited*) from 1998 to January 2006 and a production manager in 萬邦紡織有限公司 (Wan Bang Textiles Company Limited*) from 2006 to 2007. He was appointed as a Supervisor at the employee representative general meeting of the Company held on 26 November 2012 and was re-elected as a Supervisor at the employee representative general meeting of the Company held on 15 May 2015.

The Company will enter into a service contract with Mr. Chen. The term of office of Mr. Chen shall be 3 years commencing upon the approval from the employee representatives general meeting of the Company and does not require the Shareholders’ approval.

Mr. Chen will be re-elected as a Supervisor, upon the approval from the employee representatives general meeting of the Company, for a period of 3 years effective from the date thereof, and the Board will be authorised to enter into a service contract with Mr. Chen for a term of 3 years commencing from the date thereof at an annual emolument of RMB12,000 with reference to the existing services contracts entered into between the Company and the existing Supervisors.

B. Mr. Pan Xing Biao

Mr. Pan Xing Biao (潘興彪先生) (“Mr. Pan”), aged 52, is an independent Supervisor of the Company. He is a certified public accountant and certified tax accountant. Mr. Pan graduated in Financial Accounting major from 浙江台州供銷學校 (Zhejiang Taizhou Supply and Marketing School*) in July 1985. He worked as the chief accountant of 紹興縣畜產品有限公司 (Shaoxing Livestock Product Co., Ltd.*) from August 1985 to April 1990, 紹興縣土特產有限公司 (Shaoxing Native Products Co., Ltd.*) from May 1990 to September 1991, 紹興縣供銷貿易有限公司 (Shaoxing Supply and Marketing Trade Co., Ltd.*) from October 1991 to December 1994 and 紹興縣化纖供應有限公司 (Shaoxing Chemical Fiber Supply Co., Ltd.*) from January 1995 to June 1997. He worked as a department head at 紹興縣第一稅務師事務所 (Shaoxing First Tax Accountant Office*) from July

LETTER FROM THE BOARD

1997 to December 1999 and has been a director of 紹興益地稅務師事務所 (Shaoxing Yidi Tax Accountant Office*) since January 2000. He was appointed as an independent Supervisor at the extraordinary general meeting held on 26 November 2012 and was re-elected as an independent Supervisor at the AGM held on 15 May 2015.

The Company will enter into a service contract with Mr. Pan. The term of office of Mr. Pan shall be 3 years commencing upon the approval by the Shareholders of his appointment at the AGM until the expiry of the term of the second session of the Supervisory Committee.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Pan as an independent Supervisor, for a period of 3 years effective from the date of the AGM, and the Board will be authorised to enter into a service contract with Mr. Pan for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB12,000, which was determined with reference to the existing services contracts entered into between the Company and the existing Supervisors.

As at the Latest Practicable Date, save as disclosed above, to the best of knowledge, information and belief of the Board having made reasonable enquiry, (i) Mr. Chen Wei and Mr. Pan Xing Biao have not been a director of any other listed company in Hong Kong or overseas in the past 3 years, and had no prior relationship, business or otherwise, with the Company and its subsidiary; (ii) they have no relationship with any members of the Board, senior management, substantial Shareholders or controlling Shareholders of the Company (as respectively defined in the GEM Listing Rules); (iii) they do not have or are not deemed to have interests in any shares or underlying shares of the Company (within the meaning of Part XV of the SFO).

In relation to the appointments of Mr. Chen Wei as Supervisors and Mr. Pan Xing Biao as an independent Supervisor, there is no information which is discloseable nor are / were they involved in any matters required to be disclosed pursuant to the requirements of the provisions under paragraphs 17.50(2) of the GEM Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

4. AGM AND PROXY ARRANGEMENT

A notice convening an annual 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 a.m. on Tuesday, 15 May 2018 or any adjournment thereof is set out on pages 8 to 10 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the Proposed Re-election of Director and Supervisors. A reply slip and a proxy form for use at the annual 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 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

LETTER FROM THE BOARD

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 AGM. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

5. 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.

6. RECOMMENDATION

The Directors, including the independent non-executive Directors, are of the opinion that the Proposed Re-election of Director and Supervisors 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 AGM.

By Order of the Board
Zhejiang Yongan Rongtong Holdings Co. Ltd.*
Jiang Ning
Chairman

NOTICE OF ANNUAL GENERAL MEETING



YONGAN HOLDINGS

浙江永安融通控股股份有限公司

ZHEJIANG YONGAN RONGTONG HOLDINGS CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code : 8211)

NOTICE IS HEREBY GIVEN THAT an annual general meeting (the “**AGM**”) of Zhejiang Yongan Rongtong Holdings 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, 15 May 2018 at 10 a.m. for the following purposes:-

To consider and, if though fit, to pass with or without modifications, the following resolutions as ordinary resolutions of the Company:-

ORDINARY RESOLUTIONS

1. **“THAT** the report of the board of directors (the “**Board**”) of the Company for the year of 2017 be and is hereby approved.”
2. **“THAT** the report of the supervisory committee for the year of 2017 be and is hereby approved.”
3. **“THAT** the audited consolidated financial statements and the auditor's report of the Company and its subsidiary for the year ended 31 December 2017 be and is hereby approved.”
4. **“THAT** the proposal for distribution of profit (including the distribution of dividend and the allocation of the Company's statutory surplus reserve) of the Company for the year ended 31 December 2017 be and is hereby approved.”
5. **“THAT** Shinewing (HK) CPA Limited be and is hereby re-appointed as international auditors for the year ending 31 December 2018 and **THAT** Zhejiang Zhongxing CPA Company Limited be and is hereby re-appointed as domestic auditors for the year ending 31 December 2018, and **THAT** the Board be and is hereby authorised to determine their remuneration and enter into the services contract with them.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** Mr. Hu Hua Jun (“**Mr. Hu**”) be and is hereby appointed as an executive director of the Company for a period of 3 years effective from the date of the AGM and **THAT** the Board be and is hereby authorised to enter into a service contract with Mr. Hu for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB60,000 plus a year-end discretionary bonus.”
7. “**THAT** the appointment of Mr. Chen Wei (“**Mr. Chen**”) as a supervisor of the Company for a period of 3 years effective from the date of the employee representatives general meeting of the Company be and is hereby confirmed and **THAT** the Board be and is hereby authorised to enter into a service contract with Mr. Chen for a term of 3 years commencing from the date thereof at an annual emolument of RMB12,000 be and is hereby confirmed.”
8. Mr. Pan Xing Biao (“**Mr. Pan**”) be and is hereby appointed as an independent supervisor of the Company for a period of 3 years effective from the date of the AGM and **THAT** the Board be and is hereby authorised to enter into a service contract with Mr. Pan for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB12,000.”

By Order of the Board
Zhejiang Yongan Rongtong Holdings Co. Ltd.*
Jiang Ning
Chairman

Zhejiang, the PRC, 29 March 2018

Notes:

1. The H Shares register of shareholders of the Company will be closed from 16 April 2018 to 15 May 2018 (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 at 4:00 p.m. on Friday, 13 April 2018 will be entitled to attend and vote at the AGM. In order to qualify for attendance and voting at the AGM, 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, 13 April 2018.
2. Any shareholder of H Shares and Domestic Shares entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxies to attend and vote at the AGM 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 notorially 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 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 AGM (or any adjourned meeting thereof) or 24 hours before the time appointed for taking the poll.

NOTICE OF ANNUAL GENERAL MEETING

4. Holders of H Shares and Domestic Shares or their proxies shall produce their identity documents when attending the AGM.
5. Holders of H Shares and Domestic Shares who intend to attend the AGM 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, 25 April 2018. The reply slip may be delivered to the Company by hand, by post or by fax (at fax No.: (86) 575-84576060).
6. The AGM is not expected to take more than half a day. Shareholders or their proxies attending the AGM shall bear their own traveling and accommodation expenses.
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 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. Jiang Ning (Chairman), Mr. He Weifeng (Deputy Chairman), Ms. He Lianfeng (Chief Executive Officer) and Mr. Hu Hua Jun; and the independent non-executive Directors are Mr. Song Ke, Mr. Wang Hui and Mr. Wang Zhong.

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-yongan.com>.

** For identification purpose only*