
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 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.***, you should at once hand this circular and the accompanying form 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)

- (1) PROPOSED CHANGE OF DIRECTORS;**
(2) PROPOSED RE-ELECTION OF SUPERVISOR;
(3) PROPOSED GENERAL MANDATE TO ISSUE SHARES; AND
(4) NOTICE OF AGM

A letter from the Board is set out on pages 3 to 9 of this circular.

A notice convening the AGM 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 Wednesday, 15 May 2019 or any adjournment thereof is set out on pages 10 to 13 of this circular. A reply slip and a proxy form for use at the AGM 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 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 purpose only

CHARACTERISTICS OF GEM

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 traded on GEM.

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DEFINITIONS

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

“AGM”	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 on Wednesday, 15 May 2019 or any adjournment thereof
“Announcement”	the announcement of the Company dated 21 March 2019 in relation to, among others, proposed change of Directors and proposed re-election of Supervisor
“Articles”	the articles of association of the Company, as amended, revised or supplemented from time to time
“Audit Committee”	audit committee of the Company
“Board”	the board of Director(s)
“Board Committees”	the Audit Committee, Nomination Committee and Remuneration Committee
“Chief Executive Officer”	the chief executive officer 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
“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
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM in effect from time to time
“General Mandate”	the proposed general and unconditional mandate to be granted to the Directors to allot, issue and deal with additional H Shares and/or Domestic Shares representing up to 20% of the total number of the respective H Shares or Domestic Shares in issue as at the date of passing of the relevant resolution at the AGM
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	overseas listed foreign share(s) of nominal value of RMB0.1 each in the share capital of the Company which are listed on GEM and subscribed for in Hong Kong dollars
“Latest Practicable Date”	26 March 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Remuneration Committee”	remuneration committee of the Company
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	share(s) of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Shareholder Representative Supervisor(s)”	the shareholder representative supervisor(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the 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
“%”	per cent

** For identification purpose only*

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

Independent non-executive Directors:

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

Legal address:

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

Place of business in Hong Kong:

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

29 March 2019

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED CHANGE OF DIRECTORS;
(2) PROPOSED RE-ELECTION OF SUPERVISOR;
(3) PROPOSED GENERAL MANDATE TO ISSUE SHARES; AND
(4) NOTICE OF AGM**

1. INTRODUCTION

Reference is made to the Announcement. The purpose of this circular is to provide the Shareholders with further information in respect of the resolutions to be proposed at the AGM for, among other matters, (i) proposed change of Directors; (ii) proposed re-election of Supervisor; (iii) proposed grant of General Mandate to issue Shares; and (iv) the notice convening the AGM.

* For identification purpose only

LETTER FROM THE BOARD

2. PROPOSED CHANGE OF DIRECTORS

(i) *Resignation of independent non-executive Directors*

As disclosed in the Announcement, Mr. Wang Hui (王暉先生) (“**Mr. H. Wang**”) and Mr. Wang Zhong (王中先生) (“**Mr. Z. Wang**”) will resign as independent non-executive Directors due to their respective personal development with effect from the date of AGM.

Mr. H. Wang and Mr. Z. Wang have confirmed that they do not have any disagreement with the Board and that there is no matter relating to their resignations which needs to be brought to the attention of the Shareholders.

(ii) *Proposed re-election of executive Director*

As disclosed in the Announcement, Ms. He Lianfeng (何連鳳女士) (“**Ms. He**”), an executive Director and the Chief Executive Officer, will retire upon expiration of her term of office at the AGM and will offer herself 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 Shareholders at the AGM.

Biographical details of Ms. He are as follows:—

Ms. He, aged 45, is currently an executive Director, Chief Executive Officer and also a general manager of the Company. She is responsible for the sales and production of the Company. Before joining the Company, she acted as the workshop director of Zhejiang Yongli Warp Knitting Co. Ltd. (浙江永利經編股份有限公司) (“**Zhejiang Yongli Warp**”) from September 1990 to July 2007, the general manager assistant of Zhejiang Yongli Warp from August 2007 to February 2013. She is familiar with the trends of textile market in the PRC and has gained more than 23 years of valuable experience in production management in textile enterprises. In March 2013, she joined the Company as the deputy general manager. She has been appointed as an executive Director on 10 March 2014 and elected as a deputy chairman of the Board on the same day. She resigned as a deputy chairman of the Board on 28 February 2017.

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

An ordinary resolution will be proposed at the AGM to re-elect Ms. He as an executive Director for a period of 3 years effective from the date of AGM, and to authorise the Board to enter into a service contract with Ms. He for a term of 3 years commencing from the date of AGM at an annual emolument of RMB72,000 plus a year-end discretionary bonus, which was determined with reference to the existing service contracts entered into between the Company and the existing executive Directors.

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As at the Latest Practicable Date, Ms. He and her spouse held, in aggregate, approximately 0.039% of interests in Zhejiang Yongli. Zhejiang Yongli is an associated corporation (within the meaning of Part XV of the SFO) by virtue of being an ultimate holding company of the Company.

As at the Latest Practicable Date, save as disclosed above, to the best knowledge, information and belief of the Board having made reasonable enquiry, (i) Ms. He has not been a director of any other listed company in Hong Kong or overseas in the last 3 years, and had no prior relationship, business or otherwise, with the Company and its subsidiaries; (ii) Ms. He does not have any relationship with any member of the Board, senior management, substantial shareholders or controlling shareholder, of the Company (as respectively defined in the GEM Listing Rules); (iii) Ms. He does not have any interests in the Shares (within the meaning of Part XV of the SFO); (iv) Ms. He does not hold any other position in the Company or any other members of the Group; and (v) Ms. He does not have any other major appointments and professional qualifications.

In relation to the re-election of Ms. He as an executive Director, Ms. 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 there is no other matter which needs to be brought to the attention of the Shareholders.

(iii) *Proposed appointment of independent non-executive Directors*

As disclosed in the Announcement, the Board proposes to appoint Mr. Leng Peng (冷鵬先生) (“**Mr. Leng**”) and Mr. Zhu Weizhou (朱偉洲先生) (“**Mr. Zhu**”) as independent non-executive Directors. Pursuant to the Articles, such appointments will only become effective after obtaining approval of the Shareholders at the AGM.

Biographical details of Mr. Leng are as follows:-

Mr. Leng, aged 37, graduated from Shandong University (山東大學) with the Bachelor’s degree in economics in June 2004. From September 2004 to October 2006, he worked with Beijing Zhongwei Huahao CPA Firm* (北京中威華浩會計師事務所) as an audit assistant. From November 2006 to August 2008, he served as a senior project manager of Zhongxi CPA Firm* (中喜會計師事務所). From September 2008 to January 2009, he served as internal audit manager of Sheng Yuan Yingyang Shipin Co., Ltd.* (聖元營養食品有限公司). From February 2009 to May 2011, he served as senior audit manager of Zhongxi CPA Firm* (中喜會計師事務所) From June 2011 to April 2013, he acted as the director of business department of The Pacific Securities Co., Ltd. (太平洋證券股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601099). Since April 2013, he has been working as the general manager of the business department of investment banking division of the Shenzhen Office of Shouchuang Securities Co., Ltd.* (首創證券有限責任公司) (“**Shouchuang Securities**”) and also as the deputy general manager of the Shenzhen branch office of Shouchuang Securities. Mr. Leng was registered as a PRC Certified Public Accountant in December 2008 and has changed to a non-practising member of The Chinese Institute of Certified Public Accountant since February 2016. He has also registered as a Chinese Certified Tax Agent since 2011.

The Company will enter into a letter of appointment with Mr. Leng. The term of office of Mr. Leng 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 elect Mr. Leng as an independent non-executive Director for a period of 3 years effective from the date of the AGM, and to authorise

LETTER FROM THE BOARD

the Board to enter into a letter of appointment with Mr. Leng for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB100,000, which was determined with reference to the existing contracts entered into between the Company and the existing independent non-executive Directors.

Biographical details of Mr. Zhu are as follows:-

Mr. Zhu, aged 53, graduated from East China University of Political Science and Law (華東政法大學) with the Bachelor's degree in law in July 1987. He also obtained a master degree from Cheung Kong Graduate School of Business (長江商學院) in October 2013. From August 2002 to December 2008, he worked as an assistant to the chairman of the board of directors of Guangsha Holdings Group Co., Ltd.* (formerly known as Guangsha Holdings Venture Capital Co., Ltd.*) (廣廈控股集團有限公司(前稱廣廈控股創業投資有限公司)). He served as a director of Gemdale Group Co., Ltd. (金地(集團)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600383), from September 2006 to April 2008. From September 2010 to March 2015, he acted as an independent non-executive director of Fortunet e-Commerce Group Limited (鑫網易商集團有限公司) (formerly known as Changfeng Axle (China) Company Limited (暢豐車橋(中國)有限公司)), a company listed on the main board of the Stock Exchange (stock code: 1039). Since October 2007, he has been the chairman of the board of directors of Xifu Investment Co., Ltd.* (西富投資有限公司).

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

An ordinary resolution will be proposed at the AGM to elect Mr. Zhu as an independent non-executive Director for a period of 3 years effective from the date of AGM, and to authorise the Board to enter into a letter of appointment with Mr. Zhu for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB100,000, which was determined with reference to the existing contracts entered into between the Company and the existing independent non-executive Directors.

As at the Latest Practicable Date, save as disclosed above, to the best knowledge, information and belief of the Board having made reasonable enquiry, (i) each of Mr. Leng and Mr. Zhu has not been a director of any other listed company in Hong Kong or overseas in the last 3 years, and had no prior relationship, business or otherwise, with the Company and its subsidiaries; (ii) they do not have any relationship with any member of the Board, senior management, substantial shareholders or controlling shareholder of the Company (as respectively defined in the GEM Listing Rules); (iii) they do not have any interests in the Shares (within the meaning of Part XV of the SFO); (iv) they do not hold any other position in the Company or any other members of the Group; and (v) they do not have any other major appointments and professional qualifications.

In relation to the appointments of Mr. Leng and Mr. Zhu as independent non-executive Directors, Mr. Leng and Mr. Zhu have 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 there is no other matter which needs to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

Subject to the appointments of Mr. Leng and Mr. Zhu as independent non-executive Directors, the Board proposes to appoint (i) Mr. Leng as the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee in order to replace the resignation of Mr. H. Wang and (ii) Mr. Zhu as the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee in order to replace the resignation of Mr. Z. Wang. Such appointments will only become effective after obtaining approval of the Shareholders for their appointment as independent non-executive Directors at the AGM.

3. PROPOSED RE-ELECTION OF SUPERVISOR

As disclosed in the Announcement, Ms. Wang Ai Yu (王愛玉女士) (“**Ms. Wang**”) will retire upon expiration of her term of office. Ms. Wang will offer herself for re-election as a Shareholder Representative Supervisor at the AGM. Pursuant to the Articles, such appointment will only become effective after obtaining approval from the Shareholders at the AGM.

Biographical details of Ms. Wang are as follows:

Ms. Wang, aged 56, is a Shareholder Representative Supervisor. She graduated from Chongqing University. She is currently a manager of the internal audit department of Zhejiang Yongli. Before joining Zhejiang Yongli, Ms. Wang was a teacher of Yangxunqiao Zhongxing Primary School* (楊汛橋中心小學) in Shaoxing County from February 1979 to January 1980 and worked in the accounting department of Shaoxing County Mijian Factory* (紹興市蜜餞廠) from February 1980 to February 1987. She has acted as internal audit manager of Zhejiang Yongli since February 1987. Ms. Wang has an extensive experience in finance and is well versed of the national taxation law, the accounting rules and the relevant finance, taxation, audit rules and policies. She is good at analysis and has accumulated substantial experience in data analysis, capital operation from different finance projects. She has established a set of comprehensive rules and regulations for internal control for Zhejiang Yongli in order to reduce the investment risk of the enterprises. She also has standardised the audit method for the corporate finance of and enhanced the quality of financial information, thereby enhancing the supervision in finance and accounting. She was appointed as a Supervisor and a chairman of the Supervisory Committee since 10 March 2014.

The Company will enter into a service contract with Ms. Wang. The term of office of Ms. Wang shall be 3 years commencing upon approval by the Shareholder at the AGM.

An ordinary resolution will be proposed at the AGM to re-elect Ms. Wang as a Supervisor for a period of 3 years effective from the date of AGM, and to authorise the Board to enter into a service contract with Ms. Wang for a term of 3 years commencing from the date of AGM at an annual emolument of RMB36,000, which was determined with reference to the existing services contracts entered into between the Company and the existing Supervisors and will be paid by Zhejiang Yongli.

As at the Latest Practicable Date, save as disclosed above, to the best knowledge, information and belief of the Board having made reasonable enquiry, (i) Ms. Wang has not been a director of any other listed company in Hong Kong or overseas in the last 3 years, and had no prior relationship, business or otherwise, with the Company and its subsidiaries; (ii) she does not have any relationship with any member of the Board, senior management, substantial shareholders or controlling

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shareholder, of the Company (as respectively defined in the GEM Listing Rules); (iii) she does not have any interests in the Shares (within the meaning of Part XV of the SFO); (iv) she does not hold any other position in the Company or any other members of the Group; and (v) she does not have any other major appointments and professional qualifications.

In relation to the re-election of Ms. Wang as a Shareholder Representative Supervisor, Ms. Wang 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 there is no other matter which needs to be brought to the attention of the Shareholders.

4. PROPOSED GENERAL MANDATE TO ISSUE SHARES

A special resolution will be proposed by the Company to obtain Shareholders' approval for the grant of the General Mandate to the Directors to allot, issue and deal in additional H Shares and/or Domestic Shares representing up to 20% of the total number of the respective H Shares or Domestic Shares in issue as at the date of passing of the relevant resolution at the AGM. Any exercise of the power by the Directors under the General Mandate shall comply with the relevant requirements of the GEM Listing Rules, the Articles of Association and the applicable laws and regulations of the PRC. The Directors believe that it is in the best interests of the Company and its Shareholders to grant the General Mandate so as to give the Directors the flexibility to issue further H Shares and Domestic Shares.

Based on 475,500,000 H Shares and 588,000,000 Domestic Shares in issue as at the Latest Practicable Date and assuming there is no change to the number of issued H Shares and Domestic Shares prior to the date of the AGM, the Directors will be authorised to allot, issue and deal with up to a total of 95,100,000 H Shares and 117,600,000 Domestic Shares if the General Mandate is granted at the AGM.

The General Mandate shall be effective from the date of passing of the relevant resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company; or
- (2) twelve months from the date of passing of this resolution; or
- (3) the date on which the mandate granted by this resolution is revoked or varied by a special resolution of the Shareholders at any general meeting of the Company.

5. AGM AND PROXY ARRANGEMENT

A notice convening the AGM is set out on pages 10 to 13 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, (i) proposed change of Directors; (ii) proposed re-election of Supervisor; and (iii) proposed grant of General Mandate to issue Shares. A reply slip and a form of proxy for use at the AGM are enclosed with this circular.

LETTER FROM THE BOARD

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 Rule 17.47(4) of 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 results will be made by the Company after the AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

6. 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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

7. RECOMMENDATION

The Directors consider that (i) proposed change of Directors; (ii) proposed re-election of Supervisor; and (iii) proposed grant of General Mandate to issue Shares are in the best interests of the Company and its Shareholders as a whole and recommend its Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

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

NOTICE OF AGM



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 Wednesday, 15 May 2019 at 10:00 a.m. for the following purpose of considering and, if thought fit, passing with or without modifications or amendments, the following resolutions:-

AS ORDINARY RESOLUTIONS

1. “**THAT** the report of the board of directors (the “**Board**”) of the Company for the year of 2018 be and is hereby approved.”
2. “**THAT** the report of the supervisory committee of the Company for the year of 2018 be and is hereby approved.”
3. “**THAT** the audited consolidated financial statements and the auditor's report of the Company and its subsidiaries for the year ended 31 December 2018 be and is hereby approved.”
4. “**THAT** Shinewing (HK) CPA Limited be and is hereby re-appointed as international auditors for the year ending 31 December 2019 and **THAT** Zhejiang Zhongxing CPA Company Limited be and is hereby re-appointed as domestic auditors for the year ending 31 December 2019, and **THAT** the Board be and is hereby authorised to determine their remuneration and enter into the services contract with them.”
5. “**THAT** Ms. He Lianfeng (“**Ms. He**”) be and is hereby re-appointed as an executive director of the Company (the “**Director(s)**”) 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 Ms. He for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB72,000 plus a year-end discretionary bonus.”
6. “**THAT** Mr. Leng Peng (“**Mr. Leng**”) be and is hereby appointed as an independent non-executive Director 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 letter of appointment with Mr. Leng for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB100,000.”

NOTICE OF AGM

7. “**THAT** Mr. Zhu Weizhou (“**Mr. Zhu**”) be and is hereby appointed as an independent non-executive Director 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 letter of appointment with Mr. Zhu for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB100,000.”
8. “**THAT** Ms. Wang Ai Yu (“**Ms. Wang**”) be and is hereby re-appointed as a shareholder representative 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 Ms. Wang for a term of 3 years commencing from the date of the AGM at an annual emolument of RMB36,000 payable by 浙江永利實業集團有限公司 (Zhejiang Yongli Industry Group Co., Ltd.*).”

AS SPECIAL RESOLUTION

9. “**THAT:**
- (A) (a) subject to paragraph (c) and in accordance with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”), the articles of association of the Company and the applicable laws and regulations of the PRC, a general unconditional mandate be and is hereby granted to the Board to exercise once or more than once during the Relevant Period (as defined below) all the powers of the Company to allot, issue and deal with new overseas foreign listed shares of the Company (“**H Shares**”) and/or new domestic shares of the Company (“**Domestic Shares**”) on such terms and conditions as the Board may determine and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers;
- (b) the approval in paragraph (a) shall authorise the Board during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of H Shares and/or Domestic Shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board pursuant to the approval granted in paragraph (a) (excluding any shares which may be allotted and issued upon the conversion of the capital reserve fund into capital in accordance with the Company Law or the articles of association of the Company) shall not exceed 20% of the total number of each of the H Shares or Domestic Shares in issue in each case on the date of passing this resolution and the said approval shall be limited accordingly;
- (d) For the purpose of this special resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or

NOTICE OF AGM

- (ii) twelve months from the date of passing of this resolution; or
 - (iii) the date on which the mandate granted by this resolution is revoked or varied by a special resolution of the shareholders at any general meeting of the Company.
- (B) The Board shall, subject to the relevant approvals being obtained from the relevant authorities and to the compliance with the applicable laws and regulations of the PRC, increase the Company's registered share capital corresponding to the relevant number of shares allotted and issued upon the exercise of the mandate given pursuant to paragraph (A) of this resolution and be authorised to amend as they may deem appropriate and necessary, the articles of association of the Company to reflect the change in the share capital structure of the Company in the event of an exercise of the authority granted under paragraph (A) to allot and issue new H Shares and/or Domestic Shares.
- (C) Any two Directors are authorised to sign the necessary documents, complete the necessary procedures and take other necessary steps to complete the allotment and issue of the new H Shares and/or Domestic Shares and the listing of the new H Shares.”

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

Zhejiang, the PRC, 29 March 2019

Notes:

1. The H share registrar of shareholders of the Company (“**Company’s H Share Registrar**”) will be closed from 15 April 2019 to 15 May 2019 (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 Wednesday, 15 May 2019 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, 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, 12 April 2019.
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 or 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 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.
4. Holders of H Shares and Domestic Shares or their proxies shall produce their identity documents when attending the AGM.

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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 Thursday 25 April 2019. 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 of the Company 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) 575-84570099
Fax: (86) 575-84576060
Contact person: Mr. Hu Hua Jun

8. As required under the GEM Listing Rules, 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