
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Zhejiang Yonglong Enterprises Co., Ltd. (the "Company"), you should at once hand this circular to the purchaser or the transferee or the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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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)

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

The notice dated 17 November 2011 convening the annual general meeting of the Company to be held at the Conference Room of the Office Building of the Company at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People's Republic of China, at 10:00 a.m. on 4 January 2012 or any adjournment thereof is set out on pages 11 to 13 of this circular.

If you intend to attend the annual general meeting, please complete and return the reply slip enclosed in this circular in accordance with the instructions printed thereon to the legal address of the Company as soon as possible and in any event by not later than 15 December 2011. The reply slip may be delivered to the Company by hand, by post or by fax (at fax no.: (86) 575-84576266).

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

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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

** for identification purpose only*

17 November 2011

CHARACTERISTICS OF GEM

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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
(1) Introduction	3
(2) Re-election of directors	3
(3) Re-election of supervisors	4
(4) Annual General Meeting	5
(5) Voting at the AGM	5
(6) Recommendation	5
APPENDIX I – PARTICULARS OF DIRECTORS AND SUPERVISORS PROPOSED FOR RE-ELECTION	6
NOTICE OF ANNUAL GENERAL MEETING	11

DEFINITIONS

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

“AGM”	The annual general meeting for the years ended 31 December 2008, 31 December 2009 and 31 December 2010 to be held at the Conference Room of the Office Building of the Company at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People’s Republic of China;
“Articles”	the articles of association of the Company;
“Board”	the board of Directors 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, including the independent non-executive directors of the Company;
“Domestic Shares”	domestic shares of nominal value RMB0.10 each in the capital of the Company;
“Domestic Shareholders”	holders of Domestic Shares of the Company;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of securities on GEM;
“H Share(s)”	overseas listed foreign share(s) of nominal value RMB0.10 each in the capital of the Company which are listed on GEM and subscribed for in HK dollars;
“H Shareholders”	holders of H Shares of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	11 November 2011, 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 (Chapter 571 of the Laws of Hong Kong);
“Shares”	Domestic Shares and H Shares;
“Shareholder(s)”	Domestic Shareholders and H Shareholders;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supervisor(s)”	supervisor(s), including the independent supervisors of the Company; and
“%”	per cent.

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)

Executive Directors:

Mr. Ru Guan Jun
Mr. Sun Jian Feng
Mr. Xia Xian Fu
Mr. Xia Xue Nian

Legal Address:

Yangxun Qiao Town
Shaoxing County
Zhejiang Province
The PRC

Independent Non-executive Directors:

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

Place of business in Hong Kong:

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

17 November 2011

To the Shareholders

Dear Sir or Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for the approvals of the proposed re-election of the Directors and Supervisors.

2. RE -ELECTION OF DIRECTORS

The Board currently consists of seven Directors, including four executive Directors namely Mr. Ru Guan Jun, Mr. Sun Jian Feng, Mr. Xia Xian Fu and Mr. Xia Xue Nian and three independent non-executive Directors namely Mr. Lu Guo Qing, Mr. Zong Pei Min and Mr. Zhu Yu Lin.

** for identification purpose only*

LETTER FROM THE BOARD

According to Article 94 of the Articles of Association, the Directors shall be elected at the shareholders' general meeting for a term of three years. Under the Articles, the appointment of the Directors requires the approval by Shareholders at general meetings. As at the Latest Practicable Date, the service contracts of Mr. Zhu Yu Lin has been expired on 12 June 2010 and all of the service contract of Mr. Sun Jian Feng, Mr. Xia Xue Nian, Mr. Lu Guo Qing and Mr. Zong Pei Min have been expired on 18 May 2011, all of the above directors of the Company are being eligible and offer themselves for re-election and ratify their service contracts thereon.

The Board nominated (a) Mr. Sun Jian Feng and Mr. Xia Xue Nian as candidates for the position of executive Director, (b) Mr. Lu Guo Qing, Mr. Zhu Yu Lin and Mr. Zong Pei Min as candidates for the position of independent non-executive Director. All the above candidates are existing Directors. Ordinary resolution will be proposed at the AGM to re-elect Mr. Sun Jian Feng and Mr. Xia Xue Nian as executive Director; and Mr. Lu Guo Qing, Mr. Zhu Yu Lin and Mr. Zong Pei Min as independent non-executive Director and ratify their service contracts for a period of three years effective from the expiry date of their service contracts or appointment letters respectively, and the Directors will be authorised to enter into a service contract or appointment letter with Mr. Sun Jian Feng, Mr. Xia Xue Nian, Mr. Lu Guo Qing, Mr. Zhu Yu Lin and Mr. Zong Pei Min thereon.

Brief biographical details of the Directors proposed for re-election are set out in Appendix I to this circular.

3. RE-ELECTION OF SUPERVISORS

The supervisory board currently consists of five Supervisors, including three Supervisors namely Ms. Wang Ai Yu, Mr. Hu Hua Jun and Mr. Liu Guang Wei; and two independent Supervisors namely Mr. Hu Jin Huan and Mr. Wang He Rong.

The Board nominated Mr. Hu Jin Huan and Mr Wang He Rong as candidates of the independent Supervisors. Both candidates are existing Supervisors and are proposed to be re-elected by the Shareholders at the AGM. Ordinary resolution will be proposed at the AGM to re-elect Mr. Hu Jin Huan and Mr. Wang He Rong as independent Supervisors and ratify their appointment letters for a period of three years effective from the expiry date of their appointment letters respectively, and the Directors will be authorised to enter into an appointment letter with Mr. Hu Jin Huan and Mr. Wang He Rong thereon.

Brief biographical details of the Supervisors proposed for re-election are set out in Appendix I to this circular.

4. ANNUAL GENERAL MEETING

Set out on pages 11 to 13 of this Circular, you will find the notice convening the AGM at which ordinary resolutions will be proposed to approve, inter alia, the proposed re-election of Directors and Supervisors.

The AGM will be held at 10:00 a.m. on Wednesday, 4 January 2012 at the Conference Room of the Office Building of the Company at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People's Republic of China. A reply slip and a form of proxy for use at the AGM are enclosed with this circular.

LETTER FROM THE BOARD

If you intend to attend the AGM, please complete and return the reply slip enclosed in this circular in accordance with the instructions printed thereon as soon as possible in any event not later than 15 December 2011

5. VOTING AT THE AGM

According to Rule 17.47(4) of the GEM Listing Rules, all the resolutions proposed to be approved at a general meeting must be taken by poll. An announcement on the results of the AGM will be issued by the Company after the AGM.

6. RECOMMENDATION

The Directors believe that the proposed re-election of Directors and Supervisors are all in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions set out in the notice of the AGM.

Yours faithfully,
For and on behalf of the Board of
Zhejiang Yonglong Enterprises Co., Ltd.
Ru Guan Jun
Chairman

LIST OF CANDIDATES

The candidates for Directors and Supervisors nominated and recommended by the Board to be re-elected at the AGM are set out below.

DIRECTORS**Executive Directors**

Mr. Sun Jian Feng (孫建鋒), aged 40, is an executive Director of the Company. Mr. Sun is responsible for the financial management of the Company. Mr. Sun received his diploma in accounting from the Hangzhou University of Commerce (杭州商學院) in 1990. He has over 20 years of experience in finance and accounting.

He is the spouse of Ms. Chen Yen Yung, who is the company secretary of the Company. Save as disclosed, Mr. Sun does not have any relationship with any other Directors, Supervisors, chief executives, senior management, substantial shareholders (as defined in the GEM Listing Rules), controlling shareholders (as defined in the GEM Listing Rules) or management shareholders of the Company or any of its subsidiaries or an associate of any of them. Mr. Sun is interested in 5,880,000 Domestic Shares, representing approximately 0.55% of the entire issued share capital of the Company, within the meaning of Part XV of the SFO. He did not hold any position in other companies listed on GEM or the Stock Exchange for the last three years.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Sun as an executive Director of the Company for a period of three years effective from the date of the AGM, and the Board of Directors will be authorised to enter into a service contract with Mr. Sun for a term of three years commencing from the date of the AGM at an annual emolument of RMB60,000 which was determined with reference to his existing services contract entered into with the Company on 18 May 2008. Pursuant to the proposed service contract, Mr. Sun will be entitled to a management bonus by reference to the audited consolidated net profit of the Company after taxation, minority interest and extra losses but before net profit derived from any extraordinary items (the “Net Profits”) as the Board may approve provided that the aggregate amount of the management bonus payable to all executive Directors in respect of any financial year of the Company shall not exceed 1% of the Net Profits for the relevant year. The Board is not aware that there are any other matters that need to be brought to the attention of Shareholders in respect of the re-election of Mr. Sun.

Mr. Xia Xue Nian (夏雪年), aged 46, is an executive Director of the Company. Mr. Xia is responsible for corporate administration of the Company. He received his tertiary education from Shaoxing University (紹興文理學院) and completed a diploma course in business administration in 2002. He has over 25 years of experience in the corporate management.

He does not have any relationship with any other Directors, Supervisors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries or an associate of any of them. Mr. Xia is interested in 5,880,000

Domestic Shares, representing approximately 0.55% of the entire issued share capital of the Company, within the meaning of Part XV of the SFO. He did not hold any position in other companies listed on GEM or the Stock Exchange for the last three years.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Xia as an executive Director of the Company for a period of three years effective from the date of the AGM, and the Board of Directors will be authorised to enter into a service contract with Mr. Xia for a term of three years commencing from the date of the AGM at an annual emolument of RMB60,000 which was determined with reference to his existing services contract entered into with the Company on 18 May 2008. Pursuant to the proposed service contract, Mr. Xia will be entitled to a management bonus by reference to the audited consolidated net profit of the Company after taxation, minority interest and extra losses but before net profit derived from any extraordinary items (the “Net Profits”) as the Board may approve provided that the aggregate amount of the management bonus payable to all executive Directors in respect of any financial year of the Company shall not exceed 1% of the Net Profits for the relevant year. The Board is not aware that there are any other matters that need to be brought to the attention of Shareholders in respect of the re-election of Mr. Xia.

Independent Non-Executive Directors

Mr. Lu Guo Qing (陸國慶), aged 46, is an independent non-executive Director and a member of audit committee of the Company. Mr. Lu is also an independent non-executive director of 浙江展望股份有限公司 (Zhejiang Prospect Company Limited*). Mr. Lu graduated from the Hangzhou University in 1986 and holds a degree in law. He is a licensed lawyer and is a partner of 浙江中法大律師事務所 (Zhejiang Zhong Fa Law Firm*), a law firm in Zhejiang Province. He has extensive experience in securities law. During 1988 to 1998, he practiced in 浙江國大律師事務所 (Zhejiang Guo Da Law Firm*). Mr. Lu was re-appointed as an independent non-executive Director and a member of audit committee of the Company in May 2008.

He does not have any relationship with any other Directors, Supervisors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries or an associate of any of them. Mr. Lu does not have any interest in Shares of the Company within the meaning of Part XV of the SFO. He did not hold any other position in other companies listed on GEM or the Stock Exchange for the last three years.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Lu as an independent non-executive Director and a member of audit committee of the Company for a period of three years effective from the date of the AGM, and the Board of Directors will be authorised to enter into a service contract with Mr. Lu for a term of three years commencing from the date of the AGM at an annual emolument of RMB36,000 (exclusive of bonus) which was determined with reference to his existing services contract entered into with the Company on 18 May 2008. The Board is not aware that there are any other matters that need to be brought to the attention of Shareholders in respect of the re-election of Mr. Lu.

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Mr. Zong Pei Min (宗佩民), aged 47, is an independent non-executive Director and a member of audit committee of the Company. Mr. Zong graduated from Hangzhou University of Commerce (杭州商業學院) in 1989 and holds a degree in economics. During the period from August 1989 to May 1990, he was working as an assistant lecturer at 金華職業技術學院 (Jin Hua Technical Institute*). From June 1990 to March 2000, he was working at 浙江興合集團 (Zhejiang Xing He Group*) as supervisor of investment department. From April 2000 to July 2002, he was working at 浙江省天堂硅谷創業投資有限公司 (Zhejiang Tian Tang Gui Gu Chuang Ye Investment Ltd.*) as general manager of consulting and research department. He is currently a director of 浙江華睿投資管理有限公司 (Zhejiang Hua Rui Investment Management Co. Ltd.*). Mr. Zong was appointed as an independent non-executive Director and a member of audit committee of the Company in May 2005.

He does not have any relationship with any other Directors, Supervisors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries or an associate of any of them. Mr. Zong does not have any interest in Shares of the Company within the meaning of Part XV of the SFO. He did not hold any position in other companies listed on GEM or the Stock Exchange for the last three years.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Zong as an independent non-executive Director and a member of audit committee of the Company for a period of three years effective from the date of the AGM, and the Board of Directors will be authorised to enter into a service contract with Mr. Zong for a term of three years commencing from the date of the AGM at an annual emolument of RMB36,000 (exclusive of bonus) which was determined with reference to his existing services contract entered into with the Company on 18 May 2008. The Board is not aware that there are any other matters that need to be brought to the attention of Shareholders in respect of the re-election of Mr. Zong.

Mr. Zhu Yu Lin (竺玉林), aged 46, is an independent non-executive Director of the Company. He graduated from Zhejiang University of Finance & Economics (浙江財經學院) in 1982 and holds a degree in commerce. He is a PRC Certified Public Accountant (中國註冊會計師), a PRC Certified Assets Appraiser (中國註冊資產評估師) and a PRC Certified Tax Appraiser (中國註冊稅務師). During the period from July 1982 to August 1999, he worked as administrative accountant of Zhejiang University of Finance & Economics (浙江財經學院). He has been practiced in Zhejiang Zhijiang Certified Public Accountant (浙江之江會計師事務所) which formerly named as Zhejiang Zhoucai Certified Public Accountant (浙江周財會計事務所), a certified public accounting firm in Zhejiang Province, the PRC since August 1999 and he is also a director of Zhejiang Zhijiang Certified Public Accountant (浙江之江會計師事務所). Mr. Zhu was appointed an independent non-executive Director since 2004.

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Mr. Zhu does not have any relationship with any other Directors, supervisors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries or an associate of any of them. Mr. Zhu does not have any interest in Shares of the Company within the meaning of Part XV of the SFO. He did not hold any position in other companies listed on GEM or the Stock Exchange for the last three years.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Zhu as an independent nonexecutive Director and a member of audit committee of the Company for a period of three years effective from the date of the AGM, and the board of directors will be authorized to enter into a service contract with Mr. Zhu for a term of three years commencing from the date of the AGM at an annual emolument of RMB36,000 (exclusive of bonus) which was determined with reference to his existing services contract entered into with the Company on 28 September, 2004. The Board is not aware that there are any other matters that need to be brought to the attention of Shareholders in respect of the re-election of Mr. Zhu.

The Company does not have any holding company, subsidiaries or associate company. Save as disclosed above, there are no other matters relating to election of the Directors candidates that need to be brought to the attention of the Shareholders and there is no other information relating to the positions held with other members of the Company's group of the Directors candidates which required to be disclosed pursuant to any of the requirements of rules 17.50(2)(b) and 17.50(2)(h) to (v) of the GEM Listing Rules.

INDEPENDENT SUPERVISORS

Mr. Hu Jin Huan (胡金煥), aged 46, is an independent Supervisor of the Company. He is responsible for performing the supervisory function in relation to the Company's Board of Directors, manager and other officers and report independently to the Shareholders in general meeting of the Company. He is a PRC certified public accountant and is now working as an audit supervisor in 紹興興業會計師事務所 (Shaoxing Xingye Certified Public Accountants Firms*). He was re-appointed as an independent Supervisor of the Company in May 2008.

He does not have any relationship with any other Directors, Supervisors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries or an associate of any of them. Mr. Hu does not have any interest in Shares of the Company within the meaning of Part XV of the SFO.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Hu as an independent Supervisor of the Company for a period of three years effective from the date of the AGM, and the Board of Directors will be authorised to enter into a service contract with Mr. Hu for a term of three years commencing from the date of the AGM at an annual emolument of RMB12,000 (exclusive of bonus) with reference to his existing services contract entered into with the Company on 18 May 2008. He did not hold any position in other companies listed on GEM or the Stock Exchange for the last three years. The Board is not aware that there are any other matters that need to be brought to the attention of Shareholders in respect of the re-election of Mr. Hu.

Mr. Wang He Rong (王和榮), aged 49, is an independent Supervisor of the Company. He is responsible for performing the supervisory function in relation to the Company's board of directors, manager and other officers and report independently to the Shareholders in general meeting of the Company. He is a PRC certified public accountant and is now working as an audit supervisor in 紹興宏泰會計師事務所 (Shaoxing Hongtai Certified Public Accountants Firms*). He was re-appointed as an independent Supervisor of the Company in May 2008.

He does not have any relationship with any other Directors, Supervisors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries or an associate of any of them. Mr. Wang does not have any interest in Shares of the Company within the meaning of Part XV of the SFO.

An ordinary resolution will be proposed at the AGM to re-elect Mr. Wang as an independent Supervisor of the Company for a period of three years effective from the date of the AGM, and the board of directors will be authorised to enter into a service contract with Mr. Wang for a term of three years commencing from the date of the AGM at an annual emolument of RMB12,000 (exclusive of bonus) with reference to his existing services contract entered into with the Company on 18 May 2008. He did not hold any position in other companies listed on GEM or the Stock Exchange for the last three years. The Board is not aware that there are any other matters that need to be brought to the attention of Shareholders in respect of the re-election of Mr. Wang.

The Company does not have any holding company, subsidiaries or associate company. Save as disclosed above, there are no other matters relating to election of the Supervisors candidates that need to be brought to the attention of the Shareholders and there is no other information relating to the position held with other members of the Company's group of the Supervisors candidates which required to be disclosed pursuant to any of the requirements of rules 17.50(2)(b) and 17.50(2)(h) to (v) of the GEM Listing Rules.

** for identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING



浙江永隆實業股份有限公司

ZHEJIANG YONGLONG ENTERPRISES CO., LTD.*

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

(Stock Code: 8211)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“AGM”) of Zhejiang Yonglong Enterprises Co., Ltd. (the “Company”) will be held at the Conference Room of the Office Building of the Company at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People's Republic of China on Wednesday, 4 January 2012 at 10:00 a.m. for the following purposes of considering, and, if thought fit, passing the following ordinary resolutions:—

1. To consider and approve the report of the board of directors (the “Board of Directors”) of the Company for the years of 2008, 2009 and 2010;
2. To consider and approve the report of the supervisory committee for the years of 2008, 2009 and 2010;
3. To consider and approve the audited financial statements and the auditors' report of the Company for the years of 2008, 2009 and 2010;
4. To consider and approve 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 years of 2008, 2009 and 2010;
5. To consider and approve the re-election of the following candidates as (i) the executive directors; (ii) the independent non-executive directors of the Board of Directors of the Company and ratify their service contracts or appointment letters with respective terms of them and to authorize the Board of Directors to fix their remuneration:
 - (i)
 - (a) Mr. Sun Jian Feng
 - (b) Mr. Xia Xue Nian
 - (ii)
 - (a) Mr. Lu Guo Qing
 - (b) Mr. Zhu Yu Lin
 - (c) Mr. Zong Pei Min

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and approve the re-election of the following candidates as the independent supervisors of the supervisory committee of the Company and ratify their appointment letters with respective terms of them and to authorize the Board of Directors to fix their remuneration:
 - (a) Mr. Hu Jin Huan
 - (b) Mr. Wang He Rong
7. To consider, ratify and approve the re-appointment of Shinewing (HK) CPA Limited as international auditors for the years ended 31 December 2009 and 31 December 2010 and Zhejiang Zhongxing CPA Company Limited, as domestic auditors for the years ended 31 December 2008, 31 December 2009 and 31 December 2010, and to authorise the Board of Directors to determine their remuneration.
8. To consider, ratify and approve the re-appointment of Shinewing (HK) CPA Limited as international auditors for the year ending 31 December 2011 and Zhejiang Zhongxing CPA Company Limited, as domestic auditors for the year ending 31 December 2011, and to authorize the Board of Directors to determine their remuneration.

By Order of the Board of
Zhejiang Yonglong Enterprises Co., Ltd.
Ru Guan Jun
Chairman

17 November 2011
Shaoxing, Zhejiang Province, the PRC

Notes:

- (i) The register of shareholders of the Company will be closed from 3 December 2011 to 4 January 2012 (both days inclusive), during which period no transfer of shares will be effected. The shareholders whose names appear on the register of shareholders of the Company at 4:00 p.m. on 2 December 2011 will be entitled to attend and vote at the AGM.
- (ii) Any shareholder of entitled to attend and vote at the AGM convened by the above notice is entitled to appoint in written form 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 needs not be a shareholder of the Company.
- (iii) In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at the legal address of the Company not less than 24 hours before the time for holding the AGM or 24 hours before the time appointed for taking the poll.

NOTICE OF ANNUAL GENERAL MEETING

- (iv) Shareholders or their proxies shall produce their identity documents when attending the AGM.
- (v) Shareholders who intend to attend the AGM shall complete and lodge the reply slip for attending the meeting at the Company's legal address at Yangxun Qiao Town, Shaoxing County, Zhejiang Province, the People's Republic of China on or before 15 December 2011. The reply slip may be delivered to the Company by hand, by post or by fax (at fax No.: (86)575-84576266)
- (vi) The AGM will not last for more than one day. Shareholders or their proxies attending the AGM shall bear their own traveling and accommodation expenses.
- (vii) Concerning items 4 and 5 of this notice, the biographical details of the candidates proposed to be re-elected as Directors and Supervisors are set out in the Appendix I to the circular in connection with the proposed re-election of Directors and Supervisors to be despatched to the shareholders on 17 November 2011.

** for identification purpose only*