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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)

**ANNOUNCEMENT
RESULTS OF EXTRAORDINARY GENERAL MEETING**

The Board is pleased to announce that all the resolutions in respect of the Fulida Agreement and the Miroglio Agreement as set out in the notice of EGM as enclosed in the circular dated 31 January 2008 were duly passed by poll at the EGM held on 18 March 2008.

RESULTS OF EXTRAORDINARY GENERAL MEETING

Reference is made to the notice of extraordinary general meeting (the “EGM”) of Zhejiang Yonglong Enterprises Company Limited (the “Company”) as set out in the circular of the Company dated 31 January 2008 (the “Circular”). Unless otherwise defined herein, terms used herein shall have the same meaning as defined in the Circular.

The Board is pleased to announce that all the resolutions as set out in the notice of EGM as enclosed in the Circular in relation to (i) the Fulida Agreement entered into between the Company and Zhejiang Miroglio Fulida Textile Co., Ltd. (“Fulida”) dated 14 January 2008; and (ii) the Miroglio Agreement entered into between the Company and Miroglio S.p.A. (“Miroglio”) dated 15 January 2008 were duly passed by poll at the EGM held on 18 March 2008.

The following are the poll results in respect of the resolutions proposed at the EGM :

	Ordinary Resolutions	No. of Votes (%)	
		For	Against
1	To approve, ratify and confirm the agreement entered into between Zhejiang Yonglong Enterprises Co., Ltd. and Zhejiang Miroglio Fulida Textile Co., Ltd. dated 14 January 2008 (“Fulida Agreement”) and the transactions contemplated thereunder in which the maximum limit of the amount involved under the Fulida Agreement shall not exceed RMB19,079,021.09, RMB24,802,727.42, and RMB29,763,272.90 for each of the three financial years ending 31 December 2010 respectively and authorise the board of directors to sign, seal, executive, perfect, deliver and do all such documents, deeds, acts,	576,530,000 (100%)	0 (0%)

	matters and things as they may in their discretion consider necessary or desirable or expedient for the purpose of or in connection with the Fulida Agreement.		
2.	To approve, ratify and confirm the agreement entered into between Zhejiang Yonglong Enterprises Co., Ltd. and Miroglio S.p.A. dated 15 January 2008 (“Miroglio Agreement”) and the transactions contemplated thereunder in which the maximum limit of the amount involved under the Miroglio Agreement shall not exceed US\$14,144,000, US\$15,232,000 and USD16,048,000 for each of the three financial years ending 31 December 2010 respectively and authorise the board of directors to sign, seal, executive, perfect, deliver and do all such documents, deeds, acts, matters and things as they may in their discretion consider necessary or desirable or expedient for the purpose of or in connection with the Miroglio Agreement.	576,530,000 (100%)	0 (0%)

As at the date of the EGM, the total issued share capital of the Company comprises 1,063,500,000 shares of RMB0.10 each (the “Shares”) and the total number of issued shares of the Company which entitle the holders to attend and vote at the EGM is 854,000,000 Shares. There is no share of the Company which entitles the holder to attend and vote only against the resolutions at the EGM. The entering into of the Fulida Agreement and Miroglio Agreement constituted continuing connected transactions for the Company and pursuant to Rule 20.54 of the GEM Listing Rules, it is subject to approval by the Independent Shareholders. In view of the interest of Miroglio in the Fulida Agreement and Miroglio Agreement, Miroglio and its associates abstained from voting on the ordinary resolution approving, inter alia, the Fulida Agreement and Miroglio Agreement at the EGM.

The scrutineer for the vote-taking of the poll of the EGM was the auditors of the Company, SHINEWING (HK) CPA Limited (“SHINEWING”). SHINEWING, as the scrutineer, compared the poll results summary to the poll forms collected by the Company. The work performed by SHINEWING in this respect did not constitute either an audit or a review made in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants and accordingly, no such assurance was provided. SHINEWING makes no representation as to the legal interpretation or legality of the poll results.

By Order of the Board
Sun Li Yong
Chairman

Zhejiang, the PRC, 18 March 2008

As at the date of this announcement, the Board comprises six executive Directors, being Mr. Sun Li Yong, Ms Fang Xiao Jian, Mr Li Cheng Jun, Mr. Sun Jian Feng, Mr. Xia Xue Nian and Mr. Marco Borio; and three independent non-executive directors, being Mr. Zhu Yu Lin, Mr. Zhong Pei Min and Mr. Luk Guo Qing.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM for the purpose of giving information with regard to the issuer. The Directors, having made all reasonable enquiries,

confirm that, to the best of their knowledge and belief:- (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcement” page of the GEM website for at least 7 days from the date of its publication.

** For identification purposes only*