

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA SHUN KE LONG HOLDINGS LIMITED

中國順客隆控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 974)

**DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT
WITH SHUNDE RURAL COMMERCIAL BANK**

The Board announces that on 21 October 2019, the Company, through its subsidiary, Foshan SKL, began to subscribe for RMB20,000,000 (equivalent to approximately HK\$22,180,000) of the Wealth Management Product of Shunde Rural Commercial Bank. The Proposed Subscription Cap is RMB60,000,000 (equivalent to approximately HK\$66,540,000). The Company, through Foshan SKL, will subscribe and redeem the Wealth Management Product from time to time within the Investment Period when it thinks fit.

The subscriptions of the Wealth Management Product will be made with the idle self-owned funds of the Group under the continuous monitoring of the Group in accordance with its prudent policy and on the premises that they will not adversely affect the working capital of the Group or the operation of the Group's principal business.

IMPLICATIONS UNDER THE LISTING RULES

As at least one of the applicable percentage ratios of the Proposed Subscription Cap of the Wealth Management Product when aggregated with the subscription amount of the Existing Wealth Management Product exceeds 5% but is less than 25%, the subscriptions constitute discloseable transactions which are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board announces that on 21 October 2019, the Company, through its subsidiary, Foshan SKL, began to subscribe for RMB20,000,000 (equivalent to approximately HK\$22,180,000) of the Wealth Management Product of Shunde Rural Commercial Bank. The Proposed Subscription Cap is RMB60,000,000 (equivalent to approximately HK\$66,540,000). The Company, through Foshan SKL, will subscribe and redeem the Wealth Management Product from time to time within the Investment Period when it thinks fit. The source of funds for the subscriptions is the idle self-owned funds of the Group. The Proposed Subscription Cap was determined after making reference to the idle funds available and the capital needs of the Group, and approved by a resolution of the Board on 19 September 2019.

DETAILS OF THE TERMS OF THE WEALTH MANAGEMENT PRODUCT

Name of the Wealth Management Product:	Shunde Rural Commercial Bank Tong Xiang Feng Sheng 28 Days Open Style RMB Wealth Management Planning Product* (順德農商銀行同享豐盛28天開放式人民幣理財計劃產品)
Commencement Date of Subscription:	21 October 2019
Investment Period:	From 21 October 2019 to 20 October 2021
Wealth Management Product Cycle:	28 days
Parties:	(i) Shunde Rural Commercial Bank (ii) Foshan SKL To the best knowledge, information and belief of the Directors, Shunde Rural Commercial Bank and its ultimate beneficial owners are Independent Third Parties
Minimum Subscription Amount:	RMB300,000 (equivalent to approximately HK\$332,700)
The Proposed Subscription Cap:	RMB60,000,000 (equivalent to approximately HK\$66,540,000)
Product Type:	Principal guaranteed and floating return
Risk Rating:	Low

Expected Annualized Return Rate:	3.00%–3.55%
Early Redemption:	No
Investment Scope:	The Wealth Management Product mainly invests in the following types of assets in compliance with regulatory requirements: 1. High-liquidity assets (bonds and deposits type), including but not limited to, deposits, reverse repurchase agreements, state bonds, treasury bills, policy-related financial debts, commercial bank bonds, bonds with credit rating higher than AA (inclusive), assets-back bonds, etc.; 2. Other assets or assets portfolio, including but not limited to, trust plans for non-equity standardized assets and assets management plans, money funds, principal-guaranteed funds, bond funds, preference class standardized products, etc. Investment proportions: 10% to 100% in high-liquidity assets (bonds and deposits type); 0% to 90% in other assets or assets portfolio. Such investment proportions may vary in the range of -10% to 10%. Subscribers agree that Shunde Rural Commercial Bank may adjust the investment scope, type or proportion in accordance with the change in the market conditions

REASONS FOR AND BENEFITS OF SUBSCRIBING FOR WEALTH MANAGEMENT PRODUCTS

The subscriptions of the Wealth Management Product will be made with the idle self-owned funds of the Group under the continuous monitoring of the Group in accordance with its prudent policy and on the premises that they will not adversely affect the working capital of the Group or the operation of the Group’s principal business. Taking into account, among others, (i) the relatively low level of risks; (ii) the expected rate of return; and (iii) the short term to maturity, the Company is of the view that the Wealth Management Product will provide the Group with better return than deposits generally offered by commercial banks.

The Board considers that the terms of the Wealth Management Product are on normal commercial terms, fair and reasonable and in the interests of the Company and Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

Foshan SKL, an indirect wholly-owned subsidiary of the Company, is principally engaged in the operation of retail outlets in the PRC.

Shunde Rural Commercial Bank is a commercial bank in the PRC established under the approval by the China Banking Regulatory Commission.

IMPLICATIONS UNDER THE LISTING RULES

Since 1 August 2019, Foshan SKL began to subscribe for the Existing Wealth Management Product of Shunde Rural Commercial Bank. During the period between 1 August 2019 and the date of this announcement, Foshan SKL had been subscribing and redeeming the Existing Wealth Management Product when it thought fit, and the maximum subscription amount of the Existing Wealth Management Product was RMB20,000,000 (equivalent to approximately HK\$22,180,000). As at the date of this announcement, the subscription amount for the Existing Wealth Management Product was RMB20,000,000 (equivalent to approximately HK\$22,180,000). The subscriptions of the Existing Wealth Management Product were made with the idle self-owned funds of the Group. The Board considers that the terms of the Existing Wealth Management Product are on normal commercial terms, fair and reasonable and in the interests of the Company and Shareholders as a whole.

As at least one of the applicable percentage ratios of the Proposed Subscription Cap of the Wealth Management Product when aggregated with the subscription amount of the Existing Wealth Management Product exceeds 5% but is less than 25%, the subscriptions constitute discloseable transactions which are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	China Shun Ke Long Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company

“Existing Wealth Management Product”	Shunde Rural Commercial Bank Elite Wealth Management Tian Tian Ying No. 1* (順德農商銀行精英理財天天盈1號), a wealth management product which is principal guaranteed with floating return. It does not have a fixed investment period, return is calculated on the days of investment multiplied by the expected annualized return rate of 2.7% (adjusted to the change of market interest rate and the expected return rate of the investment target). The risk rating is low
“Foshan SKL”	Foshan City Shun Ke Long Commerce Limited* (佛山市順客隆商業有限公司), a company incorporated in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party (and where the third party is a corporation, such corporation and its ultimate beneficial owners) who is/are independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
"Investment Period"	21 October 2019 to 20 October 2021
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Proposed Subscription Cap”	the proposed cap in respect of the total amount of the subscription of the Wealth Management Product determined and approved by a resolution of the Board on 19 September 2019
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company
“Shunde Rural Commercial Bank”	Guangdong Shunde Rural Commercial Bank Company Limited* (廣東順德農村商業銀行股份有限公司)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealth Management Product”	Shunde Rural Commercial Bank Tong Xiang Feng Sheng 28 Days Open Style RMB Wealth Management Planning Product* (順德農商銀行同享豐盛28天開放式人民幣理財計劃產品)

* *For identification purpose only*

For the illustrative purpose, the exchange rate adopted in this announcement is RMB1=HK\$1.109.

By order of the Board
China Shun Ke Long Holdings Limited
Sun Kin Ho Steven
Chairman and Chief Executive Officer and Executive Director

Hong Kong, 21 October 2019

As at the date of this announcement, the executive Directors are Mr. Sun Kin Ho Steven and Mr. Han Wei; the non-executive Director is Mr. Wang Fu Lin; and the independent non-executive Directors are Mr. Chong Kin Ho, Mr. Tung Chia Hung Michael and Mr. Chen Cheng Lien.