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If you are in 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 China Shun Ke Long Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**(I) GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES;
(II) RE-ELECTION OF DIRECTORS;
AND
(III) NOTICE OF ANNUAL GENERAL MEETING**

Capitalised terms used in the cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 3 to 11 of this circular.

A notice convening an annual general meeting of the Company to be held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Thursday, 22 June 2017 at 2:30 p.m. is set out on pages 16 to 19 of this circular. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 48 hours before the time fixed for holding the Annual General Meeting (or any adjournment thereof) to the office of the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting and any adjourned meeting if you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

24 May 2017

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be convened on Thursday, 22 June 2017 at 2:30 p.m. at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong, to consider and, if appropriate, to approve the resolutions contained in the notice of such meeting which is set out on pages 16 to 19 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company;
“associate(s)”	has the meaning ascribed to this term under the Listing Rules;
“Board”	the board of Directors;
“Company”	China Shun Ke Long Holdings Limited 中國順客隆控股有限公司, a company incorporated in the Cayman Islands with limited liability with its securities listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“First Closing Date”	9 June 2017, being the first closing date of the Offer;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to issue, allot and deal with up to 20% of the number of issued shares of the Company as set out in the paragraph headed “Letter from the Board — General Mandates” of this circular;
“Latest Practicable Date”	22 May 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Offer”	the mandatory unconditional cash offer made by Dakin Securities Limited for and on behalf of CCOOP International Holdings Limited to acquire all of the issued Shares (other than those Shares already owned by CCOOP International Holdings Limited) in accordance with the terms set out in the composite offer and response document jointly issued by the CCOOP International Holdings Limited, CCOOP Group Co., Ltd* (供銷大集集團股份有限公司) and the Company to the Shareholders on 19 May 2017;
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase up to 10% of the number of issued shares of the Company as set out in the paragraph headed “Letter from the Board — General Mandates” of this circular;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s) from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

* For identification purpose only



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)

Executive Directors:

Mr. Lao Songsheng (*Chairman*)
Ms. Wang Yanfen (*Chief Executive Officer*)
Mr. Wu Zhaohui

Non-executive Directors:

Mr. Chen Yijian
Ms. Lao Weiping
Ms. Zhang Bei

Independent non-executive Directors:

Mr. Sun Hong
Mr. Shin Yick Fabian
Mr. Guan Shiping

Registered office:

Floor 4, Willow House
Cricket Square
P.O. Box 2804
Grand Cayman
KY1-1112
Cayman Islands

*Principal place of business
in Hong Kong:*

Room 1007, 10th Floor
Sincere House
83 Argyle Street
Kowloon
Hong Kong

24 May 2017

To Shareholders

Dear Sir or Madam,

**(I) GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES;
(II) RE-ELECTION OF DIRECTORS;
AND
(III) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting relating to:

- (i) the granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the number of issued shares of the Company as at the date of resolution;

LETTER FROM THE BOARD

- (ii) the granting to the Directors a general mandate to repurchase the Shares not exceeding 10% of the number of issued shares of the Company as at the date of resolution; and
- (iii) the re-election of retiring Directors.

GENERAL MANDATES

At the Annual General Meeting, separate ordinary resolutions will be proposed to grant the general mandates to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding in aggregate 20% of the number of issued shares of the Company at the date of the passing of such resolution (the “**Issue Mandate**”); (ii) to repurchase issued and fully paid Shares on the Stock Exchange up to a maximum of 10% of the number of issued shares of the Company at the date of passing of such resolution (the “**Repurchase Mandate**”); and (iii) to add the aggregate amount of the Shares repurchased by the Company to the Issue Mandate.

As at the Latest Practicable Date, there were in aggregate 290,457,000 Shares in issue. Subject to the passing of the proposed resolutions for the grant of the Issue Mandate and the Repurchase Mandate, and on the basis that no further Shares will be issued or repurchased prior to the date of the Annual General Meeting, exercise in full of the Repurchase Mandate will result in up to 29,045,700 Shares being repurchased by the Company, and the Directors will be authorised to allot and issue under the Issue Mandate up to 58,091,400 Shares, and to the extent the Repurchase Mandate is exercised, plus the amount of Shares representing the aggregate number of Shares repurchased by the Company under the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate shall continue in force during the period ending on the earliest of (a) the date of the next annual general meeting; (b) the date by which the next annual general meeting of the Company is required to be held by law or by its Articles of Association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the Listing Rules to be included in this circular is set out in the Appendix to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

References are made to the joint announcement issued by CCOOP International Holdings Limited and the Company dated 12 May 2017 (the “**Joint Announcement**”) in relation to, among other things, the Offer, the change in composition of the Board and re-designation of Director.

Pursuant to the Joint Announcement, the following individuals (the “**New Directors**”) have been appointed as Directors with effect from the day immediately after the First Closing Date:

- (a) each of Mr. He Jia Fu, Mr. Li Zhongxu and Mr. Wu Limin as executive Directors; and
- (b) each of Mr. Han Wei and Mr. Wang Fu Lin as non-executive Directors,

whereas the following Directors have tendered their resignations to the Company and their resignations will take effect from the day immediately after the First Closing Date:

- (a) each of Ms. Wang Yanfen and Mr. Wu Zhaohui will resign as executive Directors; and
- (b) each of Mr. Chen Yijian, Ms. Lao Weiping and Ms. Zhang Bei will resign as non-executive Directors.

The Company will enter into service contracts and/or appointment letters with each of the New Directors. The New Directors are subject to retirement by rotation and re-election in accordance with the Articles of Association, and shall hold office until the next following annual general meeting of the Company, at which time they will be eligible for re-election.

In accordance with Article 83(3) of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Pursuant to Article 84 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

LETTER FROM THE BOARD

Any Director appointed by the Board pursuant to Article 83(3) of the Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

Accordingly, Mr. He Jia Fu, Mr. Li Zhongxu, Mr. Wu Limin, Mr. Han Wei, Mr. Wang Fu Lin, Mr. Sun Hong and Mr. Guan Shiping will retire by rotation and, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

The biographical details of Mr. He Jia Fu, Mr. Li Zhongxu, Mr. Wu Limin, Mr. Han Wei, Mr. Wang Fu Lin, Mr. Sun Hong and Mr. Guan Shiping are set out below:

Mr. He Jia Fu

Mr. He Jia Fu, aged 48, holds a Master's degree in Business Administration from Maastricht School of Management in the Netherlands. Mr. He previously served as the deputy director in the office of HNA Group Co., Ltd. (海航集團有限公司), the first vice chairman of HNA Hospitality (Group) Co., Ltd. (海航酒店(集團)有限公司), the vice president of HNA Property Group Co., Ltd. (海航資產管理集團有限公司)(formerly known as Hainan Airlines Holdings (Group) Co., Ltd. (海南海航置業控股(集團)有限公司)), the president and executive chairman of HNA Group Southern China Headquarter Co., Ltd. (海航集團華南總部有限公司), the chairman of HNA Infrastructure Industry Group Limited (海航基礎產業集團有限公司), and the vice president of HNA Industrial Holdings Limited (海航實業控股有限公司). Mr. He currently serves as the vice chairman of HNA Retailing Co., Ltd. (海航商業控股有限公司), and a director and the president (chief executive officer) of CCOOP Group Co., Ltd* (供銷大集集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000564).

Mr. Li Zhongxu

Mr. Li Zhongxu, aged 34, holds a Bachelor's degree in Management from Northwest University in China. Mr. Li served as an office business assistant, the secretary for confidential matters and conference meeting affairs supervisor of HNA Group Co., Ltd. (海航集團有限公司), the secretary to executive president of HNA Group Co., Ltd. (海航集團有限公司), and the secretary to vice chairman of the board and chief executive officer of HNA Group Co., Ltd. (海航集團有限公司). Mr. Li currently serves as a director and the vice president of Hainan Gongxiao Daji Holding Ltd. (海南供銷大集控股有限公司), and the secretary to the board and the vice president (human resources director) of CCOOP Group Co., Ltd* (供銷大集集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000564).

LETTER FROM THE BOARD

Mr. Wu Limin

Mr. Wu Limin, aged 57, holds a Master's degree in Computer Software from South Dakota State University in the USA. Mr. Wu previously served as the director and engineer of Beijing Electrical Equipment Research Institute (北京電器研究所), the general manager of Beijing Electrical New Technology Company (北京電器新技術公司), the project manager of TRW Inc. in the USA, an engineer and project manager of B&H Inc. in California, the USA, the vice president and chief representative in China of Engineer Project Investment Company in the USA, a director and the general manager of Beijing New Cooperation Technology Co., Ltd (北京新合作科技有限公司), the chairman of Beijing New Cooperation Supermarket Chain Co., Ltd (北京新合作連鎖超市有限公司), the vice president of New Cooperation Trade Chain Co., Ltd (新合作商貿連鎖集團有限公司) and the executive vice president of Hainan Gongxiao Daji Holding Ltd. (海南供銷大集控股有限公司). Mr. Wu currently serves as the vice president (venture investment) of CCOOP Group Co., Ltd* (供銷大集集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000564).

Mr. Han Wei

Mr. Han Wei, aged 35, holds dual Bachelor degrees in Economics and Law from Xi'an Jiaotong University in China and a Postgraduate Diploma in Finance from Xiamen University in China. He is an intermediate economist. Mr. Han previously served as the fund planning and procurement manager in the finance planning department of HNA Group Co., Ltd. (海航集團有限公司), the assistant to the general manager in the finance department of Hainan Airlines Co., Ltd. (海南航空股份有限公司), the deputy general manager in the finance planning department of HNA Infrastructure Industry Group Limited (海航基礎產業集團有限公司), the vice president of the project construction department of HNA Industrial Holdings (Group) Co., Ltd. (海航實業控股(集團)有限公司), the executive deputy manager in the finance planning department of HNA Industrial Group Co., Ltd. (海航實業集團有限公司), the chief finance officer of HNA Retailing Co., Ltd. (海航商業控股有限公司), the finance controller of HNA Retailing Co., Ltd. (海航商業控股有限公司), and the deputy finance controller and the general manager in the finance planning department of Hainan Gongxiao Daji Holding Ltd. (海南供銷大集控股有限公司). Mr. Han currently serves as a director of HNA Retailing Co., Ltd. (海航商業控股有限公司), the finance controller of Hainan Gongxiao Daji Holding Ltd. (海南供銷大集控股有限公司), an executive director of Green Industrial (HK) Holding Co., Limited (綠色實業(香港)有限公司), an executive director of Feihang Yuanchuang Investment Co., Ltd (飛航遠創投資有限公司), and a director and the finance controller of CCOOP Group Co., Ltd* (供銷大集集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000564).

Mr. Wang Fu Lin

Mr. Wang Fu Lin, aged 40, holds a Bachelor's degree in Economics from Xi'an College of Statistics in China. Mr. Wang previously served as the chairman and general manager of Chongqing Dingrui Real Estate Development Co., Ltd (重慶鼎瑞地產開發有限公司), and the general manager in the planning investment department of Hainan Gongxiao Daji Holding Ltd. (海南供銷大集控股有限公司). Mr. Wang currently serves as the general manager of the investment innovation department of CCOOP Group Co., Ltd* (供銷大集集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000564).

LETTER FROM THE BOARD

Save as disclosed above and as at the Latest Practicable Date, (i) the New Directors have not held any directorship in other listed companies in Hong Kong or overseas in the last three years; (ii) the New Directors do not hold any other positions in the Company or its subsidiaries; (iii) the New Directors do not have any relationship with any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company; (iv) the New Directors do not have any interest in the Shares within the meaning of Part XV of the SFO; and (v) there is no other information relating to the New Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

As at the Latest Practicable Date, no service contract and/or appointment letter has been entered into with any of the New Directors.

Mr. Sun Hong

Mr. Sun Hong, aged 68, was appointed as an Independent Non-Executive Director of the Company on 19 August 2015. He has been the chairman of Guangdong Chain Operations Association (廣東省連鎖經營協會) from 2012 to 2015, and was appointed as council member of the China Chain Store and Franchise Association (中國連鎖經營協會常務理事) in December 1998 and the vice president of Guangdong Association of Commerce and Economic (廣東省商業經濟學會) in 2008. He was appointed as the committee member of the Advisory Committee in Economic Decision-making of Economy Promotion Bureau of Shunde District (順德區經濟促進局經濟決策諮詢委員會) from October 2011 to December 2016. Mr. Sun was the expert consultant of the Foshan government in May 2010. He was elected as a member of the expert committee of Guangdong Consumer Council (廣東省消費者委員會專家委員會委員) from March 2012 to March 2015.

He has been an independent non-executive director of Yi Hua Development Store Holdings Limited (stock code: 2213), a company listed on The Stock Exchange of Hong Kong Limited since 12 November 2013. He was an independent director of a company listed on the Shenzhen Stock Exchange, Shenzhen Agricultural Products Co., Ltd (深圳市農產品股份有限公司) (Shenzhen stock code: 000061) from October 2006 to October 2009. He studied commerce and economics in Renmin University of China (中國人民大學) in 1985 and obtained a graduation certificate in June 1988. Mr. Sun was appointed as an Adjunct Professor in the College of Business in the City University of Hong Kong from January 2011 to December 2014. Mr. Sun was appointed as the MBA Adjunct Professor of the school of business administration in the South China University of Technology (華南理工大學) in 2002.

Mr. Sun has entered into a letter of appointment with the Company for a term of three years commencing on 19 August 2015. He is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He is entitled to a remuneration of RMB120,000 per annum.

LETTER FROM THE BOARD

Save as disclosed above and as at the Latest Practicable Date, (i) Mr. Sun has not held any directorship in other listed companies in Hong Kong or overseas in the last three years; (ii) Mr. Sun does not hold any other positions in the Company or its subsidiaries; (iii) Mr. Sun does not have any relationship with any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company; (iv) Mr. Sun does not have any interest in the Shares within the meaning of Part XV of the SFO; and (v) there is no other information relating to Mr. Sun that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

Mr. Guan Shiping

Mr. Guan Shiping, aged 62, was appointed as an Independent Non-Executive Director of the Company on 19 August 2015. Mr. Guan graduated from South China Normal University (華南師範大學) majoring in biology in 1982. Mr. Guan studied law in the China University of Political Science and Law (中國政法大學) in 1988 and obtained a diploma in Chinese from Sun Yat-sen University (中山大學) in November 1989. In 2001, he completed his study of criminal law in the postgraduate school of Sun Yat-sen University (中山大學研究生院). He was qualified to practise law in the PRC in January 1992. He was qualified as a second-grade lawyer in Guangdong Province in 2005.

He was the manager and lawyer of Foshan Municipal Law Firm (佛山市城區律師事務所) from November 1992 to May 1994. He has been the manager and lawyer of Guangdong Guanglixin Law Firm (廣東廣立信律師事務所) since May 1994. Mr. Guan was named as Outstanding Lawyer (優秀律師) by Foshan Justice Bureau (佛山市司法局) in 1998, by Foshan Municipal Justice Bureau (佛山市城區司法局) in 2000 and by Lawyers' Association of the Foshan Municipal (佛山市律師協會) in 2007. He was awarded Outstanding Contribution Award on Stabilising the Province's Legal Profession (全省律師行業維穩工作傑出貢獻獎) by Lawyers' Association of Guangdong Province (廣東省律師協會) in 2010. Mr. Guan has been the legal advisory group member of Standing Committee of the Foshan Municipal Chancheng City (佛山市禪城區人大常委會) between 2003 and 2011 and of People's Government of the Foshan Municipal Chancheng City (佛山市禪城區人民政府) between 2007 and 2012. He has also been the consultant of Legal Aid Expert Advisory Group of the Foshan Municipal (佛山市法律援助專家顧問組) between 2007 and 2009.

Mr. Guan has entered into a letter of appointment with the Company for a term of three years commencing on 19 August 2015. He is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He is entitled to a remuneration of RMB120,000 per annum.

LETTER FROM THE BOARD

Save as disclosed above and as at the Latest Practicable Date, (i) Mr. Guan has not held any directorship in other listed companies in Hong Kong or overseas in the last three years; (ii) Mr. Guan does not hold any other positions in the Company or its subsidiaries; (iii) Mr. Guan does not have any relationship with any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company; (iv) Mr. Guan does not have any interest in the Shares within the meaning of Part XV of the SFO; and (v) there is no other information relating to Mr. Guan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 19 June 2017 to Thursday, 22 June 2017 (both days inclusive), during which period no transfer of Shares will be effected.

In order to be entitled to attend and vote at the Annual General Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 16 June 2017.

THE ANNUAL GENERAL MEETING, PROXY ARRANGEMENT AND DEMAND FOR POLL

A notice convening the Annual General Meeting to be held on Thursday, 22 June 2017, at 2:30 p.m. at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong is set out on pages 16 to 19 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof) to the office of the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

Pursuant to rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, each of the resolutions put to vote at the Annual General Meeting will be taken by way of poll.

LETTER FROM THE BOARD

The Directors are not aware of any Shareholders who are required to abstain from voting in the Annual General Meeting. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under rule 13.39(5) of the Listing Rules.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. 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 herein or this circular misleading.

RECOMMENDATION

The Directors consider that all the proposed resolutions at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting in respect thereof.

Yours faithfully
By order of the Board
China Shun Ke Long Holdings Limited
Lao Songsheng
Chairman and Executive Director

This Appendix serves as an explanatory statement given to all the Shareholders, as required by the Listing Rules, to provide all the requisite information in relation to the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASES OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

(a) Shareholders' approval

All proposed purchase of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by the shareholders by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to a specific transaction.

(b) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the number of issued Shares at the date of the passing of the proposed resolution granting the Repurchase Mandate.

As at the Latest Practicable Date, the Company had 290,457,000 Shares in issue. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the exercise of the Repurchase Mandate in full would result in up to 29,045,700 Shares being repurchased by the Company.

(c) Reason for repurchase

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase securities of the Company on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or its earnings per Share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

(d) Fund of repurchase

In repurchasing securities, a company may only apply funds legally available for such purpose in accordance with its constitutive documents and the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

As compared with the financial position of the Company as at 31 December 2016 (being the date of its latest audited accounts), the Directors consider that there would not be a material adverse impact on the working capital or gearing position of the Company if the Repurchase Mandate was to be exercised in full during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level (as compared with the position disclosed in its latest audited accounts) which in the opinion of the Directors are from time to time appropriate for the Company.

(e) Connected parties

None of the Directors nor, to the best knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders. As at the Latest Practicable Date, no core connected person (as defined in the Listing Rules) had notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

(f) Undertaking by Directors

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

(g) Takeovers Code

If as a result of a securities repurchase, a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined under the Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 of the Takeovers Code.

To the best of the knowledge and belief of the Directors, the shareholdings of the substantial shareholders of the Company (as defined under Part XV of the SFO) as at the Latest Practicable Date and upon full exercise of the Repurchase Mandate are set out below:

Substantial Shareholder	As at the Latest Practicable Date		Immediately upon full exercise of the Repurchase Mandate	
	Number of issued Shares held	% of total issued Shares	Number of issued Shares held (Note 3)	% of total issued Shares (Note 3)
CCOOP International Holdings Limited	162,092,600	55.80	162,092,600	62.01
Lao Songsheng (Note 1)	38,880,000	13.39	38,880,000	14.87
Golden Prime Holdings Limited	25,988,000	8.95	25,988,000	9.94
Lu Yinhuan (Note 2)	20,477,000	7.05	20,477,000	7.83

Notes:

- As at the Latest Practicable Date, out of these 38,880,000 Shares, 12,892,000 Shares were beneficially owned by Shun Ao Holdings Limited and 25,988,000 Shares were beneficially owned by Golden Prime Holdings Limited. Shun Ao Holdings Limited was wholly-owned by Ever Prosperous Holdings Limited, in which its entire issued share capital was owned by Mr. Lao Songsheng. Mr. Lao Songsheng was also interested in approximately 34.6% of the issued share capital of Golden Prime Holdings Limited. Accordingly, Mr. Lao Songsheng was deemed to be interested in the Shares held by Shun Ao Holdings Limited and Golden Prime Holdings Limited.
- Among 20,477,000 Shares, 4,200,000 Shares were beneficially owned by Mr. Huang Jinlian, the spouse of Ms. Lu Yinhuan.
- On the presumption that (i) the issued shares of the Company remained at 290,457,000 Shares immediately before the full exercise of the Repurchase Mandate; and (ii) the interests of the Company held by the substantial shareholders of the Company as set out in the above table remained unchanged immediately after the full exercise of the Repurchase Mandate.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

(h) Public float

The Directors confirm that the Repurchase Mandate will not be exercised to an extent where the amount of Shares held by the public will be reduced below 25%.

2. SHARE PURCHASE MADE BY THE COMPANY

During six months preceding the date of this circular, no Shares have been repurchased by the Company.

3. SHARE PRICES

During each of the twelve months from May 2016 and up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
May	2.92	2.84
June	2.98	2.73
July	2.90	2.70
August	3.30	2.80
September	3.00	2.50
October	3.10	2.80
November	2.95	2.80
December	3.90	2.85
2017		
January	3.84	3.20
February	3.75	3.64
March	3.71	3.55
April	3.74	3.52
May (up to the Latest Practicable Date)	3.95	3.48

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of China Shun Ke Long Holdings Limited (the “Company”) will be held on Thursday, 22 June 2017, at 2:30 p.m. at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong (the “Annual General Meeting”) for the following purposes:

1. To receive and consider the audited consolidated financial statements, the reports of the Directors and the independent auditor of the Company for the year ended 31 December 2016.
2.
 - (A) To re-elect Mr. He Jia Fu as an executive director of the Company.
 - (B) To re-elect Mr. Li Zhongxu as an executive director of the Company.
 - (C) To re-elect Mr. Wu Limin as an executive director of the Company.
 - (D) To re-elect Mr. Han Wei as a non-executive director of the Company.
 - (E) To re-elect Mr. Wang Fu Lin as a non-executive director of the Company.
 - (F) To re-elect Mr. Sun Hong as an independent non-executive director of the Company.
 - (G) To re-elect Mr. Guan Shiping as an independent non-executive director of the Company.
3. To authorise the board to fix the remuneration of the Directors.
4. To re-appoint BDO Limited as auditor and to authorise the Directors to fix the remuneration of the auditor.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

5. As special business to consider and, if thought fit, pass with or without modifications, each of the following resolutions as an ordinary resolution of the Company:

ORDINARY RESOLUTIONS

(A) **“THAT**

- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers, employees of the Company and/or any of its subsidiaries or other eligible participants of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the number of issued shares of the Company at the date of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

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

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
- (iii) the date of which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

(B) **“THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase shares of the Company, subject to and in accordance with all applicable laws and requirements, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be purchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the number of issued shares of the Company as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

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

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
 - (iii) the date which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “THAT conditional upon Resolutions 5(A) and 5(B) set out above being passed, the aggregate number of shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Resolution 5(B) above shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Resolution 5(A) above.”

By order of the Board
China Shun Ke Long Holdings Limited
Lao Songsheng
Chairman and Executive Director

Hong Kong, 24 May 2017

Notes:

1. Any shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or, if he is holder of more than one share, more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the branch share registrar of the Company, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting (or any adjournment thereof).
3. In order to be entitled to attend and vote at the Annual General Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 16 June 2017.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorised.
5. Delivery of the form of proxy will not preclude a member from attending and voting in person at the Annual General Meeting convened and in such event, the form of proxy shall be deemed to be revoked.
6. The translation into Chinese language of the above notice is for reference only. In case of any inconsistency, the English version shall prevail.