SHENGLONG
盛 龙

SHENGLONG SPLENDECOR INTERNATIONAL LIMITED
盛龍錦秀國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8481)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Reference is made to the annual report of Shenglong Splendecor International Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2020 published on 29 March 2021 (the "**2020 Annual Report**"). Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as defined in the 2020 Annual Report.

Further to the information disclosed in the 2020 Annual Report, the Company wishes to provide to the shareholders of the Company and the potential investors with the following supplementary information.

USE OF PROCEEDS

The Company was listed on GEM of The Stock Exchange of Hong Kong Limited on 17 July 2017 (the "**Listing**") and the net proceeds of the Listing were approximately RMB44.6 million (the "**Net Proceeds**"). As at 31 December 2020, the Net Proceeds have been fully utilised by the Group according to the allocation set out in the prospectus of the Company dated 30 June 2017 (the "**Prospectus**").

In addition to the information disclosed in the 2020 Annual Report, the board of directors of the Company (the "**Board**") would like to provide the following information pursuant to Rules 18.32(8) and 18.32A of the GEM Listing Rules in relation to a breakdown for the use of the Net Proceeds:

	Use of proceeds as allocated in accordance with the Prospectus (Note 1)	Use of proceeds from the Listing date up to 31 December 2019	Unutilised proceeds as at 31 December 2019(Note 2)	Use of proceeds from the Listing date up to 31 December 2020	Unutilised proceeds as at 31 December 2020
	RMB'million	*RMB' million*	*RMB' million*	*RMB'million*	*RMB'million*
Enhancement of production capacity	32.0	26.6	5.4	32.0	–
Repayment of bank loans	8.6	8.6	–	8.6	–
General working capital	4.0	4.0	–	4.0	–
Total	44.6	39.2	5.4	44.6	–

Note 1: The actual amounts allocated have been adjusted to reflect the percentage of the net proceeds actually received pursuant to the Listing.

Note 2: The unutilised proceeds of approximately RMB5.4 million as at 31 December 2019 have been fully used during the year ended 31 December 2020 as follows: (i) approximately RMB0.4 million was used for the final payment of the solvent recovery equipment, (ii) approximately RMB4.7 million was used for building a new production line for lamination of PVC furniture film, and (iii) approximately RMB0.3 million was used for final payment of the replacement of existing production lines for the production of decorative paper.

PENSION SCHEME

In addition to the information disclosed in the section headed "Pension obligations" in Note 2.22(a) to the consolidated financial statements in the 2020 Annual Report, the Board would like to provide the following information pursuant to Rule 18.34(2) of the GEM Listing Rules:

The Group operates a defined contributions to Mandatory Provident Fund scheme (the "**MPF Scheme**") for its employees in Hong Kong and provides its PRC employees with welfare schemes (the "**Welfare Schemes**") as required by the applicable laws and regulations of the PRC. During the year ended 31 December 2020 and 2019, the Group had no forfeited contributions under the MPF Scheme and the Welfare Schemes which may be used by the Group to reduce the contribution payable in the future years.

Save as disclosed in this announcement, the remaining contents of the 2020 Annual Report remain unchanged.

By order of the Board
Shenglong Splendecor International Limited
Sheng Yingming
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 3 September 2021

As at the date of this announcement, the Board comprises (i) four executive directors, namely Mr. Sheng Yingming, Mr. Tan Chee Kiang, Mr. Fang Xu and Ms. Sheng Sainan and (ii) three independent non-executive directors, namely Mr. Ma Lingfei, Mr. Tso Ping Cheong Brian and Ms. Huang Yueyuan.

This announcement, for which the directors of the Company 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 of the Company having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement 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 announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website (http://www.hkgem.com) for at least 7 days from the date of its publication and on the Company's website (http://www.splendecor.com).

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.