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Shinlong Automotive Lightweight Application Limited
助龍汽車輕量化應用有限公司
(incorporated in Cayman Islands with limited liability)
(Stock code: 1930)

**SUPPLEMENTAL ANNOUNCEMENT TO THE ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

References are made to the prospectus of Shinlong Automotive Lightweight Application Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) dated 17 June 2019 (the “**Prospectus**”) and the annual report of the Company for the year ended 31 December 2019 (the “**Annual Report**”) published on 14 April 2020. Unless otherwise defined or the context otherwise requires, capitalised terms used herein shall bear the same meanings as those defined in the Prospectus and the Annual Report.

USE OF PROCEEDS

In accordance with the requirement of paragraph 11(8)(b) of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange, the Board would like to provide further information for the Annual Report, in relation to the expected timeline for the application of the unutilised proceeds from the Global Offering, details of which are set out as below:

	Percentage of Net Proceeds	Net Proceeds from the global offering HK\$' million	Utilised up to 31 December 2019 HK\$' million	Unutilised as at 31 December 2019 HK\$' million	Expected timeline for full utilisation
Lease the premises for new factory	4.0%	3.8	0.5	3.3	By the end of 2021
General set up costs of the factory	3.2%	3.1	-	3.1	By the end of 2021
Purchase new production equipment	76.3%	72.9	3.4	69.5	By the end of 2021
Purchase softwares	6.5%	6.2	1.0	5.2	By the end of 2021
Supplement working capital	10.0%	9.6	3.8	5.8	By the end of 2021
		95.6	8.7	86.9	
		95.6	8.7	86.9	

The actual application of the Net Proceeds from the Listing during the year ended 31 December 2019 were used according to the intentions previously disclosed in the Prospectus and there was no change or delay in the use of proceeds. As at the date of this announcement, the Directors expected that the unutilised amount would be used in accordance with the Company's plan as disclosed in the Prospectus.

DEED OF NON-COMPETITION

As disclosed in the Prospectus, the controlling shareholders of the Company (the "**Controlling Shareholders**"), namely Shine Art International Limited, Mr. Lin Wan-Yi, Mr. Yung Chia-Pu, Mr. Cheng Ching-Long, Mr. Hsieh Chi-Hung, Mr. Liu Ying-Han, Mr. Leng Chi-Ching, Mr. Lu Jen-Chieh, Ms. Hsieh Pei-Chen and Mr. Chang Jui-Chun, entered into a deed of non-competition dated 6 June 2019 (the "**Deed of Non-Competition**") with the Company. For details of the Deed of Non-Competition, please refer to the section headed "Relationship with Controlling Shareholders – Corporate Governance Measures" in the Prospectus. Each of the Controlling Shareholders has declared to the Company that neither it/he/she nor its/his/her respective close associates had owned, invested in, participated in, developed, operated or engaged in any business or company which directly or indirectly competes with the business of the Group since the Listing and up to the date of the Annual Report.

The independent non-executive Directors have also reviewed and were satisfied that each of the Controlling Shareholders had complied with the terms of the Deed of Non-Competition since the Listing and up to the date of the Annual Report.

The above additional information does not affect any other information contained in the Annual Report. Save as disclosed in this announcement, the content of the Annual Report remains unchanged.

By Order of the Board
Shinelong Automotive Lightweight Application Limited
Lin Wan-Yi
Chairman and Executive Director

Hong Kong, 3 July 2020

As at the date of this announcement, the executive directors of the Company are Mr. Lin Wan-Yi, Mr. Yung Chia-Pu, Mr. Cheng Ching-Long and Mr. Lu Jen-Chieh; the non-executive director of the Company is Ms. Hsieh Pei-Chen; and the independent non-executive directors of the Company are Mr. So George Siu Ming, Mr. Lin Lien-Hsing and Mr. Fan Chi Chiu.