

**SHANGHAI TURBO ENTERPRISES LTD.**

(Company Registration No.: CT-151624)

(Incorporated in the Cayman Islands)

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**PROPOSED PLACEMENT OF 3,051,527 NEW ORDINARY SHARES IN THE CAPITAL OF SHANGHAI TURBO ENTERPRISES LTD. AT A PLACEMENT PRICE OF S\$0.423 FOR EACH PLACEMENT SHARE – RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST**

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The board of directors ("**Board**" or "**Directors**") of Shanghai Turbo Enterprises Ltd. (the "**Company**", and together with its subsidiaries, collectively the "**Group**") refers to the announcement made by the Company on 27 April 2021 in relation to the Proposed Placement ("**Announcement**").

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the Announcement.

Further to the Announcement, the Board is pleased to announce that the SGX-ST has on 17 May 2021 granted its approval in-principle (the "**AIP**") in respect of the listing and quotation of the Placement Shares on the SGX-ST.

The AIP granted by the SGX-ST is subject to the following conditions:

- (i) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- (ii) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual;
- (iii) a written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the Listing Manual; and
- (iv) a written undertaking from the Company that, if a general share issue mandate is sought for in its FY2020 AGM, the number of shares available to be issued under the mandate will be reduced by 3,051,527 shares, which is the current number of Placement Shares that will be placed out.

The Company has previously submitted the documents set out in items (i), (ii) and (iii) above to the SGX-ST, and will submit the undertaking set out in item (iv) to the SGX-ST in due course.

The AIP is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Company and/or its subsidiaries.

Pursuant to the AIP, the Placement Shares have to be placed out within seven (7) market days from the date of the AIP.

The Company will make further announcements as and when there are material updates on the Proposed Placement. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD**

Hong Yong  
Non-Executive Chairman and Lead Independent Director  
17 May 2021