SHANGHAI TURBO ENTERPRISES LTD.
(Company Registration No.: CT151624)
Incorporated in the Cayman Islands

Announcement on Signing of Strategic Cooperation Agreement between Shanghai Turbo Enterprises Ltd. and Shanghai Zhenshi Energy Technology Co., Ltd.

Recently, Shanghai Turbo Enterprises Ltd. (hereinafter referred to as the "Company" or "Party B") and Shanghai Zhenshi Energy Technology Co., Ltd. (hereinafter referred to as "Party A") signed the Strategic Cooperation Agreement (hereinafter referred to as the "Agreement"). Through friendly negotiation, adhering to the cooperation principle of "equality & mutual trust, advantage complementation and innovation-driven development", both parties have decided to establish a strategic partnership to make full use of their respective advantages and jointly promote the industrial development in the fields such as new energy, new materials, clean energy and circular economy business.

I. Basic Information about Partner Signing the Agreement:

Company name: Shanghai Zhenshi Energy Technology Co., Ltd.
Legal representative: Wang Guangwei
Company type: Limited Liability Company (invested or held by a natural person)
Registered capital: RMB 40 million
Located in Minhang District, Shanghai, the company is a high-tech enterprise integrating energy and environmental protection, technical consulting, technical service, and sales and production of energy and environmental protection equipment. The company has passed ISO9001:2015 quality management system certification and has received several honors such as Shanghai Technological Little Giant Cultivation Enterprise, Shanghai "Specialized, Refined, Distinctive and Innovative" Enterprise, Council Member of Shanghai Energy Conservation Service Association, EMC professional service company filed with the National Development and Reform Commission and the Ministry of Finance, Top 10 Star Technological Innovation Enterprise in China's energy saving and emission reduction industry, and Shanghai Energy-Saving Golden Key Excellent Energy-Saving Service Company.

II. Planned Investment Projects in the Strategic Cooperation Agreement, Including:

2.1 Project name: Biomass Gas Project (Gas-Charcoal Cogeneration) in a City of Anhui Province, China

Project overview: The project is to construct biomass gasifier and carbonization furnace equipment and their supporting equipment, etc. in which raw materials from biomass resources (bamboo and wood waste) will be converted into heat energy and biomass

charcoal. The project's construction period is about 1 year; after completion, the annual supply of biomass gas will be over 900 million cubic meters, and the annual output of columnar activated carbon will be about 10,000 tons. In the project, biomass energy (renewable energy) is adopted to replace fossil energy (natural gas), saving the standard coal by about 160,000 tons per year and reducing carbon dioxide emission by about 400,000 tons annually.

2.2 Project name: Steel Blast Furnace Gas-Fired Molten Salt Energy Storage Project in a City of Zhejiang Province, China

Project overview: The project will construct a blast furnace gas-fired molten salt energy storage system. During the off-peak period of the power grid, some blast furnace gas will be extracted and fired to heat the molten salt as heat energy storage; during the peak period of the power grid, heat exchange will be carried out between the stored high-temperature molten salt and the feed water to produce main steam and reheated steam, which will be incorporated into the turbine generator for electricity production. The construction period of the project is 1 year; after completion, the annual power generation capacity during the off-peak period will be reduced by 120 million kWh, the annual power generation capacity during the peak period will be increased by 70 million kWh annually, while the annual power generation capacity during the peak period will be increased by 40 million kWh annually.

2.3 Project name: Production of Bamboo-Based Activated Carbon from Bamboo Waste in a City of Hunan Province, China

Project overview: The project is to construct an externally heated carbonization converter as well as supporting activation system and public auxiliary system. Bamboo and its wastes will be processed into activated carbon. The construction period of the project is 1 year; after completion, the annual output of columnar activated carbon will be about 10,000 tons.

III. Impact on Listed Companies

The signing of the Agreement will help the Company to maintain the healthy and stable development of its dual main businesses in the coming three to five years: firstly, to maintain continuous and stable operation of traditional blade production and sales; secondly, to strive to rapidly develop the clean energy and circular economy business and to cultivate future avenues for the growth of the Company’s business. The signing of the Agreement will not have a significant impact on the Company’s operating performance for the year 2024, and the impact on the Company’s future operating performance will depend on the promotion and implementation of specific projects.

IV. Risk Warning

The Agreement is a framework and intentional agreement and is not binding, and there is uncertainty as to specific cooperation matters and implementation progress. The Company will pay close attention to the subsequent matters involved in the Agreement, and strictly follow the relevant regulations to fulfill the decision-making procedure and information disclosure obligation. Investors are advised to be aware of the investment risk.

BY ORDER OF THE BOARD
SHANGHAI TURBO ENTERPRISES LTD.

Zhang Wenjun
Non-Executive Non-Independent Director
December 12th, 2024