



Shanghai Turbo

SHANGHAI TURBO ENTERPRISES LTD.

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Changzhou, Jiangsu Province, 213016, the PRC

**SHANGHAI TURBO ENTERPRISES LTD.
Registration No. CT-151624
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
31 March 2026**



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A. Condensed consolidated statement of profit or loss and other comprehensive income

	Note	The Group		
		3 months ended 31 Mar 2026	3 months ended 31 Mar 2025	Change +/-(-)
		RMB'000	RMB'000	%
Revenue	4	23,790	14,555	63%
Cost of sales		(18,219)	(12,158)	50%
Gross profit / (loss)		5,571	2,397	132%
Other income / (expenses)		970	1,141	-15%
Distribution and marketing expenses		(2,110)	(1,456)	45%
General and administrative expenses		(4,487)	(3,970)	13%
Finance expenses		(784)	(377)	108%
Impairment loss on financial assets		-	-	
Loss before income tax	6	(840)	(2,265)	63%
Tax expenses	7	-	-	NM
Loss for the financial period, net of tax		(840)	(2,265)	63%
Other comprehensive (expenses) /				
Items that may be reclassified to profit or loss in subsequent period (net of tax)				
Currency translation differences on		-	-	NM
Total other comprehensive loss for the		-	-	NM
Total comprehensive loss for the		(840)	(2,265)	63%
Profit / (Loss) attributable to				
- Owners of the Company		(670)	(1,807)	63%
- Non-controlling interest		(170)	(458)	63%
Total comprehensive loss attributable				
- Owners of the Company		(670)	(1,807)	63%
- Non-controlling interest		(170)	(458)	63%
Earnings per share for profit / (loss) for the period attributable to the owners of the Company during the year :				
Basic (RMB in cent)		(2.752)	(7.421)	63%
Diluted (RMB in cent)		(2.752)	(7.421)	63%
Basic (SGD in cent)		(0.514)	(1.383)	63%
Diluted (SGD in cent)		(0.514)	(1.383)	63%

NM - Not meaningful



B. Condensed statements of financial position

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Current assets					
Cash and bank balances	15	9,044	9,025	-	-
Trade and other receivables	14	47,833	60,480	-	-
Inventories	13	35,110	28,345	-	-
Total current assets		91,987	97,850	-	-
Non-current assets					
Subsidiaries	12	-	-	57,612	57,612
Property, plant and equipment	10	44,415	40,287	-	-
Right-of-use assets	11	15,443	15,542	-	-
Financial assets at fair value		-	-	-	-
Total non-current assets		59,858	55,829	57,612	57,612
Total assets		151,845	153,679	57,612	57,612
LIABILITIES					
Current liabilities					
Trade and other payables	16	44,245	49,466	1,475	1,475
Provision	17	4,373	4,373	-	-
Borrowings	18	62,400	62,500	-	-
Due to subsidiaries (non-trade)		-	-	34,017	34,017
Total current liabilities		111,018	116,339	35,492	35,492
Non-current liabilities					
Deferred government grants		-	-	-	-
Long-term Borrowings		31,703	27,376	-	-
Total liabilities		142,721	143,715	35,492	35,492
NET ASSETS	9	9,124	9,964	22,120	22,120
EQUITY					
Equity attributable to equity holders					
Share capital	19	60,318	60,318	60,318	60,318
Share premium	20	79,803	79,803	79,803	79,803
Retained losses		(152,694)	(151,854)	(118,001)	(118,001)
Other Reserves					
Statutory reserve		30,526	30,526	-	-
Foreign exchange translation		(8,829)	(8,829)	-	-
		21,697	21,697	-	-
Total equity		9,124	9,964	22,120	22,120

**C. Condensed statements of changes in equity****The Group**

		Share capital	Share premium	Statutory reserve	Foreign exchange translation reserve	Retained losses	Total equity
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2026							
Balance at 1 January 2026		60,318	79,803	30,526	(8,829)	(151,854)	9,964
Issue of share capital		-	-	-	-	-	-
Total Comprehensive loss for the financial period		-	-	-	-	(840)	(840)
Balance at 31 March 2026		60,318	79,803	30,526	(8,829)	(152,694)	9,124
2025							
Balance at 1 January 2025		60,318	79,803	30,526	(8,829)	(154,178)	7,640
Issue of share capital		-	-	-	-	-	-
Total Comprehensive loss for the financial period		-	-	-	-	(2,265)	(2,265)
Balance at 31 March 2025		60,318	79,803	30,526	(8,829)	(156,443)	5,375

The Company

		Share capital	Share premium	Statutory reserve	Foreign exchange translation reserve	Retained losses	Total equity
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2026							
Balance at 1 January 2026		60,318	79,803	-	-	(118,001)	22,120
Issue of share capital		-	-	-	-	-	-
Total Comprehensive loss for the financial period		-	-	-	-	-	-
Balance at 31 March 2026		60,318	79,803	-	-	(118,001)	22,120
2025							
Balance at 1 January 2025		60,318	79,803	-	-	(118,001)	22,120
Issue of share capital		-	-	-	-	-	-
Total Comprehensive loss for the financial period		-	-	-	-	-	-
Balance at 31 March 2025		60,318	79,803	-	-	(118,001)	22,120



D. Condensed consolidated statements of cash flows

	Note	The Group		
		3 months ended 31 Mar 2026	3 months ended 31 Mar 2025	Change +/-(-)
		RMB'000	RMB'000	%
Cash flows from operating activities				
Loss before tax		(840)	(2,265)	63%
Adjustment for :				
Interest Income		-	-	NM
Depreciation of property, plant and equipment		1,355	1,409	-4%
Amortisation of right of use of assets		99	60	65%
Impairment loss on trade receivables		-	-	NM
Reversal of impairment loss on property, plant and equipment		-	-	
Interest Expense		784	377	108%
Loss / (gain) on disposal of property, plant & equipment		(1)	-	NM
Amortisation of deferred government grant		-	-	
Transfer from deferred capital grant		-	-	NM
Foreign Exchange loss/(gain), net		-	-	NM
Operating loss before working capital changes		1,397	(419)	-433%
Decrease / (increase) in inventories		(6,765)	(2,650)	NM
Decrease / (increase) in trade & other Receivables		12,647	(5,508)	-330%
(Decrease) / increase in trade & other Payables		(5,221)	(2,720)	92%
Cash generated from / (used in) operations		2,058	(11,297)	NM
Interest income received		-	-	NM
Net taxation paid		-	-	NM
Net Cash generated from / (used in) operating activities		2,058	(11,297)	NM
Cash flow from investing activities				
Purchase of property, plant and equipment		(5,491)	(3,283)	NM
Purchase of right of use of assets		-	-	NM
Increase in share capital paid through special		-	-	NM
Increase in share premium paid through special		-	-	NM
Loan to a shareholder		-	-	
Interest income from loan to a shareholder		-	-	
Net cash generated from / (used in) investing activities		(5,491)	(3,283)	NM
Cash flow from financing activities				
Withdrawal of pledged deposits		-	-	NM
Loan from banks		94,103	52,500	79%
Repayment to banks		(89,876)	(42,500)	NM
Interest Expense		(784)	(377)	108%
Net cash generated from / (used in) financing activities		3,443	9,623	-64%
Net (decrease) / increase in cash and cash equivalents		11	(4,957)	-100%
Cash and cash equivalents at beginning of the period		9,025	9,137	-1%
Effects of exchange rate changes in cash and cash equivalents		8	4,845	-100%
Cash and cash equivalents at end of the period		9,044	9,025	0%

Effects of exchange rate changes in cash and cash equivalent

NM - Not meaningful



Cash and bank balances comprise the following:

	Note	The Group		
		3 months ended 31 Mar 2026	3 months ended 31 Mar 2025	Change +/-
		RMB'000	RMB'000	%
Cash and cash equivalent		9,044	9,025	0%
Pledged cash placed with bank		-	-	NM
		9,044	9,025	0%

NM - Not meaningful



E. Notes to the condensed consolidated financial statements

1. Corporate information

Shanghai Turbo Enterprises Ltd. (the “Company”) is a limited liability company domiciled and incorporated in the Cayman Islands and listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is located at No.9, Yinghua Road, Zhonglou Economic Development Zone, Changzhou City, Jiangsu Province, 213016, The People’s Republic of China (“PRC”).

The principal activity of the Company is that of investment holding. The Company has invested in Best Success (Hong Kong) Limited in Hong Kong as investment holding company and Best Success (Hong Kong) Limited has further invested in Changzhou 3D Technological Complete Set Equipment Co., Ltd (“CZ3D”) as manufacturing of vane products and relating subcontracting services, CZ3D has further invested in Sichuan 3D New Power Technological Co., Ltd (“SC3D”) as manufacturing of vane products and relating subcontracting services.

The Group is a precision engineering group that specializes in the production of precision vane products, mainly stationary vanes, moving vanes and nozzles. These vanes are the key components of steam turbine generators used for power generation in power plants, power stations and / or substations. They are also essential components mounted onto steam turbine generators to maximize the efficiency of steam flow in the generation of electricity.

2. Basic of preparation

The condensed financial statements for three months ended 31 March 2026 have been prepared in accordance with SFRS(I) 1-34 Financial Reporting issued by the Accounting Standards Council Singapore and International Financial Reporting Standards (“IFRSs”). All references to SFRS(I)s and IFRSs are referred to as SFRS(I)s in these condensed financial statements unless otherwise specified. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements are presented in Chinese Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) as indicated, unless otherwise stated which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

On 1 January 2020, the Group adopted the new or amended SFRS and IFRS, the Interpretations of IFRS (“IFRIC”) that are mandatory for application from that date. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS and IFRIC. The adoption of these new or amended SFRS, IFRS and IFRIC did not result in substantial changes to the Group’s and Company’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.



2.2 Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

3. Seasonal operation

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.



4. Segment and revenue information

The Group is organised into one main business segment only.

4.1 Reportable segments

	Note	Segment 1 RMB'000	Consolidation RMB'000
1 January 2026 to 31 March 2026			
Total segment revenue		23,790	23,790
Dividend income			
Interest income			
Miscellaneous income		970	970
Total other income		970	970
Total revenue and other income		24,760	24,760
Depreciation		(1,454)	(1,454)
Finance expense		(784)	(784)
Segment profit		22,522	22,522
Unallocated expenses		(23,362)	(23,362)
Loss before taxation		(840)	(840)
Taxation		-	-
Earnings / (loss) for the interim period		(840)	(840)
Segment assets		151,845	151,845
Total assets per statement of financial position		151,845	151,845
Expenditures for segment non-current assets			
- Additions to PPE		(5,491)	(5,491)
Segment liabilities		142,721	142,721
Deferred government grants		-	-
Total liabilities per statement of financial position		142,721	142,721
		Segment 1 RMB'000	Consolidation RMB'000
1 January 2025 to 31 March 2025			
Total segment revenue		14,555	14,555
Dividend income			
Interest income			
Miscellaneous income		1,141	1,141
Total other income		1,141	1,141
Total revenue and other income		15,696	15,696
Depreciation		(1,469)	(1,469)
Finance expense		(377)	(377)
Segment profit		13,850	13,850
Unallocated expenses		(16,115)	(16,115)
Loss before taxation		(2,265)	(2,265)
Taxation		-	-
Earnings / (loss) for the interim period		(2,265)	(2,265)
Segment assets		119,533	119,533
Total assets per statement of financial position		119,533	119,533
Expenditures for segment non-current assets			
- Additions to PPE		3,283	3,283
Segment liabilities		91,228	91,228
Deferred government grants		(891)	(891)
Total liabilities per statement of financial position		90,337	90,337



4.2 Disaggregate of Revenue

	Note	The Group	
		3 months ended 31 Mar 2026	
		Segment 1	Total
		RMB'000	RMB'000
Types of goods or services			
Sale of goods		23,790	23,790
Total revenue		23,790	23,790
Geographical information :			
China		18,260	18,260
Korea		5,530	5,530
Japan		-	-
Total revenue		23,790	23,790

	Note	The Group	
		3 months ended 31 Mar 2025	
		Segment 1	Total
		RMB'000	RMB'000
Types of goods or services			
Sale of goods		14,555	14,555
Total revenue		14,555	14,555
Geographical information :			
China		14,193	14,193
Korea		362	362
Japan		-	-
Total revenue		14,555	14,555

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 March 2026 and 31 December 2025.

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Financial Assets					
Cash and bank balances and trade and other receivables (Amortised cost)		56,877	69,505	-	-
Financial Liabilities					
Trade and other payables and borrowings (Amortised cost)		111,018	116,339	1,475	1,475



6. Profit before taxation

6.1 Significant items

	Note	The Group		
		3 months ended 31 Mar 2026	3 months ended 31 Mar 2025	Change +/-
		RMB'000	RMB'000	%
Income				
Miscellaneous income		970	1,141	-15%
Expenses				
Interest on borrowings		(784)	(377)	108%
Depreciation of property, plant and equipment and amortisation on use of rights		(1,454)	(1,469)	-1%
Loss / (gain) on disposal of property, plant &		1	-	NM

6.2 Related party transaction

There is no material related party transaction apart from those disclosed elsewhere in the financial statements.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	Note	The Group		
		3 months ended 31 Mar 2026	3 months ended 31 Mar 2025	Change +/-
		RMB'000	RMB'000	%
Current income tax expense		-	-	NM
Deferred income tax expense relating to origination and reversal of temporary differences		-	-	NM
		-	-	NM

8. Dividends

	Note	The Group		
		3 months ended 31 Mar 2026	3 months ended 31 Mar 2025	Change +/-
		RMB'000	RMB'000	%
Ordinary dividends paid:		-	-	NM
dividend		-	-	NM
Dividend per share (net of tax)		-	-	NM



9. Net Assets Value

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB	RMB	RMB	RMB
Net assets value per ordinary share		0.299	0.326	0.725	0.725

10. Right-of-use assets

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Cost					
Beginning of financial year		20,237	20,237	-	-
End of period		20,237	20,237	-	-
Additions		-	-		
Accumulated depreciation and impairment losses					
Beginning of financial year		4,695	4,455	-	-
Depreciation charge for the period		99	240	-	-
End of period		4,794	4,695	-	-
Net book value		15,443	15,542	-	-

The Group has 50-year land use right over a plot of state-owned land in Changzhou PRC where the Group's manufacturing and storage facilities reside. The land use right has a remaining tenure of 30 years (2025: 31 years).

On 22 October 2024, the Group has newly purchased the 50-year land use right over a plot of state-owned land in Deyang Sichuan PRC where the Group's another manufacturing base will reside.

As at 31 Mar 2026, the entire Changzhou land use right is pledged in connection with a bank facility including both bill payable facilities and bank loans.

Impairment testing of land use right

No impairment loss is recognized in 1Q FY2026 (2025: Nil), as the Group has estimated the recoverable amount of the land use rights to be higher than the net carrying amount. The recoverable amount of the land use rights was based on its fair value on 31 December 2022. Valuations are performed by Jones Lang LaSalle, an independent valuer with a recognized and relevant professional qualification and with recent experience in the location and category of the land use rights being valued. The valuations are based on comparable market transactions that consider the sales of similar assets that have been transacted in the open market.



11. Property, plant and equipment

Property, plant and equipment ("PPE"), right of use of assets and intangible assets as at YTD 1Q FY2026 was RMB59.86 million as compared to RMB55.83 million as at YTD 4Q FY2025. This was mainly due to decrease in depreciation and amortization in YTD 1Q FY2026 amounting to RMB1.45 million; increased in newly purchased PPE in YTD 1Q FY2026 amounting to RMB5.49 million.

Impairment assessment of property, plant and equipment

The Group carried out a review of the recoverable amount of non-financial assets of Changzhou 3D which is determined to be a Cash-Generating Unit ("CGU") arising from indicator for impairment. The Group have recognized an impairment loss of RMB44.856 million in FY2020 with respect to plant and equipment, as the Group has estimated the recoverable amount of the CGU to be lower than the net carrying amount. In FY2021 and FY2022, there was reversal of impairment on plant and equipment of RMB8.442 million and RMB9.082 million respectively.



12. Subsidiaries

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Unquoted equity shares at cost		-	-	57,612	57,612
Purchase consideration					
Cash paid		-	-	57,612	57,612
Additional : Cash paid during the		-	-	-	-
Impairment loss				57,612	57,612
Total		-	-	57,612	57,612

Name of subsidiaries	Note	Principal activities	Country of incorporation and place of business	Proportion (%) of ownership interest	
				31 March 2026	31 December 2025
				%	%
Held by the Company					
Best Success (Hong Kong) Limited ("BS")	(1)	Investment holdings	Hong Kong	100	100
Held by BS					
Changzhou 3D Technological Complete Set Equipment Co., Ltd ("CZ3D")	(2)	Manufacturing of vane products and relating subcontracting	China	100	100
Held by CZ3D					
Sichuan 3D New Power Technological Co., Ltd ("SC3D")	(3)	Manufacturing of vane products and relating subcontracting	China	100	

- 1) Audited by S. W. Chan & Co, Hong Kong and reviewed by Crowe Horwath First Trust LLP for consolidation purpose.
- 2) Audited by Changzhou Xinhuarui CPAs (常州新华瑞联合会计师事务所), a firm of Certified Public Accountants registered in the PRC for statutory purpose and by Crowe Horwath First Trust LLP for consolidation purpose.

Impairment assessment of investment in subsidiaries

The management had performed an impairment assessment for the investment in Changzhou 3D arising from indicator of impairment. Impairment loss amounting to RMB90.577 million is recognized in 2021, as the Group has estimated the recoverable amount of the investment in subsidiaries to be lower than the net carrying amount. In 2022, there was a reversal of impairment loss of RMB0.3 million. The Group recognised RMB14.00 million of impairment loss on investment in subsidiary in 2023.

**13. Inventories**

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Statements of Financial Position :					
Inventories :					
Raw material		1,489	871	-	-
Work-in-progress		22,442	21,337	-	-
Finished goods		11,179	6,137	-	-
Total		35,110	28,345	-	-

As at YTD 1Q FY2026, inventories stood at RMB35.11 million (YTD 4Q FY2025: RMB28.35 million) mainly consist of WIP inventory amounting to RMB22.44 million (YTD 4Q FY2025: RMB21.34 million), newly purchased raw materials amounting to RMB1.49 million (YTD 4Q FY2025: RMB0.87 million) and finished goods amounting to RMB11.18million (YTD 4Q FY2025: RMB6.14million) to fulfill the salesorders.

The increase in finished goods inventory is mainly due to the growth in customer orders.



14. Trade and other receivables

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables					
Bill receivables		-	-	-	-
Trade receivables		34,152	46,114	-	-
Total trade receivables		34,152	46,114	-	-
Other receivables					
Advances to suppliers		12,168	12,507	-	-
Advances to employees		726	614	-	-
Prepayments		387	631	-	-
Tender deposits		400	614	-	-
Other receivables		-	-	-	-
Total other receivables		13,681	14,366	-	-
Total trade and other receivables		47,833	60,480	-	-

	Note	The Group		The Group	
		31 March 2026	31 March 2026	31 December 2025	31 December 2025
		RMB'000	%	RMB'000	%
Trade receivables					
Customer :					
A		26,382	77%	33,803	73%
B		735	2%	651	1%
Others		7,035	21%	11,660	25%
Total		34,152	100%	46,114	100%
Aged (Days)					
0-90		21,051	62%	35,815	78%
91-180		11,334	33%	8,420	18%
181-270		1,767	5%	1,879	4%
More Than 270		-	0%	-	0%
Total		34,152	100%	46,114	100%

Trade receivables:

Trade receivables decreased from RMB46.11 million in YTD 4Q FY2025 to RMB34.15 million in YTD 1Q FY2026 .The business of the group is mainly concentrated in state-owned enterprises, and the objects of trade receivables are mainly state-owned enterprises also, so the trade receivables can generally be collected as scheduled, there is no risk of bad debt loss.

These outstanding amounts are not owing to any related parties.

These debtors are not related to any directors, key executives, substantial shareholders or their respective associates.

These customers are still in operation.

Based on the assessment performed by the management on the current trade receivables, they are still recoverable although payment may be slow, barring any unforeseen circumstances or changes to the business environment and sluggish market conditions. The management is of the view that the Group has unconditional rights on trade receivables including unbilled trade receivables as at 31 March 2026.



The Board of Directors of the Company (“the Board”) has assessed the recoverability of the Group’s trade receivables based on the contracts signed with the customers and the acceptance of the goods by the customer. The Board will, together with management, closely monitor the recovery of the Group’s trade receivables.

Other receivables:

Other receivables amounting to RMB13.68 million in YTD 1Q FY2026 as compared to RMB14.37 million in YTD 4Q FY2025. This was mainly due to decrease in advance to suppliers amounting to RMB12.17 million in YTD 1Q FY2026 (YTD 4Q FY2025: RMB12.51 million); decrease in tender deposits amounting to RMB0.40 million in YTD 1Q FY2026 (YTD 4Q FY2025: RMB0.61 million); decrease in prepayments amounting to RMB0.39 million in YTD 1Q FY2026 (YTD 4Q FY2025: RMB0.63 million).

15. Cash and bank balances

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Cash in hand		52	193	-	-
Bank balances		8,992	8,832	-	-
Cash and bank balances as stated in the statement of financial position		9,044	9,025	-	-
Less: Pledged deposits		-	-	-	-
Cash and cash equivalents as stated in the consolidated statement of cash flows		9,044	9,025	-	-

16. Trade and other payables

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Trade payables					
Bill payables		-	-	-	-
Trade payables		34,048	39,672	-	-
Total trade payables		34,048	39,672	-	-
Other payables					
Accrued operating expenses		3,967	3,967	8	8
Accrued employee salaries		1,860	1,984	-	-
Accrued director fees		225	450	563	563
Advance from customers		359	317	-	-
Shipping fee payable		5	5	-	-
Security fee payable		-	56	-	-
Legal and professional fee payable		819	-	904	904
Electricity bill payable		-	-	-	-
Labor union expenditure payable		102	99	-	-
Value-Added Tax payables		(1,097)	163	-	-
Other taxes payable		269	308	-	-
Other payables		3,688	2,445	-	-
Total other payables		10,197	9,794	1,475	1,475
Total trade and other payables		44,245	49,466	1,475	1,475



Trade payables

The trade payables decreased from RMB39.67 million in YTD 4Q FY2025 to RMB34.05 million in YTD 1Q FY2026. The trade payables are all within a reasonable payment period, the accounts payable will be paid on schedule as product sales are realized and accounts receivable are collected.

Other payables

Other payables and accruals increased by RMB0.40 million from RMB9.79 million in YTD 4Q FY2025 to RMB10.20 million in YTD 1Q FY2026. This was mainly due to increase in advance from customers amounting to RMB0.36 million in YTD 1Q FY2026 (YTD 4Q FY2025: RMB0.32 million); increase in legal and professional fee payable amounting to RMB0.82 million in YTD 1Q FY2026 (YTD 4Q FY2025: RMB0.00million); increase in other payables amounting to RMB3.69 million in YTD 1Q FY2026 (YTD 4Q FY2025: RMB2.45million); decrease in accrued director fees amounting to RMB0.23 million in YTD 1Q FY2026 (YTD 4Q FY2025: RMB0.45 million).

17. Provisions

CZ3D was served with a notice dated 2017 by the local government agency which required the subsidiary to provide compliance documents relating to its leasehold buildings in accordance with relevant laws and regulations in PRC (“the Notice”). The buildings were constructed in 2003 without obtaining relevant permits from government.

Provision for government fine

As at 31 December 2017, the management estimated and provided for government fine of RMB4,373,000 which is 10% of the replacement cost estimated by a certified cost engineer. In accordance with relevant laws and regulations as advised by CZ3D’s legal counsel, 10% is the upper limit of the fine prescribed, ranging from 5% to 10% of replacement cost.

Contingent liability on rectification cost

In addition to the fine, in order to apply for building permit of the relevant properties, it may be necessary to incur costs to improve or reinforce the properties to comply with relevant regulations (“rectification costs”), if any and as noted by government agency.

The management has obtained legal opinion from the subsidiary’s legal counsel stating that the Notice indicates the local government has commenced administrative enforcement procedures for relevant properties. It is still at the stage of investigation and evidence collection, and has yet to reach the stage to file “letter of statement of averment”, nor represents final administrative conclusive document. The legal counsel advised that CZ3D shall actively apply for and complete the necessary legal procedures for the relevant properties and, if the government agency continues to conduct investigations, the subsidiary can explain to the government on the progress of the legal procedures of the relevant properties and strive for understanding. Since 2017 and up to the date these financial statements are authorised for issue, the management confirms that CZ3D has received neither further information regarding the investigation nor notification of the specific necessary rectification from the government agency.

18. Borrowings

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Borrowings		62,400	62,500	-	-
Amount repayables within one year or on					
Secured	*	46,900	46,900	-	-
Unsecured	~	8,000	15,600	-	-
Guarantee	**	7,500	-	-	-
Total		62,400	62,500	-	-



Description	Note	RMB'000	Started Date	Expired Date	Interest Rate Per Annum
Secured	~	35,000	9 Apr 2025	9 Apr 2026	3.200%
Secured	*#	10,000	10 Apr 2025	10 Apr 2026	3.200%
Secured	*##	1,900	25 Feb 2025	24 Feb 2026	3.000%
Unsecured	~#	4,000	19 Aug 2025	18 Aug 2026	3.000%
Unsecured	~###	4,000	27 Aug 2025	24 Aug 2026	3.000%
Unsecured	~###	7,600	26 Feb 2025	26 Feb 2026	3.000%
		62,500			
Unsecured	~#	4,000	19 Aug 2025	18 Aug 2026	3.000%
Unsecured	~###	4,000	27 Aug 2025	24 Aug 2026	3.000%
Secured	*	1,900	10 Feb 2026	9 Feb 2027	2.800%
Guaranteed	**	7,500	10 Feb 2026	9 Feb 2027	2.800%
Secured	*###	35,000	30 Mar 2026	30 Apr 2027	3.100%
Secured	*####	10,000	30 Mar 2026	30 Apr 2027	3.100%
Total loans at 31 March 2026		62,400			
~## Unsecured loan repaid on Feb 2026.					
*## Secured loan repaid on Feb 2026					
~ and *# Secured loan repaid on Mar 2026					
~# and ~### Unsecured by shareholder Liu Ming's personal credit since Aug 2025					
* Secured by private property of shareholder Liu Ming since Feb 2026					
** Provided with joint and several liability guarantee by Jiangsu Changzhou Hi-Tech Credit Financing Guarantee Co., Ltd , a government-backed financing guarantee agency.					
*### Secured by right-of-use assets and shareholder Liu Ming's personal credit since Mar 2026					
*#### Secured by right-of-use assets and shareholder Liu Ming's personal credit since Mar 2026					

The bank borrowings and credit facilities of the Group are secured over certain right-of-use assets of the Group.

18.1 Long-term Borrowings

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Long-term borrowings		31,703	-	-	-
Amount repayables exceeding one year					
Secured	**	31,703	-	-	-
Unsecured	~~	-	-	-	-
Total		31,703	-	-	-

Description	Note	RMB'000	Started Date	Expired Date	Interest Rate Per Annum
Secured Loan					
Secured	**###	11,805	7 Jul 2025	7 Jul 2035	3.500%
Secured	**####	5,261	14 Nov 2025	7 Jul 2035	3.500%
Secured	**#####	10,310	9 Dec 2025	7 Jul 2035	3.500%
Secured	**#####	4,327	28 Jan 2026	7 Jul 2035	3.500%
Total loans at 31 March 2026		31,703			
**###Secured by SC3D's right-of-use assets and CZ3D's credit since Jul 2025.					
**####Secured by SC3D's right-of-use assets and CZ3D's credit since Nov 2025.					
**#####Secured by SC3D's right-of-use assets and CZ3D's credit since Dec 2025.					
**#####Secured by SC3D's right-of-use assets and CZ3D's credit since Jan 2026.					



Notes :

In September 2024, the Subsidiary has repaid the secured loan of RMB10 million with the interest rate 3.8% per annum to JRC Bank in advance.

In December 2024, the Subsidiary has repaid the secured loan of RMB25 million to JRC Bank in advance.

The Subsidiary has obtained a new secured loan amounting to RMB25 million on 30 December 2024 with the interest rate 3.2% per annum from JRC Bank.

The Subsidiary has obtained a new secured loan amounting to RMB10 million on 02 January 2025 with the interest rate 3.2% per annum from JRC Bank.

The Subsidiary has repaid the secured loan of RMB4.5 million and repaid the non-secured loan of RMB5.0 million in February 2025 to Wuxi Rural Commercial Bank ("WX").

On 25 February 2025 and 36 February 2025, the Subsidiary has further obtained a new secured loan of RMB1.9 million and a new non-secured loan of RMB7.6 million respectively with an interest rate 3.0% per annum from Wuxi Rural Commercial Bank ("WX").

The Subsidiary has repaid the secured loan of RMB3.5 million to JRC Bank in advance on 08 April 2025.

The Subsidiary has obtained a new secured loan amounting to RMB35 million and a new secured loan amounting to RMB10 million with the interest rate 3.2% per annum from JRC Bank on 09 April 2025 and 10 April 2025 respectively.

The Subsidiary has repaid the unsecured loan of RMB8 million to BCM Bank.

The Subsidiary has obtained a new non-secured loan amounting to RMB4 million on 19 August 2025 and a new non-secured loan amounting to RMB4 million on 27 August 2025 from BCM Bank respectively with the interest rate 3.0% per annum.

SC3D has obtained a new secured loan of RMB11.805 million for ten years tenure from 7 July 2025 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.

SC3D has obtained a new secured loan of RMB5.261 million for ten years tenure from 14 November 2025 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.

SC3D has obtained a new secured loan of RMB10.31 million for ten years tenure from 9 December 2025 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.

The Subsidiary has repaid the non-secured loan of RMB7.6 million and the secured loan of RMB1.9 million in February 2026 to Wuxi Rural Commercial Bank ("WX").

The Subsidiary has repaid the secured loan amounting to RMB35 million and the secured loan amounting to RMB10 million in March 2026 to JRC Bank.

The Subsidiary has obtained a new guaranteed loan amounting to RMB 7.50 million on 10 February 2026 with the interest rate 2.8% per annum from Wuxi Rural Commercial Bank ("WX"). The loan is supported by a joint and several liability guarantee provided by Jiangsu Changzhou Hi-Tech Credit Financing Guarantee Co., Ltd., a government-backed financing guarantee institution.

The Subsidiary has obtained a new secured loan amounting to RMB1.9 million on 10 February 2026 with the interest rate 2.8% per annum from Wuxi Rural Commercial Bank ("WX")

The Subsidiary has obtained a new secured loan amounting to RMB35 million and a new secured loan amounting to RMB10 million with the interest rate 3.1% per annum from JRC Bank on 30 March 2026.

SC3D has obtained a new secured loan of RMB4.33 million from 28 January 2026 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.



19. Share capital

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		No. of shares	No. of shares	No. of shares	No. of shares
Authorized		200,000,000	200,000,000	200,000,000	200,000,000
Issued and fully paid					
At beginning		30,520,000	30,520,000	30,520,000	30,520,000
Additional : share capital paid		-	-	-	-
At end of the period		30,520,000	30,520,000	30,520,000	30,520,000
	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		USD'000	RMB'000	RMB'000	RMB'000
Issued and fully paid @ USD0.25 per share					
At beginning		7,630	7,630	7,630	7,630
Additional : share capital paid		-	-	-	-
At end of the period		7,630	7,630	7,630	7,630
	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Issued and fully paid					
At beginning		60,318	60,318	60,318	60,318
Additional : share capital paid		-	-	-	-
At end of the period		60,318	60,318	60,318	60,318

The Company did not hold any treasury shares as at 31 March 2026.

The Company's subsidiaries do not hold any shares in the Company as at 31 March 2026 and 31 December 2025.



20. Share premium

	Note	The Group		The Company	
		31 March 2026	31 December 2025	31 March 2026	31 December 2025
		RMB'000	RMB'000	RMB'000	RMB'000
Issued and fully paid					
At beginning		79,803	79,803	79,803	79,803
Additional : share capital paid		-	-	-	-
At end of the period		79,803	79,803	79,803	79,803

21. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.



F. Other information required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Shanghai Turbo Enterprises Ltd. and its subsidiaries as at 31 March 2026 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Overview

The Group's revenue was derived from bidding for projects in open tender exercises conducted by the customers and as such, quarterly results would not be accurately reflecting the actual performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

Revenue

1Q FY2026 vs 1Q FY2025

Revenue increased by 63% from RMB14.56 million in 1Q FY2025 to RMB23.79 million in 1Q FY2026.

Cost of Sales

1Q FY2026 vs 1Q FY2025

Cost of sales increased by 50% from RMB12.16 million in 1Q FY2025 to RMB18.22 million in 1Q FY2026 mainly due to revenue increased in the same period. The cost of sales in compared to revenue was 76.58% and 83.53% for 1Q FY2026 and 1Q FY2025 respectively.

Gross profit / (gross loss)

1Q FY2026 vs 1Q FY2025

The Group achieved a gross profit amounting to RMB 5.57 million in FY2026 as compared to a gross profit of RMB2.40 million in FY2025. Gross profit margin is 23.42% and 16.47% for FY2026 and FY2025 respectively. The increase in gross profit margin was due to the Group strengthened cost control, improved production capacity and increased the gross margin of products, so as to increase profitability of enterprise.

Other operating income

1Q FY2026 vs 1Q FY2025

Other operating income decreased by 15% from RMB1.14 million in 1Q FY2025 to RMB0.97 million in 1Q FY2026. The other operating income consists mainly of scraps and wastage iron disposal and rental income.



Selling and distribution expenses

1Q FY2026 vs 1Q FY2025

Selling and distribution expenses increased by 45% from RMB1.46 million 1Q FY2025 to RMB2.11 million in 1Q FY2026 mainly due to increase in sales commission expenses (1Q FY2026: RMB0.92 million; 1Q FY2025: 0.12 million); increase in sales transportation expenses (1Q FY2026: RMB0.39 million; 1Q FY2025: 0.24 million); increase in quality control expenses (1Q FY2026: RMB0.24 million; 1Q FY2025: 0.10 million); decrease in staff costs (1Q FY2026: RMB0.17 million; 1Q FY2025: 0.41 million);

Administrative expenses

1Q FY2026 vs 1Q FY2025

Administrative expenses increased from RMB3.97 million in 1Q FY2025 to RMB4.49 million in 1Q FY2026 mainly due to increase in bank charge (1Q FY2026: RMB0.49 million; 1Q FY2025: RMB0.03 million); increase in other tax (1Q FY2026: RMB0.43 million; 1Q FY2025: RMB0.35 million); increase in staff cost (1Q FY2026: RMB0.83million; 1Q FY2025:RMB0.63million); increase in office expenses (1Q FY2026: RMB0.41million; 1Q FY2025:RMB0.23million); decrease in depreciations (1Q FY2026: RMB0.02 million; 1Q FY2025: RMB0.45 million).

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

1Q FY2026

The Group's net cash used in operating activities amounting to RMB2.06 million arising from profit before income tax adjusted for non-cash effects items of RMB0.84 million after accounting of positive changes in working capital amounting to RMB0.66 million.

The Group's net cash generated from financing activities amounting to positive 3.44 million mainly due to new secured loan amounting to RMB1.9 million obtained from WX, new guaranteed loan amounting to RMB7.5 million obtained from WX, new secured loan RMB35 million obtained from JRC Bank, new secured loan RMB10 million obtained from JRC Bank, and new secured loan amounting to RMB4.33 million obtained from BOC Bank, including the payoff of the loan of RMB7.6 million to WX, the payoff of the loan of RMB1.9 million to WX, the payoff of the secured loan RMB35 million to JRC Bank, the payoff of the secured loan RMB10 million to JRC Bank. The interest expenses of the bank loans were RMB0.78 million in 1Q FY2026.

In 1Q FY2026, the Group had a positive cash inflow of RMB0.01 million.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer opinion

(i) Updates on the efforts taken to resolve each outstanding audit issue

In the Group's latest audited financial statements for the financial year ended 31 December 2023 ("FY2023"), Crowe Horwath First Trust LLP ("EA") has issued a disclaimer of opinion in respect of: (i) Trade receivable balance and revenue; (ii) Use of Going Concern basis; and (iii) Impairment assessment of the investment in a subsidiary of the Company.

Use of Going Concern basis

In September 2024, the Subsidiary has repaid the secured loan of RMB10 million with the interest rate 3.8% per annum to JRC Bank in advance.

In December 2024, the Subsidiary has repaid the secured loan of RMB25 million to JRC Bank in advance.

The Subsidiary has obtained a new secured loan amounting to RMB25 million on 30 December 2024 with the interest rate 3.2% per annum from JRC Bank.

The Subsidiary has obtained a new secured loan amounting to RMB10 million on 02 January 2025 with the interest rate 3.2% per annum from JRC Bank.



The Subsidiary has repaid the secured loan of RMB4.5 million and repaid the non-secured loan of RMB5.0 million in February 2025 to Wuxi Rural Commercial Bank (“WX”).

On 25 February 2025 and 36 February 2025, the Subsidiary has further obtained a new secured loan of RMB1.9 million and a new non-secured loan of RMB7.6 million respectively with an interest rate 3.0% per annum from Wuxi Rural Commercial Bank (“WX”).

The Subsidiary has repaid the secured loan of RMB3.5 million to JRC Bank in advance on 08 April 2025.

The Subsidiary has obtained a new secured loan amounting to RMB35 million and a new secured loan amounting to RMB10 million with the interest rate 3.2% per annum from JRC Bank on 09 April 2025 and 10 April 2025 respectively.

The Subsidiary has repaid the unsecured loan of RMB8 million to BCM Bank.

The Subsidiary has obtained a new non-secured loan amounting to RMB4 million on 19 August 2025 and a new non-secured loan amounting to RMB4 million on 27 August 2025 from BCM Bank respectively with the interest rate 3.0% per annum.

SC3D has obtained a new secured loan of RMB11.805 million for ten years tenure from 7 July 2025 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.

SC3D has obtained a new secured loan of RMB5.261 million for ten years tenure from 14 November 2025 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.

SC3D has obtained a new secured loan of RMB10.31 million for ten years tenure from 9 December 2025 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.

The Subsidiary has repaid the non-secured loan of RMB7.6 million and the secured loan of RMB1.9 million in February 2026 to Wuxi Rural Commercial Bank (“WX”).

The Subsidiary has repaid the secured loan amounting to RMB35 million and the secured loan amounting to RMB10 million in March 2026 to JRC Bank.

The Subsidiary has obtained a new guaranteed loan amounting to RMB 7.50 million on 10 February 2026 with the interest rate 2.8% per annum from Wuxi Rural Commercial Bank (“WX”). The loan is supported by a joint and several liability guarantee provided by Jiangsu Changzhou Hi-Tech Credit Financing Guarantee Co., Ltd., a government-backed financing guarantee institution.

The Subsidiary has obtained a new secured loan amounting to RMB1.9 million on 10 February 2026 with the interest rate 2.8% per annum from Wuxi Rural Commercial Bank (“WX”).

The Subsidiary has obtained a new secured loan amounting to RMB35 million and a new secured loan amounting to RMB10 million with the interest rate 3.1% per annum from JRC Bank on 30 March 2026.

SC3D has obtained a new secured loan of RMB4.33 million from 28 January 2026 to 7 July 2035 from Bank of China Deyang Branch with interest rate of 3.5 % per annum against its current right-of-use assets and CZ3D's credit.

The Group is able to maintain and work on improving its liquidity position for the continuing operational existence of the Subsidiary.

The Group has addressed the immediate issue on the going concern issued by the EA. Based on the information available, the Board is of the opinion that the Group should be able to operate as a going concern entity, barring any unforeseen circumstances.

The Board has taken efforts to resolve the audit issues raised by the EA under the disclaimer of opinion.



(ii) Confirmation from the Board that the impact of outstanding audit issues on the financial statements have been adequately disclosed

The Board confirms that all impact of outstanding audit issues on financial statements in relation to FY2023 have been adequately disclosed.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

In recent years, with the continuous upgrading of domestic industrial manufacturing technology, the domestic steam turbine market scale and export trade scale continued to expand, and the industry has a great future for the development. The output of Chinese steam turbine has been greatly increased, and the industry scale is gradually forming and expanding. The overall equipment level of the industry has basically approached the advanced world levels. Specifically, the annual production capacity of Chinese steam turbine industry has reached more than 8000MW.

Combined with previous operation experience and external environment, the Group's sales growth target is around 15% in FY2026. China's economy is returning to the normal track. Since the beginning of this year, the national government has issued targeted policies to expand domestic demand and enhance market confidence. Economic improvement is a top priority and the local governments have also made various efforts to promote economic development. At the same time, the Group will further optimize the organizational structure to improve work efficiency, optimize employee incentive system and improve employee's work enthusiasm and creativity. In terms of sales, on the basis of maintaining existing customers, the Group is actively developing new customers to improve sales performance through multiple channels. Although the Group still faces many difficulties, the Group has achieved this year's economic growth target.

5. Dividends information

(a) Current Financial Period Reported On

None

(b) Corresponding Period of the Immediately Preceding Financial Year

None

(c) Date payable

Not applicable

(d) Record date

Not applicable

(e) If no dividend has been declared/(recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared for 1Q FY2026 as the Group has been incurring losses since year 2017.



6. Interested person transaction

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

The Group has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the Audit Committee ("AC"), and that the transactions are conducted on an arm's length basis and are not prejudicial to the interests of the shareholders. All interested person transactions are subject to review by the AC to ensure compliance with the established procedures.

Pursuant to Rule 907 of the Listing Manual of SGX-ST, there are no interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual).

7. Update on use of net proceeds from placement

The Board refers to the previous announcements released on 25 June 2021 and 19 July 2021 in relation to the Use of Net Proceeds of approximately S\$1,235,420.92 raised from the Placement of 3,051,527 new ordinary shares at S\$0.423 each in the issued and paid-up share capital of the Company on 24 May 2021 (the "Net Proceeds") and wishes to provide an update on the use of Net Proceeds as of date of this announcement:

Description	SGD	RMB	HKD
Net Proceeds Raised as at 25 May 2021	1,235,420.92	*5,968,194.92	*7,224,741.54
Working Capital Required and Utilized on 25 June 2021	#1,206,703.83	5,653,548.77	6,903,340.00
Balance of Net Proceeds as at 30 June 2021	28,717.09	314,646.15	321,401.54
Working Capital Required and Utilized on 19 July 2021	28,717.09	314,646.15	321,401.54

Notes :

* The calculation is based on the Monetary Authority of Singapore's ("MAS") exchange rates as at 25 May 2021 with SGD1 = RMB4.8309 and SGD1 = HKD5.848.

The amount is extracted from the bank debit advice as at 25 June 2021.

The balance of the Net Proceeds as at 25 June 2021 amounting to SGD28,717.09 was placed in the escrow account maintained with The United Overseas Bank Limited in Singapore. The amount of SGD28,717.09 has been utilized to make the partial payment of Directors' Fees for the financial year ending 31 December 2021 which was approved at the Extraordinary General Meeting held on 31 March 2021 and due for payment on 30 June 2021. This amount has been deducted from the Company's bank account on 19 July 2021.

The above utilizations are in line with the intended uses of the Net Proceeds stated in the Company's announcement released on 27 April 2021.



THE PLACEMENT

On 24 May 2021, the Company issued 3,051,527 new ordinary shares via share placement to one investor at an issue price of SGD0.423 per share, raising gross proceeds of approximately SGD1,290,795.92 (“the Placement”).

The estimated Net Proceeds from the Placement (after deducting professional fees and related expenses of approximately SGD55,375) are approximately SGD1,235,420.92.

The Board of CZ3D has requested the Company to raise working capital for its daily operation amounting to RMB5,653,548.77 with the purpose of repayment of trade payables and procurement of machinery on 18 June 2021.

The Board of CZ3D has further commented that such working capital should be deposited to CZ3D through increasing of share capital by its foreign investor, Best Success (Hong Kong) Limited (“BS”). BS is holding 100% shareholdings of CZ3D and it is a company incorporated in Hong Kong.

On 31 May 2021, the Board of BS held a Board Meeting and a Board Minutes were recorded. 2 members of the Board of BS were present at the Board Meeting and 1 member was absent on 31 May 2021. The Board Minutes dated 31 May 2021 were notarized through the lawyer of Hong Kong, Liang Jin Ming, on 16 June 2021 and validated by The Ministry of Justice of The People’s Republic of China entrusted Hong Kong lawyers with notarized documents used in the Mainland, China Legal Services (Hong Kong) Co., Ltd., Shenzhen No. 32951

On 18 June 2021, the Board of CZ3D held a Board Meeting and 2 Board Resolutions were signed by 2 out of 3 members of the Board of CZ3D. One resolution agreed that BS will increase the share capital of RMB5,653,548.77 of CZ3D and CZ3D will use the share capital of RMB5,653,548.77 to make the repayment to trade payables accounts as well as procurement of machineries.

On 25 June 2021, after reviewing the Board Resolutions of CZ3D, Board Minutes of BS and Notarized Documents of BS, the Board of the Company, 3 out of 4 have agreed to transfer the money of HKD6,903,340 equivalent to RMB5,653,548.77 to BS. The Board of the Company has agreed to use the Net Proceeds of HKD6,903,340 equivalent to RMB5,653,548.77 to increase the share capital of BS. Then, when BS received the Net Proceeds of HKD6,903,340, BS will transfer the sum to the bank account of CZ3D to increase the share capital of CZ3D to RMB5,653,548.77. Thereafter, CZ3D will use the money to pay the trade payables accounts and procurement of machineries.

The Company has utilized the Net Proceeds through injection of share capital of HKD6,903,340 (RMB5,653,548.77) from the Company to BS. Then, BS will further inject the share capital of RMB5,653,548.77 to CZ3D. Under China’s Banking Rule and Regulations, as the Company does not have any direct relationship with CZ3D, the Net Proceeds could not transfer from the Company to CZ3D directly. Hence, the Net Proceeds has to be channeled through BS to CZ3D and CZ3D has lodged a report with Changzhou Municipal Bureau of Industry and Commerce (常州市工商局) to allow CZ3D to open a foreign investor injection fund bank account to receive the Net Proceeds amounting RMB5,653,548.77 from BS.

On 28 June 2021, Changzhou Municipal Bureau of Industry and Commerce (常州市工商局) has granted approval to approve CZ3D to update its share capital paid from RMB111,846,451.23 to RMB117,500,000 and the amount must deposit during July 2021. On 19 July 2021, CZ3D has received the share capital paid RMB5,653,548.77 from BS.

On 7 July 2021, CZ3D has successfully opened such foreign investor injection fund bank account with China Construction Bank and BS has transferred the amount of RMB5,653,548.77 to CZ3D at 4.16 pm on 13 July 2021 and this amount has been credited to CZ3D’s foreign investor injection fund bank account on 19 July 2021.



RATIONALE AND USE OF NET PROCEEDS

The Board of the Company is of the view that the Placement is beneficial to the Group as it has increased the resources and working capital available to the Company so as to pursue acquisition and/or business opportunities and improve cash flow, as part of management's strategy to achieve long-term growth and deliver shareholder value.

The estimated Net Proceeds from the Placement (after deducting professional fees and related expenses of approximately SGD55,375) are approximately SGD1,235,420.92 (the "Net Proceeds").

The Company intends to utilize the entire amount of the Net Proceeds for general working capital purposes to be used by the Company and CZ3D.

The Company has utilized the Net Proceeds through injection of share capital of HKD6,903,340 (RMB5,653,548.77) from the Company to BS. Then, BS will further inject the share capital of RMB5,653,548.77 to CZ3D. Under China's Banking Rule and Regulations, as the Company does not have any direct relationship with CZ3D, the Net Proceeds cannot be directly transferred from the Company to CZ3D. Therefore, the Net Proceeds must be channelled through BS. Thereafter, BS can then transfer it to CZ3D. CZ3D must lodge a report with Changzhou Municipal Bureau of Industry and Commerce (常州市工商局) and CZ3D has to open a foreign investor injection fund bank account to receive the Net Proceeds amount of RMB5,653,548.77 from BS.

The Company will comply with the rules and regulations of Cayman Islands, Singapore, Hong Kong and China on the utilization of the Net Proceeds.

CZ3D has used the money to pay the procurement of machineries amounting to 0.8million; travel expenses amounting to 0.14 million; meal subsidy amounting to 0.28 million; water & electricity amounting to 1.97 million; staff's housing fund and social security amounting to 1.36 million; tax amounting to 0.83 million and other daily operating expense amounting to 0.28 million.

The above utilization is in line with the intended uses of the Net Proceeds stated in the Company's announcement.

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST



Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the three-month period ended 31 March 2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Zhang Wen Jun
Director

Foo Chee Meng
Director

Singapore
13 May 2026