

SHANGHAI TURBO ENTERPRISES LTD.
(Company Registration No.: CT-151624)
Incorporated in the Cayman Islands

RESPONSE TO SGX QUERIES

Query #1

We note the Company's disclosure on page 30 of the audited financial statements that "The AC, having reviewed the scope and value of non-audit services provided to the Company by the external auditors, are satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors."

On the same page, it is further disclosed that fees paid to external auditors for "Non-audit service" in FY2023 was RMB 0. Please confirm whether there were any non-audit services provided by the Company's external auditors for FY2023.

Company's Response to Query#1

2023 年公司有外部审计师提供非审计服务，服务费为人民币 6000 元。
For FY2023, there should be a service fee of RMB6000 being paid to external auditors for non-audit service. Management apologizes for this error entry of RMB 0.

Query #4

We note that the Company had engaged Changzhou Xinhuarui United Certified Public Accountants as the internal auditors for the Group ("IA").

Please disclose:

- (i) the size of the IA;
- (ii) the qualifications, experience and track record of the IA and the IA Partner;
- (iii) whether the IA Partner is a member of any professional body for internal auditors and if so, please provide the relevant details; (iv) the experience and track record of the professionals involved in the IA function of the Group; and
- (iv) the experience and track record of the professionals involved in the IA function of the Group.
- (v) whether the IA Partner has prior experience providing IA services to SGX

listed entities and entities of similar industry and size of operations as the Company.

Company's Response to Query#4

IA 公司拥有 6 名员工，拥有 20 多年的经验。IA 合伙人参与了公司的内部审计，并且他们之前没有向其他新加坡交易所上市实体和类似行业和运营规模的实体提供 IA 服务的经验。

IA Company has 6 staffs, with more than 20 years of total experience. IA's Partner was involved in Company's internal audit, and they don't have prior experience in providing IA services to other SGX listed entities and entities of similar industry and size of operations.

该公司在 2025 年 2 月份由于经营期限到期，股东自愿解散该公司。目前无法进一步提供该公司详细资料。

The Company was voluntarily wound up by its shareholders in February 2025 due to the expiration of its operating term. Detailed information about the Company is currently unavailable.

公司已委任常州恒信会计师事务所有限公司做为 2024 年度内部审计机构。该公司成立于 1999 年，目前有员工 25 人，具有丰富的审计经验。目前对方没有向其他新加坡交易所上市实体和类似行业和运营规模的实体提供 IA 服务的经验。

The Company has appointed Changzhou Hengxin Certified Public Accountants Co., Ltd. as its internal audit institution for the fiscal year 2024. Established in 1999, the firm currently employs 25 staff members and possesses extensive audit experience. However, the firm does not currently have experience in providing internal audit services to other Singapore Exchange-listed entities or entities of similar industry and operational scale.

Query #6

Listing Rule 704(6) provides that an issuer must immediately announce if it has previously announced its preliminary full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors.

We refer to the Company's announced FY2023 unaudited financial statements announced on 27 February 2024. Please provide explanations for the following material variance in:

(a) Non-current liability from RMB 222k to RMB 668k

(b) net cash (used in)/from operating activities from RMB 650k to (RMB 801k)

- (c) net cash (used in)/from investing activities from 0 to (RMB 2,426k)
- (d) net cash (used in)/from financing activities from (RMB 1,292k) to RMB 67k
- (e) profit/(loss) before tax from (RMB 3,844k) to RMB 7,149k

Company's Response to Query#6(a-d)

The Management had consulted with Crowe, the previous auditor, but could not get further clarifications on these points. Hence, the Company's reply will be as follow, and further details are available in the Audit Report of Crowe Horwath.

- (a) Non-current liability from RMB 222k to RMB 668k

According to the opening balance entry issued in the 2022 audit report, it has been adjusted to RMB 222k. After the 2023 audit discovered prior period errors, an adjustment entry was issued and corrected to RMB 668k.

The Company has avoided similar problems through internal control rectification. In the future, it will enhance pre-audit communication with auditors and improve the quality of financial report preparation.

- (b) net cash (used in)/from operating activities from RMB 650k to (RMB 801k)

2023 年度公司未审计报告中经营活动的现金净额为人民币 65 万元，审计报告为人民币-80.1 万元，两者相差 145.1 万元，主要是由于科目重分类造成的。

In the Company's unaudited report for financial year 2023, the net cash flow from operating activities was RMB 650k, while the audited report showed (RMB 801k), representing a variance of RMB 1,451,000, which was primarily attributable to account reclassifications.

2023 年度公司未审计报告中融资活动产生的现金净额为-129.2 万元，审计报告金额为 6.7 万元。两者相差 135.9 万元，审计公司将差额部分列入了经营活动产生的现金支出。

In the unaudited report for financial year 2023, the net cash flow from financing activities was (RMB 1,292,000), whereas the audited report showed RMB 67,000. The variance of RMB 1,359,000 was reclassified by the auditors as cash outflows from operating activities.

2023 年度公司未审计报告中由于工作失误，将属于经营活动产生的现金支出 213 万元列入了现金及现金等价物汇率变动影响项目。现金及现金等价物汇率变动影响的实际金额为 1 万元。

In the unaudited report for financial year 2023, due to a clerical error, RMB 2,130,000 of cash outflows from operating activities was incorrectly classified under the "Effect of exchange rate changes on cash and cash equivalents" item. The actual amount for the effect of exchange rate changes on cash and

cash equivalents was RMB 10,000.

(c) net cash (used in)/from investing activities from 0 to (RMB 2,426k)

支付给供应商的货款中，其中有 RMB2426k 为采购设备支持，审计调减了经营活动产生的现金支出 RMB2426k，并将该金额列入投资活动的现金支出。

Among the payment made to suppliers, RMB 2,426K was for equipment purchase support. The audit reduced the cash expenditure of RMB 2,426K from operating activities and included this amount in the cash expenditure of investment activities.

(d) net cash (used in)/from financing activities from (RMB 1,292k) to RMB 67k

金额增加 1359k,其中（1）公司因开具银行承兑汇票而存放在银行的保证金为 RMB1415k,因对该款项公司不具有实质性的所有权，公司账务上做了支出处理，审计做了调整；（2）公司利息收入 RMB56k,账务上做了冲减利息费用支出处理，审计调整增加了利息费用支出。

The amount increased by 1,359K. Among them, (1) The margin deposited by the company in the bank due to the issuance of bank acceptance drafts was RMB 1,415K. As the company did not have substantive ownership of this amount, it made an expenditure treatment in the company's accounts and adjustments in the audit. (2) The company's interest income was RMB56k. In the accounting records, it was treated to offset the interest expense, but the audit adjustment increased the interest expense.

(e) profit/(loss) before tax from (RMB 3,844k) to RMB 7,149k

ECL amounting to RMB5,256K written back during FY2023 due to recovery;

Query #12

Paragraph 12 of Appendix 7.2 states that for Q2 financial statement announcements, if no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision. It is disclosed on page 26 of the unaudited financial statements that "No dividend has been declared for 2Q FY2025.". Please disclose the reason(s) for the above decision.

Company's Response to Query#12

由于本集团自 2017 年以来一直亏损，本集团未宣布 2025 财年第二季度的股息。虽然本阶段未宣布（建议）派息，但公司始终以股东利益为重，将继续密切关注公司经营状况、市场环境变化、投资项目进展情况，及时评估和调整股利政策。

未来，一旦公司经营业绩显著改善，财务状况趋于稳定，公司将积极考虑恢复和优化股利分配，为股东提供合理回报。

Due to the Group's continuous losses since 2017, no dividend has been declared for the second quarter of the 2025 fiscal year. Although no dividend distribution has been proposed or announced for this period, the Company remains committed to prioritizing shareholders' interests. It will continue to closely monitor the Company's operational performance, changes in the market environment, and the progress of investment projects, while promptly evaluating and adjusting its dividend policy. In the future, once the Company's operating results significantly improve and its financial condition stabilizes, it will actively consider resuming and optimizing dividend distributions to provide reasonable returns to shareholders.

Zhang Wenjun

Non-Executive chairman and Lead Independent Director

25 March 2026