

SHANGHAI TURBO ENTERPRISES LTD.

(Company Registration No.: CT-151624)

Incorporated in the Cayman Islands

FINAL COURT RESULT OF THE APPEAL BY MR LIU MING & 2 DEFENDANTS AT THE CHANGZHOU CITY INTERMEDIATE COURT AGAINST ZHONGLOU DISTRICT CHINESE COURT JUDGMENT

The Board of Directors of Shanghai Turbo Enterprises Ltd (the “Company”, and together with its subsidiaries, “the Group”) wishes to update shareholders on the current legal proceedings in China.

On 31 December 2019, the Board of Directors (“the Board”) informed shareholders that on 17 December 2019, the Zhonglou District People’s Court gave judgment in favour of its subsidiary, Changzhou 3D Technological Complete Set Equipment Co. Ltd (“CZ3D”), against Mr Liu Ming, Mr Yin Baoneng, Ms Huang Xia and Mr Shen Liangda for the total sum of RMB504,300. The Board wishes to inform that the Company has, about a week ago, received appeal court papers filed by Mr Liu Ming, Mr Yin Baoneng and Ms Huang Xia against the Zhonglou District People’s Court’s judgment. Mr Shen Liangda did not join in the appeal.

CZ3D has re-engaged the service of its litigation lawyer to respond to the Court appeal papers by upholding the Zhonglou District Chinese Court judgment and the award it was given.

At 9.30 am on 2 June 2020, the appeal of Mr Liu Ming, Mr Yin Baoneng and Ms Huang Xia was heard in the Changzhou City Intermediate Court.

On 9 July 2020, the final court result of appealing has remain unchanged at the favour of CZ3D.

Changzhou City Intermediate Court delivered a 50-page judgment which was found that Mr Liu Ming, Ms Huang Xia, Mr Shen Liangda and Mr Yin Baoneng had orchestrated the illegal occupation of the CZ3D factory and were found liable to compensate CZ3D for the following claims:

- (i) temporary offsite office rental amounting to RMB72,300;
- (ii) CZ3D security guard fee amounting to RMB432,000; and
- (iii) Court costs amounting to RMB8,843.

**BY ORDER OF THE BOARD
SHANGHAI TURBO ENTERPRISES LIMITED**

Shi Bin
Non-Executive Chairman and Lead Independent Director
Date: 13 July 2020