



## FURTHER DEVELOPMENTS RELATING TO FACTORY OPERATIONS

**4 August 2017** – The Board of Directors (the “Board”) of Shanghai Turbo Enterprises Ltd (the “Company”, and together with its subsidiaries, “the Group”) refers to the announcement released on 4 July 2017 and wishes to update the shareholders as follows:

As at 20 July 2017, the factory premises of its operating subsidiary, Changzhou 3D Technological Complete Set Equipment Co., Limited (“Changzhou 3D”) continued to be occupied by some of the former management personnel and their associates. Production at the factory had also halted.

As part of the move to regain control of the factory premises, the new management team of Changzhou 3D, together with two members of the Board, convened a second general meeting with the employees on 21 July 2017. The purpose was to announce the plans for compensating those who remain as well as those who choose to leave. 192 employees turned up for the meeting. As of the deadline 25 July 2017, 185 chose to stay and 3 opted for a severance package. Excluding the 13 employees who are of retirement age, the remainder 119 missed the deadline and most of these are either on leave or staying in the factory demanding for higher compensation.

On 1 and 2 Aug 2017, the new management team of Changzhou 3D was prevented entry into the factory by the security guards employed by the ex-management. Hence, they spoke to some of the workers from the gate, explaining to them the consequences of illegal occupation. The management team will seek government help to evict the security guards.

As a result of the prolonged handover process, the Board had applied to The Singapore Exchange Securities Trading Limited for an extension of 3 months to complete the financials for quarter ended 30 June 2017.

The Company will announce the outcome of the extension application in due course and update shareholders on any further developments.

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### **About Shanghai Turbo Enterprises Limited (Bloomberg: SHTE SP; Reuters: SHTU.SI)**

Shanghai Turbo is a precision engineering group that specialises in the production of precision vane products, namely 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 maximise the efficiency of steam flow in the generation of electricity.

Founded in 1997, Shanghai Turbo is based in Changzhou City, Jiangsu, China. Its manufacturing facilities are equipped with the latest advanced precision engineering machinery from Japan,

Switzerland, Germany, Italy, and Korea. Shanghai Turbo is capable of providing a complete set of vane products for steam turbine power generators each with a generating capacity of up to 600 MW of electricity. For single products, Shanghai Turbo is capable of producing for steam turbine generators with generating capacity of up to 1,000 MW of electricity.

Shanghai Turbo was listed on the Singapore Exchange on 16 January 2006. For more information, please visit <http://www.shanghaiturbo.com>.

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