

Financial Statements and Related Announcement::Second Quarter and/ or Half Yearly Results

Issuer & Securities

| | |
|-------------------------|---|
| Issuer/ Manager | SHANGHAI TURBO ENTERPRISES LTD |
| Securities | SHANGHAI TURBO ENTERPRISES LTD - KYG8064W1160 - AWM |
| Stapled Security | No |

Announcement Details

| | |
|--|--|
| Announcement Title | Financial Statements and Related Announcement |
| Date & Time of Broadcast | 13-Aug-2018 18:34:36 |
| Status | New |
| Announcement Sub Title | Second Quarter and/ or Half Yearly Results |
| Announcement Reference | SG180813OTHRW9SW |
| Submitted By (Co./ Ind. Name) | Jack Chia Seng Hee |
| Designation | Non-Executive Independent Chairman and Lead Independent Director |
| Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format) | Please see attached. |

Additional Details

| | |
|-----------------------------------|---|
| For Financial Period Ended | 30/06/2018 |
| Attachments | 📄STurbo2Q2018_Results.pdf Total size =629K |



Incorporated in the Cayman Islands on 14 July 2005

2005年7月14日注册于开曼群岛

**Quarterly Financial Statement for the Second Quarter Ended
30 June 2018 ("2Q FY 2018")
2018年2度财务报表公告**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, and Q3),
HALF-YEAR AND FULL YEAR RESULTS.**

第一部 - 公告季度 (1, 2 和 3)、半年和全年所需信息

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.
(集团)的利润表连同上一财年的对比报表**

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2018
2018年2季度未审计合并利润表**

| | Group 集团 | | | | | |
|--|-----------------------|-----------------------|---------|-----------------------|-----------------------|---------|
| | 3 months ended 截至3个月 | | + / (-) | 6 months ended 截至6个月 | | + / (-) |
| | 2Q FY 2018 RMB'000 | 2Q FY 2017 RMB'000 | | 1H FY 2018 RMB'000 | 1H FY 2017 RMB'000 | |
| Revenue 销售 | 8,695 | 6,855 | 27% | 14,028 | 21,430 | -35% |
| Cost of sales 销售成本 | (11,737) | (5,801) | -102% | (18,508) | (16,910) | -9% |
| Gross profit/(losses) 毛利/(毛损) | (3,042) | 1,054 | NM | (4,480) | 4,520 | NM |
| Other income/(losses) 其他收入/(支出) | 12,752 | (4) | NM | 20,340 | 210 | 9586% |
| Other operating income 其他运营收入 | 177 | 32 | 453% | 177 | 111 | 59% |
| Selling and distribution expenses 营销费用 | (2,286) | (386) | -492% | (3,383) | (1,040) | -225% |
| Administrative expenses 行政费用 | (6,630) | (4,951) | -34% | (12,828) | (7,664) | -67% |
| Finance costs 财务费用 | (498) | - | NM | (565) | - | NM |
| Profit/(Loss) before income tax 税前利润/(亏损) | 473 | (4,255) | NM | (739) | (3,863) | 81% |
| Income tax 所得税 | (396) | (324) | -22% | (664) | (324) | -105% |
| Net profit/(Loss) after tax 税后利润/(亏损) | 77 | (4,579) | NM | (1,403) | (4,187) | 66% |
| Other comprehensive income/(expenses): | | | | | | |
| Currency translation Gain/(losses) 汇兑收入/(损失) | 63 | (48) | NM | (42) | (51) | 18% |
| Total comprehensive income/(Losses) attributable to equity shareholders of the Company | 140 | (4,627) | NM | (1,445) | (4,238) | 66% |

NM - Not meaningful 没有意义



Note: Profit before income tax is determined after charging/ (crediting) the following:

备注：税前利润是扣除/(增加)以下项目后所得：

| | Group 集团 | | | | | |
|--|-----------------------|-----------------------|---------|-----------------------|-----------------------|---------|
| | 3 months ended 截至3个月 | | + / (-) | 6 months ended 截至6个月 | | + / (-) |
| | 2Q FY 2018 RMB'000 | 2Q FY 2017 RMB'000 | | 1H FY 2018 RMB'000 | 1H FY 2017 RMB'000 | |
| Depreciation expense 折旧费用 | 3,565 | 4,488 | 21% | 7,887 | 8,982 | 12% |
| Reversal of provision for trade receivables 回冲应收账款 | (9,951) | - | NM | (10,951) | - | NM |
| Reversal of provision for inventory 回冲存货减值准备 | (2,828) | - | NM | (9,352) | - | NM |
| Amortisation of land use right 土地使用权摊销 | 62 | 62 | 0% | 125 | 125 | 0% |
| Interest Income 利息收入 | (10) | (15) | -33% | (43) | (37) | 16% |
| Interest Expense 利息费用 | 258 | 18 | -1333% | 325 | 98 | -232% |
| Foreign exchange losses/(gains) 汇兑亏损/(收益) | (41) | (93) | -56% | 277 | (285) | NM |
| Loss/(gain) on disposal of property, plant and equipment 产业厂房 机器设备处置损失/(收益) | 15 | - | NM | 4 | - | NM |
| | | | | | | |
| <i>NM - Not meaningful 没有意义</i> | | | | | | |



1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

(本公司及集团)的资产负债表连同上一财年的对比表报

| | Group 集团 | | Company 公司 | |
|---|-------------------------|------------------------|-------------------------|------------------------|
| | 30 June 2018 RMB'000 | 31 Dec 2017 RMB'000 | 30 June 2018 RMB'000 | 31 Dec 2017 RMB'000 |
| EQUITY 股权 | | | | |
| Capital and reserves attributable to Equity holders of the Company 资本及储备归属于公司股权持有人 | | | | |
| Share capital 股本 | 55,409 | 55,409 | 55,409 | 55,409 |
| Share premium 股票溢价 | 78,470 | 78,470 | 78,470 | 78,470 |
| | 133,879 | 133,879 | 133,879 | 133,879 |
| Other Reserves 其他储备 | | | | |
| Statutory reserve 法定储备 | 30,526 | 30,526 | - | - |
| Foreign exchange reserve 外汇储备 | (3,464) | (3,414) | - | - |
| | 27,062 | 27,112 | - | - |
| Retained earnings/(deficit) 留存收益/(亏损) | (22) | 1,380 | (2,128) | (453) |
| TOTAL EQUITY 总股本 | 160,919 | 162,371 | 131,751 | 133,426 |
| ASSETS 资产 | | | | |
| Non-current assets 非流动资产 | | | | |
| Property, plant and equipment 产业, 厂房和机器设备 | 96,363 | 103,506 | - | - |
| Subsidiaries 子公司 | - | - | 156,236 | 156,236 |
| Land use right 土地使用权 | 9,042 | 9,167 | - | - |
| | 105,405 | 112,673 | 156,236 | 156,236 |
| Current assets 流动资产 | | | | |
| Inventories 存货 | 21,309 | 1,629 | - | - |
| Trade receivables 应收账款 | 62,610 | 52,761 | - | - |
| Other receivables, deposits and prepayments 其他应收, 定金和预付款 | 4,007 | 3,438 | - | - |
| Land use right 土地使用权 | 251 | 251 | - | - |
| Cash and cash equivalents 现金 | 16,350 | 28,612 | 1,185 | 2,858 |
| | 104,527 | 86,691 | 1,185 | 2,858 |
| TOTAL ASSETS 总资产 | 209,932 | 199,364 | 157,421 | 159,094 |
| LIABILITIES 负债 | | | | |
| Current liabilities 流动负债 | | | | |
| Trade payables 应付账款 | 23,956 | 27,247 | - | - |
| Other payables and accruals 其他应付款和计提 | 5,042 | 5,731 | 1,098 | 1,190 |
| Bank loan 银行贷款 | 16,000 | - | - | - |
| Due to subsidiaries (non-trade) 应付子公司 (非贸易) | - | - | 24,572 | 24,478 |
| Income tax payable 应付所得税 | - | 602 | - | - |
| | 44,998 | 33,580 | 25,670 | 25,668 |
| Non-current liabilities 长期负债 | | | | |
| Deferred tax liability 递延税款 | 2,012 | 1,410 | - | - |
| Deferred capital grants 递延资本补助金 | 2,003 | 2,003 | - | - |
| | 4,015 | 3,413 | - | - |
| TOTAL LIABILITIES 总负债 | 49,013 | 36,993 | 25,670 | 25,668 |
| NET ASSETS 净资产 | 160,919 | 162,371 | 131,751 | 133,426 |



1(b)(ii) Aggregate amount of Group's borrowings and debt securities

集团贷款及抵押债务总额

Amount repayable in 1 year or less, or on demand

一年内需还的金额

| Group 集团 | | Group 集团 | |
|-----------------------|--------------------------|------------------------|--------------------------|
| As at 30 June 2018 | | As at 31 December 2017 | |
| Secured RMB'000 担保 | Unsecured RMB'000 未担保 | Secured RMB'000 担保 | Unsecured RMB'000 未担保 |
| 16,000 | NIL | NIL | NIL |

Amount repayable after 1 year

一年外需还的金额

| Group 集团 | | Group 集团 | |
|-----------------------|--------------------------|------------------------|--------------------------|
| As at 30 June 2018 | | As at 31 December 2017 | |
| Secured RMB'000 担保 | Unsecured RMB'000 未担保 | Secured RMB'000 担保 | Unsecured RMB'000 未担保 |
| NIL | NIL | NIL | NIL |



- 1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.
(集团)的现金流量表连同上一财年同期的对比表报

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2018
2018年6月30日未审计的合并现金流量报表

| | Group 集团 | | | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | 3 months ended 截至3个月 | | 6 months ended 截至6个月 | |
| | 30 June 2018 RMB'000 | 30 June 2017 RMB'000 | 30 June 2018 RMB'000 | 30 June 2017 RMB'000 |
| OPERATING ACTIVITIES 营运活动 | | | | |
| Profit/(Loss) before income tax 税前利润/(亏损) | 473 | (4,255) | (739) | (3,863) |
| Adjustments for: 调整 | | | | |
| Impairment loss on trade receivables 应收账款减值亏损 | - | - | - | - |
| Impairment loss on trade receivables written back 应收账款减值亏损回冲 | (9,951) | - | (10,951) | - |
| Impairment on land use rights 土地使用权减值 | - | - | - | - |
| Impairment on fixed assets 固定资产减值亏损 | - | - | - | - |
| Allowance for inventory obsolescence 存货陈旧贬值 | - | - | - | - |
| Allowance for inventory obsolescence written back 存货陈旧贬值回冲 | (2,828) | - | (9,352) | - |
| Inventory write off 存货注销 | - | - | - | - |
| Depreciation expense 折旧 | 3,565 | 4,488 | 7,887 | 8,982 |
| Amortisation expense 待摊费用 | 62 | 62 | 125 | 125 |
| Interest Income 利息收入 | (10) | (15) | (43) | (37) |
| Interest Expense 利息支出 | 258 | 18 | 325 | 98 |
| Loss on disposal of property, plant & equipment 处置产业厂房、机器设备 | 15 | - | 4 | - |
| Exchange losses/(gains) 汇兑亏损/(收益) | (41) | (93) | 277 | (285) |
| Operating profit/(losses) before working capital changes 计算流动资金变更前运营利润/(亏损) | (8,457) | 205 | (12,467) | 5,020 |
| Inventories 存货 | (6,217) | (6,821) | (10,328) | (10,975) |
| Trade & other Receivables 应收 | (1,586) | 16,658 | 533 | 33,157 |
| Trade & other Payables 应付 | 3,411 | (3,443) | (3,980) | (20,219) |
| Cash generated from/(used in) operations 营运所得/ (所使用)净现金 | (12,849) | 6,599 | (26,242) | 6,983 |
| Interest received 利息收入 | 10 | 15 | 43 | 37 |
| Income tax 所得税 | (397) | 388 | (1,032) | (1,216) |
| Net Cash generated from/(used in) operating activities 营运所得/(所使用)净现金 | (13,236) | 7,002 | (27,231) | 5,804 |
| INVESTING ACTIVITIES 投资活动 | | | | |
| Purchase of property, plant and equipment 购买产业厂房、机器设备 | (570) | (40) | (690) | (49) |
| Proceeds from disposal of property, plant and equipment 产业厂房、机器设备的处置收益 | (78) | - | (58) | - |
| Receipt of capital grant from government for purchase of plant and equipment 政府给予厂房和设备投资的补贴 | - | - | - | - |
| Net cash generated from/(used in) investing activities 投资活动所得/ (所使用)净现金 | (648) | (40) | (748) | (49) |
| FINANCING ACTIVITIES 融资活动 | | | | |
| Dividends paid 已支付股息 | - | - | - | - |
| Net (Placement)/Withdrawal of Pledged deposits 净(安置)/撤回抵押存款 | 129 | 81 | 2,066 | 1,709 |
| Loan from/(repayment to) banks 银行贷款/(还款) | 16,000 | (7,000) | 16,000 | (7,000) |
| Interest Expense 利息支出 | (258) | (18) | (325) | (98) |
| Net cash generated from/(used in) financing activities 融资活动所得/(所使用)的现金净额 | 15,871 | (6,937) | 17,741 | (5,389) |
| Net decrease in cash and cash equivalents 现金及现金等价物净(减少) | 1,987 | 25 | (10,238) | 366 |
| Cash and cash equivalents at beginning of the year 期初的现金及现金等价物 | 12,233 | 45,810 | 24,563 | 45,661 |
| Effects of exchange rate changes in cash and cash equivalents 汇率变动对现金及现金等价物的影响 | 147 | (93) | 42 | (285) |
| Cash and cash equivalents at end of the year 期末的现金及现金等价物 | 14,367 | 45,742 | 14,367 | 45,742 |
| Effects of exchange rate changes in cash and cash equivalent 汇率变动对现金及现金等价物的影响 | | | | |



| Cash and bank balances comprise the following: 现金和银行余额包括以下: | | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | Group 集团 | | | |
| | 3 months ended 截至3个月 | | 6 months ended 截至6个月 | |
| | 30 June 2018 RMB'000 | 30 June 2017 RMB'000 | 30 June 2018 RMB'000 | 30 June 2017 RMB'000 |
| Cash and cash equivalent 现金及现金等价物 | 14,367 | 45,742 | 14,367 | 45,742 |
| Pledged cash placed with bank 银行保证金 | 1,983 | 3,032 | 1,983 | 3,032 |
| | 16,350 | 48,774 | 16,350 | 48,774 |
| | | | | |



1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

显示(公司及集团)(i)股东权益的所有变动的报表或(ii)资本化发行及分配产生的股东权益变更除外的股东权益变更的报表, 连同上一财年同期的对比报表

| Group 集团 | | | | | | |
|---|---------------|---------------|-------------------|---------------------|-------------------|---------|
| Group 集团 | Share Capital | Share Premium | Statutory Reserve | Translation Reserve | Retained Earnings | Total |
| | 股本 | 股票溢价 | 法定储备 | 外汇储备 | 留存收益 | 合计 |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| Balance as at 1 Jan 2017 2017年年初 | 55,409 | 78,470 | 30,526 | (3,207) | 160,884 | 322,082 |
| Total comprehensive income/ (expenses) for the period 总综合收入/ (费用) 本期 | - | - | - | (51) | (4,187) | (4,238) |
| Statutory reserves 法定储备 | - | - | - | - | - | - |
| Dividend 股息 | - | - | - | - | - | - |
| Balance as at 30 June 2017 2017年6月末 | 55,409 | 78,470 | 30,526 | (3,258) | 156,697 | 317,844 |
| Group 集团 | | | | | | |
| Group 集团 | Share Capital | Share Premium | Statutory Reserve | Translation Reserve | Retained Earnings | Total |
| | 股本 | 股票溢价 | 法定储备 | 外汇储备 | 留存收益 | 合计 |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| Balance as at 1 Jan 2018 2018年年初 | 55,409 | 78,470 | 30,526 | (3,414) | 1,380 | 162,371 |
| Total comprehensive income/ (expenses) for the period 总综合收入/ (费用) 本期 | - | - | - | (50) | (1,402) | (1,452) |
| Statutory reserves 法定储备 | - | - | - | - | - | - |
| Dividend 股息 | - | - | - | - | - | - |
| Balance as at 30 June 2018 2018年6月末 | 55,409 | 78,470 | 30,526 | (3,464) | (22) | 160,919 |
| Company 公司 | | | | | | |
| Company 公司 | Share Capital | Share Premium | Statutory Reserve | Translation Reserve | Retained Earnings | Total |
| | 股本 | 股票溢价 | 法定储备 | 外汇储备 | 留存收益 | 合计 |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| Balance as at 1 Jan 2017 2017年年初 | 55,409 | 78,470 | - | - | - | 133,879 |
| Total comprehensive income/ (expenses) for the period 总综合收入/ (费用) 本期 | - | - | - | - | (2,977) | (2,977) |
| Statutory reserves 法定储备 | - | - | - | - | - | - |
| Dividend 股息 | - | - | - | - | - | - |
| Balance as at 30 June 2017 2017年6月末 | 55,409 | 78,470 | - | - | (2,977) | 130,902 |
| Company 公司 | | | | | | |
| Company 公司 | Share Capital | Share Premium | Statutory Reserve | Translation Reserve | Retained Earnings | Total |
| | 股本 | 股票溢价 | 法定储备 | 外汇储备 | 留存收益 | 合计 |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| Balance as at 1 Jan 2018 2018年年初 | 55,409 | 78,470 | - | - | (453) | 133,426 |
| Total comprehensive income/ (expenses) for the period 总综合收入/ (费用) 本期 | - | - | - | - | (1,675) | (1,675) |
| Statutory reserves 法定储备 | - | - | - | - | - | - |
| Dividend 股息 | - | - | - | - | - | - |
| Balance as at 30 June 2018 2018年6月末 | 55,409 | 78,470 | - | - | (2,128) | 131,751 |



1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

自上一财政期，本公司因附加股,红股，股份购回，行使认股选择权或认股权,其他权益发行兑换，发行股票以取得现金或收购对价或为任何其他目的而发行股票而发生的任何变更的详情。注明截止至本财年期末及截止上一财年同期可能因所有有效可换股证券行使时会发行的股票数目，及库存股票股数（如有）占上市公司已发行股票的总数（扣除库存股票）。注明截止至本财年期末及截止上一财年同期可能因所有有效可换股证券行使时会发行的股票数目，及库存股票股数（如有）占上市公司已发行股票的总数（扣除库存股票）。注明截止至本财年期末及截止上一财年同期持有的库存股票和子公司持股数量（如有），以及持有的库存股份和子公司持有量占上市类别总数的百分比。

| | Number of shares 股份 | Issued share capital USD 发行股本(美元) | Issued share capital RMB 发行股本(人民币) |
|--|------------------------|---|--|
| Issued and paid Share Capital as at 31 Dec 2017 and 30 June 2018 发布和支付股本于2017年12月31日及2018年6月30日 | 27,468,473 | 6,867,119 | 55,409,257 |

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

显示上一财年和本财年的已发股份，不含库存股票

| | Number of shares 股份 | |
|---------------------------------------|---------------------|------------------|
| | 30 June 2018 | 31 December 2017 |
| Issued and paid Share Capital 发布和支付股本 | 27,468,473 | 27,468,473 |

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

显示上一财年和本财年的股票出售、转让、处置、作废或使用库存股票的报告申明

Not applicable.

不适用



1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

显示上一财年和本财年的股票出售、转让、作废或使用子公司持股的报告申明

Not applicable.

不适用

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

有关数据是否已根据审计准则或惯例被审计或审阅

The figures have not been audited or reviewed by the auditors.

数据未被审计师审计或复查

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

如数据已被审计或审阅，需附上审计报告（包括对任何特殊事项的澄清或强调）

Not applicable.

不适用

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

公司是否应用上一期经审计的财务报表里相同的会计政策和计算方法

There are certain new International Financial Reporting Standards ("IFRSs") that are published and mandatory for accounting periods beginning on or after 1 January 2018. Where applicable, the adoption of these IFRSs does not have any material impact on the financial statements for the 12 months ending 31 December 2018. Apart from this, the same accounting policies and methods of computation have been consistently applied.

有一些新的国际财务报告准则（“国际财务报告准则”），将强制性的从2018年1月1日起使用。这些准则的采用不会对截至2018年12月31日的财务报表造成任何重大影响。除了这一点，同样的会计政策和计算方法一直被应用。

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

如会计政策和计算方法有任何改变，包括会计准则所规定的任何变更，需列出有关的变更，变更原因和变更的影响

Not applicable.

不适用



6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

扣除优先股股息准备后，集团在本财年期间及上一财年期间每股普通股的盈利

| Earnings per ordinary share for the period based on net profit attributable to shareholders 股东每普通股的净利润 | Group 集团 | | | |
|---|----------------------|--------------|----------------------|--------------|
| | 3 months ended 截至3个月 | | 6 months ended 截至6个月 | |
| | 30 June 2018 | 30 June 2017 | 30 June 2018 | 30 June 2017 |
| Basic earnings/(losses) per share (RMB cents) 基每股收益/(亏损) (RMB cents) | 0.51 | (16.84) | (5.26) | (15.43) |
| On a fully diluted basis (RMB cents) 在完全稀释的基础上 (RMB cents) | 0.51 | (16.84) | (5.26) | (15.43) |
| Weighted average number of ordinary shares in issue for basic earnings per share 股票的加权平均数 | 27,468,473 | 27,468,473 | 27,468,473 | 27,468,473 |

Earnings per share is derived using total comprehensive income/(losses) divided by weighted average number of ordinary shares in issue at end of the year.

股东每普通股的净利润是用年末的综合全年收益/(亏损)除于股票的加权平均数。

There were no potentially dilutive ordinary shares in existence during the current period reported on and the corresponding period of the immediately preceding financial year. Accordingly, there is no difference between basic and diluted earnings per share.

没有潜在摊薄普通股在本财年期间或上一财年期间。因此，基本和基于摊薄基准后的每股收益没有差异。

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

基于期末已发行股本(扣除库存股票)计算的公司每股普通股资产净值:-

(a) current financial period reported on; and

于本财年期末

(b) immediately preceding financial year.

上一财年期末

| | Group 集团 | | Company 公司 | |
|--|--------------|------------------|--------------|------------------|
| | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| Net asset value per ordinary share based on the issued capital at the end of the financial year (RMB) 财年末的每普通股净资产价值 (人民币) | 5.86 | 5.91 | 4.80 | 4.86 |
| Number of shares in calculating net asset value 计算净资产价值的股份数 | 27,468,473 | 27,468,473 | 27,468,473 | 27,468,473 |



8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
回顾集团表现能对集团业务得到合理了解。此必须包括以下分析:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors;

任何在本财年影响集团的营业额、成本和盈利的重要因素，包括（如适用）季节性或周期性因素；

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of the Group's Performance

影响本集团在本财年报告期间的现金流量、营运资金、资产或负债的任何重大因素。

Statement of Comprehensive Income for the period ended 30 June 2018

截止 2018 年 6 月 30 日的利润表

Revenue 销售

Revenue for 2Q FY 2018 increased by 27% from RMB 6,855,000 in 2Q FY 2017 to RMB 8,695,000 as the Company's operations continued to return to normal.

Cost of Sales 销售成本

Cost of sales for 2Q FY 2018 increased by 102% from RMB 5,801,000 in 2Q FY 2017 to RMB 11,737,000 due to normalization of manufacturing activities. However, cost of sales exceeded revenue in 2Q FY 2018, resulting in a gross loss for the quarter due to a combination of Company's deliberate strategy of placing more importance to secure contracts to keep operations running than on pricing.

Gross profit/(loss) 毛利/ (毛亏)

As a result, the Company turned in a loss of RMB 3,042,000 for 2Q FY2018 in contrast to a profit of RMB 1,054,000 for 2Q FY 2017 due to pricing pressure and accepting lower margin orders to fulfill full capacity.

Other Income 其他收入

Other income for 2Q FY 2018 was RMB 12,752,000 in contrast of a loss of RMB 4,000 in 2Q FY 2017 due primarily to the reversal of provisions of RMB 9,951,000 pertaining to trade receivables and RMB 2,828,000 pertaining to Work-In-Progress (Inventories). The reversals are done as the Company has made these provisions at FY 2017 and subsequently, the Company had made collections, as well as the Work-In-Progress, were converted into finished goods, ready to be shipped to the customer.



Selling and distribution expenses 营销费用

Selling and distribution expenses for 2Q FY 2018 increased by 492% from RMB 386,000 in 2Q FY 2017 to RMB 2,286,000 due to higher expenses incurred for local and overseas customer visits to rebuild relationships with customers as well as to explore new opportunities since the management regained control of the plant on 20 September 2017. This is in contrast with 2Q FY 2017 where such expenses were curtailed due to the “illegal occupation” which happened in that period.

Administrative expenses 行政费用

Administrative expenses for 2Q FY 2018 increased by 34% from RMB 4,951,000 in 2Q FY 2017 to RMB 6,630,000 because of more legal fees and professional advice incurred in safeguarding the legal rights of the Company.

Finance costs 财务费用

The Company incurred finance costs of RMB 498,000 in 2Q FY 2018 because the Company obtained loans and discounted bills receivables for cash for working capital needs.

Statement of Financial Position as at 30 June 2018

截止 2018 年 6 月 30 日的资产负债表

Property, plant and equipment 产业厂房和机器设备

Property, plant and equipment (PPE) stood at RMB 96,363,000, a decrease from RMB 103,506,000 in FY 2017, mainly due to depreciation in the quarter.

Inventories 存货

Inventories stood at RMB 21,309,000, an increase from RMB 1,629,000 in FY 2017 due to a combination of an RMB 2,828,000 reversal of provision for inventory and build up in new Work-In-Progress and Finished goods as the Company’s operations returned to normal. The Company had made these provisions to Work-In-Progress at FY 2017 and subsequently, these Work-In-Progress were converted into Finished goods, ready to be shipped to the customer.

Trade receivables 应收账款

Trade receivables amounted to RMB 62,610,000, an increase from RMB 57,761,000 in FY 2017. The increase included an RMB 9,951,000 reversal of provision for trade receivables as the Company has collected this amount from the customer. The proportion of bills receivables in the trade receivables increased to RMB 29,300,000 from RMB 10,746,000 in 2017. Of the RMB 29,300,000 bills receivables at the end of 2Q FY 2018, RMB 15,800,000 are secured by financial institutions and banks.



Details of trade receivables aging as at 30 June 2018 are tabled as follows:

| RMB'000 | Balance | Not Due | 1-90 days | 91-180 days | 181-360 days | >1 year |
|------------------------------------|----------|---------|-----------|-------------|--------------|----------|
| Account Receivables 应收账款 | 101,224 | 18,548 | 5,693 | 10,560 | 8,280 | 58,143 |
| Provision for Doubtful Debts 坏账准备 | (67,898) | - | - | (1,475) | (8,280) | (58,143) |
| Net Account Receivables 净应收账款 | 33,326 | 18,548 | 5,693 | 9,085 | - | - |
| Bills Receivable 应收票据 | 29,284 | 29,284 | - | - | - | - |
| Total Trade Receivables @ June '18 | 62,610 | 47,832 | 5,693 | 9,085 | - | - |
| 截止2018年6月总应收账款与票据(含票据) | 100% | 76% | 9% | 15% | - | - |

Since regaining control of the plant on 20 September 2017, the CEO of the operating subsidiary, together with the sales director, had been making visits to key customers to resolve sales matters and receivables collections and had achieved some success.

Trade payables 应付账款

Trade payables decreased to RMB 23,956,000 from RMB 27,247,000 in FY 2017 due to payments to suppliers.

Bank loans 银行贷款

The Group obtained 2 loans totaling RMB 16,000,000 for working capital purposes. For this purpose, the Company had pledged machineries with a valuation of RMB 86,000,000 as collateral, in exchange for an authorized credit limit of RMB 25,000,000.

Statement of Cash Flows for the period ended 30 June 2018

截止2018年6月30日的资金流量表

Net cash generated from operating activities reversed from RMB 7,002,000 in 2Q FY 2017 to net cash used of RMB 13,236,000 in 2Q FY 2018 despite a profit of RMB 473,000 in 2Q FY 2018 compared to a loss before taxation of RMB 4,255,000 in 2Q FY 2017 mainly due to large writebacks to provisions of RMB 2,828,000 attributable to inventory and RMB 9,951,000 attributable to trade receivables in 2Q FY 2018.

Net cash used in investing activities for 2Q FY 2018 was RMB 648,000 compared to net cash used of RMB 40,000 in 2Q FY 2017. This is mainly due to the acquisition of replacement air-conditioners and office furniture.

Net cash generated from financing activities for 2Q FY 2018 was RMB 15,871,000 compared to RMB 6,937,000 used in 2Q FY 2017 due to RMB 16,000,000 loans obtained for working capital purposes in 2Q FY 2018.

Because of the above, there was a net increase in cash and cash equivalents of about RMB 1,987,000 in 2Q FY 2018, compared to RMB 25,000 in 2Q FY 2017.



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

如以前曾向股东披露预测或前景申明，列出它与实际业绩的差别

Not applicable.

不适用

10. 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 reporting period and the next 12 months.

截止公告日，集团所处行业的显著趋势和竞争情况以及可能影响集团在下个报告和未来 12 个月的任何已知因素或事项的有关评论

The Company had successfully restored the working relationships with its established key customers and had secured new major contracts with them, which led to a higher revenue in 2Q FY 2018 compared to 2Q FY 2017. In addition, the Company will continue to actively explore new markets and acquire new customers to diversify and grow its business to reduce its reliance on the power generation industry for revenue. As at 2Q FY 2018, the new customers contributed nearly 24% of the revenue for the 6 months ended 30 June 2018.

The market outlook for the Group continues to be extremely challenging over the next 12 months but the Management will continue to explore new opportunities and new markets.

A serious quality control issue arose on an order processed for a major customer recently. The parties are currently investigating the cause and effect and are working on satisfactory resolution of such and related issues.

It is expected that the combined effects of:

- (a) the Company's continuing litigations with Mr. Liu Ming, its former executive director and the two new shareholders Mr Lin Chuanjun and Ms Zhang Ping;
- (b) the quality control issue mentioned above; and
- (c) the distinct possibility that the incumbent Board would be completely replaced at the Extraordinary General Meeting called by Mr Lin and Ms Zhang to be held on 17 October 2018;

would be taking its toll on the business prospects of the Group in the power generation industry as well as collection of long-outstanding accounts receivables from the major customers.

In the circumstances, it would be prudent for the Group to prepare itself a restructuring plan aiming at business developments for new product(s) and new market(s).



11. Dividend
股息

(a) Current Financial Period Reported On
当期

None 无

(b) Corresponding Period of the Immediately Preceding Financial Year
上财年同期

None 无

(c) Date payable
付款日期

Not applicable 不适用

(d) Books closure date
股息权截止日

Not applicable 不适用

12. If no dividend has been declared/recommended, a statement to that effect.
如果没有宣布/推荐股息，请刻此声明。

No dividend has been declared or recommended.
没有宣布或建议派发股息。

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.

如果集团已获得股东的授权，而授权交易的金额是按照规则920(1)(a)(ii).如有此授权，请作此声明

No IPT mandate has been obtained.
没有获得此授权

14. Confirmation of Interim Financial Statements for the period ended 30 June 2018 (“2Q FY 2018”)
确认2018年2季度财年报表

Pursuant to SGX-ST Listing Rule 705(5), the directors of Shanghai Turbo Enterprises Limited do hereby confirm that to the best of their knowledge, nothing had come to the attention of the board of directors which may render the 2Q FY 2018 financial results to be materially false or misleading. This confirmation has been made without an audit of these financial statements.



根据新交所上市规则第 705 (5)，上海动力发展有限公司董事特此确认，据他们所知，没有发现 2018 年 2 季度的财务报告含有重大的虚假或误导性。这些财务报表还没有经过审计。

“In the event of any conflict between the English and Chinese versions of this announcement, the English version shall prevail.”

“若中英文版本出现不一致时，以英文版本为准。”

BY ORDER OF THE BOARD

董事局命令

Jack Chia 杰克 谢

Non-Executive Independent Chairman and Lead Independent Director

非执行独立主席兼首席独立董事

13 August 2018

2018 年 8 月 13 日