

GENERAL ANNOUNCEMENT::RECEIPT OF LEGAL DEMAND LETTER

Issuer & Securities

Issuer/ Manager

SHANGHAI TURBO ENTERPRISES LTD

Securities

SHANGHAI TURBO ENTERPRISES LTD - KYG8064W1160 - AWM

Stapled Security

No

Announcement Details

Announcement Title

General Announcement

Date & Time of Broadcast

07-Jul-2022 21:38:40

Status

New

Announcement Sub Title

Receipt Of Legal Demand Letter

Announcement Reference

SG220707OTHR2JPR

Submitted By (Co./ Ind. Name)

Hong Yong

Designation

Non-Executive Chairman & Lead Independent Director

Description (Please provide a detailed description of the event in the box below)

Please see attached.

Attachments

[Receipt Of Legal Demand Letter_7 July 2022.pdf](#)

Total size =243K MB

SHANGHAI TURBO ENTERPRISES LTD.

(Company Registration No.: CT-151624)

Incorporated in the Cayman Islands

RECEIPT OF LEGAL DEMAND LETTER

The Board of Directors (the "Board") of Shanghai Turbo Enterprises Ltd. (the "Company") wishes to announce that the Company had on 6 July 2022 received a letter of demand ("Letter") dated 6 July 2022 from Huang Wooi Teik, Koh Wee Kiang, Lee Kiang Piaw and Wong Kee Hau ("Ex-Directors") through their solicitors, R. S. Solomon LLC ("RSS").

The Letter had requested for a sum of RMB704,362 (being outstanding director's fees for the financial year 2020) ("Outstanding Amount") due to them relating to the professional services rendered for the financial year ended 31 December 2020 since they were appointed as the directors of the Company during the annual general meeting held on 30 April 2019.

The Letter states that if the above Outstanding Amount is not paid by 11 July 2022, 5.00 p.m., RSS has been instructed by the Ex-Directors to commence formal proceedings against the Company to recover all amounts due to them, in which event the Company may be liable for further interest and legal costs.

Pursuant to item No. 7 of the legal demand Letter, RSS has adopted the S.169 of the Companies Act (Cap.50) in Singapore to demand the Company to pay directors' fees of RMB704,362. This Singapore legislation cannot be applied by the Company as it was incorporated in the Cayman Islands and listed on the Main Board of the Singapore Exchange (SGX). Instead, the Company has relied on the Articles of Association of the Shanghai Turbo Enterprises Ltd in Cayman Islands and SGX Listing Rules.

According to Article 95 of the Articles of Association of the Shanghai Turbo Enterprises Ltd in Cayman Islands, payments to directors are subject to approval by the shareholders during the general meetings and extraordinary general meetings. The Company had raised the ordinary shareholder resolution to approve the payment of director fees for the financial year ended 31 December 2020 during the general meetings held on 30 June 2020 and 30 August 2021 and also during the extraordinary general meeting held on 31 March 2021. The Shareholders had voted against the payment of director fees for the financial year ended 31 December 2020 during these meetings held on 30 June 2020, 31 March 2021 and 30 August 2021. Since the payment of director fees by listed companies to directors is determined by shareholders, the directors of the company cannot exceed their authority and pay any 2020 director fees without approval.

The Company is unable to pay RMB704,362 to RSS by 5:00 p.m. on 11 July 2022 as the directors need to respect the decisions of the shareholders' resolutions for the meetings held on 30 June 2020, 31 March 2021 and 30 August 2021.

Further announcements will be made by the Company via SGXNET as and when there are material developments on the aforesaid matter.

The Board confirms that to their best knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

SHANGHAI TURBO ENTERPRISES LTD.

Hong Yong
Non-Executive Chairman & Lead Independent Director

7 July 2022