

CIRCULAR DATED 13 MAY 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISOR OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings as defined in this Circular.

If you have sold or transferred all your ordinary shares in the capital of Leader Environmental Technologies Limited (“**Company**”) you should immediately inform the purchaser or transferee or the bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular (together with the Notice of EGM and accompanying Proxy Form) may be accessed via SGXNet.

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular. The approval in-principle by the SGX-ST, which is subject to the conditions as reproduced in full in paragraph 2.9 of this Circular, is not to be taken as an indication of the merits of the Placement Shares, the Company and/or its subsidiaries.



LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

(Company Registration No. 200611799H)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

THE PROPOSED PLACEMENT OF 120,000,000 NEW PLACEMENT SHARES IN THE CAPITAL OF THE COMPANY TO THE PLACEES AT A PLACEMENT PRICE OF S\$0.015 FOR EACH PLACEMENT SHARE

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	26 May 2020 at 11.15 a.m.
Last date and time to pre-register online to attend the EGM	:	25 May 2020 at 11.00 a.m.
Date and time of EGM	:	28 May 2020 at 11.15 a.m. (or immediately after the conclusion or adjournment of the AGM scheduled at 11.00 a.m. on the same day and at the same link)
Place of EGM	:	The EGM will be held by electronic means.

This Circular has been made available on SGXNet. **A printed copy of this Circular will NOT be despatched to Shareholders.**

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the EGM. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) watching the EGM proceedings via “live” audio-visual webcast or listening to the EGM proceedings via “live” audio-only stream; (b) submitting questions in advance of the EGM; and/or (c) voting by proxy at the EGM. Please refer to paragraph 8 of this Circular for further details.

Shareholders should note that the Company may make further changes to its EGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 Act and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNet.

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

“AIP”	:	The approval in-principle received by the Company from the SGX-ST on 9 April 2020 in relation to the application for the listing and quotation of the Placement Shares on the Official List of the Mainboard of the SGX-ST
“AGM”	:	The annual general meeting of the Company
“Audit Committee”	:	The audit committee of the Company
“Board” or “Board of Directors”	:	The board of Directors of the Company
“Business Day”	:	A day (excluding Saturdays, Sundays and public holidays) on which commercial banks are open for business in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 13 May 2020
“Companies Act”	:	The Companies Act (Chapter 50 of Singapore), as amended, modified or supplemented from time to time
“Company”	:	Leader Technologies Environmental Limited
“Completion”	:	Completion of the Proposed Placement in accordance with the terms of the Placement Agreement
“COVID-19 Act”	:	The COVID-19 (Temporary Measures) Act 2020, as amended, modified or supplemented from time to time, passed by Parliament on 7 April 2020 which, <i>inter alia</i> , enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means
“COVID-19 Order”	:	The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended, modified or supplemented from time to time, which was gazetted on 13 April 2020 and deemed to have come into operation on 27 March 2020, and which sets out the alternative arrangements in respect of, <i>inter alia</i> , the general meetings of companies
“CPF Investor”	:	An investor who holds shares under the Central Provident Fund Investment Scheme
“Cut-off Date”	:	4 July 2020 or such other date as may be agreed between the Company and the Placees
“Directors”	:	The directors of the Company for the time being
“EGM” or “Extraordinary General Meeting”	:	The extraordinary general meeting of the Company to be convened, notice of which is set out on pages N-1 to N-3 of this Circular

DEFINITIONS

“FY”	:	Financial year ended 31 December
“Group”	:	The Company and its subsidiaries, and “Group Company” shall mean any one of them
“Investors”	:	Has the meaning ascribed to it in paragraph 8(a)
“Latest Practicable Date”	:	6 May 2020, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST, as may be amended, modified or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NAV”	:	Net asset value
“Net Proceeds”	:	Has the meaning ascribed to it in paragraph 2.3 of this Circular
“Notice of EGM”	:	Notice of EGM set out in pages N-1 to N-3 of this Circular
“NTA”	:	Net tangible assets
“Placement Agreement”	:	The conditional placement agreement dated 3 March 2020 entered into between the Company and the Placees in relation to the Proposed Placement (as may be amended, modified and/or supplemented from time to time)
“Placement Announcement”	:	The announcement made by the Company on 3 March 2020 in relation to the Proposed Placement
“Placement Shares”	:	120,000,000 new Shares to be allotted and issued by the Company to the Placees under the Proposed Placement
“Placement Price”	:	S\$0.015, being the subscription price payable by the Placees for each Placement Share
“Placees”	:	Dr. Lin Yucheng and Mr. Zhang Yulong
“Proposed Placement”	:	The proposed allotment and issue of the Placement Shares at the Placement Price for each Placement Share, on and subject to the terms of the Placement Agreement
“Proxy Form”	:	The instrument appointing a proxy for the EGM as set out in this Circular
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	The Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNet”	:	The system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST

DEFINITIONS

“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors in the Depository Register maintained by CDP and to whose Securities Accounts are credited with Shares
“Shares”	:	Ordinary shares in the capital of the Company
“SRS Investor”	:	An investor who holds shares under the Supplementary Retirement Scheme
“Substantial Shareholder”	:	A Shareholder who has an interest in not less than 5% of the issued Shares
“S\$” and “cents”	:	Singapore dollars and cents respectively
“RMB” and “RMB cents”	:	PRC Renminbi and cents respectively
“%” or “per cent”	:	Percentage or per centum

In this Circular, unless otherwise stated, the exchange rate applied by the Group for conversion of S\$ into RMB (or vice versa) is S\$1.00 : RMB5.0025, being the exchange rate as at the Latest Practicable Date.

The term “**subsidiary**” shall have the meaning ascribed to it in the Companies Act.

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

References to “**you**”, “**your**” and “**yours**” in this Circular are, as the context so determines, to Shareholders.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Listing Manual or any modification thereof and used in this Circular shall have the same meaning assigned to it thereunder, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in the figures included in this Circular (if any) between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

(Company Registration No. 200611799H)
(Incorporated in the Republic of Singapore)

Board of Directors

Lin Baiyin *(Executive Chairman and Chief Executive Officer)*
Goh Kay Seng Edwin *(Independent Non-Executive Director)*
Mak Yen-Chen Andrew *(Independent Non-Executive Director)*
Liu Kaiyi *(Independent Non-Executive Director)*

Registered Office

36 Armenian Street
#06-12 Singapore
179934

13 May 2020

To: The Shareholders of the Company

Dear Sir/Madam

THE PROPOSED PLACEMENT OF 120,000,000 NEW PLACEMENT SHARES IN THE CAPITAL OF THE COMPANY TO THE PLACEES AT A PLACEMENT PRICE OF S\$0.015 FOR EACH PLACEMENT SHARE

1. INTRODUCTION

- 1.1 On 3 March 2020, the Company announced that it had entered into the Placement Agreement with the Placees, being Dr. Lin Yucheng and Mr. Zhang Yulong, pursuant to which the Placees have agreed to subscribe for, and the Company has agreed to issue and allot, an aggregate 120,000,000 Placement Shares to the Placees at the Placement Price of S\$0.015 per Placement Share for an aggregate consideration of S\$1,800,000 on and subject to the terms of the Placement Agreement.
- 1.2 An application was made by the Company to the SGX-ST for the listing of and the quotation of the Placement Shares.

The Company had on 9 April 2020 received the approval in-principle from the SGX-ST for the listing and quotation of the Placement Shares on the SGX-ST, subject to the conditions as set out in paragraph 2.9 of this Circular. The AIP is not to be taken as an indication of the merits of the Placement Shares, the Company and/or its subsidiaries. The SGX-ST takes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Circular.

Pursuant to the AIP, the Board is convening the EGM to seek Shareholders' approval for the Proposed Placement.

- 1.3 The purpose of this Circular is to provide Shareholders with the information relating to, and to seek Shareholders' approval for the Proposed Placement. Shareholders' approval will be sought at the EGM to be held on 28 May 2020 at 11.15 a.m. (or immediately after the conclusion or adjournment of the AGM scheduled at 11.00 a.m. on the same day and at the same link) by electronic means, via "live" audio-visual webcast and "live" audio-only stream, notice of which is set out on pages N-1 to N-3 of this Circular.

2. PROPOSED PLACEMENT

2.1 Background and the Placement Shares

As at the date of this Circular, the Company has an issued and paid-up share capital of 617,209,000 Shares. The Placement Shares represent approximately 19.44% of the existing issued and paid-up share capital (excluding treasury Shares) of the Company as at the date of this Circular. Assuming the successful issuance and allotment of the Placement Shares, the Placement Shares will represent approximately 16.28% of the enlarged issued and paid-up share capital (excluding treasury Shares) of the Company following Completion.

LETTER TO SHAREHOLDERS

The Placement Shares shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank, *pari passu*, in all respects with the existing Shares save that the Placement Shares will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the completion date of the Placement.

The Company had previously announced on 3 March 2020 that the Placement Shares will be allotted and issued pursuant to the general shareholders' mandate to issue Shares passed at the Company's annual general meeting held on 30 April 2019. Given that the AIP is subject to, *inter alia*, the approval of the Shareholders for the Proposed Placement, the Company will be convening an EGM to seek Shareholders' approval for the allotment and issue of the Placement Shares and will not be relying on the general shareholders' mandate to issue Shares passed at the Company's annual general meeting held on 30 April 2019.

The Proposed Placement will be undertaken by way of a private placement in accordance with Section 272B of the SFA. As such, no prospectus or offer information statement will be issued by the Company or lodged with the Monetary Authority of Singapore in connection with the Proposed Placement.

The Proposed Placement is not underwritten and there is no placement agent appointed for the purpose of the Proposed Placement and no introducer fee, commission, fee or other selling or promotional expense is payable or incurred by the Company in connection with the Proposed Placement, other than those incurred for administrative or professional service.

Completion of the Proposed Placement is conditional upon the satisfaction of the conditions precedents of the Placement Agreement as set out in paragraph 2.7 of this Circular and Shareholders' approval being obtained as set out in paragraph 2.9(a) of this Circular, among others.

2.2 Placement Price

The Placement Price of S\$0.015 per Placement Share represents a premium of approximately 36.4% to the volume weighted average price of S\$0.011 per ordinary share in the capital of the Company for trades done on the Shares on the SGX-ST for the full Market Day on 2 March 2020 (being the last full Market Day prior to the date on which the Placement Agreement was signed).

The Placement Price was agreed upon following arm's length negotiations between the Placees and the Company.

The Board is of the view that the Placement Price is in the interests of the Company and Shareholders, taking into account the following:

- (a) the Proposed Placement to Dr. Lin Yucheng as a strategic investor is in the Company's best interests as the Company's stock is relatively illiquid with low trading volumes;
- (b) while the closing prices for the Shares for trades done on the SGX-ST on 28 February 2020 and 2 March 2020 were S\$0.026 and S\$0.011, respectively, these prices do not necessarily reflect the fair value of the Company;
- (c) the Board instead considered that based on the Group's latest announced consolidated unaudited results for FY2019, the Group's NAV per Share of approximately S\$0.0147 (based on the Group's NAV of approximately S\$9,075,000 as at 28 February 2020) was a better indicator of the fair value of the Group, despite the substantial decline of the Company's securities from S\$0.026 to S\$0.011. In addition, it is noted that the Group's NTA was approximately S\$0.0143 per Share (based on the Group's NTA of approximately S\$8,818,000 as at 28 February 2020); and

LETTER TO SHAREHOLDERS

- (d) the Board had also considered the historical financial performance of the Company and the challenging macroeconomic and business environments which the Group is operating in. This was further exacerbated by the uncertain economic outlook and widespread disruption brought about by the COVID-19 outbreak especially in China where the bulk of the Group's operations are located. There is a need for the Group to source for funding to finance the Group's working capital. However, the discussions with potential investors since 2018 did not culminate in any definitive documentation being entered into between the parties, and the Company faced difficulty in finding investors who are willing to invest under such deteriorating market conditions. As such, the Company's ability to secure a strategic investor hailing from the same industry is regarded as a positive development. For further details on the views of the Board in relation to the Proposed Placement, please refer to paragraph 2.11 of this Circular.

Each Placee has confirmed to the Company that he and/or any persons connected to him have not traded in the Shares during the period commencing from 3 February 2020 to 2 March 2020.

2.3 Rationale for the Proposed Placement

The estimated amount of proceeds from the Proposed Placement (net of estimated expenses of approximately S\$102,000 relating thereto, a breakdown of which is set out below) will be approximately S\$1,698,000 (the "**Net Proceeds**").

Expenses	Approximate Amount (S\$)
Fees payable to the SGX-ST comprising the fees for the additional listing application and processing the Circular	40,700
Legal fees for the submission of the additional listing application and Circular to the SGX-ST	54,000
Costs relating to handling and submission of share certificates to CDP	2,200
Printing costs	4,300
Corporate secretarial fees	800
Total	102,000

As disclosed in the announcement by the Company dated 11 April 2020, the Proposed Placement is intended to increase the resources available to the Company for its operational needs, among other expenses. The Net Proceeds will allow the Group to further strengthen and supplement its financial position and capital base. In particular, the on-boarding of a strategic investor such as Dr. Lin Yucheng, who hails from the same industry as the Company will allow the Company to tap the available expertise and resources to grow the Company's financial position. The Board has considered the historical financial performance of the Group and the challenging macroeconomic and business environments which the Group is operating in. The challenges facing the Group have also been further exacerbated by the uncertain economic outlook and widespread disruption brought about by the COVID-19 outbreak, especially in China where the bulk of the Group's operations are located. With the deteriorating market environment, the Board acknowledges that going forward, it will be increasingly difficult and challenging to source for potential investors that are keen to invest in the Company. The Proposed Placement is an opportunity for the Company to bring on-board a strategic investor without compromising both the Company's and shareholders' interests.

Accordingly, the Board is of the opinion that the Proposed Placement is in the interest of the Company for the aforementioned reasons. The Net Proceeds will also allow the Company to raise working capital in order to focus on its business operations with a view to steer the Group's business back to profitability in the foreseeable future.

LETTER TO SHAREHOLDERS

2.4 Use of Proceeds

The Company intends to use the Net Proceeds of approximately S\$1,698,000 for its general working capital purposes, the specific breakdown for which is set out below:

Use of Net Proceeds	Proportion of Net Proceeds (%)	Approximate Amount (S\$)
Printing of annual reports, advertisements and other related costs for the Company's annual general meeting	1.71	29,000
Rental expenses	4.36	74,000
Repayment of loans owing by the Group to a Director ⁽¹⁾	8.13	138,000
Professional fees and other miscellaneous costs	13.66	232,000
Directors' fees in arrears and for the current year	11.84	201,000
Payroll and related costs in arrears and for the current year	10.95	186,000
Procurement of raw materials and systems ⁽²⁾	49.35	838,000
Aggregate	100.00	1,698,000

Notes:

- (1) Mr Lin Baiyin, a Director, had made interest-free advances to the Company in 2017 and 2020 for the Company's operating expenses and such loans are repayable on demand and are to be settled in cash when the Company's cash flow permits.
- (2) The Company intends to utilise the proceeds to procure raw materials and systems for industrial wastewater and dust elimination projects in the Gansu province of approximately RMB26.0 million. The Company hopes that the successful completion of smaller-scale projects will enable the Company to secure repeat orders from these customers or obtain larger-scale projects in the north-western part of China. Most of these projects are partially funded by the PRC government, which the Company believes can mitigate potential customer credit risk of the Group.

Pending the deployment of the Net Proceeds, the Net Proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit in the interests of the Company from time to time.

The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use and is in accordance with the percentage allocated. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and status report. The Company will also provide a status report on the use of such proceeds in the Company's annual report.

2.5 Information on the Placees

The number of Placement Shares to be subscribed for by each Placee with the respective consideration to be paid by each Placee are set out below:

Name of Placee	Number of Placement Shares subscribed	Aggregate Consideration	% of existing issued share capital ⁽¹⁾	% of enlarged issued share capital ⁽²⁾
Dr. Lin Yucheng	110,000,000	S\$1,650,000	17.82%	14.92%
Zhang Yulong	10,000,000	S\$150,000	1.62%	1.36%
Total	120,000,000	S\$1,800,000	19.44%	16.28%

LETTER TO SHAREHOLDERS

Notes:

- (1) Number of Placement Shares divided by existing issued share capital of 617,209,000 Shares.
- (2) Number of Shares held immediately after the Proposed Placement divided by the enlarged issued share capital of 737,209,000 Shares.

Dr. Lin Yucheng is an entrepreneur and has founded and invested in a spectrum of environment-related businesses in the last 30 years. He founded CITIC Envirotech Ltd (CEL, formerly known as United Envirotech Ltd and was listed on the mainboard of the SGX-ST) and successfully groomed it into a billion-dollar market capitalisation company. He is one of the pioneers in developing Membrane Bioreactor (MBR) technology for treating industrial wastewater. Under his leadership, CEL has become a fully integrated environmental solution provider and has attracted the support of world-class investors such as KKR and the Citic Group. Dr. Lin Yucheng received his Ph.D degree from Imperial College, London and was the advisor to the Singapore government on Singapore's environment and water industry.

Dr. Lin Yucheng is an acquaintance of Mr. Lin Baiyin, the Company's executive chairman and chief executive officer, as they both hail from the environment industry. They had contemplated on earlier occasions the possibility of working with each other on projects in China, but did not eventually commence any such projects together.

Mr. Zhang Yulong is a Chinese national and a Singapore permanent resident. He is a businessman engaged in property development and motor vehicle dealership. Mr. Zhang is a co-investor of Dr. Lin Yucheng who had expressed interest in taking up a small stake in the Company for investment purposes.

The Placees are individual investors and have confirmed to the Company that they are subscribing for the Placement Shares for their own account for investment and will not hold any Placement Shares on behalf of, acting as nominee for, or hold such Placement Shares on trust, for any other person including any Directors, Substantial Shareholders, other Placee or their respective associates.

The Placees are not persons to whom the Company is prohibited from issuing shares to, as provided for by Rule 812 of the Listing Manual. Save as disclosed above, the Placees have no connections (including any business relationship) with the Company and its Directors and Substantial Shareholders, or their respective associates.

2.6 Shareholding Interests of the Placees

The shareholding interests of each Placee before and after the Proposed Placement are as follows:

Name of Placee	Number of Shares held before the Proposed Placement ⁽¹⁾	% of existing issued share capital ⁽²⁾	Number of Shares held after the Proposed Placement	% of enlarged issued share capital ⁽³⁾
Dr. Lin Yucheng	–	–	110,000,000	14.92%
Zhang Yulong	897,900	0.15%	10,897,900	1.48%

Notes:

- (1) Number of Shares held before the Proposed Placement as at the Latest Practicable Date.
- (2) Number of Shares held before the Proposed Placement as at the Latest Practicable Date divided by existing issued share capital of the Company comprising 617,209,000 Shares.
- (3) Number of Shares held immediately after the Proposed Placement divided by the enlarged issued share capital of 737,209,000 Shares.

LETTER TO SHAREHOLDERS

As at the Latest Practicable Date, the Placees do not hold, directly or indirectly, any Shares or any instruments convertible into, rights to subscribe for and options in respect of Shares save as disclosed above.

2.7 Conditions Precedent of the Placement Agreement

Under the Placement Agreement, the obligation of the parties to proceed with Completion is conditional upon:

- (a) the listing approval being obtained from the SGX-ST for the listing of and quotation for the Placement Shares on the SGX-ST Mainboard and where such listing approval is subject to conditions, (i) such conditions being reasonably acceptable to the parties and (ii) if such conditions are required to be fulfilled on or before Completion, such conditions having been fulfilled on or before such date, and such listing approval remaining in full force and effect as of Completion;
- (b) the Proposed Placement not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or any of the Placees; and
- (c) the representations, warranties and undertakings by each Party remaining true and correct in all material respects and each of them having performed all of its/his obligations hereunder to be performed on or before Completion.

If any of the above conditions is not satisfied on or before the Cut-off Date, the Placement Agreement will lapse and no party will have any claim whatsoever against any other party.

As of the Latest Practicable Date, the condition under sub-paragraph (a) has been satisfied upon the Company receiving the AIP issued by the SGX-ST, subject to certain conditions more particularly set out in paragraph 2.9 of this Circular.

2.8 Completion of the Proposed Placement

Pursuant to the terms of the Placement Agreement, Completion will take place on the date falling five (5) Business Days from the satisfaction of all the conditions referred to in paragraph 2.7 above, or such other date as the Company and the Placees may agree in writing.

2.9 SGX-ST approval in-principle

On 9 April 2020, the Company received the AIP in respect of the Placement Shares, subject to the following conditions:

- (a) Shareholders' approval for the Proposed Placement;
- (b) The Company providing:
 - (i) a written undertaking that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
 - (ii) a written undertaking from the Company that it will comply with Rule 803;
 - (iii) a written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the Listing Manual;

LETTER TO SHAREHOLDERS

- (c) The Company announcing via SGXNet:
- (i) the shareholding interests of each of the Placees before and after the Proposed Placement;
 - (ii) the background and details of each of the Placees;
 - (iii) the Audit Committee's confirmation that, having undertaken reasonable due diligence and background checks, are satisfied that the Placees are not holding shares on behalf of, acting as nominee for, or holding shares on trust, for any Directors, Substantial Shareholders or their respective associates; and
 - (iv) the Board of Directors' assessment as to whether the Proposed Placement is in the interest of the Company and the bases for such an assessment.

The Company has submitted the written undertakings and written confirmation referred to in the condition under sub-paragraph (b) above to the SGX-ST and has also made the announcements referred to in condition under sub-paragraph (c) above on 11 April 2020.

2.10 Audit Committee's Confirmation

Each Placee had confirmed to the Company that he is not holding Shares, and will not hold any Placement Shares, on behalf of, acting as nominee for, or holding such Placement Shares, on trust, for any other person including any Directors, Substantial Shareholders, the other Placee or their respective associates.

The Audit Committee confirms as at the Latest Practicable Date that, having received the confirmations from the Placees as set out above and having undertaken reasonable due diligence and background checks, they are satisfied that the Placees are not holding Shares on behalf of, acting as nominees for, or holding such Shares on trust, for any Directors, Substantial Shareholders or their respective associates.

2.11 Statement by the Board of Directors

The Board is of the view that the Proposed Placement is carried out in the interests of the Company.

In considering whether the Proposed Placement was in the interest of the Company, the Board considered the historical financial performance of the Group and the challenging macroeconomic and business environments which the Group is operating in. The challenges facing the Group have also been further exacerbated by the uncertain economic outlook and widespread disruption brought about by the COVID-19 outbreak, especially in China where the bulk of the Group's operations are located. With the deteriorating market environment, the Board acknowledges that going forward, it will be increasingly difficult and challenging to source for potential investors that are keen to invest in the Company. Hence, it is imperative for the Company to make a decisive move on the Proposed Placement without compromising both the Company's and the Shareholders' interests.

In light of the foregoing, the Board is of the view that the Proposed Placement is in the interest of the Company as it will allow the Company to bring on-board a strategic investor such as Dr. Lin Yucheng, who also hails from the same industry, to enable the Company to increase the availability of its resources and to strengthen and supplement the Group's financial position and capital base. The proceeds raised for working capital will allow the Company to focus on its business operations with a view to steering the Group's business back to profitability in the foreseeable future.

LETTER TO SHAREHOLDERS

3. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The financial effects of the Proposed Placement set out below were prepared based on the audited consolidated financial statements of the Group for (a) FY2019, and (b) for information only. They are strictly for illustrative purposes only and do not reflect the actual financial results or the future financial performance and condition of the Group after the Proposed Placement.

The financial effects set out below are subject to the following assumptions:

- (a) the financial effect on the consolidated NAV per Share is computed based on the assumption that the Proposed Placement had been completed on 31 December 2019; and
- (b) the financial effect on the losses per Share (“LPS”) per Share is computed based on the assumption that the Proposed Placement had been completed on 1 January 2019.

3.1 Issued Share Capital

The effect of the allotment and issue of the Placement Shares on the share capital of the Company is as follows:

	Before the Proposed Placement	After the Proposed Placement
Issued and paid up share capital (RMB)	224,747,000	233,237,000
Total number of issued Shares	617,209,000	737,209,000

3.2 NAV per Share

The effect of the allotment and issue of the Placement Shares on the NAV of the Company is as follows:

	Before the Proposed Placement	After the Proposed Placement
NAV attributable to Shareholders (RMB'000)	40,436	48,926
Number of Shares	617,209,000	737,209,000
NAV per Share (RMB cents)	6.55	6.64

3.3 Losses per Share

The effect of the allotment and issue of the Placement Shares for FY2019 on the LPS of the Company is as follows:

	Before the Proposed Placement	After the Proposed Placement
Losses attributable to Shareholders (RMB'000)	(24,133)	(24,133)
Weighted average Number of Shares	617,209,000	737,209,000
Losses per Share (RMB cents)	(3.91)	(3.27)

LETTER TO SHAREHOLDERS

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

4.1 Directors' and Substantial Shareholders' shareholdings in the Company

The interests of the Directors, Substantial Shareholders and the Placees in the Company as at the Latest Practicable Date and (assuming there is no change to the issued share capital of the Company other than the issue and allotment of the Placement Shares) immediately after the Proposed Placement are set out below:

	As at the Latest Practicable Date ⁽¹⁾				Immediately after the issue of Subscription Shares ⁽²⁾			
	Number of Shares				Number of Shares			
	Direct Interest	Deemed Interest	Total Interest	% ⁽¹⁾	Direct Interest	Deemed Interest	Total Interest	% ⁽²⁾
Directors								
Lin Baiyin ⁽³⁾	1,000,000	207,304,000	208,304,000	33.75	1,000,000	207,304,000	208,304,000	28.26
Liu Kaiyi	-	-	-	-	-	-	-	-
Goh Kay Seng Edwin ⁽⁴⁾	-	9,000,000	9,000,000	1.46	-	9,000,000	9,000,000	1.22
Mak Yen-Chen Andrew	-	-	-	-	-	-	-	-
Substantial Shareholders (other than Directors)								
Jingold Resources Limited ⁽³⁾	207,304,000	-	207,304,000	33.59	207,304,000	-	207,304,000	28.12
Placees								
Dr. Lin Yucheng	-	-	-	-	110,000,000	-	110,000,000	14.92
Zhang Yulong	897,900	-	-	0.15	10,897,900	-	10,897,900	1.48

Notes:

- (1) Based on 617,209,000 issued Shares as at the Latest Practicable Date.
- (2) Based on the enlarged issued share capital comprising 737,209,000 Shares immediately after Completion.
- (3) Jingold Resources Limited is an investment holding company incorporated in the BVI and is owned by Lin Baiyin (the Company's Executive Chairman and Chief Executive Officer). By virtue of section 7 of the Companies Act, Cap. 50, Lin Baiyin is deemed interested in the 207,304,000 Shares held by Jingold Resources Limited in the Company.
- (4) Goh Kay Seng Edwin is deemed to be interested in the 9,000,000 Shares held through his nominee, DBS Nominees Pte Ltd. in the Company.

The allotment and issue of Placement Shares to the Placees does not result in any Placee holding, directly or indirectly, 15% or more of the total voting rights in the Company and Mr Lin Baiyin will remain the sole controlling Shareholder of the Company. In view of the foregoing, the Proposed Placement will not result in a change of controlling Shareholder in the Company.

4.2 Interest of Directors and Substantial Shareholders in the Proposed Placement

Save as disclosed in this Circular and save for their interests arising by way of their shareholdings in the Company and/or directorships in the Group, as the case may be, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Placement.

5. DIRECTORS' RECOMMENDATIONS

The Board of Directors, having fully considered, *inter alia*, the rationale and the terms of the Proposed Placement, are of the opinion that the Proposed Placement is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution to approve the Proposed Placement as set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

The Chairman of the EGM will accept appointment as proxy for any Shareholder to vote in respect of the Ordinary Resolution to approve the Proposed Placement to be proposed at the EGM where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of such ordinary resolution.

6. EXTRAORDINARY GENERAL MEETING

Date and time of EGM

The EGM is convened for the purpose of considering and, if thought fit, passing with or without modifications the Ordinary Resolution to approve the Proposed Placement as set out in the Notice of EGM.

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be held by way of electronic means.

No attendance at EGM

Due to the current COVID-19 restriction orders in Singapore (including under the COVID-19 Act), **Shareholders will not be able to attend the EGM in person**. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by:

- (a) watching the EGM proceedings via “live” audio-visual webcast or listening to the EGM proceedings via “live” audio-only stream;
- (b) submitting questions in advance of the EGM; and/or
- (c) voting by appointing the Chairman as proxy at the EGM.

Please refer to paragraph 8 below for further details on the alternative arrangements.

In addition, Shareholders should note that the Company may make further changes to its EGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 Act and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNet.

7. NO DESPATCH OF PRINTED COPIES OF CIRCULAR, NOTICE OF EGM AND PROXY FORM

In line with the provisions under the COVID-19 Order, no printed copies of the Circular, the Notice of EGM and the Proxy Form in respect of the EGM will be despatched to Shareholders.

A copy of this Circular, the Notice of EGM and the Proxy Form have been uploaded on SGXNet.

A Shareholder will need an Internet browser and PDF reader to view these documents on SGXNet.

Shareholders are advised to read the Circular carefully in order to decide whether they should vote in favour of or against the Ordinary Resolution in relation to the Proposed Placement to be tabled at the EGM.

LETTER TO SHAREHOLDERS

8. ACTION TO BE TAKEN BY SHAREHOLDERS

Alternative arrangements

Alternative arrangements have been put in place to allow Shareholders to participate at the EGM as follows:

(a) “Live” audio-visual webcast and “live” audio-only stream

The Company’s Independent Non-Executive Director, Mr Mak Yen-Chen Andrew, will conduct the proceedings of the EGM as chairman of the EGM by electronic means, with the Chief Financial Officer, Mr. Lim Poh Yeow.

Shareholders and investors holding Shares through relevant intermediaries (including CPF Investors and SRS Investors) (“**Investors**”) will be able to (i) watch these proceedings through a “live” audio-visual webcast via their mobile phones, tablets or computers, or (ii) listen to these proceedings through a “live” audio-only stream via telephone.

In order to do so, Shareholders and Investors must follow the following steps:

- (1) Those who wish to watch the “live” audio-visual webcast or listen to the “live” audio-only stream must pre-register no later than 11.00 a.m. on 25 May 2020, by clicking on the following link and submitting the online registration form: <https://leaderenvironmentalagm.listedcompany.com/leader-2020-agm>.
- (2) They will be required to complete and submit the online registration form for authentication purposes.
- (3) Upon authentication of their status as Shareholders and Investors, authenticated Shareholders and Investors will receive email instructions on how to access the webcast and audio feed of the EGM proceedings by 27 May 2020.

Shareholders who do not receive an email by 3.00 p.m. on 27 May 2020, but who have registered by the registration deadline, should contact our Share Registrar, M & C Services Private Limited, for assistance at (65) 62280530 or gpb@mncsingapore.com.

(b) Prior submission of questions

Shareholders may submit questions or matters related to the Ordinary Resolution to approve the Proposed Placement. All questions must be submitted by 11.00 a.m. on 25 May 2020 in the following manner:

- (1) via the pre-registration website at the following link: <https://leaderenvironmentalagm.listedcompany.com/leader-2020-agm>; or
- (2) by email via the following email: leader.ir@financialpr.com.sg

Each such matter raised by the Shareholders, if substantial and relevant and sent within a reasonable time before the EGM, will be responded to by the Company before or during the EGM.

The Company will, within one month after the date of the EGM, publish the minutes of the EGM on SGXNet and the Company’s website, and the minutes will include the responses to the questions referred to above.

Members will not be able to ask questions at the EGM “live” during the audio-visual webcast or audio-only stream.

LETTER TO SHAREHOLDERS

(c) Voting by proxy only

Shareholders will not be able to vote online at the EGM. Shareholders (whether individual or corporate) must vote by proxy only and appoint **only the Chairman of the EGM** to act as proxy and direct the vote at the EGM. Each Shareholder (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his manner of voting, or abstention from voting, failing which the appointment will be treated as invalid.

All Shareholders are encouraged to complete, sign and return the enclosed Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach (i) by email to gpb@mncsingapore.com or (ii) by post to the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01 Singapore 068902, not later than **11.15 a.m. on 26 May 2020** (being 48 hours before the time fixed for the EGM).

In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

Investors who wish to appoint the Chairman of the EGM as their proxy should approach their respective relevant intermediaries or agent banks to submit their votes no later than **18 May 2020**, being (7) working days before the date of the EGM.

As the Company may make further changes to its EGM arrangements as the situation evolves, Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNet.

Depositor not member

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP to the Company at least 72 hours before the EGM.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time, copies of the following documents will be available at the office of the Company's Share Registrar at 112 Robinson Road #05-01 Singapore 068902 for inspection from the date of this Circular up to and including the date of the EGM:

- (a) the Placement Agreement;
- (b) the side letter to the Placement Agreement dated 5 May 2020; and
- (c) the annual report of the Company for FY2019.

LETTER TO SHAREHOLDERS

A copy of the Placement Agreement and the side letter to the Placement Agreement may be made available during the same period upon request by a Shareholder by emailing the Company via the following email leader.ir@financialpr.com.sg. Shareholders will be required to provide their full name, identification details and address for authentication purposes.

A copy of the annual report of the Company for FY2019 is made available for inspection via SGXNet.

Yours faithfully

LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

For and on behalf of the Board of Directors

Lin Baiyin

Executive Chairman and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING

LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

(Company Registration No. 200611799H)
(Incorporated in the Republic of Singapore)
(the “Company”)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of the Company will be held by way of electronic means on **28 May at 11.15 a.m.** (or immediately after the conclusion or adjournment of the AGM scheduled at **11.00 a.m.** on the same day and at the same link) and, to the extent permitted by the relevant laws and regulations, by way of “live” audio-visual webcast and “live” audio-only stream, details of which are set out in the Circular and in the announcements that may be made by the Company from time to time on SGXNet, for the purpose of considering and, if thought fit, passing (with or without modifications) the resolution below.

This Notice has been made available on SGXNet. A printed copy of this Notice will NOT be despatched to members.

All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Circular dated 13 May 2020 issued by the Company to the Shareholders.

ORDINARY RESOLUTION - THE PROPOSED PLACEMENT OF 120,000,000 NEW PLACEMENT SHARES IN THE CAPITAL OF THE COMPANY TO THE PLACEES AT A PLACEMENT PRICE OF S\$0.015 PER PLACEMENT SHARE

That:

- (a) approval be and is hereby given for the allotment and issue of 120,000,000 new ordinary shares in the capital of the Company (“**Placement Shares**”) to Dr. Lin Yucheng and Mr. Zhang Yulong (“**Placees**”) at a Placement Price of S\$0.015 per Placement Share on the terms and subject to the conditions of the Placement Agreement dated 3 March 2020 entered into between the Company and the Placees (as may be amended, modified and/or supplemented from time to time as the Directors deem desirable, necessary or appropriate); and
- (b) approval be and is hereby given for the Company to enter into the Placement Agreement and the execution of the Placement Agreement by the Company be and is hereby ratified, confirmed and approved;
- (c) the Directors and each of them be and are hereby authorised to from time to time amend, modify and/or supplement the terms of the Proposed Placement and/or the Placement Agreement as the Directors may deem appropriate; and
- (d) the Directors and each of them be and are hereby authorised to complete, take such steps and to do all such acts and things as they may consider necessary, desirable or expedient to give effect to the transactions contemplated in this Ordinary Resolution and in the interests of the Company, including without limitation, to negotiate, sign, execute and deliver all documents (if required), and, to the extent that any of the foregoing have been done, that they be and are hereby approved, confirmed and ratified.

By Order of the Board
Lin Baiyin
Executive Chairman and Chief Executive Officer
13 May 2020

NOTICE OF EXTRAORDINARY GENERAL MEETING

Important Notice from the Company on COVID-19

As the COVID-19 situation continues to evolve, the Company is closely monitoring the situation, including any precautionary measures which may be required or recommended by government agencies to minimise the risk of community spread of COVID-19. **Shareholders should note that the Company may be required (including at short notice) to make further changes to its EGM arrangements as the situation evolves, and Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNet.**

The Company apologises for any inconvenience caused and seeks the understanding and cooperation of all shareholders to minimise the risk of community spread of COVID-19. The Company, Group, officers and employees shall have no liability whatsoever to shareholders, corporate representatives or any other attendees arising out of or in connection with the Company taking precautionary measures at the Company's discretion in response to the COVID-19 situation.

Notes:

1. Alternative Arrangements

Please refer to paragraph 8 of the Circular setting out alternative arrangements relating to, inter alia, attendance, submission of questions in advance and/or voting by proxy at the EGM. The Circular has been uploaded together with this Notice on SGXNet and the Company's designated website on the same day.

In particular:

(a) "Live" audio-visual webcast and "live" audio-only stream

The EGM will be held by electronic means. Shareholders and investors holding shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act) ("**Investors**") (including CPF Investors and SRS Investors) will be able to (i) watch these proceedings through a "live" audio-visual webcast via their mobile phones, tablets or computers, or (ii) listen to these proceedings through a "live" audio-only stream via telephone.

In order to do so, Shareholders and Investors must follow the following steps:

- (1) Those who wish to watch the "live" webcast or listen to the "live" audiocast must pre-register by 11.00 a.m. on 25 May 2020, by clicking on the following link and submitting the online registration form: <https://leaderenvironmentalagm.listedcompany.com/leader-2020-agm>.
- (2) They are required to complete and submit the online registration form for authentication purposes.
- (3) Upon authentication of their status as Shareholders or Investors, authenticated Shareholders or Investors will receive email instructions on how to access the webcast and audio feed of the EGM proceedings by 27 May 2020.
- (4) Those who do not receive an email by 3.00 p.m. on 27 May 2020, but who have registered by the registration deadline, should contact our Share Registrar, M & C Services Private Limited, for assistance at (65) 62280530 or gpb@mncsingapore.com.

Members who are watching the live webcast will not be able to vote online.

(b) Prior submission of questions

Shareholders may submit questions or matters related to the Ordinary Resolution to approve the Proposed Placement by 11.00 a.m. on 25 May 2020 in the following manner:

- (1) via the pre-registration website at the following link: <https://leaderenvironmentalagm.listedcompany.com/leader-2020-agm>; or
- (2) by email via the following email: leader.ir@financialpr.com.sg

Members will not be able to ask questions at the EGM "live" during the audio-visual webcast or audio-only stream.

(c) Voting by proxy only

Shareholders and Investors will not be able to attend the EGM in person or vote online at the EGM. Shareholders (whether individual or corporate) must vote by proxy only and appoint **only the Chairman of the EGM** to act as proxy and direct the vote at the EGM. A member (whether individual or corporate) appointing the Chairman of the Meeting as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.

All Shareholders are encouraged to complete, sign and return the enclosed Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach (a) by email to gpb@mncsingapore.com or (b) by post to the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01 Singapore 068902, not later than **11.15 a.m. on 26 May 2020** (being 48 hours before the time fixed for the EGM).

NOTICE OF EXTRAORDINARY GENERAL MEETING

In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

CPF Investors and SRS Investors who wish to appoint the Chairman of the EGM as their proxy should approach their respective agent banks to submit their votes no later than **18 May 2020**, being (7) working days before the date of the EGM. CPF Investors and SRS Investors should not directly appoint the Chairman as proxy to direct the vote. The Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

If the member is a corporation, the instrument appointing the proxy must be given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

2. The Chairman of the EGM, as proxy, need not be a member of the Company.
3. In the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
4. The Circular, this Notice of EGM and the Proxy Form have been made available on SGXNet. A printed copy of these documents will NOT be despatched to Shareholders.

PERSONAL DATA PRIVACY

By submitting a proxy form appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, and/or by registering to attend the "live" webcast and/or "live" audiocast of the EGM as detailed in paragraph 8 of the Circular, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the EGM as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

**LEADER ENVIRONMENTAL
TECHNOLOGIES LIMITED**
(Company Registration No. 200611799H)
(Incorporated in Singapore)

EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out in the Circular which has been uploaded together with the Notice of EGM dated **13 May 2020** on SGXNet on the same day.
2. A member will not be able to attend the EGM in person. A member will also not be able to vote online at the resolutions to be tabled for approval at the EGM. If a member (whether individual or corporate) wishes to exercise his/her/its votes, he/she/it must submit this Proxy Form to appoint the Chairman of the EGM to vote on his/her/its behalf. A member (whether individual or corporate) appointing the Chairman of the Meeting as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in this Proxy Form, failing which the appointment will be treated as invalid.
3. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") who wish to vote at the EGM should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the EGM. CPF Investors and/or SRS Investors are requested to contact their respective agent banks for any queries they may have with regard to appointment as to the appointment of the Chairman of the EGM as proxy for the EGM.
4. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We _____ (Name) NRIC/Passport No. _____

of _____ (Address)

being a *member/ members of Leader Environmental Technologies Limited ("**Company**"), hereby appoint the Chairman of the EGM as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the EGM to be held on 28 May 2020 at 11.15 a.m. (or immediately after the conclusion or adjournment of the AGM scheduled at 11.00 a.m. on the same day and at the same link), and at any adjournment thereof. *I/We direct *my/our proxy to vote for, against and/or abstain from voting on the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, this Proxy Form shall be disregarded and the proxy shall abstain from voting on any matter arising at the EGM and at any adjournment thereof:

	No. of Votes "For"*	No. of Votes "Against"*	No. of Votes "Abstaining"*
ORDINARY RESOLUTION:			
To approve the Proposed Placement			

* Voting will be conducted by poll. If you wish the Chairman of the EGM as your proxy to exercise all your votes for or against or abstain from voting for in respect of all your Shares the above Resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish the Chairman of the EGM as your proxy to exercise some and not all of your votes for or against and/or abstain from voting for the Resolution and/or if you wish the Chairman of the EGM as your proxy to abstain from voting in respect of the Resolution, please indicate the number of votes "For", the number "Against" and/or the number "Abstaining" in the boxes provided for the Resolution. In the absence of specific directions, the appointment of the Chairman of the EGM as your proxy will be treated as invalid.

Dated this _____ day of _____ 2020

Total Number of Shares in	No. of Shares
Depository Register	
Register of Members	

Signature of Shareholder(s)
or Common Seal of Corporate Shareholder

* Delete where inapplicable

IMPORTANT: PLEASE READ THE NOTES BELOW CAREFULLY BEFORE COMPLETING THIS FORM

PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the EGM as proxy shall be deemed to relate to all the Shares held by you (in both the Depository Register and the Register of Members).
2. A member will not be able to attend the EGM in person and must appoint the Chairman of the EGM as proxy to attend, speak and vote on the member's behalf at the EGM and at any adjournment thereof. A member will also not be able to vote online on the resolutions to be tabled for approval at the EGM. If a member (whether individual or corporate) wishes to exercise his/her/its votes, he/she/it must submit this Proxy Form to appoint the Chairman of the EGM to vote on his/her/its behalf. A member (whether individual or corporate) appointing the Chairman of the Meeting as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in this Proxy Form, failing which the appointment will be treated as invalid. This Proxy Form may be accessed via the SGXNET.

In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

Please refer to paragraph 8 of the Circular for more details.

3. The Chairman of the EGM, as proxy, need not be a member of the Company.
4. CPF Investors and SRS Investors who wish to vote at the EGM should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the EGM. CPF Investors and SRS Investors should not directly appoint the Chairman as proxy to direct the vote.
5. Relevant Intermediaries shall also appoint the Chairman of the EGM to act as proxy and direct the vote at the EGM. Together with the instrument appointing a proxy, the Relevant Intermediaries shall provide to the Company a list of attendees who would like to attend the EGM by way of a "live" webcast and/or audiocast with such information that may be requested by the Company.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative to attend the EGM, in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore ("**Companies Act**").
 7. The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing the Chairman of the EGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged at the registered office of the Company at 36 Armenian Street #06-12 Singapore 179934.
 8. The instrument appointing the Chairman of the EGM as proxy must be completed and arrive (a) by email to gpb@mncsingapore.com OR (b) by post to the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01 Singapore 068902, not later than **11.15 a.m. on 26 May 2020** (being 48 hours before the time fixed for the EGM).

General:

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the EGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 13 May 2020.