



LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

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

PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF 589,767,200 NEW ORDINARY SHARES OF THE COMPANY (THE "RIGHTS ISSUE")

- RESULTS OF THE RIGHTS ISSUE AND LISTING AND QUOTATION OF THE RIGHTS SHARES

Unless otherwise defined, all capitalised terms herein shall bear the same meanings as in the Company's announcements released on 12 June 2020, 13 July 2020, 29 July 2020 and 7 August 2020 in relation to the Rights Issue (the "Earlier Announcements") and in the offer information statement dated 7 August 2020 (the "Offer Information Statement").

The board of directors (the "Board") of Leader Environmental Technologies Limited (the "Company") refers to the Earlier Announcements and the Offer Information Statement.

1. RESULTS OF THE RIGHTS ISSUE

a. Level of subscription

The Board wishes to announce that, as at the close of the Rights Issue on 27 August 2020 (the "Closing Date"), valid acceptances and valid Excess Applications for a total of 846,044,157 Rights Shares were received. This represents 143.45% of the 589,767,200 Rights Shares available for subscription under the Rights Issue, fractional entitlements to be disregarded. As the Rights Shares have been fully subscribed, none of the Underwritten Rights Shares will be underwritten by Stirling Coleman Capital Limited as Manager and Underwriter pursuant to the Management and Underwriting Agreement.

Details of the valid acceptances and valid Excess Applications for the Rights Shares received are as follows:

	Number of Rights Shares	As a percentage of the total number of Rights Shares available for subscription under the Rights Issue
Valid acceptances	543,842,540	92.21%
Valid Excess Applications	302,201,617	51.24%
Total	846,044,157	143.45%

b. Allocation of Rights Shares for valid Excess Applications

Valid Excess Applications for a total of 302,201,617 Rights Shares were received.

A total of 45,924,660 Rights Shares, comprising:

- (a) fractional entitlements that were disregarded in arriving at Shareholders' entitlements to the Rights Shares;

- (b) Right Shares that were not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares; and
- (c) Rights Shares that were otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and the Offer Information Statement,

were allotted to satisfy valid Excess Applications for the Rights Shares.

The Company had, in the allotment of excess Rights Shares, given preference to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with its day to day affairs or the terms of the Rights Issue or have representation (direct or through a nominee) on the Board were ranked last in priority for the rounding of odd lots and allotment of excess Rights Shares.

c. Sale of Nil-Paid Rights Relating to Foreign Shareholders

A total of 5,989,920 “nil-paid” Rights which would otherwise have been provisionally allotted to Foreign Shareholders have been sold on the SGX-ST. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed among Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and, for Foreign Shareholders who have applied for CDP’s Direct Crediting Service (“DCS”), credited directly to their designated bank accounts at their own risk, or in such other manner as they may have agreed with CDP for payment of any cash distributions. In the event they are not subscribed to CDP’s DCS, any monies to be refunded will be retained by CDP and reflected under the cash transaction section of their CDP monthly account statement. This cash balance will be carried forward and will be automatically credited into their designated bank account once they apply for the DCS. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained or dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager and Underwriter, the Share Registrar or CDP in connection therewith.

d. Net Proceeds from the Rights Issue

On 8 June 2020, the Company announced that the Directors had adopted certain proposals and recommendations to expand the business of the Group in the treatment of municipal sludge, industrial wastewater treatment and production of equipment widely used in water and sludge treatment. In particular, the Company intends to move to a high-tech oriented business to differentiate itself from other environmental protection companies. In this regard, it intends to focus on municipal sludge treatment and disposal, and industrial wastewater treatment based on high-end membrane technologies. It also intends to position the Group as a premier integrated environmental services provider, particularly in China, offering a full spectrum of services including technical consulting, system integration, equipment and product supply, project investment, engineering design procurement and construction and operational and maintenance (the “**Focus Areas**”).

The Company has raised Net Proceeds of approximately S\$\$8.70 million (after deducting estimated costs and expenses of S\$0.15 million relating to the Rights Issue). The Company shall utilise the Net Proceeds solely for investment and/or merger and acquisition opportunities in the Focus Areas.

The Group is in preliminary discussions with some target companies in this regard and will make the necessary announcements in accordance with its obligations under the SGX-ST Listing Manual once any such discussions are finalised.

Pending the deployment of the Net Proceeds raised from the Rights Issue, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, or used for investment in short-term loan related instruments, as the Directors may deem appropriate in the interests of the Company.

2. REFUND FOR INVALID OR UNSUCCESSFUL ACCEPTANCES OF RIGHTS SHARES AND EXCESS APPLICATIONS

When any acceptance for Rights Shares and/or applications for excess Rights Shares is invalid or unsuccessful in full or in part, the amount paid on application, or the surplus application monies, as the case may be, will be refunded to the relevant Shareholder by CDP on behalf of the Company without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date at their own risk, by any one or a combination of the following:

- (a) where the acceptance and/or application had been made through Electronic Applications through an ATM, by crediting the relevant Shareholder's bank account with the relevant Participating Bank at the Shareholder's own risk, the receipt by such bank being a good discharge to the Company, the Manager and Underwriter and CDP of their obligations, if any, thereunder;
- (b) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at the Shareholder's risk to the Shareholder's mailing address as recorded with the Share Registrar; and/or
- (c) where the acceptance and/or application had been made through CDP, and the relevant Shareholder has applied for DCS, by directly crediting the amount to be refunded to the designated bank account of the relevant Shareholder, or in such other manner as the relevant Shareholder may have agreed with CDP for the payment of any cash distributions, as the case may be. In the event the relevant Shareholder has not subscribed to CDP's DCS, any monies to be refunded will be retained by CDP and reflected under the cash transaction section of his CDP monthly account statement. This cash balance will be carried forward and will be automatically credited into his designated bank account once he applies for the DCS.

3. ALLOTMENT AND ISSUANCE OF THE RIGHTS SHARES

The Board is pleased to announce that, pursuant to the Rights Issue, 589,767,200 Rights Shares have been allotted and issued by the Company on 3 September 2020. Following the allotment and issuance of the 589,767,200 Rights Shares, the number of issued and paid up Shares in the capital of the Company has increased from 737,209,000 Shares (excluding treasury shares) to 1,326,976,200 Shares.

The Rights Shares rank *pari passu* in all respects with the existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.

4. LISTING AND QUOTATION OF THE RIGHTS SHARE

The 589,767,200 Rights Shares will be listed and quoted on the Mainboard of the SGX-ST (the "**Mainboard**") on 4 September 2020, and trading of the Rights Shares will commence with effect from 9.00 a.m. on the same day. Shareholders with valid acceptances and successful applications for excess Rights Shares are advised to check that the Rights Shares have been credited to their relevant Securities Accounts before trading in the Rights Shares.

5. TRADING OF ODD LOTS

Shareholders should note that the Rights Shares are quoted on the Mainboard in board lot sizes of 100 Rights Shares.

Following the Rights Issue, Entitled Shareholders who hold odd lots of Shares (i.e. less than 100 Shares) and who wish to trade in odd lots of Shares on the Mainboard should note that they will be able to do so on the Unit Share Market of the SGX-ST which allows trading of odd lots with a minimum of one (1) Share. The market for trading of such odd lots of Shares may be illiquid and Shareholders who hold odd lots of Shares should note that there is no assurance they will be able to acquire such number of Shares required to make up a board lot, or to dispose their odd lots (whether in part or in whole) on the SGX-ST Unit Share Market.

The Company wishes to take this opportunity to thank Shareholders for their support towards the successful completion of the Rights Issue.

BY ORDER OF THE BOARD

Lin Bai Yin
Executive Chairman and Chief Executive Officer
3 September 2020