



Leader Environmental Technologies Limited

利德环保技术有限公司

(Incorporated in the Republic of Singapore on 15 August 2006)

(Company Registration Number: 200611799H)

Unaudited Results for the Second Half Year and the Twelve Months Ended 31 December 2020

Unaudited Financial Statement and Dividend Announcement for the Financial Year Ended 31 December 2020 of Leader Environmental Technologies Limited (“Company”) and Its Subsidiaries (Collectively, “Group”)

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) 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 immediately preceding year.

The Group’s operations are principally conducted in the People’s Republic of China (“PRC”). Accordingly, the consolidated financial statements have been prepared in Chinese Renminbi (“RMB”), being the functional currency of the Group.

Consolidated Statement of profit and loss and other comprehensive income

	Group			Group		
	6 Months Ended		Change %	12 Months Ended		Change %
	31.12.20 ("2H2020") RMB'000	31.12.19 ("2H2019") RMB'000		31.12.20 ("FY2020") RMB'000	31.12.19 ("FY2019") RMB'000	
Revenue	4,009	26,033	(84.6)	13,736	37,239	(63.1)
Cost of sales	(3,561)	(19,015)	(81.3)	(10,378)	(27,821)	(62.7)
Gross profit	448	7,018	(93.6)	3,358	9,418	(64.3)
Finance income	18	20	(10.0)	23	22	4.5
Other income	335	41	717.1	386	146	164.4
Selling and distribution expenses	(711)	(422)	68.5	(1,356)	(1,291)	5.0
Administrative expenses	(8,599)	(5,349)	60.8	(13,911)	(10,461)	33.0
Finance costs	(2,372)	(3,406)	(30.4)	(4,951)	(5,877)	(15.8)
Other expenses	(48,739)	(15,942)	205.7	(48,652)	(16,088)	202.4
Loss before taxation	(59,620)	(18,040)	230.5	(65,103)	(24,131)	169.8
Taxation	84	(6)	NM	75	(6)	NM
Loss after taxation	(59,536)	(18,046)	229.9	(65,028)	(24,137)	169.4
Other comprehensive loss after tax	-	-	-	-	-	-
Total comprehensive loss for the year	(59,536)	(18,046)	229.9	(65,028)	(24,137)	169.4
Loss attributable to:						
Owners of the parent	(59,536)	(18,043)	230.0	(65,028)	(24,133)	169.5
Non-controlling interest	*	(3)	NM	*	(4)	NM
	(59,536)	(18,046)		(65,028)	(24,137)	169.4
Total comprehensive loss attributable to:						
Owners of the parent	(59,536)	(18,043)	230.0	(65,028)	(24,133)	169.5
Non-controlling interest	*	(3)	NM	*	(4)	NM
	(59,536)	(18,046)	229.9	(65,028)	(24,137)	169.4

NM - not meaningful

* less than RMB1,000

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of immediately preceding year.

(i) Loss before taxation is arrived at after charging/(crediting) the following:

	Group 6 Months Ended			Group 12 Months Ended		
	31.12.20	31.12.19	Change	31.12.20	31.12.19	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Depreciation of property, plant and equipment	526	633	(16.9)	1,103	1,070	3.1
Loss on disposal of property, plant and equipment	454	252	80.2	486	252	92.9
Amortization of intangible assets	130	131	(0.8)	260	261	(0.4)
Intangible assets impaired	1,022	-	NM	1,022	-	NM
Loss on disposal of subsidiary	167	-	NM	167	-	NM
Allowance for impairments:	45,714	16,142	183.2	45,714	16,084	184.2
- Contract assets	4,643	3,287	41.3	4,643	3,287	41.3
- Trade receivables	497	(44)	NM	497	3	NM
- Retention monies	43	246	(82.5)	43	246	(82.5)
- Advances to trade suppliers	8,625	12,553	(31.3)	8,625	12,553	(31.3)
- Advances to non-trade suppliers	-	499	NM	-	499	NM
- Tender and security deposits	9,574	1,138	741.3	9,574	1,138	741.3
- Advances to third parties	22,415	-	NM	22,415	-	NM
- Trade receivables no longer required	-	(1,537)	NM	-	(1,642)	NM
- Advances to non-trade suppliers no longer required	(83)	-	NM	(83)	-	NM
Bad debts written off	46	-	NM	46	82	(43.9)
Bad debts recovered	-	-	-	(150)	(450)	(66.7)
Short-term operating lease expenses	75	114	(34.2)	242	463	(47.7)
Finance costs	2,372	3,406	(30.4)	4,951	5,877	(15.8)
Interest income	(18)	(20)	(10.0)	(23)	(22)	4.5
Inventories recognised as an expense						
in cost of goods sold	2,145	12,889	(83.4)	3,978	18,752	(78.8)
Employee compensations	6,507	2,930	122.1	9,942	7,076	40.5
Director's fees	351	269	30.5	620	536	15.7
Exchange loss	1,173	40	2,832.5	1,236	58	2,031.0
Government grant and subsidies	(133)	-	NM	(133)	-	NM

NM - not meaningful

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

	Group		Company	
	Unaudited 31.12.20 RMB'000	Audited 31.12.19 RMB'000	Unaudited 31.12.20 RMB'000	Audited 31.12.19 RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	7,314	8,630	17	-
Intangible assets	-	1,282	-	-
Investment in subsidiaries	-	-	30,016	8,000
	7,314	9,912	30,033	8,000
Current assets				
Contract assets	3,697	20,087	-	-
Inventories	915	934	-	-
Trade and other receivables	38,919	126,440	215	-
Prepayments	101	43	15	14
Bank deposits pledged	3,000	1,525	-	-
Cash and cash equivalents	47,628	9,707	13,737	58
	94,260	158,736	13,967	72
Total assets	101,574	168,648	44,000	8,072
Equity and liabilities				
Capital and reserves				
Share capital	276,699	224,747	276,699	224,747
Reserves	(249,169)	(184,311)	(242,146)	(227,465)
Total equity	27,530	40,436	34,553	(2,718)
Non-Current Liabilities				
Lease liabilities	446	459	-	-
Current liabilities				
Contract liabilities	1,671	5,691	-	-
Trade and other payables	41,924	56,961	7,002	7,074
Borrowings	23,990	50,000	-	-
Lease liabilities	617	323	-	-
Other liabilities	5,396	14,778	2,445	3,716
	73,598	127,753	9,447	10,790
Total liabilities	74,044	128,212	9,447	10,790
Total equity and liabilities	101,574	168,648	44,000	8,072

1(b)(ii) Borrowings and debt securities (for the group) together with a comparative statement as at the end of the immediately preceding year.

	Group	
	As at 31.12.2020	As at 31.12.2019
	RMB'000	RMB'000
Amount repayable in one year or less, or on demand		
Bank and non-bank borrowings		
- secured	23,990	50,000
	<u>23,990</u>	<u>50,000</u>

Details of any collateral

As at 31 December 2020, outstanding short term borrowings amounted to RMB24.0 million (31 December 2019: RMB50.0 million). The short term borrowings are secured on the following:

1. a corporate guarantee from the Company;
2. personal guarantees by the former Executive Chairman and Chief Executive Officer of the Company and his spouse; and
3. pledge of 4 units of commercial properties with a net book value of approximately RMB5.6 million as at 31 December 2020.

1(c) **Statement of cash flows (for the group) together with a comparative statement for the corresponding period of immediately preceding year.**

Consolidated statement of cash flows

	Group	
	12 months Ended	
	31.12.20	31.12.19
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Cash Flows from Operating Activities		
Loss before taxation	(65,103)	(24,131)
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	1,103	1,070
Loss on disposals of property, plant and equipment	486	252
Amortization of intangible assets	260	261
Loss on disposal of subsidiary	167	-
Intangible assets impaired	1,022	-
Gain on re-measurement of leased asset	(17)	-
Gain on de-registration of subsidiaries	(9)	-
Allowance for impairments:		
- Contract assets	4,643	3,287
- Trade receivables	497	3
- Retention monies	43	246
- Advances to trade suppliers	8,625	12,553
- Advances to non-trade suppliers	-	499
- Trade receivables no longer required	-	(1,642)
- Tender and security deposits	9,574	1,138
- Advances to third parties	22,415	-
- Advances to non-trade suppliers no longer required	(83)	-
	45,714	16,084
Finance costs	4,951	5,877
Interest income	(23)	(22)
Operating loss before working capital changes	(11,449)	(609)
Changes in working capital		
Decrease in contract assets	11,747	18,468
Decrease in inventories	19	347
Decrease in trade and other receivables	20,791	6,402
(Increase)/decrease in prepayments	(58)	14
Decrease in contract liabilities	(4,020)	(382)
Increase in trade and other payables	5,534	376
Decrease in other liabilities	(5,605)	(4,685)
Total changes in working capital	28,408	20,540
Cash generated from operations	16,959	19,931
Income tax refund/(paid)	75	(6)
Net cash generated from operating activities	17,034	19,925
Cash flows from investing activities		
Disposal of subsidiary (Note B)	(75)	-
Purchase of property, plant and equipment	(57)	(14)
Proceeds from disposal of property, plant and equipment	403	451
Interest income received	23	22
Net cash flows generated from investing activities	294	459
Cash flows from financing activities		
Proceeds from issuance of ordinary shares via a private placement	8,594	-
Proceeds from issuance of ordinary shares via a Rights Issue	43,358	-
Proceeds from bills payable - net	1,475	335
Repayments of third party loans	-	(10,249)
Proceeds from bank borrowings	11,000	60,000
Repayments of bank borrowings	(37,010)	(64,860)
Interest paid	(4,915)	(5,846)
Increase in bank deposits pledged	(1,475)	(335)
Repayments of lease liabilities	(434)	(238)
Net cash flows generated from/(used in) financing activities	20,593	(21,193)
Net increase/(decrease) in cash and cash equivalents	37,921	(809)
Cash and cash equivalents at the beginning of the year	9,707	10,516
Cash and cash equivalents at the end of the year (Note A)	47,628	9,707

1(c) **Statement of cash flows (for the group) together with a comparative statement for the corresponding period of immediately preceding year.**

Consolidated statement of cash flows (cont'd)

	Group	
	As at	
	31.12.20	31.12.19
	RMB'000	RMB'000
Note A: Cash and cash equivalents		
Cash at bank and on hand	50,628	11,232
Less: bank deposits pledged	(3,000)	(1,525)
Cash and cash equivalents	<u>47,628</u>	<u>9,707</u>

As at 31 December 2020, the Group's bank deposits pledged comprised solely bills payable of RMB3.0 million (2019: RMB1.5 million). The bills payable have a maturity period of 180 days and are non-interest bearing.

Note B: Disposal of subsidiary

During the financial year, the book value of net assets of subsidiary disposed was as follows:

	Group
	As at
	31.12.20
	RMB'000
Property, plant and equipment	76
Trade and other receivables	25,659
Cash and cash equivalents	75
Trade and other payables	(22,036)
Other liabilities	(3,777)
Premium paid on acquisition of non-controlling interests now deconsolidated	170
Net assets disposed of	<u>167</u>
Loss on disposal	(167)
Sales proceeds*	-
Less: Cash and cash equivalents disposed	(75)
Less: Proceeds receivable*	-
Cash outflow on disposal	<u>(75)</u>

The subsidiary, Jilin Anjie New Energy Group Co., Ltd ("Anjie New Energy") was disposed to an unrelated third party on 31 December 2020.

* The consideration for the sale was RMB1.00, taking into account the negative NTA of the company, and this is to be settled after year end.

The disposal is a non-discloseable transaction under Chapter 10 of the Listing Manual.

1(d) Changes in equity (for the issuer and group) together with a comparative statement for the corresponding period of immediately preceding year.

Group

	← <u>Attributable to the equity holders of the Company</u> →								
	Share capital RMB'000	PRC statutory common reserve RMB'000	Merger reserve RMB'000	Accumulated losses RMB'000	Premium paid on acquisition of non-controlling interests RMB'000	Total reserves RMB'000	Total attributable to the holders of the parent RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2020	224,747	31,748	(454)	(215,435)	(170)	(184,311)	40,436	-	40,436
Loss for the year	-	-	-	(65,028)	-	(65,028)	(65,028)	-	(65,028)
Other comprehensive loss	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(65,028)	-	(65,028)	(65,028)	-	(65,028)
Transactions with owners									
- Issuance of new shares pursuant to the private placement adjusted for exchange loss	8,594	-	-	-	-	-	8,594	-	8,594
- Issuance of new shares pursuant to the Rights Issue	43,358	-	-	-	-	-	43,358	-	43,358
	51,952	-	-	-	-	-	51,952	-	51,952
Changes in ownership Interest in subsidiary									
- Disposal of interest in subsidiary	-	-	-	-	170	170	170	-	170
Total transactions with owners	51,952	-	-	-	170	170	52,122	-	52,122
At 31 December 2020	276,699	31,748	(454)	(280,463)	-	(249,169)	27,530	-	27,530

	← <u>Attributable to the equity holders of the Company</u> →								
	Share capital RMB'000	PRC statutory common reserve RMB'000	Merger reserve RMB'000	Accumulated losses RMB'000	Premium paid on acquisition of non-controlling interests RMB'000	Total reserves RMB'000	Total attributable to the holders of the parent RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2019	224,747	31,748	(454)	(191,302)	(170)	(160,178)	64,569	4	64,573
Loss for the year	-	-	-	(24,133)	-	(24,133)	(24,133)	(4)	(24,137)
Other comprehensive loss	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(24,133)	-	(24,133)	(24,133)	(4)	(24,137)
At 31 December 2019	224,747	31,748	(454)	(215,435)	(170)	(184,311)	40,436	-	40,436

1(d) Changes in equity (for the issuer and the group) together with a comparative statement for the corresponding period of immediately preceding year. (cont'd)

Company

	Share capital RMB'000	Accumulated losses RMB'000	Total RMB'000
Balance at 1 January 2020	224,747	(227,465)	(2,718)
Loss for the year	-	(14,681)	(14,681)
Other comprehensive loss for the year	-	-	-
Total comprehensive loss for the year	-	(14,681)	(14,681)
Transactions with owners			
- Issuance of new shares pursuant to the private placement adjusted for exchange loss	8,594	-	8,594
- Issuance of new shares pursuant to the Rights Issue	43,358	-	43,358
	51,952	-	51,952
Balance at 31 December 2020	276,699	(242,146)	34,553

	Share capital RMB'000	Accumulated losses RMB'000	Total RMB'000
Balance at 1 January 2019	224,747	(223,925)	822
Loss for the year	-	(3,540)	(3,540)
Other comprehensive loss for the year	-	-	-
Total comprehensive loss for the year	-	(3,540)	(3,540)
Balance at 31 December 2019	224,747	(227,465)	(2,718)

- 1(e) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision and consolidation, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares and subsidiary holdings, if any, against the total number of issued shares excluding treasury shares of the issuers, as at the end of the current financial period on and as at the end of the corresponding period of the immediately preceding financial year.

Issued and fully paid up	Company	
	Number of shares	Share capital RMB'000
As at 1 January 2020	617,209,000	224,747
Issuance of new shares pursuant to a private placement* adjusted for exchange loss	120,000,000	9,087
Share issue expenses adjusted for exchange loss		(493)
	120,000,000	8,594
Issuance of new shares pursuant to a renounceable underwritten rights issue	589,767,200	44,355
Share issue expenses		(997)
	589,767,200	43,358
As at 31 December 2020	1,326,976,200	276,699

On 3 March 2020, the Company undertook a private placement which comprised the placement of 120,000,000 new ordinary shares in the capital of the Company at S\$0.015 for each new share.

The Company obtained the in-principle approval from the SGX-ST for the listing and quotation for 120,000,000 new shares on 9 April 2020, subject to the fulfilment of certain conditions, and one of which is to obtain Shareholders' approval for the placement. Subsequently, the Extraordinary General Meeting convened was duly approved, and passed by the shareholders on 28 May 2020. These new shares were allotted and issued on 29 May 2020.

Consequent to the private placement, the issued and paid-up share capital of the Company increased from 617,209,000 ordinary shares to 737,209,000 ordinary shares.

On 12 June 2020, the Company announced that it is proposing a renounceable underwritten rights issue ("**Rights Issue**") of 589,767,200 new ordinary shares of the Company ("**Right Shares**") at an issue price of S\$0.015 for each Rights Share, on the basis of four (4) Rights Shares for every five (5) existing Shares held by the shareholders of the Company as at the Books Closure Date.

The Company obtained the in-principle approval from the SGX-ST on 13 July 2020, and the Rights Shares were subsequently allotted and issued on 3 September 2020. Following the allotment and issue of the Rights Shares, the total number of issued and paid-up share capital in the Company increased to 1,326,976,200 ordinary shares.

The subsidiary did not hold any treasury shares or convertibles as at 31 December 2020 and 31 December 2019.

- 1(f) **Number of shares that may be issued on conversion of all outstanding convertibles together with a statement for the corresponding period of immediately preceding year**

Not applicable. The Company does not have any convertibles as at 31 December 2020 and 31 December 2019.

- 1(g)(i) **Number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer together with a statement for the corresponding period of immediately preceding year**

	Company	
	31.12.2020	31.12.2019
Total number of shares issued at end of year	<u>1,326,976,200</u>	<u>617,209,000</u>

The Company does not have any treasury shares as at 31 December 2020 and 31 December 2019.

- 1(g)(ii) **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.**

Not applicable. The Company does not have any treasury shares as at 31 December 2020 and 31 December 2019.

2. **Whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed.**

Except for the comparative financial results of the Group and of the Company as at 31 December 2019, the financial statements presented above have not been audited or reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, please provide a statement on whether there are any qualifications or emphasis of matter.**

Not applicable.

4. **Whether the same accounting policies and method of computation as the issuer's most recently audited financial statements have been followed.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2019.

5. **If there have been any changes to the above, please make adequate disclosure and state the reasons for and effect of the change.**

Nil.

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

	Group			
	2H2020	2H2019	31.12.2020	31.12.2019
Loss per share				
<u>Adjusted to include effects of Rights Issue⁽¹⁾</u>				
Weighted average number of ordinary shares	1,224,786,472	865,003,610	1,061,041,565	865,003,610
Loss per share				
Basic loss and diluted (RMB cents)	(4.86)	(2.09)	(6.13)	(2.79)
<u>As previously reported</u>				
Weighted average number of ordinary shares	-	-	-	617,209,000
Loss per share				
Basic loss and diluted (RMB cents)	-	-	-	(3.91)

(1) The weighted average number of ordinary shares and loss per share has been adjusted to reflect the effects of the Rights shares issued on 3 September 2020. This is in accordance with the requirements of SFRS(I) 33 "Earnings Per Share".

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
Net asset value (RMB'000)	27,530	40,436	34,553	(2,718)
Net asset value per ordinary share (RMB cents per share)	2.07	6.55	2.60	(0.44)

Net asset value of the Group and Company as at 31 December 2020 and 31 December 2019 was computed based on 1,326,976,200 and 617,209,000 ordinary shares in issue at the end of the financial year respectively.

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:-

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

Review of Group Performance

INCOME STATEMENT/STATEMENT OF COMPREHENSIVE INCOME

Revenue

	2H2020		2H2019		FY2020		FY2019	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
Industrial wastegas treatment								
- Dust elimination	145	3.6	8,451	32.5	2,469	18.0	10,370	27.8
Industrial wastewater	3,864	96.4	17,582	67.5	11,267	82.0	26,869	72.2
	<u>4,009</u>	<u>100.0</u>	<u>26,033</u>	<u>100.0</u>	<u>13,736</u>	<u>100.0</u>	<u>37,239</u>	<u>100.0</u>

Revenue

Total revenue decreased by RMB23.5 million or 63.1%, from RMB37.2 million in FY2019 to RMB13.7 million in FY2020. This was mainly attributed to (i) no new contracts secured during the financial year; (ii) management's decision to amicably terminate the industrial wastewater project in Linjiang in view of the slow progress and payment; and (iii) the completions of the tail-end of the industrial wastegas and wastewater contracts.

The revenue from the dust elimination segment decreased by RMB8.3 million in 2H2020 while the revenue from the industrial business segment dropped by RMB13.7 million in 2H2020. The lower revenue contributions from both business segments in 2H2020 dragged down the total revenue to RMB13.7 million in FY2020.

Gross profit and gross profit margin

The gross profit margin decreased marginally by 0.9% in FY2020, from 25.3% in FY2019 to 24.4% in FY2020 due mainly to a lower profit margin contribution by the industrial wastewater contract in Linjiang. This project has been amicably terminated by the management. Furthermore, additional work performed on certain dust elimination contract which we did not bill the customer out of goodwill also resulted in negative gross profit margin, and both contracts pulled down the 2H2020's gross profit margin to 11.2% as opposed to 27.0% in 2H2019. The higher gross profit margin generated in HY2020 of 29.9% due to better efficiency negated this lower gross profit margin achieved in 2H2020, which explained the marginal decrease in gross profit margin by 0.9% to 24.4% in FY2020.

In line with the decrease in business activities in second half of the financial year, gross profit decreased by RMB6.6 million or 93.6% in 2H2020. Consequently, the gross profit decreased by RMB6.0 million or 64.3% in FY2020.

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:- (cont'd)**

Other income

Other income increased by RMB0.3 million or 164.4%, from RMB0.1 million in FY2019 to RMB0.4 million in FY2020 mainly due to payouts received in relation to the job support scheme by the Singapore Government and gain on disposal of property, plant and equipment of RMB0.2 million in aggregate. There was no such income in FY2019.

Operating Expenses

Selling and distribution expenses increased by RMB0.1 million or 5.1%, from RMB1.3 million in FY2019 to RMB1.4 million in FY2020 due mainly to the headcount additions in the newly incorporated subsidiary in Tianjin.

Administrative expenses increased by RMB3.4 million or 33.0%, from RMB10.5 million in FY2019 to RMB13.9 million in FY2020 attributed mainly to (i) additions in headcount resulting in higher payroll and related costs of RMB3.5 million; (ii) increased in operating expenses of the newly incorporated subsidiaries in Guangzhou and Tianjin amounting to RMB1.0 million, and partly offset by lower rental of RMB0.2 million, lower travelling and entertainment expenses of RMB0.4 million, and lower administrative expenses of RMB0.4 million. The decrease in expenses was generally in line with the lower business activities.

Lower finance costs were incurred of RMB0.9 million or 15.8%, from RMB5.9 million in FY2019 to RMB5.0 million in FY2020 which was mainly in line with the reduced loan quantum (2020: RMB24.0 million vs 2019: RMB50.0 million).

Other expenses for FY2020 increased by RMB32.6 million or 202.4%, from RMB16.1 million in FY2019 to RMB48.7 million in FY2020 attributed mainly to higher allowances for impairments of RMB29.6 million, exchange loss of RMB1.2 million, impaired intangible asset of RMB1.0 million relating to patent for a dust elimination technology, loss on disposal of property, plant and equipment and subsidiary of RMB0.4 million and lower bad debts recovered of RMB0.3 million.

Allowances for impairments:

	FY2020	FY2019
	RMB	RMB
Advances to third party	22,415	-
Tender and security deposits	9,574	1,138
Advances to trade suppliers	8,625	12,553
Contract assets	4,643	3,287
Trade receivables	497	3
Retention monies	43	246
Advances to non-trade suppliers	-	499
Trade receivables no longer required	-	(1,642)
Advances to non-trade suppliers no longer required	(83)	-
	<u>45,714</u>	<u>16,084</u>

The bulk of the allowances for impairments are as follows:

Advances to third party

A specific allowance on certain supplier in Dunhuang with outstanding balances of RMB22.4 million has been fully provided. The advances to the supplier in Dunhuang relate to two proposed industrial wastewater projects which still cannot commence work due to further complications caused by the COVID-19 situation. A total of RMB11.3 million was refunded during the year, and a subsequent receipt of RMB3.9 million was received after year end, leaving outstanding balances of RMB22.4 million which was fully provided in view that the outstanding amounts were more than 3 years. Discussion with the supplier is still on-going to seek alternative solution, and the Company will continue to follow up with the customer to pursue the outstanding advances.

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:- (cont'd)

Tender and security deposits

In accordance with SFRS(I) 9, based on the ageing of the deposits balances, the probability of default was estimated to be ranging from 10% - 40% with a loss given default of 100%, and using the discounted rate of 4.35%, China's prime lending rate, on amounts due for more than 1 year to their present values. In view of the heightened risk posed by the COVID-19 pandemic, a higher probability was considered and applied on the outstanding debts. Accordingly, an expected credit loss allowance of RMB1.5 million has been provided on outstanding amounts of RMB9.4 million relating to 12 potential projects.

In addition, an expected credit loss allowance of RMB8.1 million has been provided on an outstanding balance of RMB9.0 million due from a supplier in Linjiang. The amount pertains to the security deposit for the industrial wastewater contract which was terminated in view of the slow progress and payment from the customer. Total refunds of RMB11.0 million were received from an initial deposit of RMB20.0 million paid, and management is in the midst of seeking the balance refund from this customer. This project was entered by its subsidiary, Jilin Anjie New Energy Group Co., Ltd which was subsequently disposed to an unrelated third party on 31 December 2020. The remaining security and tender deposits paid for the 12 potential projects ranges from RMB0.2 million to RMB1.8 million.

Advances to trade suppliers

In accordance with SFRS(I) 9, based on the ageing of the advances to suppliers' balances, the probability of default was estimated to be ranging from 10% - 40% with a loss given default of 100%, and using the discounted rate of 4.35%, China's prime lending rate, on amounts due for more than 1 year to their present values. In view of the heightened risk posed by the COVID-19 pandemic, a higher probability was considered and applied on the outstanding debts. Accordingly, an expected credit loss allowance of RMB8.6 million has been provided on outstanding balances of RMB47.1 million due from trade suppliers.

Contract assets

In accordance with SFRS(I) 9, based on the ageing of the contract assets' balances, the probability of default was estimated to be ranging from 10% - 40% with a loss given default of 100%, and using the discounted rate of 4.35%, China's prime lending rate, on amounts due for more than 1 year to their present values. In view of the heightened risk posed by the COVID-19 pandemic, a higher probability was applied on the outstanding debts. Accordingly, an expected credit loss allowance of RMB4.1 million has been provided on an outstanding balance of RMB9.3 million due from four customers.

Income tax expense

Income tax expense decreased by RMB81,000 or 1,350% in FY2020 due mainly to tax refund of RMB75,000 in FY2020 as opposed to a tax expense in FY2019.

Loss after taxation

In view of the above, loss after taxation increased by RMB40.9 million or 169.4%, from loss after taxation of RMB24.1 million in FY2019 to loss after taxation of RMB65.0 million in FY2020.

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:- (cont'd)**

Balance sheet review

The Company

As at 31 December 2020, the Company made further allowance for impairment on the remaining carrying amount of its investment in the subsidiary, Jilin Anjie Environmental Engineering Co., Ltd (“Anjie”) of RMB8.0 million (RMB2019: Nil), taking into cognizance of the small balances of uncompleted contracts from dust elimination and industrial wastewater projects, the lack of future earnings visibility of the subsidiary due to no new contracts signed and the net liability position of the concerned subsidiary.

The Group

Non-current assets comprised property, plant and equipment (“PPE”) amounted to RMB7.3 million. The decrease in PPE of RM1.3 million was attributed mainly to routine depreciation, adjustment of lease modification on warehouse premise, and disposal of motor vehicles amounting to RMB2.5 million in aggregate, partly offset by additions in office leases of subsidiaries in Guangzhou and Tianjin of RMB1.2 million.

Intangible assets decreased by RMB1.3 million due to amortization and impaired patent relating to a dust elimination technology. Going forward, its business focus will be on sludge treatment, industrial wastewater, production of high performance membrane and greentech investments in environmental related companies.

Current assets comprised contract assets, inventories, trade and other receivables, prepayments, bank deposits pledged and cash and cash equivalents. Current assets amounted to RMB94.3 million and RMB158.7 million as at end of 31 December 2020 and 31 December 2019 respectively. Our current assets accounted for 92.8% and 94.1% of our total assets as at 31 December 2020 and 31 December 2019 respectively.

Contract assets amounted to RMB3.7 million and RMB20.1 million as at 31 December 2020 and 31 December 2019 respectively, constituting 3.9% and 12.7% of our current assets as at the respective dates. The decrease of RMB16.4 million was due to payments from customers and progress billings of RMB25.5 million in aggregate and additional impairments of RMB4.6 million, partly offset by the revenue recognized of RMB13.7 million during the financial year.

Inventories remained relatively unchanged at RMB0.9 million each as at 31 December 2020 and 31 December 2019 respectively. The Group normally does not maintain high level of inventories in the warehouse due to relatively short purchasing lead time.

The breakdown for trade and other receivables are as follows:

	Group 31.12.2020 RMB'million	Group 31.12.2019 RMB'million	Change %
Trade receivables	-	3.5	NM
Retention monies	2.2	5.8	(62.1)
Other receivables:			
Advances to trade suppliers	10.3	24.5	(58.0)
Advances to non-trade suppliers	0.5	1.8	72.2
Advances to third party	3.9	37.6	(89.6)
Tender and security deposits	3.2	49.9	(93.6)
Advances to employees	0.3	3.2	(90.6)
Others	18.5	0.1	NM
Total	38.9	126.4	(69.2)

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:- (cont'd)

Trade and other receivables comprised trade receivables, retention monies and other receivables amounted to RMB38.9 million and RMB126.4 million as at 31 December 2020 and 31 December 2019 respectively, and accounted for approximately 41.4% and 79.7% of our current assets as at the respective balance sheet dates. Trade receivables amounted to nil as at 31 December 2020 and representing a decrease of RMB3.5 million largely due to allowance for impairment and collections.

Retention monies decreased by RMB3.6 million, from RMB5.8 million as at 31 December 2019 to RMB2.2 million as at 31 December 2020. The decrease was attributed mainly to collections during the period. The outstanding amount relates to an amount owed by certain steel maker of RMB2.3 million (2019: RMB3.6 million). Management is still following up closely with the customer as the steel industry in the PRC is adversely affected by the COVID-19 pandemic. Historically, this customer had settled substantially its past debts.

Advances to trade suppliers decreased by RMB14.2 million due to the (i) decrease in business activities, and (ii) additional allowance for impairment of RMB8.6 million (please refer to page 13 - 14 under the allowance for impairments for the explanations).

Advances to non-trade suppliers decreased by RMB1.3 million which was in line with the decrease in business activities.

Advances to third party decreased by RMB33.7 million as at 31 December 2020 due to (i) refund of RMB11.3 million from the third party and (ii) additional allowance for impairment of RMB22.4 million during the financial year (please refer to page 13 - 14 under the allowance for impairments for the explanations). Subsequent to the year end, the subsidiary managed to collect back another RMB3.9 million from this third party.

Tender and security deposits decreased by RMB46.7 million as at 31 December 2020, after taking into account the assets acquired by third party of RMB6.0 million due to the disposal of Anjie New Energy, mainly due to (i) refunds received of RMB37.1 million, and (ii) additional allowance for impairment of RMB9.6 million during the financial year (please refer to page 13 - 14 under the allowance for impairments for the explanations). The bulk of the refunds received relate to the bidding deposit of RMB25.0 million which was placed with the vendor in FY2019 for certain industrial wastewater project. The Group has decided not to proceed with the bidding of the contract in view of the COVID-19 situation, so the full refund was received during the financial year.

Advances to employees decreased by RMB2.9 million due to lower operating expenses, travelling and entertainment expenses incurred by employees with the decrease in business activities during the financial year.

Included in "Others" as at 31 December 2020, is an intercompany debt assumed by a third party for acquiring 99.9% owned subsidiary, Jilin Anjie New Energy Group Co., Ltd from Jilin Anjie Engineering Co., Ltd.

Bank deposits pledged to secure the bills payable facility increased by RMB1.5 million, from RMB1.5 million as at 31 December 2019 to RMB3.0 million as at 31 December 2020 due to increased usage of the bills payable facilities to settle outstanding trade debts.

Cash and cash equivalents amounted to RMB47.6 million and RMB9.7 million as at 31 December 2020 and 31 December 2019 respectively, and accounted for approximately 50.5% and 6.1% of current assets as at the respective balance sheet dates.

Net cash generated from operating activities was RMB17.0 million as compared to net cash from operating activities of RMB19.9 million in the prior year. The decrease was attributed to higher working capital requirements.

Net cash generated from investing activities was RMB0.3 million. This was directly attributable to the proceeds received from the disposal of motor vehicles of RMB0.4 million and interest income received of RMB23,000, partly offset by the purchase of property, plant and equipment and cash outflow from disposal of subsidiary of RMB0.1 million in aggregate.

Net cash generated from financing activities was RMB20.6 million. This was due mainly to the net proceeds received via a private placement and Rights Issue of RMB52.0 million in aggregate, receipt of loans of RMB11.0 million and proceeds from bills payable of RMB1.5 million, partly offset by the repayments of loans of RMB37.0 million, increase in fixed deposits pledged of RMB1.5 million, lease liabilities of RMB0.4 million and interest expenses paid in respect of bank loans and lease liabilities of RMB5.0 million.

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:- (cont'd)

Current liabilities comprised mainly gross amount due to contract liabilities, trade and other payables, borrowings, lease liabilities and other liabilities. Our current liabilities amounted to RMB73.6 million and RMB127.8 million as at 31 December 2020 and 31 December 2019 respectively, and accounted for 99.4% and 99.6% respectively of our total liabilities as at the respective balance sheet dates.

Contract liabilities decreased by RMB4.0 million, from RMB5.7 million as at 31 December 2019 to RMB1.7 million as at 31 December 2020. The decrease was attributed to more work performed on the on-going projects during the financial year, so part of the advances received from customers were offset against contract assets.

Trade and other payables comprised trade payables, other payables and bills payable.

Trade payables amounted to RMB29.0 million as at 31 December 2020, representing a decrease of RMB20.9 million over 31 December 2019 due to repayments to trade suppliers and offset against advances to trade suppliers when certain performances milestones as stated in the contracts are met. Certain suppliers' contracts are signed back-to-back with the customers' contracts which allow us to defer payments to certain suppliers if settlements with certain customers are delayed.

Other payables comprised primarily VAT, other operating tax payables and other operating expenses. Other payables amounted to RMB9.9 million and RMB5.6 million as at 31 December 2020 and 31 December 2019 respectively. The higher other payables of RMB4.3 million was attributed to loans from related party of RMB7.0 million to temporarily fund the operations of new subsidiaries in Guangzhou and Tianjin, partly offset by lower VAT of RMB0.8 million because of payment to tax authority during the financial year, and repayment of amount due to director of RMB0.6 million. In addition, operating expenses was also lower by RMB1.3 million, in line with the decrease in business activities.

Bills payable increased by RMB1.5 million, from RMB1.5 million as at 31 December 2019 to RMB3.0 million as at 31 December 2020 due to increased utilization of the bills payable facilities to pay trade suppliers.

Borrowings decreased from RMB50.0 million as at 31 December 2019 to RMB24.0 million as at 31 December 2020 due to repayments. Subsequent to the year end, another RMB0.8 million was repaid to the bank to further reduce the borrowings to RMB23.2 million.

Lease liabilities increased by RMB0.3 million from RMB0.3 million as at 21 December 2019 to RMB0.6 million as at 31 December 2020 due to additions in office leases of subsidiaries in Guangzhou and Tianjin.

Other liabilities comprised accrued purchases, salaries and travelling expenses, other operating expenses, deposits from customers and welfare expenses. Other liabilities amounted to RMB5.4 million and RMB14.8 million as at 31 December 2020 and 31 December 2019 respectively. The decrease of RMB9.4 million was in line with the decrease in business activities.

The Group's total shareholder's equity comprised share capital, PRC statutory common reserve fund, merger reserve, accumulated losses. Total equity as at 1 January 2020 amounted to RMB40.4 million. During the financial year, the Group undertook two fund raising exercises via a private placement and Rights Issue to increase its share capital by RMB51.9 million coupled by the deconsolidation of the premium paid on the acquisition of non-controlling interests of RMB0.2 million due to the disposal of subsidiary. The increase was partly offset by the loss attributable to owners of the Company amounted to RMB65.0 million in the current year. Consequently, total equity decreased to RMB27.5 million as at 31 December 2020, mainly attributable to equity holders of the Company.

9. Where a forecast or prospect statement ("Prospect Statement") has been made and disclosed to shareholders, any variances between the forecast and actual results has been explained.

Not applicable.

10. A commentary of the competitive conditions of the industry in which the group operates and any known factors that might affect the group in the next reporting period and the next 12 months has been provided.

The Group has been actively working on its transformation plans and is beginning to see positive developments as we enter 2021. Having established a core team of specialists and instilled an enterprise culture of technological innovation and management efficiency, the Group has developed proprietary technologies focusing on addressing pressing environmental issues. Our key business focus includes municipal sludge management, industrial wastewater treatment, production of high performance membrane products, and greentech investments.

Municipal sludge is a by-product of wastewater treatment process. Currently at its nascent stage, the Sludge treatment and disposal industry in China is expected to become a multi-billion dollar industry due to the sheer volume produced and a lack of proven suppliers of the treatment solutions. The Group has developed integrated solutions with proprietary technologies for treatment and efficient energy recovery system to achieve the objectives of zero waste discharge and resource recovery.

With the increased demand arising from higher discharge standards imposed by the local authorities and the demand for recycled water for industrial use in China, the industrial wastewater treatment segment has a greater potential for growth and a higher barrier to entry as compared with municipal wastewater treatment. The Group has equipped itself with advanced membrane technologies to tackle the treatment and recycling of highly pollutive industrial wastewater.

The Group has successfully secured two projects recently, namely, an industrial wastewater treatment project in Shijiazhuang and a municipal sludge BOT project in Tianjin. In addition, the Group has acquired Bituo Environmental Technologies (Tianjin) Co., Ltd. Bituo is an environmental technology company specialising in municipal sludge treatment with nine patents covering different technologies and processes. The technologies can improve overall effectiveness, energy recovery of the sludge treatment process and bring significant cost savings.

The Company has entered into a 60:40 joint venture with Nanosun Pte. Ltd. to develop and produce high performance Nano-Ti membranes. This strategic investment is expected to augment our position as an integrated solutions provider of membrane-based treatment technologies.

The successful implementation of and transformation to a high-tech oriented business focusing on the opportunities in resolving key environmental concern segments gives the Group a differentiated advantage, and demonstrates the capabilities and strengths of the Group.

Notwithstanding the positive developments, the general business environment remains challenging, and companies continue to face headwinds due to the COVID-19 pandemic, which caused economic upheaval to the global economy. China has seen resurgence of COVID-19 in some cities which culminated in the re-instatement of lockdown measures. However, through the swift and intensified efforts of the PRC government, the spread of COVID-19 was well-contained in these cities without adverse impact on the Chinese economy. Importantly, the PRC government recognises the criticalness of environmental issues and is committed to addressing them.

On the economic front, China had recently reported a gross domestic product increase of 6.5 percent in the fourth-quarter of 2020, bringing the country's full-year expansion to 2.3 percent. The robust recovery of its economic growth to pre-pandemic rate gave management the added confidence to embark on another private placement exercise to raise more funds to undertake more environmental-related projects in China. The Group remains committed to its long-term strategy to transform and build its capabilities while looking for opportunities to grow the Group.

Barring any unforeseen circumstances, management is confident of an improved financial performance in FY2021.

11. Dividend

(a) Current Financial Period Reported On?

No. The Group needs to preserve its cash for working capital requirements. Furthermore, pursuant to the Companies Act (Chapter 50), the Company is unable to pay dividends due to its huge accumulated loss position.

(b) Corresponding Period of the Immediately Preceding Financial Year?

Any dividend declared for the corresponding period of the preceding financial year?

Not applicable.

(c) Date Payable

Not applicable.

(d) Book Closure Date.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend in respect of the year ended 31 December 2020 has been proposed by the Directors.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
 (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Segmental information (RMB'000)	Dust elimination	Industrial wastewater	Total
2020 Revenue			
Sales to external customers	2,469	11,267	13,736
	<hr/>		
Results			
Segment gross profit	59	3,299	3,358
	<hr/>		

Segmental information (RMB'000)	Dust elimination	Industrial wastewater	Total
2019 Revenue			
Sales to external customers	10,370	26,869	37,239
	<hr/>		
Results			
Segment gross profit	3,241	6,177	9,418
	<hr/>		

The chief operating decision makers reviews the results of the segment using segment gross profit. Segment assets, liabilities and other expenses are not disclosed as they are not regularly provided to the chief operating decision maker.

Geographical information

There is no geographical segment information as the Group operates predominately in the PRC only.

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Refer to review of performance of the Group in para 8.

15. **A breakdown of sales**

	Group		
	2020 RMB'000	2019 RMB'000	change %
Sales reported for the first half year	9,727	11,206	(13.2)
Operating loss after tax before deducting non-controlling interests reported for first half year	(5,492)	(6,091)	(9.8)
Sales reported for the second half year	4,009	26,033	(84.6)
Operating loss after tax before deducting non-controlling interests for second half year	(59,536)	(18,046)	229.9

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

17. **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.**

The Group has not obtained a general mandate from its shareholders for IPTs.

18. **14 Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company hereby confirms that it has procured undertakings from all of its directors and executive officers under Rule 720(1) of the Listing Manual.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Zhan Bijin	52	Cousin of Lin Baiyin *	<p>(1) Procurement Manager – Leader Environmental Technologies Limited</p> <p>Duties – Responsible for the procurement works, such as maintaining relationship with suppliers and ensure smooth coordination of projects with other departments.</p> <p>Position held since January 2006.</p> <p>(2) Director of Jilin Anjie Environmental Engineering Co., Ltd.</p> <p>Duties – same as above.</p> <p>Position held since November 2005.</p>	N.A

Note:

* Lin Baiyin (Executive Director)

20. Use of proceeds from the private placement and Rights Issue

The net proceeds from the private placement was fully utilized and announced on 15 February 2021.

As for the use of the net proceeds from the Rights Issue, the details are as follows:

	S\$	S\$
<u>Leader Environmental Technologies Limited ("LET")</u>		
Gross proceeds from the Rights Issue	8,846,510	
<u>Fees and expenses directly attributable to the Rights Issue</u>		
Issue manager's and escrow agent's fees paid	(61,525)	
Costs relating to handling and submission of share certificates to CDP	(33,638)	
Legal fees for the submission of additional listing application to SGX-ST	(32,640)	
Additional Listing Application Fees paid to SGX-ST	(32,100)	
Type-setting of Offer Information Statement and printing of forms in relation to the Rights Issue	(8,164)	
Fees paid to registrar	(6,560)	
Fees paid to receiving bank	(6,000)	
Audit fees paid to auditors	(6,420)	
Corporate secretarial fees	(5,444)	
Opening of securities account to trade nil-paid rights and ATM application fees	<u>(6,420)</u>	
	(198,911)	
Net proceeds		8,647,599
Injection and increased in share capital in wholly-owned subsidiary, United Greentech Pte.Ltd. *		<u>(6,100,000)</u>
		2,547,599
Bank charges		(1,020)
Amount earmarked for joint venture investment with Nanosun Pte Ltd (per announcement dated 21 January 2021) to produce high performance membrane		(2,546,579)
		<u><u>-</u></u>

	S\$	S\$
<u>United Greentech Pte.Ltd. ("Greentech (S)")</u>		
Injection and increased in share capital from LET *	6,100,000	
Injection of capital for purpose of incorporating intermediate wholly-owned subsidiary, United Greentech (Guangzhou) Co., Ltd ⁽¹⁾	<u>(5,959,500)</u>	140,500
<u>United Greentech (Guangzhou) Co., Ltd</u>		
Injection of share capital from Greentech (S) ⁽¹⁾	5,959,500	
Injection of share capital for purpose of incorporating wholly-owned subsidiary, United Greentech (Tianjin) Co., Ltd ⁽²⁾	<u>(5,137,500)</u>	
	822,000	
<u>Payments of operating expenses</u>		
Acquisition of an environmental technology company (per announcement dated 11 January 2021)	(281,881)	
Payroll and related costs	(51,021)	
Rental, management fees and utilities	(18,705)	
Professional fees	(473)	
Accounting softwares	(4,531)	
Miscellaneous expenses	<u>(743)</u>	464,646
<u>United Greentech (Tianjin) Co., Ltd</u>		
Injection of share capital from United Greentech (Guangzhou) Co., Ltd ⁽²⁾	5,137,500	
<u>Payments of operating expenses</u>		
Project related expenses (include performance bond for Shijiazhuang project)	(1,682,197)	
Payroll and related costs	(209,255)	
Travelling and entertainment expenses	(12,531)	
Rental, management fees and utilities	(22,705)	
Office equipment, computers and furniture	(5,564)	
Motor vehicle expenses	(2,693)	
Marketing expenses	(658)	
Communications and internet expenses	(1,100)	
Miscellaneous expenses	<u>(1,659)</u>	3,199,138
Balance of Rights Issue proceeds (net)		<u><u>3,804,284</u></u>

BY ORDER OF THE BOARD

Dr Lin Yucheng
Executive Chairman and Chief Executive Officer
1 March 2021