



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)

**TERMINATION OF PROPOSED PLACEMENT
AND POSSIBLE RIGHTS ISSUE**

The Board of Directors ("**Board**" or "**Directors**") of Leader Environmental Technologies Limited ("**Company**", and together with its subsidiaries, "**Group**") refers to the announcements made by the Company on 31 January 2021, 25 February 2021, 3 March 2021 and 15 March 2021 in relation to the proposed placement of up to 352,941,100 new ordinary shares in the capital of the Company at the issue price of S\$0.17 for each new ordinary share ("**Previous Announcements**"). Unless otherwise defined, capitalised terms used in this announcement shall have the meanings ascribed to them in the Previous Announcements.

Termination of Proposed Placement

The Board wishes to inform Shareholders that the Company, the Placement Agent and the placees have mutually agreed to terminate the Proposed Placement, taking into account, amongst others, the prevailing market price of the Shares traded on the SGX-ST being at a substantial discount to the issue price of S\$0.17 under the Placement as well as the conditions precedent of the Placement pending fulfilment. The total gross proceeds of the Placement would have been approximately S\$60.0 million.

Share prices prior to the Last Traded Day⁽¹⁾

Period prior to the Last Traded Day	VWAP⁽²⁾ (S\$)	VWAP Discount to the Placement Issue Price of S\$0.17
Last 2 months	0.1571	7.6%
Last 1 month	0.1503	11.6%
Last 1 week	0.1485	12.6%
Last traded price as at 23 April 2021	0.1450	14.7%

Note:

- 1) The Last Traded Day is defined as 23 April 2021 being the last full day of trading of the Shares prior to this announcement.
- 2) Volume weighted average prices extracted from Bloomberg L.P.

Possible Rights Issue

As an alternative to the Placement, the Group is now contemplating a possible rights issue of up to 663,488,100 new shares at an issue price of S\$0.10 for each rights share ("**Rights Issue Price**") on the basis of one (1) rights share for every two (2) existing shares held by entitled Shareholders ("**Rights Share**") as at a record date to be determined, fractional entitlements to be disregarded ("**Possible Rights Issue**").

The Possible Rights Issue Price of S\$0.10 represents a discount of approximately:

- a) 31.0% to the last traded price of S\$0.145 per Share on the SGX-ST on 23 April 2021; and
- b) 23.1% to the theoretical ex-rights price of S\$0.130 being the theoretical market price of each Share assuming the completion of the Possible Rights Issue) as calculated based on the last traded price of S\$0.145 per Share on the SGX-ST on the Last Trading Day.

The Company intends to announce the Possible Rights Issue, together with detailed terms, subject to Shareholders approving resolution 11 on granting Directors the authority to allot and issue new shares at the forthcoming annual general meeting of the Company to be held on Friday, 30 April 2021.

The Possible Rights Issue, if proceeded, is an optimal and equitable form of fundraising, and will entitle existing Shareholders who are confident in the prospects of the Group and the track record of its management to participate in such fundraising. If fully subscribed, the total gross proceeds of the Possible Rights Issue are expected to be approximately S\$66.3 million.

Dr Lin Yucheng, the Chairman and Chief Executive Officer of the Company, who holds 198,000,000 shares in the Company, representing 14.9% of the existing issued and paid-up share capital of the Company at the date of this announcement, will provide an irrevocable undertaking to subscribe and pay in full his entitlements of the Rights Shares in the Possible Rights Issue.

Use of Proceeds

The proceeds of the Possible Rights Issue will also enable the Group, notwithstanding the termination of the Placement, to have resources to invest in environmental-related projects, including undertaking business investments and acquisitions of environmental related businesses, make payments for tender deposits, performance bonds and other project related expenses in respect of sludge treatment, industrial wastewater and high-performance membrane production projects, invest in synergistic companies or companies with environmental technologies which are complementary to the Group's business, as well as raise general working capital (including for payments of professional fees and compliance costs, payroll and other office and related expenses).

The Company will continue to keep Shareholders updated and release announcements relating to the Possible Rights Issue as may be appropriate from time to time.

Shareholders and potential investors should note that there is no certainty that the Possible Rights Issue will proceed, and accordingly, should exercise caution when trading in the Shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Dr Lin Yucheng
Executive Chairman and Chief Executive Officer
26 April 2021