



**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)

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**JOINT VENTURE WITH SHANDONG SHUIFA ZHONGXING GROUP CO. LTD**

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The Board of Directors of Leader Environmental Technologies Ltd (“**Leader**” or “**Company**”, and together with its subsidiaries, “**Group**”) wishes to announce that it has entered into a joint venture (“**JV**”) agreement with Shandong Shuifa Zhongxing Group Co. Ltd (山东水发众兴集团有限公司, “**Zhongxing**”) to provide environmental solutions, mainly sludge treatment, smart water and energy management to Zhongxing. The Company and Zhongxing will own respectively 49% and 51% of the JV company, which will be incorporated in Shandong Province with a total registered paid-up capital of RMB50 million (approximately S\$10.5million).

Established in 2008, Zhongxing is a large state-owned enterprise in Shandong Province, China with a registered capital of RMB2.3 billion. As of 2020, Zhongxing managed total assets of RMB20 billion. Zhongxing focuses mainly on environmental businesses and has more than RMB10 billion of projects in water supply, wastewater treatment, hazardous waste and solid waste treatment. Under the umbrella of Zhongxing, it has one SSE (ie. Shanghai Stock Exchange) mainboard listed company and two NEEQ (ie. National Equities Exchange and Quotations) listed companies.

“Leader and Zhongxing complement each other on this joint venture. Leader has proprietary technologies in sludge treatment, membrane technology for water treatment and recycling and strong expertise in intelligent water and energy management. Zhongxing is an established environmental company and owns a sizeable portfolio of environmental businesses. We are honoured to have the opportunity to work with Zhongxing. The partnership with Zhongxing will further accelerate Leader’s expansion in China”, said Dr Lin Yucheng, Executive Chairman and Chief Executive Officer of Leader.

The investment in the JV will be funded using the proceeds from the Rights issue in the pipeline.

The aforesaid JV is not, in itself, expected to have any material impact on the earnings and net tangible assets per share of the Group for the current financial year ending 31 December 2021.

**BY ORDER OF THE BOARD**

Dr Lin Yucheng  
Executive Chairman and Chief Executive Officer  
30 June 2021

## **About Leader Environmental Technologies Limited**

Leader Environmental Technologies Limited (“Leader” or “Company”) was incorporated on 15 August 2006 and was listed on Main Board of the Singapore Exchange (“SGX”) in July 2010. The Company positions itself as a high-tech oriented company focusing on the following four key businesses:

- A. Sludge treatment – formulate unique customized solution and supply of integrated system for municipal sludge management based on its proprietary technologies, such as integrated continuous thermal hydrolysis and pyrolysis, and innovative sludge pretreatment and efficient energy recovery system to achieve the objectives of carbon emission reduction, zero-waste discharge and resource recovery.
- B. Industrial wastewater treatment – treatment and recycling of industrial wastewater using advanced membrane technologies, namely, Membrane Bio-reactor (“MBR”), Continuous Membrane Filtration (“CMF”) and Reverse Osmosis (“RO”).
- C. High performance membrane products – research, development and manufacturing of high-performance membrane products, mainly for water and wastewater treatment, and other separation applications for pharmaceutical, life science, healthcare and chemical industries.
- D. Greentech investments – investments in companies specializing in high-tech environmental solutions, technologies and products.