

OFFER INFORMATION STATEMENT DATED 9 JULY 2021
(Lodged with the Monetary Authority of Singapore (“Authority”) on 9 July 2021)

THIS OFFER INFORMATION STATEMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE RIGHTS SHARES (AS DEFINED HEREIN) BEING OFFERED, YOU SHOULD CONSIDER THE INFORMATION PROVIDED IN THIS DOCUMENT CAREFULLY, AND CONSIDER WHETHER YOU UNDERSTAND WHAT IS DESCRIBED IN THIS OFFER INFORMATION STATEMENT. YOU SHOULD ALSO CONSIDER WHETHER AN INVESTMENT IN THE RIGHTS SHARES BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES.

Capitalised terms used below which are not otherwise defined herein shall have the same meanings ascribed to them under the section entitled “Definitions” of this offer information statement (“Offer Information Statement”) issued by Leader Environmental Technologies Limited (“Company”).

A copy of this Offer Information Statement, together with copies of the Provisional Allotment Letter (“PAL”), the Application Form for Rights Shares and Excess Rights Shares (“ARE”) and the Application Form for Rights Shares (“ARS”), has been lodged with the Authority. The Authority assumes no responsibility for the contents of this Offer Information Statement, the PAL, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares being offered for investment.

The securities offered are issued by the Company, whose shares are listed for quotation on the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company intends to list the Rights Shares, and an application has been made for permission for the securities to be listed for quotation on the SGX-ST. In-principle approval has been granted by the SGX-ST to the Company on 24 June 2021 for the listing of and quotation for the Rights Shares on the SGX-ST, subject to compliance with the SGX-ST’s listing requirements. The in-principle approval granted by the SGX-ST for the admission of, listing of and quotation for the Rights Shares is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Shares, the Company and/or its Subsidiaries. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained and opinions expressed in this Offer Information Statement. The Rights Shares will be admitted to the SGX-ST and the official listing of, and quotation for, the Rights Shares will commence after all conditions imposed by the SGX-ST are satisfied, the certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited (“CDP”) have been despatched.

Acceptance of applications will be conditional upon the issue of the Rights Shares and upon listing of the Rights Shares on the SGX-ST. Monies paid in respect of any application accepted will be returned if the listing and quotation of the Rights Shares does not proceed.

Notification under Section 309B of the SFA – The Rights Shares are classified as “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

This Offer Information Statement and its accompanying documents have been prepared solely in relation to the Rights Issue and shall not be relied upon by any other person or for any other purpose.

This Offer Information Statement and its accompanying documents may be accessed at the Company’s website at the URL <https://www.leaderet.com> and is also available on the SGX-ST’s website at the URL <https://www.sgx.com/securities/company-announcements>. In accordance with the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020, printed copies of this Offer Information Statement will NOT be despatched to any person. Printed copies of the ARE and the ARS, in the case of Entitled Depositors, and the PAL, in the case of Entitled Scripholders, and a notification containing instructions on how Entitled Shareholders can access this Offer Information Statement electronically, will be despatched to Entitled Shareholders.

After the expiry of six (6) months from the date of lodgement of this Offer Information Statement, no person shall make an offer of securities, or allot, issue or sell any Rights Shares, on the basis of this Offer Information Statement, and no officer or equivalent person or promoter of the Company will authorise or permit the offer of any securities or the allotment, issue or sale of any Rights Shares, on the basis of this Offer Information Statement.

YOUR ATTENTION IS DRAWN TO THE SECTION ENTITLED “RISK FACTORS” OF THIS OFFER INFORMATION STATEMENT WHICH YOU SHOULD REVIEW CAREFULLY.



LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

(Company Registration Number: 200611799H)
(Incorporated in Singapore on 15 August 2006)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 663,488,100 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.10 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY ENTITLED SHAREHOLDERS AS AT THE RECORD DATE AS DEFINED HEREIN, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Manager for the Rights Issue



STIRLING COLEMAN

施霖高诚

(Company Registration Number: 200105040N)
(Incorporated in Singapore)

IMPORTANT DATES AND TIMES:

Last date and time for splitting and trading of “nil-paid” Rights Shares	:	23 July 2021 at 5.00 p.m.
Last date and time for acceptance of and payment for the Rights Shares	:	29 July 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks or an Accepted Electronic Service)
Last date and time for acceptance of and payment for the Rights Shares by renounees	:	29 July 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks or an Accepted Electronic Service)
Last date and time for application and payment for Excess Rights Shares	:	29 July 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks or an Accepted Electronic Service)

IMPORTANT NOTES

Capitalised terms used below which are not otherwise defined herein shall have the same meanings as ascribed to them under the section entitled “Definitions” of this Offer Information Statement.

For Entitled Depositors (which excludes Entitled Scripholders, CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents) and their renounees, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of an Electronic Application at any ATM of a Participating Bank or an Accepted Electronic Service.

For Entitled Scripholders and their renounees, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar, M&C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902.

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their respective finance companies or Depository Agents. Such investors are advised to provide their respective finance companies, or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances and (if applicable) applications for Excess Rights Shares on their behalf by the Closing Date. Any acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made directly through CDP, Electronic Applications at any ATM of a Participating Bank or an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

For investors who bought Shares under the CPFIS, acceptance of the Rights Shares and (if applicable) application for excess Rights Shares must be done through their respective CPF Approved Banks. Such investors are advised to provide their respective CPF Approved Banks with the appropriate instructions no later than the deadlines set by their respective CPF Approved Banks in order for their respective CPF Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date.

For CPFIS Members, acceptances of the Rights Shares and (if applicable) application for excess Rights Shares can only be made using CPF Funds under the CPFIS, subject to applicable CPF rules and regulations. CPFIS Members who wish to accept the Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective CPF Approved Banks, where they hold their CPF investment accounts, to accept the Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members can top-up cash into their CPF investment accounts before instructing their respective CPF Approved Banks to pay for the acceptance of their Rights Shares and (if applicable) applications for excess Rights Shares. For the avoidance of doubt, CPF Funds may not be used for the purchase of the provisional allotments of Rights Shares directly from the market.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotment of Rights Shares purchased must be done through the respective finance companies or Depository Agents, as the case may be. Such renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance of the Rights Shares made directly through CDP, Electronic Applications at any ATM of a Participating Bank or an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

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Use of SRS Funds

SRS Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS accounts.

SRS Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant approved banks in which they hold their SRS accounts to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their approved banks before instructing their respective approved banks to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. SRS Investors are advised to provide their respective approved banks in which they hold their SRS accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application for the Excess Rights Shares on their behalf by the Closing Date. Any acceptance of the Rights Shares and (if applicable) application for the Excess Rights Shares made directly through CDP, Electronic Applications at any ATM of a Participating Bank or an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected. For the avoidance of doubt, monies in the SRS accounts may not be used for the purchase of provisional allotments of the Rights Shares directly from the market.

The existing Shares are listed and quoted on the SGX-ST.

Persons wishing to subscribe for the Rights Shares offered under this Offer Information Statement should, before deciding whether to do so, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the affairs of the Company and the Group, including but not limited to, the assets and liabilities, profits and losses, financial position, risk factors, performance and prospects of the Company and the Group, and the rights and liabilities attaching to the Rights Shares and/or the Shares. They should make their own independent enquiries and investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their stockbroker, bank manager, legal adviser, accountant or other professional adviser before deciding whether to acquire the Rights Shares, purchase any Shares or invest in the Company.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement in connection with the Rights Issue, the provisional allotments of the Rights Shares or the allotment and issuance of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Manager.

Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company and/or the Group. Neither the delivery of this Offer Information Statement nor the issuance of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of the

IMPORTANT NOTES

Company or of the Group or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via SGXNET and, if required, lodge a supplementary or replacement Offer Information Statement with the Authority. All Entitled Shareholders and their renounees and Purchasers should take note of any such announcement and, upon the release of such announcement and/or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

Neither the Company nor the Manager is making any representation or warranty to any person in this Offer Information Statement regarding the legality of an investment in the Rights Shares and/or the Shares, by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser(s) for business, financial, legal or tax advice regarding an investment in the Rights Shares and/or the Shares.

The Company and the Manager make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept and/or purchase the Rights Shares and/or the Shares. Prospective subscribers of the Rights Shares should rely on their own investigation of the financial condition and affairs of, and appraisal and determination of the merits of investing in, the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue and may not be relied upon by any person, other than Entitled Shareholders (and their renounees and Purchasers) to whom they are despatched by the Company or for any other purpose.

The Notification, this Offer Information Statement, the PAL, the ARE and the ARS may not be used for the purpose of, and do not constitute an offer, invitation or solicitation to anyone in any jurisdiction or under any circumstances in which such offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of the Notification, this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Shareholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and observe such prohibitions and restrictions at their own expense and without liability to the Company or the Manager. Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further information.

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DEFINITIONS

In this Offer Information Statement, the PAL, the ARE and the ARS, the following definitions apply throughout unless the context otherwise requires or is otherwise stated:

Entities, Corporations and Agencies

“Authority”	:	Monetary Authority of Singapore
“CAD”	:	Commercial Affairs Department
“CDP”	:	The Central Depository (Pte) Limited
“Company”	:	Leader Environmental Technologies Limited
“CPF”	:	Central Provident Fund
“Group”	:	The Company and its Subsidiaries
“JAE”	:	Jilin Anjie Environmental Engineering Co., Ltd.
“Nanosun”	:	Nanosun Pte Ltd
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	M&C Services Private Limited
“SIC”	:	The Securities Industry Council of Singapore
“SPF”	:	Singapore Police Force
“Subsidiary”	:	A company which is for the time being a subsidiary of the Company, as defined by Section 5 of the Companies Act
“UGG”	:	United Greentech (Guangzhou) Co., Ltd.
“UGH”	:	United Greentech Holdings Pte. Ltd. (formerly known as United Greentech Pte. Ltd.)
“UGT”	:	United Greentech (Tianjin) Co., Ltd.
“Zhongxing”	:	Shandong Shuifa Zhongxing Group Co. Ltd

General

“2020 Management and Underwriting Agreement”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2020 Places”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2020 Placement”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement

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“2020 Placement Agreement”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2020 Placement Shares”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2020 Rights Issue”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2020 Rights Shares”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“26 April Announcement”	:	The announcement issued by the Company on 26 April 2021 in relation to the termination of the 2021 Placement and possible rights issue
“2021 Placement”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2021 Placement Agreement”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2021 Placement Agent”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“2021 Placement Shares”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“8 July 2021 Announcement”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“Accepted Electronic Applications”	:	Has the meaning given to it in paragraph 1.3 of Appendix II to this Offer Information Statement
“ARE”	:	Application and acceptance form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
“ARS”	:	Application and acceptance form for Rights Shares to be issued to Purchasers
“ATM”	:	Automated teller machine
“Bituo Acquisition Contract”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“Board”	:	The board of Directors of the Company as at the date of this Offer Information Statement

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“BOT”	:	Has the meaning given to it in paragraph 3 of Part 4 of this Offer Information Statement
“BOT Contract”	:	Has the meaning given to it in paragraph 3 of Part 4 of this Offer Information Statement
“Closing Date”	:	(a) 29 July 2021 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company), being the last date and time for acceptance and/or excess application and payment, and renunciation and payment of the Rights Shares under the Rights Issue through CDP or the Share Registrar; or (b) 29 July 2021 at 9.30 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company), being the last date and time for acceptance and/or excess application and payment, renunciation and payment of the Rights Shares under the Rights Issue through an Electronic Application at any ATM of a Participating Bank or an Accepted Electronic Service
“Code”	:	The Singapore Code on Take-overs and Mergers, as may be amended, supplemented or modified from time to time
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, supplemented or modified from time to time
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“Conversion”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“CPF Approved Bank”	:	Any bank appointed by the CPF Board to be a bank for the purposes of the CPF Regulations
“CPF Board”	:	The board of the CPF established pursuant to the Central Provident Fund Act (Chapter 36) of Singapore, as may be amended, modified or supplemented from time to time
“CPF Funds”	:	Monies standing to the credit of the CPF savings account of CPF members under the CPFIS
“CPF Investment Account”	:	An account opened by a member of the CPF with a CPF Approved Bank

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“CPF Regulations”	:	The Central Provident Fund (Investment Schemes) Regulations and any other applicable regulations issued from time to time by the CPF Board or other relevant competent authority
“CPFIS”	:	CPF Investment Scheme
“CPFIS Member”	:	Persons who previously bought their Shares under the CPFIS
“DCS”	:	Direct Crediting Service
“Deed of Undertaking”	:	The deed of undertaking dated 3 May 2021 (as supplemented by the supplemental deed of undertaking dated 10 May 2021 and the second supplemental deed of undertaking dated 7 June 2021) given by the Undertaking Shareholder in favour of the Company pursuant to which the Undertaking Shareholder shall subscribe and pay for (or procure subscription and payment for) in full at the Issue Price, the Undertaken Rights Shares to be provisionally allotted to him
“Directors”	:	The directors of the Company as at the date of this Offer Information Statement
“Dr Guo”	:	Dr Guo Chenghong
“Dr Lin” or “Undertaking Shareholder”	:	Dr Lin Yucheng
“Electronic Application”	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM of a Participating Bank or an Accepted Electronic Service in accordance with the terms and conditions of this Offer Information Statement
“Electronic Applicants”	:	Entitled Depositors, their renounees or Purchasers who make Electronic Applications through an ATM of a Participating Bank or an Accepted Electronic Service
“Enlarged Issued Share Capital”	:	The enlarged issued and paid-up share capital of the Company immediately after the completion of the Rights Issue
“Entitled Depositors”	:	Shareholders with Shares entered against their names in the Depository Register maintained by CDP as at the Record Date and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents

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“Entitled Scripholders”	:	Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date and whose registered addresses with the Company are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“EPC”	:	Has the meaning given to it in paragraph 10 of Part 5 of this Offer Information Statement
“EPS”	:	Earnings per Share
“Excess Rights Shares”	:	The provisional allotments of Rights Shares, which are available for application by Entitled Shareholders, subject to the terms and conditions in the ARE, this Offer Information Statement and the Constitution of the Company, comprising Rights Shares not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or Purchasers, together with any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE, this Offer Information Statement and the Constitution of the Company
“Existing Issued Share Capital”	:	1,326,976,200 Shares representing the entire issued and paid-up share capital of the Company (excluding treasury Shares), as at the Latest Practicable Date
“Foreign Purchasers”	:	Purchasers of the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system and whose registered addresses with CDP are outside Singapore at the time of purchase
“Foreign Shareholders”	:	Shareholders whose registered addresses with CDP or the Company are outside Singapore as at the Record Date and who had not, at least three (3) Market Days prior to the Record Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents
“Issue Price”	:	The issue price of the Rights Shares, being S\$0.10 for each Rights Share
“IRR”	:	Has the meaning given to it in paragraph 10 of Part 5 of this Offer Information Statement

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“JAEE Loan”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“Last Traded Price”	:	Has the meaning ascribed thereto in the section entitled “Summary of the Principal Terms of the Rights Issue” of this Offer Information Statement
“Latest Practicable Date”	:	8 July 2021, being the latest practicable date prior to the lodgement of this Offer Information Statement
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended, supplemented or modified from time to time
“Local Government JVA”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“M&A”	:	Has the meaning given to it in paragraph 10 of Part 5 of this Offer Information Statement
“Manager”	:	Stirling Coleman Capital Limited
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Maximum Scenario”	:	The scenario whereby based on the Existing Issued Share Capital and assuming that the Rights Issue is fully subscribed, 663,488,100 Rights Shares will be issued pursuant to the Rights Issue
“Maximum TERP”	:	Has the meaning ascribed thereto in the section entitled “Summary of the Principal Terms of the Rights Issue” of this Offer Information Statement
“Minimum Scenario”	:	<p>The scenario whereby based on the Existing Issued Share Capital and assuming that:</p> <p>(a) none of the Entitled Shareholders (other than the Undertaking Shareholder) or purchasers of the “nil-paid” rights during the “nil-paid” rights trading period, subscribe and pay for any Rights Shares; and</p> <p>(b) only the Undertaking Shareholder subscribes and pays for in full, the Undertaken Rights Shares in accordance with the Deed of Undertaking,</p> <p>104,926,500 Rights Shares will be issued pursuant to the Rights Issue</p>
“Minimum TERP”	:	Has the meaning ascribed thereto in the section entitled “Summary of the Principal Terms of the Rights Issue” of this Offer Information Statement

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“Nanosun JVA”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“Notification”	:	The notification dated 14 July 2021 containing instructions on how Entitled Shareholders and Purchasers can access this Offer Information Statement electronically in accordance with the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020
“NAV”	:	Net asset value
“Net Proceeds”	:	The estimated net proceeds from the Rights Issue (after deducting estimated expenses of S\$0.30 million), is expected to be approximately S\$66.05 million (in the case of the Maximum Scenario) and S\$10.2 million, (in the case of the Minimum Scenario)
“NRIC”	:	National Registration Identity Card
“O&M”	:	Has the meaning given to it in paragraph 5 of Part 4 of this Offer Information Statement
“Offer Information Statement”	:	This offer information statement issued by the Company in respect of the Rights Issue, together with the PAL, the ARE or the ARS (as the case may be) and all other accompanying documents issued by the Company, including, where the context admits, any supplementary or replacement document which may be issued by the Company and lodged with the Authority in connection with the Rights Issue
“PAL”	:	The provisional allotment letter to be issued to the Entitled Scripholders, setting out the provisional allotment of Rights Shares of such Entitled Scripholder under the Rights Issue
“Participating Banks”	:	Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited, and each of them a “Participating Bank”, that will be participating in the Rights Issue by making available their ATMs to Entitled Depositors for acceptances of the Rights Shares and/or excess applications
“Projects”	:	Has the meaning given to it in paragraph 10 of Part 5 of this Offer Information Statement
“Proposed Chairman Placement”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement

DEFINITIONS

“Purchasers”	:	Persons purchasing the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
“Record Date”	:	5.00 p.m. on 9 July 2021, being the time and date at and on which the Register of Members and Share Transfer Books of the Company were closed to determine the provisional allotments of Rights Shares to Entitled Shareholders under the Rights Issue and, in the case of Entitled Depositors, at and on which their provisional allotments under the Rights Issue were determined
“Register of Members”	:	Register of members of the Company
“Rights Issue”	:	The renounceable non-underwritten rights issue by the Company of up to 663,488,100 Rights Shares at the Issue Price, on the basis of one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded
“Rights Issue Announcement”	:	The announcement issued by the Company on 3 May 2021 in relation to the Rights Issue
“Rights Shares”	:	Up to 663,488,100 new Shares to be allotted and issued by the Company pursuant to the Rights Issue, each a “Rights Share”
“Secured Projects”	:	Has the meaning given to it in paragraph 3 of Part 4 of this Offer Information Statement
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, supplemented or modified from time to time
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network(s) as may be prescribed by the SGX-ST
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company or, where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Shijiazhuang Contract”	:	Has the meaning given to it in paragraph 3 of Part 4 of this Offer Information Statement
“SRC”	:	Has the meaning given to it in paragraph 10 of Part 5 of this Offer Information Statement

DEFINITIONS

“SRS”	:	The Supplementary Retirement Scheme constituted under the Income Tax (Supplementary Retirement Scheme) Regulations 2003, as amended, supplemented or modified from time to time
“SRS Approved Banks”	:	Approved banks in which SRS Investors hold their respective SRS accounts
“SRS Funds”	:	Monies standing to the credit of the respective SRS accounts of SRS Investors under the SRS
“SRS Investors”	:	Shareholders who as at the Record Date were holding Shares which were subscribed for or purchased under the SRS using their SRS Funds
“Substantial Shareholder”	:	A person who has an interest or interests in one (1) or more voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares (excluding treasury shares) in the Company
“Termination Letter”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“TOT”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“Trading Member”	:	Has the meaning ascribed thereto under the CDP Clearing Rules of the SGX-ST, as amended, supplemented or modified from time to time
“Undertaken Rights Shares”	:	The 104,926,500 Rights Shares which the Undertaking Shareholder has undertaken to subscribe and pay for (or procure subscription and payment for) on the basis of the Undertaken Shares pursuant to the Deed of Undertaking
“Undertaken Shares”	:	The 209,853,000 Shares which the Undertaking Shareholder is the legal and beneficial owner of and any additional Shares which the Undertaking Shareholder may acquire up to (and including) the Record Date
“Upsize Option”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement
“Zhongxing JVA”	:	Has the meaning given to it in paragraph 8(c) of Part 4 of this Offer Information Statement

Currencies, Units and Others

“FY”	:	The financial year ended or ending 31 December
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DEFINITIONS

“RMB”	:	Renminbi, being the lawful currency of the People’s Republic of China
“S\$” or “SGD”, and “Singapore cents”	:	Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore
“%” or “per cent.”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, in Section 81SF of the Securities and Futures Act.

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.

The headings in this Offer Information Statement, the PAL, the ARE and the ARS are inserted for convenience only and shall be ignored in construing this Offer Information Statement, the PAL, the ARE and the ARS.

The words “**written**” and “**in writing**” include any means of visible reproduction.

Any reference to a time of day or date in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the PAL, the ARE or the ARS in relation to the Rights Issue (including but not limited to the Closing Date, and the last dates and times for splitting, acceptance and payment, renunciation and payment, and excess application and payment) shall include such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any reference in this Offer Information Statement, the PAL, the ARE or the ARS to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the Securities and Futures Act, the Listing Manual, the Code or any amendment or modification thereof and used in this Offer Information Statement, the PAL, the ARE or the ARS shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act, the Listing Manual, the Code or such amendment or modification thereof, as the case may be, unless otherwise provided.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

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

Where any word or expression is defined in this Offer Information Statement, such definition shall extend to the grammatical variations of such word or expression.

Any reference to announcements of or by the Company in this Offer Information Statement, the PAL, the ARE and the ARS includes announcements of or by the Company posted on the website of the SGX-ST at <http://www.sgx.com>.

SUMMARY OF THE PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Basis of provisional allotment : One (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Record Date

Number of Rights Shares : Based on the Existing Issued Share Capital of the Company of 1,326,976,200 issued Shares (excluding treasury Shares) as at the Latest Practicable Date:

- (a) assuming that all Entitled Shareholders subscribe in full and pay for their pro rata entitlements of Rights Shares, up to 663,488,100 Rights Shares will be issued under the Maximum Scenario and the resultant enlarged issued share capital will be 1,990,464,300 Shares; and
- (b) assuming that only the Undertaking Shareholder subscribes for its entitled Rights Shares pursuant to the Deed of Undertaking, and none of the other Entitled Shareholders subscribe for their pro-rata entitlements of Rights Shares, the number of Rights Shares to be allotted and issued under the Rights Issue will be 104,926,500 new Shares under the Minimum Scenario and the resultant enlarged issued share capital will be 1,431,902,700 Shares.

Issue Price : S\$0.10 for each Rights Share, payable in full on acceptance and/or application.

The Issue Price of S\$0.10 for each Rights Share represents:

- (a) a discount of approximately 31.0% to the closing price of S\$0.145 per Share on the SGX-ST on 23 April 2021 (being the last Market Day on which the Shares were traded on the SGX-ST immediately prior to the release of the 26 April Announcement) (the “**Last Traded Price**”);
- (b) a discount of approximately 23.1% to the maximum theoretical ex-rights price (“**Maximum TERP**”)¹ of approximately S\$0.130 per Share based on the Last Traded Price and the enlarged share capital of the Company assuming the Maximum Scenario; and

¹ Maximum TERP of each Share is calculated based on the following formula, assuming completion of the Rights Issue based on the Maximum Scenario:

$$\text{Maximum TERP} = \frac{\text{Market capitalisation of the Company based on the Last Traded Price} + \text{gross proceeds from the Rights Issue}}{\text{Number of Shares after completion of the Rights Issue}}$$

SUMMARY OF THE PRINCIPAL TERMS OF THE RIGHTS ISSUE

- (c) a discount of approximately 29.6% to the minimum theoretical ex-rights price (“**Minimum TERP**”)² of approximately S\$0.142 per Share based on the Last Traded Price and the enlarged share capital of the Company assuming the Minimum Scenario.

Status of the Rights Shares : The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issuance, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls on or after the date of issue of the Rights Shares.

Eligibility to participate in the Rights Issue : Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement.

Listing of the Rights Shares : On 24 June 2021, the SGX-ST had granted its in-principle approval for the listing of and quotation for the Rights Shares on the SGX-ST, subject to the following conditions:

- (i) compliance with the SGX-ST’s continuing listing requirements;
- (ii) a written undertaking from the Company that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Rights Issue 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 the use of proceeds and in the Company’s annual report;
- (iii) a written undertaking from the Company that it will comply with the confirmation given under Rule 877(10) of the Listing Manual with regard to the allotment of any Excess Rights Shares; and
- (iv) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the Undertaking Shareholder who has given the Deed of Undertaking has sufficient financial resources to fulfil his obligations under the Deed of Undertaking.

The in-principle approval granted by the SGX-ST for the listing of and quotation for the Rights Shares is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Shares, the Company and/or its Subsidiaries.

² Minimum TERP of each Share is calculated based on the following formula, assuming completion of the Rights Issue based on the Minimum Scenario:

$$\text{Maximum TERP} = \frac{\text{Market capitalisation of the Company based on the Last Traded Price} + \text{gross proceeds from the Rights Issue}}{\text{Number of Shares after completion of the Rights Issue}}$$

SUMMARY OF THE PRINCIPAL TERMS OF THE RIGHTS ISSUE

- Trading of the Rights Shares** : Upon the listing of and quotation for the Rights Shares on the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares.
- Non-underwritten** : The Rights Issue is not underwritten. The Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the Deed of Undertaking as well as the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees and commission.
- Acceptance, excess application and payment procedures** : Please refer to Appendices II to IV to this Offer Information Statement, and the accompanying PAL, ARE or ARS.
- Use of SRS Funds** : SRS Investors who wish to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) can only do so, subject to applicable SRS rules and regulations as well as terms and conditions that may be imposed by the respective SRS Approved Banks, using monies standing to the credit of their respective SRS accounts.
- Such SRS Investors who wish to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) using SRS monies must instruct their respective SRS Approved Banks in which they hold their respective SRS accounts, to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) on their behalf. For the avoidance of doubt, SRS Funds may not be used for the purchase of the provisional allotments of Rights Shares directly from the market. Notwithstanding the foregoing, SRS Investors should consult their respective SRS Approved Banks for information and directions as to the use of monies standing to the credit of their respective SRS accounts.
- Governing law** : Laws of the Republic of Singapore.

INDICATIVE TIMETABLE OF KEY EVENTS

An indicative timetable for the Rights Issue is set out below (all references are to Singapore dates and times). For the events listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

Last day Shares trade cum-rights	:	7 July 2021
Shares trade ex-rights	:	8 July 2021 from 9.00 a.m.
Record Date	:	9 July 2021 at 5.00 p.m.
Date of lodgement of this Offer Information Statement with the Authority	:	9 July 2021
Despatch of the Notification to the Entitled Shareholders (together with the ARE or PAL, as the case may be)	:	14 July 2021
Commencement of trading of “nil-paid” Rights Shares	:	14 July 2021 from 9.00 a.m.
Last date and time for splitting Rights Shares	:	23 July 2021 at 5.00 p.m.
Last date and time for trading of “nil-paid” Rights Shares	:	23 July 2021 at 5.00 p.m.
Last date and time for acceptance and payment for the Rights Shares ⁽¹⁾	:	29 July 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through any ATM of a Participating Bank or an Accepted Electronic Service)
Last date and time for acceptance and payment for the Rights Shares by renouncees ⁽¹⁾	:	29 July 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through any ATM of a Participating Bank or an Accepted Electronic Service)
Last date and time for application and payment for Excess Rights Shares ⁽¹⁾	:	29 July 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through any ATM of a Participating Bank or an Accepted Electronic Service)
Expected date for issuance of Rights Shares	:	4 August 2021
Expected date for crediting of Rights Shares	:	6 August 2021
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	:	6 August 2021
Expected date for the listing and commencement of trading of Rights Shares	:	6 August 2021 from 9.00 a.m.

INDICATIVE TIMETABLE OF KEY EVENTS

Note:

- (1) This does not apply to CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or a Depository Agent, where applicable. Such investors will receive notification letter(s) from their respective approved banks, finance companies and/or Depository Agents and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved banks, finance companies and/or Depository Agents. Any acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made directly through CDP, Electronic Applications at any ATM of a Participating Bank or an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

Pursuant to Rule 820(1) of the Listing Manual, the Rights Issue will not be withdrawn after the Shares have commenced ex-rights trading. Based on the above timetable, the Shares have commenced ex-rights trading on 8 July 2021 from 9.00 a.m.

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the timetable to be modified. However, the Company may, with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable law. In that event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

(a) ENTITLED SHAREHOLDERS

Entitled Shareholders are entitled to participate in the Rights Issue and to receive the Notification, together with the ARE or the PAL, as the case may be, and other accompanying documents at their respective Singapore addresses as maintained with the records of CDP or the Share Registrar, as the case may be. Printed copies of this Offer Information Statement will not be despatched to Entitled Shareholders, but may be accessed at the Company's website at the URL <https://www.leaderet.com> and is also available on the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements>.

Entitled Depositors who do not receive the AREs may obtain them from CDP or the Share Registrar during the period up to the Closing Date. Entitled Scripholders who do not receive the PALs may obtain them from the Share Registrar during the period up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Rights Shares on the basis of their shareholdings as at the Record Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or in the case of Entitled Depositors only, trade their provisional allotments of Rights Shares on the SGX-ST during the rights trading period prescribed by the SGX-ST and are eligible to apply for Excess Rights Shares in excess of their provisional allotments under the Rights Issue. For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or the renounees) shall be entitled to apply for Excess Rights Shares in excess of their provisional allotments under the Rights Issue.

All dealings in, and transactions of, the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs which are issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

Entitled Depositors should note that all correspondence and notices will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or to effect any change in address must reach CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589, not later than 5.00 p.m. (Singapore time) on a date being three (3) Market Days prior to the Record Date.

Entitled Scripholders should note that all correspondence and notices will be sent to their last registered addresses with the Company. Entitled Scripholders are reminded that any request to the Company to update their records or to effect any change in address must reach Leader Environmental Technologies Limited c/o the Share Registrar, M&C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902 not later than 5.00 p.m. (Singapore time) on a date being three (3) Market Days prior to the Record Date. Entitled Scripholders may open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Record Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of Rights Shares. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the 12th Market Day from the date of lodgement of the share certificates with CDP or such later date subject to the completion of the lodgement process.

In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and the Substantial Shareholders who have control or influence in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

make any allotment and issuance of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, the acceptances, splitting, renunciation and/or sales of the provisional allotments of Rights Shares and the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices II, III and IV to this Offer Information Statement and in the PAL, the ARE and the ARS (as the case may be).

(b) FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than in Singapore. The distribution of the Notification, this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or unless relevant securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Rights Shares will **NOT** be offered to and the Notification, this Offer Information Statement and its accompanying documents have not been and will **NOT** be despatched or disseminated to Foreign Shareholders or into any jurisdictions outside Singapore.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotment of the Rights Shares has been made or will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by any Foreign Shareholder will be valid.

The Notification, this Offer Information Statement and its accompanying documents will also NOT be despatched or disseminated to the Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of the Rights Shares renounced to him. For the avoidance of doubt, even if a Foreign Shareholder has provided a Singapore address as aforesaid, the offer of "nil-paid" rights and/or Rights Shares to him will be subject to compliance with applicable securities laws outside Singapore. The Company reserves the right to reject any acceptances of the Rights Shares and (if applicable) any application for Excess Rights Shares where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction.

The Company further reserves the right to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in a jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the share certificate(s) of the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any deemed representation or warranty.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotment of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to 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 Record Date and sent to them by means of a crossed cheque at their own risk by ordinary post, or in such other manner as they may have agreed with CDP for payment of any cash distributions. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager, CDP, the Share Registrar and/or their respective officers in connection therewith.

Where the provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager, CDP, the Share Registrar and/or their respective officers in connection therewith.

If such provisional allotments of Rights Shares cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be aggregated and allotted to satisfy applications for Excess Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager, CDP, the Share Registrar and/or their respective officers in connection therewith.

Shareholders should note that the special arrangements described above would apply only to Foreign Shareholders.

Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in those territories.

This Offer Information Statement and/or its accompanying documents are not intended for distribution outside of Singapore.

TRADING

1. LISTING OF AND QUOTATION FOR THE RIGHTS SHARES

In-principle approval was granted by the SGX-ST to the Company on 24 June 2021 for the listing of and quotation for the Rights Shares on the SGX-ST, subject to compliance with the SGX-ST's listing requirements. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Shares, the Company and/or its Subsidiaries.

The listing of the Rights Shares will commence after all the securities certificates have been issued and the notification letters from CDP have been despatched. Upon listing and quotation on the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of, the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with CDP" and the "Terms and Conditions for CDP to act as Depository for the Rights Shares", as the same may be amended from time to time. Copies of the above are available from CDP.

2. ARRANGEMENTS FOR SCRIPLESS TRADING

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (in the case of Entitled Scripholders only) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and (if applicable) the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept their provisional allotment of Rights Shares and (in the case of Entitled Scripholders only) apply for Excess Rights Shares and have their Rights Shares credited by CDP into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who have provided incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in the Securities Accounts currently maintained with CDP, will be issued physical share certificates for the Rights Shares allotted to them in their own names and (if applicable) the Excess Rights Shares allotted to them. Physical share certificates if issued, will be forwarded to Entitled Scripholders by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from the address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

TRADING

A holder of physical share certificate(s) of the Company or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit his share certificate(s) with CDP, together with the duly stamped and executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he can effect the desired trade.

3. TRADING OF ODD LOTS

Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (that is, lots other than board lots of 100 Shares).

Following the Rights Issue, Entitled Depositors who wish to trade all or part of their provisional allotment of Rights Shares on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST which allows trading of odd lots with a minimum of one (1) Share, during the provisional allotments trading period. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares (i.e. less than 100 Shares) and who wish to trade in odd lots on the SGX-ST will be able to do so on the Unit Share Market of the SGX-ST. The market for trading of such odd lots of Shares may be illiquid. There is no assurance that they can acquire such number of Shares to make up one board lot of 100 Shares, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategy, plans and future prospects of the Group’s industry are forward-looking statements. These forward-looking statements, including but not limited to, statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual and/or future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks (both known and unknown), uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company, the Manager nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those forward-looking statements.

Further, each of the Company and the Manager disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with any applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the Authority or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same on the SGXNET and, if required, lodge a supplementary or replacement document with the Authority.

The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

TAKE-OVER LIMITS

The Code regulates the acquisition of ordinary shares of public companies, including the Company.

Pursuant to the Code, except with the SIC's consent, where:

- (a) any person acquires, whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights in the Company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights of the Company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1.0% of the voting rights of the Company,

such person is required to make a mandatory general offer for all the remaining Shares in the Company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of the Rights Shares pursuant to the Rights Issue or the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares, should consult the SIC and/or their professional adviser(s) immediately.

Depending on the level of subscription for the Rights Shares, the Company may, if necessary, scale down the subscription and/or excess applications for the Rights Shares by any of the Shareholders (if such Shareholder chooses to subscribe for his/her/its pro rata Rights Share entitlement and/or apply for Excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with him/her/it (as defined in the Code) in the position of incurring a mandatory general offer obligation under the Code, as a result of other Shareholders not taking up, whether partly or in full, their Rights Shares entitlements fully, or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual.

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PART 2: IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Names of Directors	Designation	Address
Dr Lin Yucheng	<i>Executive Chairman and Chief Executive Officer</i>	c/o 38 Beach Road, South Beach Tower, #29-11, Singapore 189767
Lin Baiyin	<i>Executive Director</i>	c/o 38 Beach Road, South Beach Tower, #29-11, Singapore 189767
Lim Kuan Meng	<i>Lead Independent Non-Executive Director</i>	c/o 38 Beach Road, South Beach Tower, #29-11, Singapore 189767
Mak Yen-Chen Andrew	<i>Independent Non-Executive Director</i>	c/o 38 Beach Road, South Beach Tower, #29-11, Singapore 189767
Lee Suan Hiang	<i>Independent Non-Executive Director</i>	c/o 38 Beach Road, South Beach Tower, #29-11, Singapore 189767

Advisers

2. Provide the names and addresses of –
- (a) the issue manager to the offer, if any;
 - (b) the underwriter to the offer, if any; and
 - (c) the legal adviser for or in relation to the offer, if any.

Role	Name and Address
Manager of the Rights Issue	: Stirling Coleman Capital Limited 9 Raffles Place Distrii Level 6, Republic Plaza Singapore 048619
Underwriter to the Rights Issue	: Not applicable as the Rights Issue is not underwritten

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Role	Name and Address
Legal Advisers to the Company in respect of the Rights Issue	: Rajah & Tann Singapore LLP 9 Straits View Marina One West Tower #06-07 Singapore 018937

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities or securities-based derivatives contracts being offered, where applicable.
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Role	Name and Address
Share Registrar	: M&C Services Private Limited. 112 Robinson Road #05-01 Singapore 068902
Transfer Agent	: Not applicable
Receiving Banker	: The Bank of East Asia Limited Singapore Branch 60 Robinson Road BEA Building Singapore 068892

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PART 3: OFFER STATISTICS AND TIMETABLE

Offer Statistics

- 1. For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.**
-

Renounceable non-underwritten rights issue by the Company of up to 663,488,100 Rights Shares at the Issue Price of S\$0.10 for each Rights Share, on the basis of one (1) Rights Share for every two (2) existing Shares held by the Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

Based on the Existing Issued Share Capital of the Company of 1,326,976,200 Shares (excluding treasury Shares) as at the Latest Practicable Date:

- (a) up to 663,488,100 Rights Shares will be issued pursuant to the Rights Issue under the Maximum Scenario; and
 - (b) up to 104,926,500 Rights Shares will be issued pursuant to the Rights Issue under the Minimum Scenario.
-

Method and Timetable

- 2. Provide the information mentioned in paragraphs 3 to 7 of this Part to the extent applicable to –**

- (a) the offer procedure; and
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
-

Please refer to paragraphs 3 to 7 of this Part 3 below.

- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period must be made public.**

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Please refer to the section entitled “Indicative Timetable of Key Events” of this Offer Information Statement.

As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “Indicative Timetable of Key Events” of this Offer Information Statement to be modified. However, the Company may, upon consultation with the Manager and its advisers, and with the approval of the SGX-ST and/or CDP, modify the timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce any modification through a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

The procedures for and the terms and conditions applicable to the acceptances, splitting, renunciation and/or sales of the provisional allotments of Rights Shares and the application for Excess Rights Shares, including the different modes of acceptances or application and payment are set out in Appendices II, III, and IV to this Offer Information Statement and in the PAL, the ARE and the ARS (as the case may be).

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- 4. State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**
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The Rights Shares and (if applicable) the Excess Rights Shares are payable in full upon acceptance and (if applicable) application.

Please refer to details on the procedures for acceptance and/or application of, and payment for, the Rights Shares and Excess Rights Shares contained in Appendices II, III and IV to this Offer Information Statement and in the PAL, the ARE and the ARS (as the case may be).

Please refer to the section entitled “Indicative Timetable of Key Events” of this Offer Information Statement for the last date and time for payment for the Rights Shares and (if applicable) the Excess Rights Shares.

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- 5. State, where applicable, the methods of and time limits for:–**
- (a) the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.**

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The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 13 July 2021 by crediting the provisional allotments to the Securities Accounts of respective Entitled Depositors or through the despatch of the relevant PALs to Entitled Scripholders, based on their respective shareholdings of the Company as at the Record Date.

In the case of Entitled Scripholders and their renounees with valid acceptances for the Rights Shares and/or (if applicable) successful applications of the Excess Rights Shares and who have, among others, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, share certificate(s) representing such number of Rights Shares will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form(s) comprised in the PAL) with valid acceptances and/or (if applicable) successful applications for Excess Rights Shares, share certificate(s) representing such number of Rights Shares will be sent to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send to the relevant subscribers, at their own risk, a notification letter stating the number of Rights Shares credited to their Securities Accounts.

Please refer to Appendices II, III and IV to this Offer Information Statement and the PAL, the ARE and the ARS (as the case may be) for more information.

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- 6. In the case of any pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**

Not applicable as no pre-emptive rights have been offered in relation to the Rights Issue.

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- 7. Provide a full description of the manner in which results of the allotment or allocation of the securities or securities-based derivatives contracts are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**

Results of the Rights Issue

The Company will publicly announce the results of the allotment or the allocation of the Rights Shares, as soon as it is practicable after the Closing Date, through a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

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Manner of refund

In the case of any acceptance of Rights Shares and (if applicable) application for Excess Rights Shares which is invalid or unsuccessful, or if an Entitled Shareholder applies for Excess Rights Shares but no Excess Rights Shares are allotted to that Entitled Shareholder, or if the number of Excess Rights Shares allotted to that Entitled Shareholder is less than the number applied for, the amount paid on acceptance and (if applicable) application, or the surplus application monies, as the case may be, will be refunded to the relevant Entitled Shareholder, Purchaser or their renounee by the Company (in the case of Entitled Scripholders) or CDP (in the case of Entitled Depositors and Purchasers) on behalf of the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date by any one or a combination of the following:

- (a) in respect of Entitled Depositors, if they accept and/or (if applicable) apply by way of Electronic Application through any ATM of a Participating Bank or an Accepted Electronic Service, by crediting the applicants' bank accounts with the relevant Participating Bank, at their own risk, with the appropriate amount within three (3) business days after the commencement of trading of the Rights Shares, the receipt by such bank being a good discharge by the Company, the Manager and CDP of their obligations, if any;
- (b) in respect of Entitled Depositors, if they accept and (if applicable) apply through CDP, by crediting their designated bank accounts via CDP's DCS or in the case where refunds are to be made to Depository Agents, by means of telegraphic transfer. In the event that an applicant is not subscribed to the CDP's DCS, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (such retention by CDP being good discharge of the Company's, the Manager's and CDP's obligations); or
- (c) in respect of Entitled Scripholders, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent to them at their mailing addresses as maintained with the Share Registrar by ordinary post at their own risk.

The details of refunding excess amounts paid by applicants are set out in Appendices II, III and IV to this Offer Information Statement and in the PAL, the ARE and the ARS (as the case may be).

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PART 4: KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

- 1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.**
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Noted. Please refer to Paragraphs 2 to 7 below of this Part 4.

- 2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (called in this paragraph and paragraph 3 of this Part the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**
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Under the Maximum Scenario, based on the 663,488,100 Rights Shares to be issued, the Net Proceeds (after deducting estimated expenses of approximately S\$0.30 million) is expected to be approximately S\$66.05 million.

Under the Minimum Scenario, based on the 104,926,500 Rights Shares to be issued, the Net Proceeds (after deducting estimated expenses of approximately S\$0.30 million) is expected to be approximately S\$10.20 million.

All Net Proceeds will go to the Company for allocation to its principal intended uses set out in paragraph 3 of this Part 4 below.

- 3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities or securities-based derivatives contracts.**

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As stated under Paragraph 4 of the Rights Issue announcement dated 3 May 2021, the Company intends to use the Net Proceeds from the Rights Issue under both the Maximum and Minimum Scenarios in the following manner:

Use of the Net Proceeds	Percentage of the Net Proceeds (%)
Business investments and acquisitions of environmental related businesses, payments of tender deposits, performance bonds and other project related expenses in respect of sludge treatment, industrial wastewater and high-performance membrane production projects	95
General working capital purposes (including payments of professional fees and compliance costs, payroll and other office and related expenses)	5

The above allocations are based on the Maximum Scenario and the Minimum Scenario only. In the event the Net Proceeds fall in between the Maximum Scenario and the Minimum Scenario and there are deviations to the above allocations, the Company will make the necessary announcements on the allocations when the final Net Proceeds have been determined. It is anticipated that the allocations would not deviate significantly from the above illustrations.

In the Company's announcements dated 6 January 2021 and 28 January 2021 respectively, it was announced that the Company had secured a RMB56.5 million (approximately S\$11.5 million) design, supply and commissioning contract for the treatment and recycling of industrial wastewater at Shijiazhuang National Economic Development Zone ("**Shijiazhuang Contract**"), and a RMB62.5 million (approximately S\$12.7 million) Build-Operate-Transfer ("**BOT**") contract ("**BOT Contract**") to treat the municipal sludge from the wastewater treatment plants in Jinghai District, Tianjin City. Furthermore, the Company had entered into the Nanosun JVA on 18 January 2021, the Local Government JVA on 12 May 2021 and the Zhongxing JVA on 30 June 2021, details of which are set out in paragraph 8(c) of Part 4 of this Offer Information Statement.

As announced by the Company on 31 January 2021, the Company intended to undertake the 2021 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 and the 2021 Placement has, as announced by the Company in the 26 April Announcement, been terminated and the Rights Issue is being undertaken as an alternative to the 2021 Placement. As such, in lieu of the 2021 Placement and proceeds which could have been raised thereunder, the Company has decided to undertake the Rights Issue to enable the Company to invest in the BOT Contract, the Nanosun JVA, the Local Government JVA and the Zhongxing JVA ("**Secured Projects**"), as working capital for the Shijiazhuang Contract and to have resources to invest in other large scale environmental related projects, especially BOT projects. In addition, the Company also intends to invest in synergistic companies or companies with environmental technologies which are complementary to the Group's business.

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The total additional capital commitment that is required for the Secured Projects is S\$48.3 million, and as at the Latest Practicable Date, the unaudited cash and cash equivalents of the Group is approximately RMB38.8 million (S\$8.1 million). Furthermore, a portion of this has been earmarked for the Group's working capital and the execution of the Shijiazhuang Contract. In the case of the Minimum Scenario, the anticipated Net Proceeds of S\$10.2 million will not be sufficient to fund all of the intended uses. In such an event, the Company intends to first apply approximately S\$0.5 million of the Net Proceeds toward general working capital purposes and the remaining Net Proceeds of approximately S\$9.7 million towards the capital commitment requirements for the Secured Projects. Following the use of the Net Proceeds as aforesaid, the Company will still require approximately S\$38.6 million to meet the capital commitment requirements of the Secured Projects and intends to finance the same by way of debt financing, internal resources of the Company and/or future fund-raising exercises by the Company.

The Rights Issue will also provide Shareholders with an opportunity to further participate in equity of the Company.

In the reasonable opinion of the Directors, there is no minimum amount that needs to be raised from the Rights Issue.

Pending the deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities and/or used for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full year financial results announcement(s) and in the Company's annual report(s), until such time the Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

In the event that the Net Proceeds are to be used for working capital, the Company will disclose a breakdown with specific details on the use of the Net Proceeds for working capital in its announcements and annual reports.

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- 4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**
-

Under the Maximum Scenario, for each dollar of the gross proceeds of approximately S\$66.35 million that will be raised from the Rights Issue, the Company will allocate:

- (a) approximately 94.5 cents for business investments and acquisitions of environmental related businesses, payments of tender deposits, performance bonds and other project related expenses in respect of sludge treatment, industrial wastewater and high-performance membrane production projects;

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- (b) approximately 5.0 cents for general working capital purposes (including payments of professional fees and compliance costs, payroll and other office and related expenses); and
- (c) approximately 0.5 cents to pay for the expenses incurred in connection with the Rights Issue.

Under the Minimum Scenario, for each dollar of the gross proceeds of approximately S\$10.5 million that will be raised from the Rights Issue, the Company will allocate:

- (d) approximately 92.3 cents for business investments and acquisitions of environmental related businesses, payments of tender deposits, performance bonds and other project related expenses in respect of sludge treatment, industrial wastewater and high-performance membrane production projects;
- (e) approximately 4.8 cents for general working capital purposes (including payments of professional fees and compliance costs, payroll and other office and related expenses) and
- (f) approximately 2.9 cents to pay for the expenses incurred in connection with the Rights Issue.

-
- 5. If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined and whether the acquisition is on an arm's length basis.**
-

As stated above under paragraph 3 of this Part 4, the Company intends to apply a material portion of the Net Proceeds towards the capital commitment requirements for the Secured Projects.

Details of the BOT Contract

As announced by the Company on 28 January 2021, the Company had secured a RMB62.5 million (approximately S\$12.7 million) BOT contract to treat the municipal sludge from the wastewater treatment plants in Jinghai District, Tianjin City. The Company will form a subsidiary with 天津市首创水务有限责任公司 (also known as Tianjin Capital Water Co., Ltd), a state-owned enterprise and a local water company, with shareholdings of 90% and 10% respectively, to undertake the BOT contract with an exclusive concession of 25 years. The Company will provide technology and design, and construct a 100 tons/day municipal sludge treatment facility using the Company's proprietary technologies, namely, the integrated continuous thermal hydrolysis and pyrolysis, and innovative sludge pre-treatment and efficient energy recovery system to achieve the objectives of zero-waste discharge and resource recovery.

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Based on the Company's shareholding in the BOT Contract, the total capital commitment required is approximately S\$11.7 million. As at the Latest Practicable Date, the Company has not paid any amount in respect of the capital commitment for the BOT Contract.

In the case of the Maximum Scenario, the Company intends to apply approximately S\$11.7 million of the Net Proceeds toward financing the capital commitment for the BOT Contract.

In the case of the Minimum Scenario, the Company intends to apply approximately S\$3.4 million of the Net Proceeds toward financing the capital commitment for the BOT Contract and intends to finance the remaining capital commitment of approximately S\$8.3 million by way of debt financing, internal resources of the Company and/or future fund-raising exercises by the Company.

The construction of the municipal sludge treatment facility is scheduled to commence in the second half of FY2021 and is expected to be completed within one year from commencement.

Details of the Nanosun JVA

As announced by the Company on 18 January 2021, the Company had entered into a joint venture agreement with Nanosun to set up high performance membrane manufacturing facilities in Singapore and China. The Company will own 60% of the joint venture and the remaining 40% would be owned by Nanosun.

Based on the Company's shareholding in the Nanosun JVA, the total capital commitment required is approximately S\$9.2 million. As at the Latest Practicable Date, the Company has made an equity investment of approximately S\$2.4 million in respect of the capital commitment for the Nanosun JVA.

In the case of the Maximum Scenario, the Company intends to apply approximately S\$6.8 million of the Net Proceeds toward financing the capital commitment for the Nanosun JVA.

In the case of the Minimum Scenario, the Company intends to apply approximately S\$3.2 million of the Net Proceeds toward financing the capital commitment for the Nanosun JVA and intends to finance the remaining capital commitment of approximately S\$3.6 million by way of debt financing, internal resources of the Company and/or future fund-raising exercises by the Company.

The construction of the high performance membrane manufacturing facilities is scheduled to be completed by the end of FY2021, and commercial production of the manufacturing facilities is expected to commence in early FY2022.

Details of the Local Government JVA

As announced by the Company on 12 May 2021, the Company had entered into a joint investment agreement with the local government of Yishui county, Linyi city and Shandong province to take an indirect shareholding interest of 46.8% in investments in animal manure, sludge and wastewater treatment projects in the county.

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The Company will form a joint venture company with Jinan Kaida Huicheng Shui Wu Co., Ltd and Qingdao Hexin Huanjing Co., Ltd, which are companies engaged in environmental business mainly in Shandong province, with shareholdings of 72%, 18.2% and 9.8% respectively, and the joint venture company would then participate in an investment company with the local government with shareholding interests of 65% and 35% respectively.

Based on the Company's shareholding in the Local Government JVA, the total capital commitment required for the investments in two TOT animal manure treatment and resource recovery facilities with combined treatment capacity of 1,000 ton/day, one BOT sludge treatment plant of 100 ton/day, and one O&M contract for a 30,000m³/day industrial wastewater treatment plant, is approximately S\$24.7 million. As at the Latest Practicable Date, the Company has not paid any amount in respect of the capital commitment for the Local Government JVA.

In the case of the Maximum Scenario, the Company intends to apply approximately S\$24.7 million of the Net Proceeds toward financing the capital commitment for the Local Government JVA.

In the case of the Minimum Scenario, the Company intends to apply approximately S\$3.1 million of the Net Proceeds toward financing the capital commitment for the Local Government JVA and intends to finance the remaining capital commitment of approximately S\$21.6 million by way of debt financing, internal resources of the Company and/or future fund-raising exercises by the Company.

The operation and maintenance of the two animal manure treatment facilities and the wastewater treatment plant will commence in the last quarter of FY2021. The sludge treatment project will commence in FY2022, and the construction is expected to be completed within one year from commencement.

Details of the Zhongxing JVA

As announced by the Company on 30 June 2021, the Company had entered into a joint venture agreement with Zhongxing to provide environmental solutions, mainly sludge treatment, smart water and energy management to Zhongxing. The Company will own 49% of the joint venture company and the remaining 51% would be owned by Zhongxing.

Based on the Company's shareholding in the Zhongxing JVA, the total capital commitment required is approximately S\$5.1 million. As at the Latest Practicable Date, the Company has not paid any amount in respect of the capital commitment for the Zhongxing JVA.

In the case of the Maximum Scenario, the Company intends to apply approximately S\$5.1 million of the Net Proceeds toward financing the capital commitment for the Zhongxing JVA.

In the case of the Minimum Scenario, the Company will not be able to apply any of the Net Proceeds toward financing the capital commitment for the Zhongxing JVA and intends to finance the capital commitment of approximately S\$5.1 million by way of debt financing, internal resources of the Company and/or future fund-raising exercises by the Company.

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6. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.

Not applicable. As at the Latest Practicable Date, no portion of the Net Proceeds has been earmarked for the purposes of discharging, reducing or retiring the indebtedness of the above present facilities of the Group.

7. In the section containing the information mentioned in paragraphs 2 to 6 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters, or other placement or selling agents in relation to the offer, and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.

Not applicable. The Rights Issue is not underwritten and no placement or selling agent has been appointed by the Company in relation to the Rights Issue.

Information on the Relevant Entity

8. Provide the following information:

- (a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office), and the email address of the relevant entity or a representative of the relevant entity;

Registered Office	:	38 Beach Road, South Beach Tower, #29-11, Singapore 189767
Principal place of business	:	41 Science Park Road, #04-11, The Gemini Singapore 117610
Telephone number	:	+65 6950 7700
Email address	:	pohyeow@leaderet.com

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(b) The nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;

The Group is a leading environmental solutions provider that focuses on providing services including system integration, equipment and product supply, project investment, engineering design EPC, as well as O&M. The Group has also expanded its business scope to include treatment of municipal sludge, industrial wastewater treatment and production of high-performance membrane products and equipment widely used in water and sludge treatment. As part of the transformation plans, the Group has positioned itself as a technology-driven environmental solutions provider. Having established a core team of specialists and established a culture of technological innovation and management efficiency, the Group has developed proprietary technologies focusing on addressing pressing environmental issues and new capabilities in sludge management, industrial wastewater treatment and membrane technology. The Group also intends to achieve greater impact through collaborations and project investments. This will include equity investments in promising companies with strong environmental technologies.

The Subsidiaries of the Company and their principal activities as at the Latest Practicable Date are as follows:

Name of Subsidiary	Principal Place of Business	Principal activities	Effective interest held by the Company (%)
Jilin Anjie Environmental Engineering Co., Ltd	The People's Republic of China	Research and development, design, manufacture and installation of environmental protection systems and provision of technical consulting and support services of environmental protection technologies and systems	100%
United Greentech Holdings Pte. Ltd.	Singapore	Investment holding company	100%
United Greentech (Guangzhou) Co., Ltd.	The People's Republic of China	Investment holding company	100%
Nanosun Membrane Pte. Ltd.	Singapore	Manufacturing of high-performance membrane in Singapore and China	60%

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Name of Subsidiary	Principal Place of Business	Principal activities	Effective interest held by the Company (%)
Bituo Environmental Technologies (Tianjin) Co., Ltd.	The People's Republic of China	Municipal sludge treatment and management, industrial wastewater treatment and recycling, and other environmental related projects	100%
United Greentech (Tianjin) Co., Ltd.	The People's Republic of China	Municipal sludge treatment and management, industrial wastewater treatment and recycling, and other environmental related projects	100%

- (c) the general development of the business from the beginning of the period comprising the 3 most recently completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –
- (i) the end of the most recently completed financial year for which financial statements of the relevant entity have been published; or
 - (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;

The general development of the Group's business since FY2018 to the Latest Practicable Date are set out below in chronological order. The significant developments included in this section have been extracted from and summarised herein based on the related announcements released by the Company via SGXNET and the information presented herein is correct as at the date of the relevant announcement.

Shareholders are advised to refer to the public announcements released by the Company via SGXNET and Part 5 of this Offer Information Statement for further details.

General Development in FY2018

- (a) On 11 January 2018, the Company announced the resignation of Dr Kung Chi Kang as an Executive Director and Deputy Chief Executive Officer with effect from 11 January 2018.
- (b) On 17 January 2018, the Company announced the resignation of Mr Gu Zheng as the General Manager with effect from 17 January 2018.

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- (c) On 22 January 2018, the Company announced the re-designation of Mdm Zang Linying from Executive Director to Non-Executive Director and the relinquishment of her duties as Financial Director with effect from 22 January 2018.
- (d) On 3 May 2018, the Company announced the resignation of Mdm Zang Linying as a Non-Executive Director with effect from 3 May 2018.
- (e) On 13 June 2018, the Company announced that its subsidiary, Jilin Anjie New Energy Power Generation Co., Ltd., changed its name to Jilin Anjie New Energy Group Co., Ltd. with effect from 11 June 2018. The principal activities of the subsidiary were expanded to include water pollution control, design and construction works relating to remediation of rivers and lakes, main contractor for municipal public projects, soil pollution control and restoration services and heat supply engineering construction and design works.
- (f) On 5 December 2018, the Company announced that its wholly-owned subsidiary, JAEE, had successfully renewed its loan facilities from China Merchants Bank in respect of a loan amount of not more than RMB55.0 million for another one-year tenure commencing from 21 November 2018 under substantially the same terms and conditions. The purpose of the loan was to fund the working capital requirements of JAEE (“**JAEE Loan**”).
- (g) On 7 December 2018, the Company announced that its wholly-owned subsidiary, JAEE, had converted RMB8.0 million of its advances to share capital in Jilin Anjie New Energy Group Co., Ltd. (the “**Conversion**”), following which its investment in Jilin Anjie New Energy Group Co., Ltd. increased from RMB4.4 million to RMB12.4 million. The Company’s effective interest in Jilin Anjie New Energy Group Co., Ltd. remained unchanged following the Conversion.

General Development in FY2019

- (a) On 21 November 2019, the Company announced the resignation of Mdm Zhai Guihua as an Independent Non-Executive Director with effect from 21 November 2019.
- (b) On 2 December 2019, the Company announced that its wholly-owned subsidiary, JAEE, had successfully renewed the JAEE Loan for another one-year tenure commencing from 2 December 2019 under substantially the same terms and conditions. The purpose of the loan was to fund the working capital requirements of JAEE.
- (c) On 30 December 2019, the Company announced that:
 - (i) Mr Jiang Haitao had been appointed as the Vice President of Finance with effect from 30 December 2019; and
 - (ii) Mr Chen Lei had been appointed as the Vice President of Sales with effect from 30 December 2019.

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General Development in FY2020

- (a) On 20 February 2020, the Company announced the appointment of Mr Liu Kaiyi as an Independent Non-Executive Director of the Company with effect from 20 February 2020.
- (b) On 3 March 2020, the Company announced that it had entered into a placement agreement (the “**2020 Placement Agreement**”) with Dr Lin and Zhang Yulong (collectively, the “**2020 Placees**”) pursuant to which the 2020 Placees agreed to subscribe for, and the Company agreed to issue and allot, an aggregate 120,000,000 new ordinary shares in the capital of the Company (the “**2020 Placement Shares**”) at a placement price of S\$0.015 for each 2020 Placement Share (the “**2020 Placement**”), amounting to an aggregate consideration of S\$1,800,000.
- (c) On 11 March 2020, the Company announced that the SGX-ST had informed the Company that it had granted an extension of time of two (2) months until 29 June 2020 for the Company to hold its AGM for FY2019, subject to certain conditions.
- (d) On 11 April 2020, the Company announced that it had received the approval in-principle from the SGX-ST on 9 April 2020 for the listing and quotation of the 2020 Placement Shares, subject to certain conditions.
- (e) On 5 May 2020, the Company announced that the parties to the 2020 Placement Agreement had on 5 May 2020, mutually agreed in writing to extend the cut-off date for satisfying the conditions precedent under the 2020 Placement Agreement.
- (f) On 14 May 2020, the Company announced that, due to the removal of the minimum trading price rule for Mainboard issuers with effect from 1 June 2020, it would no longer need to satisfy the exit criteria for removal from the watch-list and the requirement to provide quarterly updates pursuant to the Listing Manual.
- (g) On 28 May 2020, the Company announced that the 2020 Placement was approved by the Company’s shareholders at an extraordinary general meeting of the Company.
- (h) On 29 May 2020, the Company announced the completion of the 2020 Placement and that the 120,000,000 2020 Placement Shares had been allotted and issued to the 2020 Placees, raising net proceeds of approximately S\$1.7 million.
- (i) On 1 June 2020, the Company announced the resignation of Mr Goh Kay Seng Edwin as an Independent Non-Executive Director with effect from 15 June 2020.
- (j) On 8 June 2020, the Company announced that:
 - (i) the Directors had adopted certain proposals and recommendations, pursuant to the conduct of a strategic review, 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 intended to move to a high-tech oriented business to

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differentiate itself from other environmental protection companies. In this regard, it intended to focus on municipal sludge treatment and disposal, and industrial wastewater treatment based on high-end membrane technologies. It also intended 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 EPC and O&M;

- (ii) the appointment of Dr Lin as an Executive Director of the Company with effect from 8 June 2020; and
 - (iii) and the appointment of Mr Lim Kuan Meng as an Independent Non-Executive Director of the Company with effect from 8 June 2020.
- (k) On 12 June 2020, the Company announced that it would be undertaking a renounceable underwritten rights issue (the “**2020 Rights Issue**”) of 589,767,200 new ordinary shares of the Company (the “**2020 Rights Shares**”) at an issue price of S\$0.015 for each 2020 Rights Share, on the basis of four 2020 Rights Shares for every five existing shares held by the shareholders of the Company. The Company had appointed Stirling Coleman Capital Limited as the manager and underwriter for the 2020 Rights Issue pursuant to the terms of a management and underwriting agreement entered into between the Company and the manager and underwriter on 12 June 2020 (“**2020 Management and Underwriting Agreement**”).
- (l) On 26 June 2020, the Company announced that it had incorporated a wholly-owned subsidiary in Singapore, UGH, with an initial issued and paid-up share capital of S\$1,000,000. The principal activity was that of investment holding.
- (m) On 13 July 2020, the Company announced that it had received the approval-in-principle from the SGX-ST on 13 July 2020 for the listing and quotation of the 2020 Rights Shares, subject to certain conditions.
- (n) On 16 July 2020, the Company announced that:
- (i) Mr Liu Kaiyi had resigned as an Independent Non-Executive Director of the Company with effect from 16 July 2020; and
 - (ii) Mr Lee Suan Hiang had been appointed as an Independent Non-Executive Director of the Company with effect from 16 July 2020.
- (o) On 3 August 2020, the Company announced that the registered office address of the Company had been changed to 38 Beach Road, #29-11 South Beach Tower, Singapore 189767.
- (p) On 14 August 2020, the Company announced that the Board had decided not to continue with quarterly reporting of the unaudited financial results of the Group, and instead, the Company will announce the unaudited financial results of the Group on a half-yearly basis, as required under the Listing Manual.

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- (q) On 3 September 2020, the Company announced the results of the 2020 Rights Issue and that pursuant to the 2020 Rights Issue, 589,767,200 2020 Rights Shares had been allotted and issued by the Company on 3 September 2020, raising net proceeds of approximately S\$8.70 million.
- (r) On 13 October 2020, the Company announced the de-registration of Linjiang City Anjie Environmental Co., Ltd and Dunhuang Yincheng New Energy Co., Ltd, the Company's dormant wholly-owned indirect subsidiaries in China.
- (s) On 28 December 2020, the Company announced the appointment of Dr Lin as Executive Chairman and Chief Executive Officer of the Company with effect from 1 January 2021.

General Developments from 1 January 2021 to the Latest Practicable Date

- (a) On 5 January 2021, the Company announced that:
 - (i) its wholly-owned subsidiary in Singapore, UGH, had incorporated a wholly-owned subsidiary in Guangzhou, China, known as UGG, as an intermediate investment holding company in China; and
 - (ii) UGG had further incorporated a wholly-owned subsidiary in Tianjin, China, known as UGT, principally engaged in municipal sludge treatment and management, industrial wastewater treatment and recycling, and other environmental related projects.
- (b) On 6 January 2021, the Company announced that its wholly-owned subsidiary, UGT, had secured the Shijiazhuang Contract.
- (c) On 8 January 2021, the Company announced that the Company had, on 7 January 2021, converted S\$5.1 million of its advances to UGH into issued and paid-up capital in UGH.
- (d) On 11 January 2021, the Company announced that UGG had completed the acquisition of 100% of the shares in the capital of Bituo Environmental Technologies (Tianjin) Co., Ltd., an environmental technology company specialising in municipal sludge treatment with nine patents covering different technologies and processes, from Tiptop Envirotech Pte. Ltd. for an aggregate purchase consideration of RMB1.372 million pursuant to a sale and purchase agreement dated 4 January 2021 ("**Bituo Acquisition Contract**").
- (e) On 18 January 2021, the Company announced that it had entered into a joint venture agreement with Nanosun to set up high performance membrane manufacturing facilities in Singapore and China. The Company would own 60% of the joint venture and the remaining 40% would be owned by Nanosun. The total investment was approximately S\$10 million ("**Nanosun JVA**").
- (f) On 28 January 2021, the Company announced that:
 - (i) it had secured the BOT Contract; and
 - (ii) it would be forming a subsidiary with Tianjin Capital Water Co., Ltd with shareholdings of 90% and 10% respectively, to undertake the BOT Contract with an exclusive concession of 25 years.

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- (g) On 31 January 2021, the Company announced that it had entered into a placement agreement (“**2021 Placement Agreement**”) with Stirling Coleman Capital Limited as the placement agent (“**2021 Placement Agent**”), pursuant to which, the Company agreed to offer, and the 2021 Placement Agent agreed to procure subscriptions for, an aggregate of up to 352,941,100 new ordinary shares in the capital of the Company (“**2021 Placement Shares**”) at an issue price of S\$0.17 for each 2021 Placement Share, amounting to an aggregate consideration of up to approximately S\$60.0 million (“**2021 Placement**”). Subject to the approval of shareholders of the Company, 117,647,000 2021 Placement Shares would be placed to Dr Lin (the “**Proposed Chairman Placement**”).
- (h) On 25 February 2021, the Company announced that:
- (i) the 2021 Placement Agent had received firm commitments from subscribers of approximately S\$60.0 million under the 2021 Placement;
 - (ii) one of the placees under the 2021 Placement was Ms Pan Shuhong, a substantial shareholder of the Company holding approximately 12.68% of the total number of issued shares as at the date of the announcement; and
 - (iii) the 2021 Placement Agent might elect to exercise the upsize option to raise additional gross proceeds of up to approximately S\$20.0 million (the “**Upsize Option**”) if suitable strategic investors were identified.
- (i) On 3 March 2021, the Company announced that the 2021 Placement Agent had agreed with the Company that it would not exercise the Upsize Option.
- (j) On 15 March 2021, the Company announced that the 2021 Placement and the Proposed Chairman Placement would result in a transfer of controlling interest in the Company to Dr Lin, and accordingly, the Company would be seeking specific shareholders’ approval for the transfer of controlling interest in the Company to Dr Lin.
- (k) On 14 April 2021, the Company announced that:
- (i) it had recorded pre-tax losses for the three most recently completed consecutive financial years (based on audited full year consolidated accounts); and
 - (ii) its latest 6-month average daily market capitalisation as at 14 April 2021 was S\$156.9 million.
- (l) On 26 April 2021, the Company announced that:
- (i) the Company, the 2021 Placement Agent and the placees had mutually agreed to terminate the proposed 2021 Placement Agreement by way of a termination letter dated 26 April 2021 (the “**Termination Letter**”), 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 2021 Placement Agreement as well as the conditions precedent of the 2021 Placement Agreement pending fulfilment; and

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- (ii) as an alternative to the 2021 Placement, the Group was 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 on the basis of one rights share for every two existing shares held by entitled shareholders as at a record date to be determined.
- (m) On 3 May 2021, the Company announced that:
 - (i) it was in advanced negotiations on a joint investment with a local government in the Shandong province, pursuant to which it was contemplated that the Company would be taking a shareholding interest of 53.3% in such investment; and
 - (ii) the aggregate amount for the proposed investment was expected to be approximately RMB250,000,000 and the proposed investment was expected to involve investments in two Transfer-Operate-Transfer (“TOT”) animal waste treatment and resource recovery facilities, one BOT sludge treatment plant, and one O&M contract for an industrial wastewater treatment plant.
- (n) On 7 May 2021, the Company announced that UGH had increased the paid-up capital of UGG from RMB29,000,000 to RMB46,500,000, by way of a cash injection of RMB17,500,000. The cash proceeds received by UGG would subsequently be injected into UGT to increase UGT’s paid-up capital, from RMB25,000,000 to RMB42,500,000, to finance its working capital and projects.
- (o) On 12 May 2021, the Company announced that:
 - (i) it had entered into a joint investment agreement with the local government of Yishui county, Linyi city and Shandong province to take an indirect shareholding interest of 46.8% in investments in animal manure, sludge and wastewater treatment projects in the county (the “**Local Government JVA**”);
 - (ii) it would form a joint venture company with Jinan Kaida Huicheng Shui Wu Co., Ltd and Qingdao Hexin Huanjing Co., Ltd with shareholdings of 72%, 18.2% and 9.8% respectively, and the joint venture company would then participate in an investment company with the local government with shareholding interests of 65% and 35% respectively; and
 - (iii) the total investment amount was expected to be approximately RMB255,000,000 for the investments in two TOT animal manure treatment and resource recovery facilities with combined treatment capacity of 1,000 ton/day, one BOT sludge treatment plant of 100 ton/day, and one O&M contract for a 30,000m³/day industrial waste water treatment plant.
- (p) On 30 June 2021, the Company announced that:
 - (i) it had received RMB15.0 million from the supplier 敦煌市莫峰贸易有限公司 (also known as “Mofeng”) in accordance with the settlement agreement signed between the Company and Mofeng;

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- (ii) it had fully repaid the bank borrowing of RMB24.0 million during the first quarter of 2021. As at 30 June 2021, the Group had no outstanding bank borrowings;
 - (iii) it had entered into a joint venture agreement (“**Zhongxing JVA**”) with Shandong Shuifa Zhongxing Group Co. Ltd (山东水发众兴集团有限公司 or “Zhongxing”), a large state-owned enterprise in Shandong Province, China, to provide environmental solutions, mainly sludge treatment, smart water and energy management to Zhongxing; and
 - (iv) it would form a joint venture company with Zhongxing with shareholdings of 49% and 51% respectively, which will be incorporated in Shandong Province with a total registered paid-up capital of RMB50 million (approximately S\$10.5 million).
- (q) On 8 July 2021, the Company announced that (“**8 July 2021 Announcement**”):
- (i) the Board had been notified by the Company’s Executive Chairman and Chief Executive Officer, Dr Lin, and the Company’s Deputy Chief Technology Officer, Dr Guo, that they have received requests from the SPF, the Authority and CAD in connection with investigations relating to trading of Shares in the Company;
 - (ii) based on the letter dated 7 July 2021 received by each of Dr Lin and Dr Guo from the SPF, the Authority and CAD, they were informed that CAD was conducting an investigation into an offence under the SFA, and Dr Lin and Dr Guo were asked to attend interviews with CAD as they appeared to be acquainted with the circumstances of the case being investigated;
 - (iii) each of them further received a letter from the SPF dated 7 July 2021 whereby they were required to surrender their travel documents to CAD as part of police investigations into the offence of insider trading under Sections 218 and 219 of the SFA as there had arisen reasonable grounds for believing that they had committed an offence. In connection with the aforesaid, CAD had further seized certain electronic devices (including mobile phone and laptop) belonging to them for forensic purposes;
 - (iv) save as disclosed above, the Company was not aware of any restrictions or conditions imposed by the SPF, the Authority or CAD on Dr Lin or Dr Guo as at the date of the 8 July 2021 Announcement;
 - (v) the Nominating Committee had assessed the situation and was of the view that as the abovementioned investigations were still ongoing and no formal charges had been made against any person, Dr Lin’s and Dr Guo’s roles and responsibilities in the Company should continue as normal. The Board had accepted the Nominating Committee’s recommendation and was of the view that both Dr Lin and Dr Guo should continue to discharge their responsibilities and duties in the operation of the Group’s businesses to ensure business continuity. The Board had requested Dr Lin and Dr Guo to keep the Board updated on the progress of the abovementioned

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investigations. The Board would continue to monitor the progress of the abovementioned investigations as informed by Dr Lin and Dr Guo, and reassess Dr Lin's and Dr Guo's suitability as a director and/or key management of the Company where appropriate in due course; and

- (vi) the business and operations of the Group were not affected by the abovementioned investigations and would continue as normal.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

- (i) in the case of the equity capital, the issued capital; or**
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**

As at the Latest Practicable Date, the equity capital and loan capital of the Company are as follows:

Issued and paid-up share capital	:	S\$55,703,018.991
Number of ordinary shares in issue (excluding treasury shares)	:	1,326,976,200
Loan capital	:	Not applicable

(e) where –

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**
- (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;**
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As at the Latest Practicable Date, the interests of the Substantial Shareholders in the Shares, based on information recorded in the Register of Substantial Shareholders maintained by the Company are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares ⁽¹⁾	%	Number of Shares ⁽¹⁾	%
Dr Lin	209,853,000	15.81	–	–
Pan Shuhong	165,000,000	12.43	3,199,000 ⁽²⁾	0.24
Chua Beng Huat/ Goh Bee Lan	–	–	71,299,000 ⁽³⁾	5.37

Notes:

- (1) Based on 1,326,976,200 issued Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Pan Shuhong is deemed to be interested in 3,199,000 Shares held through her nominee, OCBC Securities Private Limited.
- (3) Chua Beng Huat and Goh Bee Lan are husband and wife. Each of Chua Beng Huat and Goh Bee Lan is deemed to be interested in the 71,299,000 Shares held under a DBS Bank Joint Account through their nominee, DBS Nominees Pte. Ltd.

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- (f) Any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**
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As at the date of lodgement of this Offer Information Statement, save as disclosed in this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings to which the Company or any of its Subsidiaries is a party, including those which are pending or known to be contemplated, which may have or would have had, in the 12 months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group taken as a whole.

- (g) Where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –**
- (i) if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or**
- (ii) if the securities, securities-based derivatives contracts or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities, securities-based derivatives contracts or equity interests.**

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As announced by the Company on 29 May 2020, the Company had completed the placement of 120,000 new Shares at a placement price of S\$0.015 per share. Further, as announced by the Company on 3 September 2020, the Company had completed the renounceable underwritten rights issue of 587,767,200 new Shares at a placement price of S\$0.015 per share.

Save as disclosed, the Company has not issued any securities, securities-based derivatives contracts or equity interests for cash or for services (in respect of services provided by a service provider as opposed to services provided in the course of employment) within the 12 months immediately preceding the Latest Practicable Date.

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- (h) A summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**
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A summary of the material contracts, not being contracts entered into in the ordinary course of business, entered into by the Company or its Subsidiaries during the two (2) years immediately preceding the date of lodgement of this Offer Information Statement is set out below:

- (a) the renewals of the JAEE Loan;
- (b) the 2020 Placement Agreement;
- (c) the 2020 Management and Underwriting Agreement;
- (d) the Shijiazhuang Contract;
- (e) the Bituo Acquisition Contract;
- (f) the Nanosun JVA;
- (g) the BOT Contract;
- (h) the 2021 Placement Agreement and the Termination Letter;
- (i) the Local Government JVA; and
- (j) the Zhongxing JVA.

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PART 5: OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from –
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recently completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.
2. The data mentioned in paragraph 1 of this Part must include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and must in addition include the following items:
 - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share;
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.
3. Despite paragraph 1 of this Part, where –
 - (a) unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and
 - (b) the audited financial statements for that year are unavailable,

the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

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The audited consolidated income statements of the Group for FY2018, FY2019 and FY2020 are set out below:

	FY2018	FY2019	FY2020
	RMB'000	RMB'000	RMB'000
	Audited	Audited	Audited
Revenue	53,818	37,239	13,736
Cost of sales	(39,675)	(27,821)	(10,378)
Gross profit	14,143	9,418	3,358
Financial income	31	22	23
Other income	40	146	389
Selling and distribution expenses	(2,522)	(1,291)	(1,356)
Administrative expenses	(16,088)	(10,461)	(13,911)
Finance costs	(4,435)	(5,877)	(4,951)
Impairment loss on financial assets and contract assets	(1,004)	(16,084)	(45,714)
Other expenses	(585)	(4)	(2,771)
Loss before taxation	(10,420)	(24,131)	(64,933)
Taxation	119	(6)	75
Loss after taxation	(10,301)	(24,137)	(64,858)
Other comprehensive income after tax	–	–	–
Total comprehensive loss for the year	(10,301)	(24,137)	(64,858)
Loss attributable to:			
Owners of the parent	(10,297)	(24,133)	(64,858)
Non-controlling interests	(4)	(4)	–
	(10,301)	(24,137)	(64,858)
Total comprehensive loss attributable to:			
Owners of the parent	(10,297)	(24,133)	(64,858)
Non-controlling interests	(4)	(4)	–
	(10,301)	(24,137)	(64,858)
Loss per share – Basic and diluted (RMB cents)	(1.67)⁽¹⁾	(2.79)⁽²⁾	(6.11)⁽¹⁾

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Notes:

- (1) Calculated based on weighted average number of Shares in issue of 617,209,000 in FY2018 and 1,061,041,565 in FY2020.
- (2) Calculated based on the weighted average number of Shares in issue of 865,003,610 since the loss per share for FY2019 was adjusted retrospectively to reflect the effects of the 2020 Rights Issue in accordance with SFRS(I) 1-33.

	FY2018	FY2019	FY2020
	(Audited)	(Audited)	(Audited)
Dividend per share (RMB cents)	–	–	–
Loss per share – Basic and diluted before the Rights Issue (RMB cents)	(1.67) ⁽¹⁾	(2.79) ⁽²⁾	(6.11) ⁽¹⁾
Loss per share – Basic and diluted after the Rights Issue (RMB cents)	(0.52) ⁽⁵⁾	(1.21) ⁽⁵⁾	(3.26) ⁽⁶⁾
Loss per share – Basic and diluted after the Rights Issue (RMB cents)	(0.72) ⁽⁷⁾	(1.69) ⁽⁸⁾	(4.53) ⁽⁹⁾

Maximum scenario

- (3) Calculated based on weighted average number of 617,209,000 Shares in issue in FY2018 and FY2019 for basic and diluted EPS respectively.
- (4) Calculated based on weighted average number of 1,326,976,200 Shares in issue in FY2020, assuming the 2020 Placement and 2020 Rights Issue had been completed at the beginning of the financial year for basic and diluted EPS.
- (5) Calculated based on Note 3 above, assuming the 2020 Placement and 2020 Rights Issue had been completed at the beginning of the financial year, and adjusting for the issuance of 663,488,100 Rights Shares and assuming that the Rights Issue had been completed at the beginning of the financial year and there is no income generated from the Net Proceeds.
- (6) Calculated based on Note 4 above and adjusting for the issuance of 663,488,100 Rights Shares and assuming that the Rights Issue had been completed at the beginning of the financial year and no income is generated from the Net Proceeds.

Minimum scenario

- (7) Calculated based on Note 1 above, assuming the 2020 Placement and 2020 Rights Issue had been completed at the beginning of the financial year, and adjusting for the issuance of 104,926,500 Rights Shares and assuming that the Rights Issue had been completed at the beginning of each financial year and there is no income generated from the Net Proceeds.
- (8) Calculated based on weighted number of Shares in issue 617,209,000, assuming the 2020 Placement and 2020 Rights Issue had been completed at the beginning of each financial year, and adjusting for the issuance of 104,926,500 Rights Shares and assuming that the Rights Issue had been completed at the beginning of each financial year and there is no income generated from the Net Proceeds.
- (9) Calculated based on Note 4 above and adjusting for the issuance of 104,926,500 Rights Shares and assuming that the Rights Issue had been completed at the beginning of each financial year and there is no income generated from the Net Proceeds.

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4. In respect of:

- (a) each financial year (being one of the 3 most recently completed financial years) for which financial statements have been published; and**
- (b) any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

Save as disclosed below and in this Offer Information Statement, the Directors are not aware of any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the Group.

As mentioned at paragraph 8(b) in Part 4 of this Offer Information Statement above, the Group is a premier environmental services provider of services including system integration, equipment and product supply, project investment, EPC, and O&M.

A summary of the operations, business and financial performance of the Group, as extracted and summarized from the related announcements released by the Company via SGXNET, is set out below.

Shareholders are advised to refer to the public announcements released by the Company via SGXNET for further details.

FY2020 vs FY2019

The total revenue of the Group decreased by RMB23.5 million or 63.1%, from RMB37.2 million in FY2019 to RMB13.7 million in FY2020. This was mainly due to: (i) the fact that no new contracts were secured during the financial year; (ii) the Group's management's decision to amicably terminate the industrial wastewater project in Linjiang in view of the slow progress and payment; and (iii) the industrial waste gas and wastewater contracts coming to an end. As a result, the overall gross profit margin decreased by 0.9%, from 25.3% in FY2019 to 24.4% in FY2020. This was mainly due to a lower profit margin contribution by the industrial wastewater contract in Linjiang as this project has been amicably terminated by the management in view of the slow progress and collections. Furthermore, the fact that the Group did not bill a customer in connection with work performed on a dust elimination contract also impacted its gross profit margin in FY2020.

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The Group also experienced higher impairment loss on financial assets and contract assets of RMB29.6 million based on the expected credit loss model as a result of the higher probabilities of default in view of the heightened risks posed by the COVID-19 pandemic coupled with higher operating expenses of RMB6.3 million attributed mainly to the headcount additions in Singapore office and newly incorporated subsidiaries in Guangzhou and Tianjin, as well as the impaired intangible assets of RMB1.0 million relating to patent for a dust elimination technology. This increase was partly offset by lower finance costs of RMB0.9 million as a result of repayments of bank borrowings of RMB24.0 million in FY2020 as compared with RMB50.0 million in FY2019.

In view of the above, loss after taxation increased by RMB40.8 million, from RMB24.1 million in FY2019 to RMB64.9 million in FY2020.

FY2019 vs FY2018

The total revenue of the Group decreased by RMB16.6 million or 30.8% in FY2019, from RMB53.8 million in FY2018 to RMB37.2 million in FY2019. The Group's dust elimination segment was the main factor to the Group's overall performance as the revenue for this segment decreased by RMB28.8 million to RMB10.3 million in FY2019. In addition, the absence of revenue from the design, technical and others segment of RMB0.2 million also contributed to the Group's lower revenue in FY2019. However, the decrease was partly offset by increased revenue from the industrial wastewater segment of RMB12.4 million due to new contracts added. Overall, the gross profit margin decreased marginally by 1.0%, from 26.3% in FY2018 to 25.3% in FY2019 because of the lower than average gross profit margin derived from two smaller dust elimination contracts. However, the impact was cushioned by the better profit margin derived from certain large scale industrial wastewater contracts.

The Group also experienced higher impairment loss on financial assets and contract assets of RMB15.1 million based on the expected credit loss model and finance costs of RMB1.5 million due to higher weighted interest rate charged by the bank, which were partially offset by the lower average quantum drawn down of RMB50.0 million in FY2019 as compared with RMB54.9 million in FY2018. In addition, interest was also paid on a third party loan and unsecured short term loans which contributed to the higher finance costs in FY2019. This increase was partly offset by the decrease in operating expenses of RMB7.4 million which was mainly in line with the decrease in the business activities of the Group.

In view of the above, loss after taxation increased by RMB13.8 million, from RMB10.3 million in FY2018 to RMB24.1 million in FY2019.

Financial Position

5. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –
- (a) the most recently completed financial year for which audited financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period.

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The audited consolidated statement of financial position of the Group as at 31 December 2020 is set out below:

	Audited As at 31 December 2020 RMB'000
ASSETS	
Non-Current Assets	
Property, plant and equipment	7,314
	7,314
Current Assets	
Contract assets	3,697
Inventories	915
Trade and other receivables	38,919
Prepayments	101
Bank deposits pledged	3,000
Cash and cash equivalents	47,628
	94,260
Total assets	101,574
EQUITY AND LIABILITIES	
Capital and Reserves	
Share capital	276,699
PRC Statutory common reserve	31,748
Merger reserve	(454)
Accumulated losses	(280,463)
Total equity	27,530
Non-Current Liabilities	
Lease liabilities	446
	446
Current Liabilities	
Contract liabilities	1,671
Trade and other payables	41,924
Borrowings	23,990
Lease liabilities	617
Other liabilities	5,396
	73,598
Total liabilities	74,044
Total equity and liabilities	101,574

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6. The data mentioned in paragraph 5 of this Part must include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and must in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;
 - (b) net assets or liabilities per share;
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

For illustrative purposes only, the following is an analysis of the financial effects of the Rights Issue on the NAV per Share of the Group.

	Maximum Scenario	
	Before the Rights Issue	After the Rights Issue
As at 31 December 2020		
NAV (RMB'000)	27,530	344,709 ⁽¹⁾
Number of Shares	1,326,976,200	1,990,464,300
NAV per Share (RMB cents)	2.07	17.32

	Minimum Scenario	
	Before the Rights Issue	After the Rights Issue
As at 31 December 2020		
NAV (RMB'000)	27,530	76,511 ⁽¹⁾
Number of Shares	1,326,976,200	1,431,902,700
NAV per Share (RMB cents)	2.07	5.34

Note:

(1) Converted at an exchange rate of S\$1: RMB4.8021 as at the Latest Practicable Date.

Liquidity and Capital Resources

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- (a) the most recently completed financial year for which financial statements have been published; and
 - (b) if interim financial statements have been published for any subsequent period, that period.

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The audited consolidated statement of cash flows of the Group for FY2020 is set out below:

	FY2020 RMB'000 Audited
Cash Flows from Operating Activities	
Loss before taxation	(64,933)
Adjustments for:	
Depreciation of property, plant and equipment	1,103
Loss on disposal of property, plant and equipment, net	486
Amortisation of intangible assets	260
Gain on disposal of a subsidiary	(3)
Impairment loss on intangible assets	1,022
Allowance for impairments on financial assets and contract assets	45,714
Gain on re-measurement of lease liabilities	(17)
Gain on de-registration of subsidiaries	(9)
Finance costs	4,951
Finance income	(23)
	(11,449)
Operating loss before working capital changes	(11,449)
Decrease in contract assets	11,747
Decrease in inventories	19
Decrease in trade and other receivables	20,791
Increase in prepayments	(58)
Decrease in contract liabilities	(4,020)
Increase in trade and other payables	5,534
Decrease in other liabilities	(5,605)
	16,959
Cash generated from operations	16,959
Income tax refund	75
	17,034
Net cash generated from operating activities	
Cash Flows from Investing Activities	
Disposal of a subsidiary, net of cash disposed of	(75)
Acquisition of property, plant and equipment	(57)
Proceeds from disposal of property, plant and equipment	403
Interest income received	23
	294
Net cash generated from investing activities	294

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	FY2020 RMB'000 Audited
Cash Flows from Financing Activities	
Proceeds from issuance of ordinary shares via a private placement	9,087
Proceeds from issuance of ordinary shares via rights issue	44,355
Share issue expenses	(1,490)
Proceeds from bank borrowings	11,000
Repayments of bank borrowings	(37,010)
Repayments of lease liabilities	(434)
Proceeds from bills payable, net	1,475
Interest paid	(4,915)
Increase in bank deposits pledged	(1,475)
	20,593
Net cash generated from financing activities	20,593
Net increase in cash and cash equivalents	37,921
Cash and cash equivalents at beginning of year	9,707
	47,628
Cash and cash equivalents at end of year	47,628
Cash and cash equivalents represented by:	
Cash and bank balances	50,628
Less: bank deposits pledged	(3,000)
	47,628
Cash and cash equivalents	47,628

A review of the cash flow position of the Group is set out below:

Review of cash flow for FY2020

The Group's cash and cash equivalents amounted to RMB47.6 million as at 31 December 2020, and accounted for approximately 50.5% of current assets as at the respective balance sheet dates. Net cash generated from operating activities was RMB17.0 million.

The Group's investing activities generated a net cash amount of RMB0.3 million. This was directly attributable to the proceeds received from the disposal of RMB0.4 million of motor vehicles and RMB23,000 of interest income received, which was partially offset by the cash outflow of RMB0.1 million from the purchase of property, plant and equipment and cash outflow arising from the disposal of the subsidiary, Jilin Anjie New Energy Group., Co., Ltd.

The net cash amount that was 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, which was partially offset by the repayments of RMB37.0 million of loans, an increase in bank 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.

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8. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgement of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application moneys will be returned to investors if the minimum net proceeds are not raised.**

As at the date of lodgement of this Offer Information Statement, the Directors are of the reasonable opinion that, after taking into account the balance cash and cash equivalents of the Group, the working capital available to the Group is not sufficient to meet its present requirements, in view of the tightening of bank lending (due to the COVID-19 pandemic) for the financing of the investments in the Secured Projects and working capital for the Shijiazhuang Contract.

In light of the above, and having considered alternative fund raising methods and the benefits and costs of each, the Directors believe that the Rights Issue is in the interest of the Company as it will strengthen the Group's capital base and provide additional funding for the Group's cash flow needs to better enable the Group to withstand the increasing uncertainties of the future arising from the COVID-19 pandemic, while providing Entitled Shareholders with the opportunity for further participation in the equity of the Company. The Directors have taken into consideration that the impact of the COVID-19 pandemic may continue for the next 12 months.

The estimated Net Proceeds, assuming (a) the Maximum Scenario, the Net Proceeds (after deducting expenses of S\$0.30 million), is expected to be approximately S\$66.05 million, and (b) the Minimum Scenario, the estimated Net Proceeds (after deducting estimated costs and expenses of S\$0.3 million), is expected to be approximately S\$10.20 million.

The Directors are of the opinion that barring any unforeseen circumstances and after taking into account the Group's internal resources and the 5% of the Net Proceeds from the Minimum Scenario, the working capital available to the Group is sufficient for at least the next 12 months.

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9. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the relevant entity, provide –
- (a) a statement of that fact;
 - (b) details of the credit arrangement or bank loan; and
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).

As at the Latest Practicable Date, to the best of the Directors' knowledge, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the Company.

Trend Information and Profit Forecast or Profit Estimate

10. Discuss –
- (a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and
 - (b) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

Save as disclosed below and in this Offer Information Statement, the Company's annual reports, circulars and SGXNET announcements (including the 8 July 2021 Announcement), and barring any unforeseen circumstances, the Directors are not aware of any known trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Group's revenue, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the Group.

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The following discussions about the Group's business trends contain forward-looking statements that involve risk and uncertainty. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Information Statement.

Business and Financial Prospects of the Group for FY2021

Upon the completion of the 2020 Placement, the Group decided to convene a strategic review committee ("**SRC**"), comprising the Directors, the chief financial officer of the Company and the strategic investor, Dr Lin, to evaluate and review the Group's existing business model and to make recommendations to the Board on the strategic direction, innovations and initiatives of the Group, including growing and strengthening the Group's existing businesses, enhancing the Group's core competencies, achieving better operational and management synergies and efficiencies, developing new growth engines, active pursuit of new projects and opportunities, reviewing capital allocations and planning to ensure satisfactory return of capital, promoting and rewarding a culture of innovation across the Group, as well as sourcing, supporting, evaluating and fund raising in respect of merger and acquisition opportunities and business model transformation activities.

After reviewing the current business model of the Group and the recommendations from the SRC, the Board approved the SRC's proposals and recommendations to expand the Group's business in the treatment of municipal sludge, industrial wastewater treatment and production of equipment widely used in water and sludge treatment. It was also recommended that the Group needed to rebalance its revenue streams with more recurring income, as the revenue generated based on the existing business model consists mainly of one-off, turnkey projects. The following are the five recommendations of the SRC which were aimed at transforming the Group into a technology driven, comprehensive one-stop environmental solutions provider:

1. Attract talent and build a core team, including technical experts, market development and senior management personnel and creating an enterprise culture of technological innovation and management efficiency.
2. Develop innovative environmental technologies, focusing on the development of "economical, intelligent, efficient and reliable" municipal sludge and industrial wastewater treatment technologies, as well as high-performance membrane technologies. Develop standardised treatment equipment and systems based on the Group's technology and scale up production in order to reduce project investment, construction and operating costs.
3. Move to high-tech oriented business to differentiate the Group from other environmental protection companies. Focus on municipal sludge treatment and disposal, and industrial wastewater treatment based on high-end membrane technologies. 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 ("**EPC**"), and O&M.

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4. Actively explore project investment, merger and acquisition (“M&A”) opportunities, as well as sludge and wastewater treatment O&M projects to improve long-term recurring income. Reduce the risk of significant fluctuations in performance due to the sole reliance on engineering EPC revenue sources. Focus on relatively larger EPC projects with reputable enterprises and forgo or avoid undertaking small-scale engineering projects in order to improve productivity and resources allocation.
5. Explore low-cost financing channels, innovate investment and operating models to ensure the cost-effective implementation of investment projects.

The Board, after due consideration of the expertise and contributions that Dr Lin is able to bring to the Company, appointed Dr Lin as an executive director of the Company with effect from 8 June 2020 to oversee and advise on the transformation plans of the Group.

Against this backdrop, the Group first made advancement in its transformation plans at the start of the new financial year 2021 when it secured two environmental related contracts in respect of industrial wastewater and sludge treatment, namely the Shijiazhuang Contract and the BOT Contract, which are in aggregate valued at approximately RMB119.0 million. In addition to these two contracts, the Group entered into the Local Government JVA on 12 May 2021 and the Zhongxing JVA on 30 June 2021. Upon completion, the Shijiazhuang Contract, the BOT Contract, the Local Government JVA and the Zhongxing JVA are expected to contribute positively to the Group’s revenue and earnings. Save for the one-off revenue that will be generated from the equipment supply in relation to the Shijiazhuang Contract and construction of the plant and facility in relation to the BOT Contract, each of the Shijiazhuang Contract, the BOT Contract, the Local Government JVA and the Zhongxing JVA include O&M components which are expected to provide long-term recurring income to the Group.

With regards to M&A, the Group had entered into the Bituo Acquisition Contract on 4 January 2021. The Group’s management believes that the acquisition will add synergies to the Group’s business, and further enhance its ability in tendering and securing more sludge treatment projects. Furthermore, the Group also entered into the Nanosun JVA in January 2021 to set up manufacturing facilities in Singapore and China to produce high performance membrane. The hybrid membrane has the potential to be a game changer for the membrane industry.

With the Group’s strong pipeline of projects and investments, the Board supports the Group’s management’s decision to undertake another fund raising exercise which not only strengthens the Group’s balance sheet amid the COVID-19 pandemic, but also allows the Group to procure more financial resources to participate and invest in more environmental projects, which will facilitate long-term sustainable growth for the Group and add value to its shareholders.

In view of these positive business developments, the Board and Group’s management are cautiously optimistic that the Group will be able to turn the Group’s businesses around in the coming years. Hence, barring any unforeseen circumstances, Group’s management believes that it is on track to deliver an improved set of financial results in the year ahead.

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RISK FACTORS

To the best of the Directors' knowledge and belief as at the Latest Practicable Date, the risk factors that are material to Shareholders and prospective investors in making an informed judgment on the Rights Issue (save for those which have already been disclosed to the general public) are set out below. Shareholders and prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest in the Rights Shares. The Group could be affected by a number of risks that may relate to the industries and countries in which the Group operates as well as those that may generally arise from, *inter alia*, economic, business, market and political factors, including the risks set out herein.

The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business, financial condition, results of operations and prospects of the Group could be materially and adversely affected. In such event, the trading price of the Shares and/or Rights Shares could decline due to any of these considerations and uncertainties, and Shareholders and investors may lose all or part of their investment in the Shares and/or Rights Shares.

RISKS RELATING TO THE GROUP'S BUSINESS AND OPERATIONS

The Group's financial performance is dependent on its ability to secure new EPC or investment projects (collectively, "Projects") and/or to secure new and profitable Projects on favourable terms

The Group is undergoing a transformation to position itself as a technology driven environmental solutions provider, and to expand the Group's business in the treatment of municipal sludge, industrial wastewater treatment and production of equipment widely used in water and sludge treatment. It is anticipated that a substantial part of the Group's future revenue will be generated from its turnkey EPC projects and investment projects relating to the treatments of sludge, industrial wastewater and other environmental related projects. Although the Group expects the Projects to contribute a significant portion of revenue in subsequent periods, there is no assurance that it will be able to secure a consistent number of new Projects per year, which may adversely affect its financial performance and financial condition.

The Group's turnkey EPC projects are non-recurring in nature, while the investment projects which normally include O&M contracts will provide the Group with long-term recurring income. To sustain the future growth of the Group, it is imperative to rebalance its revenue streams with recurring income. Hence, the Group needs to consistently build its order book with a healthy mix of turnkey EPC projects and investment projects. However, such Projects are generally secured through a tender process whereby a contract is awarded to the most competitive bidder. Hence, the Group's financial performance is dependent on its ability to secure a healthy mix of new Projects, and there is no certainty that the Group will continue to succeed in its tender for new Projects.

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Due to the nature of the Group's business, the number and value of the Projects that it is able to secure fluctuates from year to year. In addition, in order for the Group to secure certain Projects, in particular, larger Projects or Projects with higher profit margins or to achieve certain internal rate of returns ("IRR"), the Group may offer payment terms which are less favourable to the Group and/or longer payment terms. This will require the Group to accurately estimate and balance profit margins, IRR and payment terms when securing Projects. In the event that the Group is unable to accurately estimate and balance profit margins, IRR and payment terms when securing Projects, its profitability and/or cash flow may be adversely affected. Hence, there is no assurance that the Group will continue to be able to secure new Projects that are profitable or achieve a certain IRR and/or on terms that are favourable to it. If the Group is unable to secure new and profitable Projects, Projects which will achieve higher IRR and/or Projects on favourable terms to the Group, its financial performance will be adversely affected.

The Group may be affected by delay, termination or reduction of the scope of its on-going and secured Projects

The Group may experience unanticipated delays or stoppage in the completion of projects it undertakes due to unforeseen circumstances such as the outbreak of communicable diseases such as COVID-19, occurrences of fire, bad weather conditions, floods, earthquake or other natural calamities, stoppage in supply of utilities, power failures, machinery and equipment breakdown, and other events beyond its control.

Should any unfavourable events occur, it may cause partial or complete destruction to the Group's projects-in-progress and machinery and equipment and/or lead to unexpected and prolonged delays in the completion of the Group's projects within the specified period as stated in the contracts and the Group would be liable to pay liquidated damages and re-construction costs. Such events may adversely affect the Group's level of profitability. In addition, the Group does not maintain any insurance policies for its projects-in-progress and hence it will not be compensated for any damage or delay caused to its projects-in-progress.

The Group is subject to revenue and profit volatility if the Group cannot secure a considerable amount of investment projects year on year

In the absence of any considerable amounts of contributions from its investment projects, the Group will be susceptible to revenue and profit volatility which is characteristic of companies engaged in project-based work with a milestone payment schedule. The revenue to be recognised in a financial year is dependent on the number, value and stage of completion of projects undertaken by the Group and the contract prices of the turnkey EPC projects, which in turn depend on various factors, such as availability of the Group's resources, market sentiment, market competition and general economic conditions.

There is no assurance that the revenue generated by the Group through its turnkey EPC projects in process industries will remain comparable every year. There is also no assurance that the Group will be able to continuously secure new projects of similar value and volume or to continuously realise the value of the Group's turnkey EPC projects at a similar value or volume.

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In the event that the Group is unable to undertake or consistently secure a considerable number of turnkey EPC projects, or should there be any delay in the progress of the Group's turnkey EPC projects, the Group's financial performance and financial condition may be adversely affected.

The Group may experience insufficient operating cash flow from time to time due to significant capital outlay which may be required for its investment projects

Due to the capital intensive and long term nature of the Group's investment projects, there is no assurance that the Group will be able to secure adequate funding or refinancing for these investment projects on terms that are acceptable to the Group or at all or that these projects will achieve their initial expected returns.

To finance the significant capital outlay in the early phases of the investment projects, the Group may have to rely on external financing. There is no assurance that such financing, whether on a short-term or a long-term basis, will be available to the Group or, if available, that such financing can be obtained on favourable or commercially reasonable terms. Failure to obtain financing on favourable or commercially reasonable terms might render it unfeasible for the Group to undertake such investment projects and adversely affect its business and growth prospects.

Additionally, if the Group is unable to obtain financing on a timely basis or at a reasonable cost, the Group may experience constraints on its capital expenditure, delays in the implementation of the investment projects, be exposed to potential penalties under the concession agreements and the completion of construction or commencement of operation may be delayed, which could materially and adversely affect its business, financial condition and results of operations.

The Group's turnkey EPC projects and investment projects may be affected by cost overruns and/or increases in costs

The Group's turnkey EPC projects and investment projects are awarded based on competitive bids, it is important that the Group manages its projects in terms of timing, procurement of materials and allocation of resources. The tendered price is based on cost estimates at the time of submission of tender. Owing to the long duration of the Group's projects, which may exceed one year or more, its business is susceptible to cost overruns and fluctuations in raw material costs, cost of supplies, labour costs and fixed overheads, resulting in unanticipated erosion in profit margins or even losses. In particular, the Group's raw materials and other expenses such as subcontracting costs may vary from the tendered price, and hence result in cost overruns over the duration of the project.

Cost overruns may also result from poor site management of the Group's projects such as the Group's failure to implement projects which fully satisfy its customers' requirements and expectations, or wastage or damage of its raw materials. Unforeseen circumstances beyond the Group's control, such as severe bad weather conditions, may also result in cost overruns. In the event of cost overruns, the profit margin of a project would be adversely affected.

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Unforeseen circumstances such as unfavourable weather conditions, unanticipated construction constraints at worksites, increases in the costs of labour, construction materials, equipment, rental and sub-contracting services, unanticipated variations in labour and equipment productivity over the term of a project or corrective measures for poor workmanship may arise in the course of the Group's projects which may result in unanticipated additional costs over and above the initial budget. Where such costs overruns are not able to be passed onto its customers, the Group may have to absorb such cost overruns and may suffer diminished profits or losses on the project. The Group's profitability and financial performance would be materially and adversely affected.

The Group is exposed to risks in relation to prepayments made to its suppliers and subcontractors

The Group is exposed to financial risk associated with prepayments made to its suppliers and subcontractors. As part of its contractual dealings with its suppliers and subcontractors, the Group disburses prepayments to its suppliers and subcontractors for materials to be delivered and services to be performed by such suppliers and subcontractors at a later date. In respect of such prepayments made, the Group suffers a loss of interest on funds used to make such payments. Further, in the event that a supplier or a subcontractor who has received such payments from the Group becomes insolvent prior to the delivery of the materials or services to be delivered, the Group may not be able to recover the prepaid amounts and may be left with no right to the materials or services for which it had made the prepayment.

The Group's subcontractors may default on their obligations

The Group engages subcontractors for its projects. These subcontractors are selected based on factors such as the Group's past working experience with them, their licences and certifications, track record, pricing, quality and safety requirements, financial and human resources and their ability to meet the Group's project schedule. There is, however, no assurance that the equipment and materials used by and the services rendered by the Group's subcontractors will continue to be of a satisfactory standard, as stipulated under the relevant agreements or relevant regulatory requirements. In the event of any default by such subcontractors engaged by the Group, the Group may incur liabilities to its customers. Furthermore, any adverse changes in its subcontractors' business conditions, whether financial or otherwise, which affect their ability to fulfil their contractual obligations to the Group, may result in the Group not being able to complete its projects on time.

In the event that the Group is unable to find suitable alternative subcontractors in time and at comparable prices or commercial terms, it may be subject to cost overruns or may be exposed to the risk of incurring liquidated damages. Accordingly, the Group's business, operations, financial performance and prospects may be adversely affected. In FY2018, FY2019, FY2020, and FY2021 up to the Latest Practicable Date, the Group did not experience any default by its subcontractors which had a material adverse impact on its business, operations or financial performance.

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The Group is subject to risks of late payment or non-payment by its customers from turnkey EPC contracts and investment projects

The Group's trade and other receivables in relation to its turnkey EPC contracts, accounted for approximately 24.39%, 79.65% and 41.29% of the Group's current assets and approximately 23.12%, 74.97% and 38.32% of the Group's total assets as at the end of FY2018, FY2019 and FY2020, respectively. Therefore, the Group's financial position and profitability is dependent to a large extent on the creditworthiness of its customers.

The Group faces uncertainties over the timeliness of its customers' payments and their solvency or creditworthiness. Typically, for turnkey EPC projects, the Group issues invoices for its services based on project milestones with a credit term of 30 days to 60 days. However, there is no assurance that the Group will be able to collect any progress payments on a timely basis, or at all. In the event that the Group's customers significantly delay, or default entirely on, payments to Group, the Group may face a material increase in bad and doubtful debts, which will have an adverse impact on its cash flow and financial performance.

As for its investment projects, once the facility is operational, the Group receives regular cash payments from the relevant customer based on the contractually agreed pricing formula and the volume of sludge or wastewater treated or water supplied (or the contractually guaranteed minimum volume, if any). Service concession receivables for investment projects are settled during the concession periods of the relevant investment projects, which range from 20 to 30 years. With such a long period for payment of tariffs, the Group is subject to the credit risks of its customers who owe receivables to the Group under the concession agreements. The Group's profitability is dependent on its customers making prompt payment on billings for work performed by the Group and if there is any delay or failure to provide payment by the Group's customers, the Group's working capital, profitability and cash flow may be adversely affected.

The Group's customers may be unable to meet their contractual payment obligations to the Group, either in a timely manner or at all, or may otherwise default on these obligations. The reasons for payment delays and/or cancellations may include, *inter alia*, the Group's customers' insolvency or bankruptcy, or their inability to raise sufficient financing. The Group may have to increase its allowance for impairments of contract assets and financial assets in FY2021 if it experiences further payments delay or default by the customers.

In the event that the Group's customers extend the delivery date for the products they place orders for or cancel their orders, the Group's cash flow, working capital and financial position may be materially affected. In addition, the Group's customers may even forgo their deposits and cancel their orders with the Group before the stipulated date of delivery. Therefore there is no assurance that the Group will be able to recover such costs from its customers. Further, the Group may not be able to enforce its contractual rights to receive payment through legal proceedings. In such event, the Group's financial performance and financial position may be adversely affected.

The Group's profitability may be adversely affected by disputes, claims or inability to agree on variation orders

Due to the nature of the engineering industry, it is common for claims to be made by and against contractors or sub-contractors on grounds such as defective works and non-compliance with contract specifications. It is also industry practice for customers to

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withhold a certain percentage, typically between 5% to 10%, of the contract sum as retention monies to guard against defective works. In the event of any major claims or disputes with the Group's customers arising from the performance of the contract or as a result of the conduct of the Group's subcontractors, the Group's financial performance may be adversely affected.

Typically, the Group is required to adhere to project schedules as agreed in the contracts with its customers. In the event that the Group fails to meet project deadlines, the Group could be required to pay penalties or liquidated damages, equivalent to a certain percentage of the contract sum, to such customers. Should these develop into actual events, these would adversely affect the Group's business and financial performance. In addition, the Group's customers may claim against it for delayed delivery which may have arisen from the late delivery of any of the suppliers from whom it procures its products. There can be no assurance that the Group will be able to claim from its suppliers any indemnification or compensation for such claims against it.

Customers may require the Group to perform certain works not specified in the contract or to carry out changes not in the agreed upon specifications. Within the engineering industry it is common market practice for contractors or sub-contractors to commence such variation works before the additional charges are agreed with the customers in order not to cause any delay to the completion of the project. In the event that disagreements arise over the additional charges to be levied for the variation works, and should the Group have to bear a portion of the additional costs incurred or waive certain additional charges, the Group's profits will be materially and adversely affected.

In the event that the Group is involved in any legal dispute or court proceedings relating to the Group's products and/or services, it may have to spend a significant amount of resources defending itself. As such, its business, financial condition, results of operations and/or prospects may be materially and adversely affected.

Any disputes relating to defective workmanship, non-compliance with specifications, progress payments, variation orders, retention monies, or otherwise relating to the Group's projects materially and adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group's success depends upon its management team and other key personnel, the loss of any of whom could disrupt its business operations

The Group believes that its future success is dependent upon the continued service of its senior management team and other key personnel who have valuable and long-standing experience in the business in which the Group operates and an important depth of understanding of the demands, technicalities and intricacies of the Group's business and the Group's customers' needs. There can be no assurance that the Group will retain its management team and key personnel, including its Executive Directors, or that the Group will be able to attract, train or retain qualified personnel in the future.

As announced by the Company in the 8 July 2021 Announcement, the Board had been notified by the Company's Executive Chairman and Chief Executive Officer, Dr Lin, and the Company's Deputy Chief Technology Officer, Dr Guo, that they received requests from the SPF, the Authority and CAD in connection with investigations relating to trading of Shares in the Company. Each of them had received a letter from the SPF dated 7 July 2021 whereby they were required to surrender their travel documents to CAD as part of police investigations into the offence of insider trading under Sections 218 and 219 of the SFA as

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there had arisen reasonable grounds for believing that they had committed an offence. In connection with the aforesaid, CAD had further seized certain electronic devices (including mobile phone and laptop) belonging to them for forensic purposes. As announced in the 8 July 2021 Announcement, the Nominating Committee had assessed the situation and was of the view that as the aforesaid investigations were still ongoing and no formal charges had been made against any person, Dr Lin's and Dr Guo's roles and responsibilities in the Company should continue as normal. As stated in the 8 July 2021 Announcement, the Board had accepted the Nominating Committee's recommendation and was of the view that both Dr Lin and Dr Guo should continue to discharge their responsibilities and duties in the operation of the Group's businesses to ensure business continuity. The Board had also stated in the 8 July 2021 Announcement that it would continue to monitor the progress of the aforesaid investigations as informed by Dr Lin and Dr Guo, and reassess Dr Lin's and Dr Guo's suitability as a director and/or key management of the Company where appropriate in due course. The Company will make further announcements as and when there are material developments which come to its attention.

While the operations of the Group are not directly affected by the abovementioned investigations as at the Latest Practicable Date, in the event that there is any loss of key personnel of the Group or inability of key personnel to continue in active operations of the Group, such occurrence may adversely affect the implementation of the Group's business strategies, which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

The Group's operations and business are dependent on its ability to attract and retain skilled personnel

The Group's business requires highly skilled personnel with experience in project management, business development, process and engineering design and procurement. Skilled personnel with the appropriate experience in the Group's industry are limited due to the specialised nature of its work, and competition for the employment of such personnel is intense. There is no assurance that the Group will be able to attract or retain the necessary skilled personnel, or that suitable and timely replacements can be found for skilled personnel who leave the Group. In the event that the Group is unable to continue to attract and retain skilled personnel, it may not be able to complete its projects on time or undertake further projects, and the quality of its services may be affected. This may in turn affect the Group's ability to compete effectively in its industry and to expand its business. The Group may also have to pay substantial wages to attract sufficient numbers of skilled personnel to complete its projects, which will increase its costs and reduce its profit margins. Any of the above factors may have an adverse effect on the Group's business, operations, financial performance and prospects.

The Group may experience industry-related accidents and its insurance coverage may be inadequate

Due to the nature of the Group's operations, it is subject to the risks of its employees or third parties being involved in accidents at its premises, or its customers' premises. Accidents and disruptions to the Group's business operations will have a material adverse impact on its corporate image and financial performance.

The Group's insurance includes fire insurance, burglary and theft insurance, motor vehicles insurance and mandatory employer's and employee's social security contributions covering

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pension funds, medical insurance, unemployment insurance, maternity insurance, work-related injury insurance and housing funds. In addition, the Group has taken up group personal accident and hospitalisation and surgical insurance for its employees. However, no insurance can compensate for all potential losses and there can be no assurance that the insurance coverage will be adequate or that the Group's insurers will pay for a particular claim. There are also certain types of risks that are not covered by the Group's insurance policies, because they are either uninsurable or not economically insurable, including acts of war and acts of terrorism. In addition, the Group is not insured against business interruption. If such events were to occur, the Group would incur additional expenses and its business, financial condition, results of operations and/or prospects may be materially and adversely affected.

The Group may require additional capital in the future in order to continue to grow its business which may not be available on favorable terms or at all

The Group's ability to grow its business and maintain its market shares in the segments in which it operates, through the expansion of the Group's operations and production capabilities, is dependent on the Group's ability to raise additional funds to implement its business strategy or to refinance its existing debt or for working capital. There can be no assurance that such funds will be available on favorable terms or at all. Additional debt financing may increase the Group's financing costs and reduce its profitability. The Group's financing agreements may contain terms and conditions that may restrict its freedom to operate and manage its business, such as terms and conditions that require the Group to maintain certain pre-set debt service coverage ratios and leverage ratios and require the Group to use its assets, including its cash balances, as collateral for its indebtedness. If the Group is unable to raise additional funds on favorable terms or at all as and when required, its business, financial condition, results of operations and/or prospects could be materially adversely affected.

The Group may not be able to implement its business strategy effectively

On 8 June 2020, the Company announced the outcome of a strategic review of the strategic direction, innovations and initiatives of the Group by the SRC, an interim sub-committee of the Board. The Board accepted the SRC's recommendations to expand the Group's business in the treatment of municipal sludge, industrial wastewater treatment and production of equipment widely used in water and sludge treatment. In this regard, as announced by the Company on 18 June 2021, the Company has entered into a joint venture agreement with Nanosun to set up high performance membrane manufacturing facilities in Singapore and in the People's Republic of China ("PRC"). This is in line with the Group's broader intention to move to a high-tech oriented business to differentiate itself from other environmental protection companies. The Group further intends to focus on municipal sludge treatment and disposal, and industrial wastewater treatment based on high-end membrane technologies and position the Group as a premier integrated environmental services provider, particularly in the PRC, offering a full spectrum of services including technical consulting, system integration, equipment and product supply, project investment, EPC and O&M.

There is no assurance that the Group will be able to or continue to implement its business strategy effectively. Further, the implementation of the Group's strategy relies on, amongst others, the following factors: (i) maintaining the Group's competitive edge, (ii) focusing on the Group's core competencies, (iii) continuing to build upon the Group's technical expertise,

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(iv) securing more Projects, (v) retaining and developing key and skilled personnel and (vi) enhancing the use of information technology in the Group's work processes. There is no assurance that the Group will be able to accomplish any of the above objectives properly or effectively. If the Group fails to implement its business strategies successfully, the Group may not be able to reap the benefits of its business strategy plans and its business, financial condition, results of operations and/or prospects could be materially adversely affected.

In addition, the Group's business strategy plans will require substantial capital expenditure, financial and management resources. There is no assurance that the Group will be able to secure funding for such expenditure to implement its future plans. Additionally, even in the event that such funding is secured, there is no assurance that these plans will achieve revenue that will be commensurate with the Group's investment costs. In the event that the Group is not able to achieve a sufficient level of revenue or manage its costs effectively or the commencement of these planned expansions is delayed, the Group's future financial performance and position will be materially adversely affected.

The outbreak of COVID-19 or any other infectious disease or any other serious public health concerns in Asia and/or elsewhere could adversely impact the business, financial condition, results of operations and prospects of the Group

In March 2020, the World Health Organisation declared the outbreak of a new infectious disease known as "COVID-19" to be a pandemic. COVID-19 has spread rapidly globally, and has resulted in a rapid deterioration of the political, socio-economic and financial situation globally. The Group continues to monitor the impact which the COVID-19 pandemic could have on the Group's operations, the PRC market in which the Group operates and more broadly on the macro-economic outlook as further cases emerge and governments and international agencies impose a range of measures to deal with the outbreak.

While the full impact of the COVID-19 pandemic is unknown as at the Latest Practicable Date, due to the infectiousness and severity of the disease, the various emergency measures taken globally to manage the COVID-19 pandemic, and the negative effects the COVID-19 pandemic may have on the economy and financial markets, the COVID-19 pandemic could adversely impact the business, financial condition, results of operations and prospects of the Group. In particular, the COVID-19 pandemic resulted in a drop in overall economic activity in all locations served by the Group. In particular, payments are delayed by the customers as the PRC economy is still in the midst of recovering from the economic fallout caused by the COVID-19 pandemic.

While global economic activity has started to recover from depressed levels as some governments partially ease lockdown restrictions and switch to more targeted measures to contain new COVID-19 infection clusters, there is no assurance that the restrictions will be fully eased or new containment measures will not be re-imposed in view of the fact that new COVID-19 infections remain elevated globally. The successful development of COVID-19 vaccines is a major milestone in bringing the pandemic under control. The production and distribution of the vaccines are being accelerated globally. However, COVID-19 infection rates currently remain high in Europe, the United States and have resurfaced in some parts of Asia such as India, Thailand, Japan and South Korea. These have prompted many governments to maintain border controls and safe distancing measures. As the situation is still evolving and affected by uncertainties, the full impact of the COVID-19 pandemic on the Group's businesses cannot be ascertained at this stage. The economic downturn from

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COVID-19 could also result in a decrease in demand for the Group's products and services, and may affect the ability of the Group's counterparties to perform their obligations in a timely manner or at all which may adversely affect the Group's cash flows. Government measures to alleviate the economic impact of COVID-19 such as the imposition of restrictions on the termination of agreements and/or the application of enforcement measures and on taking steps with a view to initiating insolvency and/or enforcement proceedings could adversely affect the Group's ability to enforce and require the Group's counterparties to perform their contractual obligations.

A pandemic creates the risk of volatility in financial markets (including interest rate and foreign exchange rate risk) and may adversely impact the cost, availability, duration or terms of financing and credit available to the Group. Since February 2020, the COVID-19 outbreak has caused stock markets worldwide to lose significant value and impacted economic activities in Asia and worldwide. Uncertainty about the effects of the COVID-19 pandemic has resulted in significant disruption to capital and securities markets, which, if it continues, may adversely affect the Group's ability to raise new capital and refinance its existing debt. The potential exists for recession within individual countries, the failure of businesses and austerity measures, all of which might impact the confidence of, and in, the PRC economy and market in which the Group does business. The COVID-19 pandemic has also significantly increased the risk of cyber-attacks as some of the Group's employees work from home in line with government policies and recommendations. There can be no assurance that the risks from the COVID-19 pandemic including those described above will not have a material adverse effect on the Group in the future. If the current COVID-19 situation deteriorates, or restrictions persist over longer periods (even intermittently), the Group's business, financial condition, results of operations and prospects may be adversely affected.

The outbreak of any other infectious disease (such as MERS, Ebola, the avian flu, H1N1, SARS and the Zika virus) in Asia and/or elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities of the various countries in which the Group operates or may operate in. There can be no assurance that any precautionary measures taken against the infectious diseases would be effective. A future outbreak of any other infectious disease or any other serious public health concerns in Asia and/or elsewhere could adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group faces competition from existing industry players and new entrants

The Group faces competition from existing competitors and new market entrants. Competitive factors in the Group's industries include scale and capacity of products and facilities, quality of customer service, price competitiveness, timeliness of delivery and geographical presence. Hence, it is important for the Group to compete effectively or respond with appropriate measures. Some of the Group's competitors may possess longer operating histories, stronger relationships with suppliers and customers, greater financial strength, and better technical and marketing know-how in the markets that the Group operates in or intends to venture into. The slowdown of industrial activity in recent months due to the outbreak of COVID-19 has resulted in overcapacity, which in turn has resulted in increased competition among the environmental solutions providers and, consequently, in competitive bidding and thinner profit margins. In the event that the Group is unable to provide competitive pricing and/or quality products and services on a timely basis, the Group

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may lose its customers and market share to its competitors and the Group's business, financial condition, results of operations and prospects may be adversely affected.

The Group may be unable to keep up with technological changes to maintain its competitive edge

The environmental protection industry is characterised by rapid and significant changes in, and changes in the applications of, technology. Technology plays a critical role in influencing the demand for the Group's solutions and services. Existing systems and technologies are frequently improved and enhanced and new standards are frequently introduced. The development of new technologies and/or any introduction of new, or changes in, industry standards and government regulations, such as the push for the use of environmental-friendly energy as well as the development of environmental-friendly systems and technologies by the government of the PRC in order to reduce pollution, may adversely affect the demand for certain of the Group's existing solutions and services, or render certain of its existing solutions and services obsolete. In order for the Group to remain competitive, it is essential that it keeps abreast of technological developments in order to anticipate changes in technology and regulatory standards so as to ensure that its technology is current, and continues to develop and introduce new and enhanced solutions on a timely basis. In the event that the Group is unable to keep up with such technological changes or cater to its customers' needs, it may not be able to maintain its competitive edge and its profits may be adversely affected.

The Group is subject to intellectual property risks

The Group relies on its patents to protect its proprietary systems, technologies and processes in conducting its business. The Group considers its patents to be vital in maintaining its competitiveness. Though some of the Group's patents are registered in the PRC, there is no assurance that the means of protecting intellectual property adopted by the Group will be effective or that its competitors will not replicate products that are similar to those of the Group. Although the Group may take legal actions against those who infringe its intellectual property rights, it may need to incur substantial time and resources and there is no assurance that the Group will be able to stop or prevent such infringement completely.

In addition, some of the Group's proprietary know-how and technical knowledge and technical expertise may not be patentable. Although the Group has stringent controls for maintaining confidentiality, there is no assurance that there will be no unauthorised disclosure of its proprietary information, or that its competitors will not copy them. In the event that the Group's proprietary know-how and technical expertise are replicated by its competitors, there is no assurance that it would be able to detect such unauthorised replications. Hence, the Group's business and financial performance may be adversely affected if it is unable to protect its intellectual property rights effectively.

The Group cannot be certain that its systems, technologies and processes do not infringe valid patents or intellectual property rights held by third parties. The Group may unknowingly infringe intellectual property rights of third parties, in which case, the Group may have to incur substantial costs and resources in defending suits that may be brought against it for alleged infringement of intellectual property owned by third parties. In addition, should the Group fail to defend against the suits brought against it, it will have to discontinue utilising

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its systems, technologies and processes in its business and/or may be required to pay substantial monetary damages. This would adversely affect the Group's operations and business.

Domestic, regional or global economic changes may adversely affect the Group's business

Adverse changes in the global financial markets may give rise to difficult conditions in the global credit and capital markets, such as reduced liquidity, greater volatility, widening of credit spreads, lack of price transparency in credit markets, a reduction in available financing, government intervention and lack of market confidence. These factors, combined with declining business and consumer confidence, may result in global economic uncertainties.

In addition, any changes in trade policy by any of the world's major trading powers could trigger retaliatory actions by affected countries, resulting in "trade wars" where states increasingly raise or create tariffs. In 2018, the United States of America began imposing tariffs on, *inter alia*, imports of aluminium and steel, and announced additional tariffs on goods imported from the PRC specifically, as well as certain other countries. Further retaliatory trade measures taken by the PRC or other countries in response to additional tariffs, may lead to an increase in costs of imported goods and raw materials around the world, which may affect the costs of sales of the Group's products globally and, which may impact the businesses in the jurisdictions in which the Group operates. This may materially and adversely affect the Group's business, financial condition, results of operations and/or prospects.

It is difficult to predict how long these developments will last. Further, there can be no assurance that measures implemented by governments around the world to stabilise the credit and capital markets will improve market confidence and the overall credit environment and economy. A global economic downturn could adversely affect the Group's ability to obtain short-term and long-term financing. It could also result in an increase in the cost of the Group's bank borrowings and reduction in the amount of banking facilities currently available to the Group. The inability of the Group to access capital efficiently, on time, or at all, as a result of possible economic difficulties, may have an adverse effect on the Group's business. Any deterioration in the global economy could in turn adversely affect the health of the local economy and impact the Group's business.

The Group and its customers are subject to various government regulations, including licensing requirements

The environmental engineering industry is subject to various laws and regulations. Licences, permits, certificates, consents or regulatory approvals may be required for, among other things, operating a construction industry enterprise, and undertaking contracting works for municipal public works, industrial sectors and private entities. If the Group fails to obtain the requisite approvals, it would be unable to continue its operations. The Group must also comply with the laws and regulations applicable to its operations. Any breach of the foregoing laws and regulations may result in the Group being subject to penalties or having its licences or approvals revoked which may have a material and adverse impact on the Group's business, financial condition, financial performance and/or prospects. Any changes in the

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applicable laws and regulations could result in higher compliance costs and adversely affect the operations and the financial performance of the Group.

In the ordinary course of business, the Group is required to undertake the renewal of various licenses and permits. The Group cannot guarantee that, upon the expiration of any of its licenses and permits, the Group will be able to renew all necessary licenses and permits in the future in a timely manner or at all or that the Group will not be subject to fines, suspension, withdrawal or termination of its licenses and permits. Any failure to secure renewal, or loss, of a required license or permit, would materially adversely affect the Group's business, financial condition, results of operations and/or prospects.

Changes in legislative, regulatory or industrial requirements may render certain of the Group's sludge, wastewater and waste gas treatment solutions obsolete. Acceptance of new solutions may also be affected by the adoption of new government regulations requiring stricter standards. In the event that the Group is unable to respond to regulatory changes in a timely manner, its competitive edge, profits and financial condition may be adversely affected.

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Additionally, environmental laws and regulations, play a critical role in influencing the demand for the Group's services. The Group's customers are required to adhere to particular environmental laws and regulations of the PRC. As such, the Group must ensure that the systems or services that it provides to its customers will not cause any non-adherence to such environmental laws and regulations. In the event of non-compliance with such laws and regulations the Group's customers or the relevant authorities may seek recourse from the Group. Further, in the event of changes in the applicable laws and regulations resulting in the Group's present and potential customers not being able to obtain the requisite licences, permits, certificates, consents or regulatory approvals required to operate within their respective industries, the Group's business could be adversely affected.

The Group's geographic and market concentration in the PRC and the general political, economic and other conditions in which the Group operates could lead to an effect on the Group's business

The Group derives its revenue and operating profits mainly from its operations in the PRC and is consequently highly dependent on the state of the PRC market. As the Group's business is predominantly concentrated in the PRC, a disaster affecting parts of the PRC in which the Group operates or changes in the political and economic environment of the PRC would have a greater impact on the Group than if its operations were more geographically diversified. Future political or economic instability or a sustained slowdown in domestic economic activities in the PRC may adversely affect the Group's business.

PRC foreign exchange controls may limit the Group's ability to receive dividends and other payments from its PRC subsidiaries

The Group's PRC subsidiaries, Jilin Anjie Environmental Engineering Co., Ltd, UGG, UGT and Bituo Environmental Technologies (Tianjin) Co., Ltd., are subject to PRC rules and regulations on currency conversion. In the PRC, the State Administration of Foreign Exchange ("SAFE") regulates the conversion of Renminbi into foreign currencies. Currently, foreign investment enterprises ("FIEs") are required to apply to the SAFE for "Foreign Exchange Registration for FIEs". With such registration, FIEs are allowed to open foreign currency accounts including a "current account" and "capital account". Currency conversion within the scope of a "current account" (for example, remittance of foreign currencies for payment of dividends, etc.) can be effected without requiring the approval of the SAFE. However, conversion of currency in a "capital account" (for example, for capital items like direct investments, loans, securities, etc.) requires the approval of the SAFE. There is no assurance that the current foreign exchange rules and regulations in the PRC will not be changed to the detriment of the Group. As the Group's subsidiaries in the PRC generate a significant proportion of its revenue, and such revenue is denominated in RMB, any future restrictions on currency exchange may limit the Group's ability to repatriate such revenue for the distribution of dividends to its Shareholders.

Any changes in the double taxation agreement between Singapore and the PRC with respect to an increase in the dividend withholding tax rate may affect the amount of dividends payable by the Group's PRC subsidiaries to the Company

According to the agreement between the PRC and Singapore for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income dated 11 July 2007, the dividend withholding tax rate shall not exceed 5.0% of the total dividends declared if the beneficial owner of the dividends is a Singapore resident company that directly holds at least 25.0% of the share capital of the company paying the dividend. Currently, the Company does not foresee any legal issues or elements that may prevent its PRC subsidiaries from enjoying such a dividend withholding concessionary tax rate not exceeding 5.0%.

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However, there is no assurance that such agreement or arrangement in respect of avoidance of double taxation and the prevention of fiscal evasion will not be further amended. In the event that such dividend withholding tax rate increases, it may affect the amount of dividends paid out by the Group's PRC subsidiaries. Additionally, there is no assurance that the PRC tax authorities will not change its determination and recognition of adoption of such concessionary rate not exceeding 5.0% or that the PRC tax authorities will not levy higher withholding tax on these dividends in the future.

The Group operates in countries or may expand into other countries where it would be subject to local legal and regulatory conditions and may be affected by the political, economic and social conditions in these countries

The Group operates in Singapore and the PRC and may also expand into other countries in which the Group presently does not have a business presence. Some of these countries may in the future be affected by political upheavals, internal strife, civil commotions and epidemics. The political and social conditions in these countries may affect the Group's ability to operate or do business in these countries. The Group's business and operations are subject to the legal and regulatory framework in these countries and such other jurisdictions which the Group may in the future operate in. Laws and regulations governing business entities in these countries may change and are often subject to a number of possibly conflicting interpretations, both by business entities and by the courts. The Group's business, results of operations and financial performance may be adversely affected by changes in and uncertainty surrounding governmental policies, in particular with respect to business laws and regulations, equity restrictions, restrictions on the ability of a company to pay dividends to its shareholders, licences and permits, tax laws and practices, inflation, interest rates, currency fluctuations, price and wage controls, exchange control regulations, labour laws and expropriation. If the Group fails to comply with such laws, regulations and guidelines, it may be subject to penalties for such breaches, including fines or restrictions on the Group's ability to carry on business or operate in such countries or jurisdictions.

In addition, any changes in the economic, political, legal and regulatory conditions or policies in these countries could adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group may be exposed to risks associated with strategic partners and future acquisitions, investments, joint ventures or strategic alliances may expose the Group to increased risks

The Group has entered into joint ventures as detailed in paragraph 8(c) of Part 4 of this Offer Information Statement, and the Group will, as a matter of business strategy, continue to explore conducting its business through such strategic partnerships, acquire or invest in other entities, or enter into joint ventures or strategic alliances. However, there is no assurance that the Group will be successful in pursuing its stated strategies through such business structures.

The Group's joint venture partners may (a) have economic or business interests that are inconsistent with those of the Group, (b) take actions contrary to the Group's policies or objectives, (c) undergo a change of control, (d) experience financial and other difficulties, or (e) be unable or unwilling to fulfil their obligations under the joint ventures. Furthermore, future acquisitions, investments, joint ventures and/or strategic alliances that the Group may

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undertake, can expose the Group to additional operating risks and uncertainties. Some examples may include the inability of the Group to exercise control over strategic decisions, direct and indirect costs in relation to the transactions, resources expended to coordinate certain internal systems, procedures and policies and unknown liabilities. If the Group is unable to implement its business expansion activities successfully or address the risks associated with them, this may adversely affect the Group's business, prospects, financial condition or results of operations.

Adjustments to tariffs to the Group's investment projects and O&M projects are subject to regulatory approval

Revenues derived from the Group's operational investment projects and O&M projects consist primarily of tariff receipts under the relevant concession agreements. The tariffs for such projects are generally linked to certain local benchmark prices or key cost indices such as the consumer price index, labour costs, electricity charges and, in the case of the Group's investment projects, the amount of the Group's initial capital investment. Adjustments to tariffs are generally subject to regulation by various government authorities in the PRC, depending on the terms of the relevant concession agreement. There is no assurance that the relevant government authorities will approve any applications to increase the tariffs. Furthermore, even if the PRC Government agrees to an adjustment to the tariff, there is no assurance that such adjustment will fully reflect any increase in the Group's actual costs. If the Group incurs significantly higher operating costs without a corresponding or sufficient increase in tariffs or in the event of a reduction in tariffs, the Group may not be able to sustain its profitability or it may even incur a loss, and the Group's financial position and results of operations may be materially and adversely affected.

Failure to achieve the projected utilisation of the facilities the Group operates may adversely affect its earnings

Each of the Group's investment projects has been or will be built to a specified design capacity in accordance with the terms of the relevant service concession agreement. Depending on the growth in the population and level of industrialisation in the area serviced by the relevant facilities, there is no assurance that the facilities the Group operates will be able to achieve the forecast utilisation of their design capacity, which may adversely affect its results of operations. Notwithstanding any guaranteed minimum volume provided for under some of the investment project concession agreements, if the expected utilisation rates are not achieved, the Group may not generate the revenue and profit expected from the relevant investment projects and its business, financial condition and results of operations may be adversely affected.

RISKS RELATING TO AN INVESTMENT IN THE SHARES

Shareholders who do not or are not able to accept their provisional allotment of Rights Shares will experience a dilution in their ownership of the Company.

In the event that Entitled Shareholders do not or are not able to accept their provisional allotment of Rights Shares, their proportionate ownership of the Company will be reduced and such Shareholders will have their shareholdings in the Company diluted after completion of the Rights Issue due to the issuance of new Shares. They may also experience a dilution in the value of their Shares. Even if an Entitled Shareholder sells his provisional allotment of

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Rights Shares, or such provisional allotment of Rights Shares are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his ownership of the Company as a result of the Rights Issue.

The price of the Shares may be volatile, which could result in substantial losses for investors subscribing for the Rights Shares.

The trading price of the Shares could be subject to fluctuations in response to variations in the Group's results of operations, changes in general economic conditions, changes in accounting principles or other developments affecting the Group, its involvement in litigation, additions or departures in key personnel, any announcements by the Group of corporate developments, changes in financial estimates by securities analysts, the operating and stock price performance of other companies and other events or factors. The global financial markets have experienced significant price and volume fluctuations in recent years. Volatility in the price of the Shares may be caused by factors outside its control and may be unrelated or disproportionate to the Group's operating results.

There is no assurance that the market price for the Shares will not fluctuate significantly and rapidly as a result of certain factors, some of which are beyond the Company's control. Examples of such factors include, *inter alia*: (i) corporate actions; (ii) variation(s) of its operating results; (iii) changes in securities analysts' estimates of the Group's financial performance; (iv) additions or departures of key personnel; (v) fluctuations in stock market prices and volume; (vi) involvement in litigation; and (vii) general economic, political and regulatory environment in the markets that the Group operates in.

There is no assurance that an active market for the Shares will develop after the Rights Issue.

There is no assurance that the market price for the Rights Shares will not decline below the Issue Price after the Rights Issue. Shareholders should note that the Shares trade in board lots of 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares and who wish to trade in odd lots on the SGX-ST should note that there is no assurance that they will be able to acquire such number of Rights Shares to make up one board lot of 100 Rights Shares or to dispose of their odd lots (whether in part or whole) on the SGX-ST. Further, Entitled Shareholders who hold odd lots of less than 100 Rights Shares may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Rights Shares.

An active market may not develop for the "nil-paid" rights entitlements during the provisional allotment period prescribed by the SGX-ST.

There is no assurance that an active trading market for the "nil-paid" rights on the SGX-ST will develop during the trading period or that any over-the-counter trading market for the "nil-paid" rights will develop. Even if an active market develops, the trading price of the "nil-paid" rights, which depends on the trading price of the Shares, may be volatile. In addition, Shareholders in certain jurisdictions are not allowed to participate in the Rights Issue. The "nil-paid" rights which would otherwise be provisionally allotted to Foreign Shareholders, may be sold by the Company, which could affect the trading price of the "nil-paid" rights.

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Investors may experience future dilution in the value of their Shares.

The Company may need to raise additional funds in the future to finance the repayment of facilities, business expansion and/or acquisitions and/or investments. If additional funds are raised through the issuance by the Company of new Shares other than on a *pro rata* basis to existing Shareholders, the percentage ownership of existing Shareholders may also be reduced and existing Shareholders may also experience dilution in the value of their Shares.

Any future sales of the Shares by the Group's Substantial Shareholders and/or Directors could adversely affect its Share price.

Any future sale of Shares by the Substantial Shareholders and/or Directors in the public market can have a downward pressure on the price of the Shares. The sale of a significant amount of such Shares in the public market, or the perception that such sales may occur could materially and adversely affect the market price of its Shares. These factors could also affect the Group's ability to issue additional equity securities in the future.

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- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

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- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

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- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions mentioned in paragraph 12 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

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13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –
- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –
- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

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Significant Changes

15. Disclose any event that has occurred from the end of –

- (a) the most recently completed financial year for which financial statements have been published; or**
- (b) if interim financial statements have been published for any subsequent period, that period,**

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate statement to that effect.

Save as disclosed in this Offer Information Statement and in the Company's annual reports, circulars and SGXNET announcements (including the 8 July 2021 Announcement), the Directors are not aware of any event which has occurred from 31 December 2020 and up to the Latest Practicable Date which has not been publicly announced which may have a material effect on the financial position and results of the Group.

16. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

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PART 6: THE OFFER AND LISTING

Offer and Listing Details

- 1. Indicate the price at which the securities or securities-based derivatives contracts are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.**

The Issue Price for each Rights Share is S\$0.10, payable in full on acceptance of all or part of a provisional allotment of Right Shares and, if applicable, on the application for excess Rights Shares.

The expenses incurred in respect of the Rights Issue will not be specifically charged to subscribers or purchasers of the Rights Shares. The expenses associated with the Rights Issue will be deducted from the gross proceeds received by the Company from the Rights Issue.

However, an administrative fee will be charged by the Participating Banks for each Electronic Application made through any ATM of a Participating Bank, and such administrative fee will be borne by the subscribers of the Rights Shares. No administrative fee will be borne by the subscribers of the Rights Shares for each successful Electronic Application made through an Accepted Electronic Service.

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- 2. If there is no established market for the securities or securities-based derivatives contracts being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

Not applicable. The Shares are, and the Rights Shares will be, listed, quoted and traded on the SGX-ST.

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- 3. If –**

- (a) any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered; and**

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- (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived, indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.
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Not applicable. None of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of the Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section titled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further details.

4. If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any approved exchange:
- (a) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts –
- (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
- (b) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts –
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

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- (c) disclose any significant trading suspension that has occurred on the approved exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and
- (d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the approved exchange.
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- (a) The following table sets forth the highest and lowest closing prices for the Shares and the volume of the Shares traded on the SGX-ST for each of the last 12 months immediately preceding the Latest Practicable Date and for the period from 1 June 2021 to the Latest Practicable Date:

	Share price (S\$)		Volume of Shares traded
	Highest closing price	Lowest closing price	
July 2020	0.0402	0.0350	38,215,643
August 2020	0.0630	0.0369	137,218,161
September 2020	0.0640	0.0510	55,159,700
October 2020	0.0570	0.0490	14,780,600
November 2020	0.0520	0.0470	13,000,300
December 2020	0.0750	0.0450	127,605,900
January 2021	0.1880	0.0900	643,545,300
February 2021	0.1760	0.1650	133,374,700
March 2021	0.1700	0.1460	63,756,800
April 2021	0.1540	0.1070	82,867,800
May 2021	0.1400	0.1120	304,715,800
June 2021	0.1200	0.1120	200,075,300
1 July 2021 to 8 July 2021 (being the Latest Practicable Date¹)	0.1132	0.1093	26,358,508

(Source: Bloomberg L.P. Bloomberg L.P. has not consented to the inclusion of the information above which is publicly available, and is thereby not liable for such information under Sections 253 and 254 of the Securities and Futures Act. The Company has included the above information in its proper form and context and have not verified the accuracy of the content of such information. The Company is not aware of any disclaimers made by Bloomberg L.P. in relation to the above information.)

Note:

- (1) A request for trading halt was announced by the Company at 12.08 p.m. on the Latest Practicable Date and a request for lifting of trading halt was announced by the Company at 11.34 p.m. on the Latest Practicable Date.

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- (b) Not applicable. The Shares have been listed and quoted on the SGX-ST for more than 12 months preceding the Latest Practicable Date.
- (c) There has not been any significant trading suspension of the Shares during the three (3) years immediately preceding the Latest Practicable Date.
- (d) Please refer to the table above for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 June 2021 to the Latest Practicable Date. Based on the information set out therein, the Shares are regularly traded on the SGX-ST.

5. Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide –

- (a) statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and**
- (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.**

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- (a) The Rights Shares will, upon allotment and issuance, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of allotment and issue of the Rights Shares.
 - (b) The Rights Shares will be issued pursuant to the general share issue mandate granted by the Shareholders at the annual general meeting of the Company held on 30 April 2021, under Section 161 of the Companies Act and Rule 806(2) of the Listing Manual.

Plan of Distribution

- 6. Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**

The Rights Issue is made on a renounceable non-underwritten basis of up to 663,488,100 Rights Shares to Entitled Shareholders at the Issue Price of S\$0.10 for each Rights Share, on the basis of one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

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The Rights Shares will not be offered through any broker or dealer.

Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or in the case of Entitled Depositors only, trade (during the provisional allotment trading period prescribed by SGX-ST) their provisional allotments of Rights Shares on the SGX-ST and are eligible to apply for Excess Rights Shares in excess of their provisional allotments under the Rights Issue.

The basis of allotting any Excess Rights Shares will be determined at the absolute discretion of the Directors. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and the Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment and issuance of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renounees) shall be entitled to apply for Excess Rights Shares.

The distribution of the Notification, this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or unless relevant securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than in Singapore, the Rights Issue is only offered to Entitled Shareholders and the Rights Shares will not be offered to Foreign Shareholders. This Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders or into any jurisdiction outside Singapore. Please refer to the section entitled "Eligibility of Shareholders to Participate in the Rights Issue" of this Offer Information Statement for further details.

The allotment and issuance of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, including Appendices II, III and IV to this Offer Information Statement, the PAL, the ARE and the ARS and (if applicable) the Constitution of the Company.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.

Not applicable. The Rights Issue is not underwritten by any financial institution. However, please refer to paragraph 1(f) of Part 10 of this Offer Information Statement for further details on the Deed of Undertaking.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 7: ADDITIONAL INFORMATION

Statements by Experts

- 1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

- 2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert**

- (a) state the date on which the statement was made;**
- (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
- (c) include a statement that the expert has given, and has not withdrawn, his or her written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

- 3. The information mentioned in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 33(2) applies.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Consents from Issue Managers and Underwriters

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his or her written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

Stirling Coleman Capital Limited, the Manager of the Rights Issue, has given and has not, before the lodgement of this Offer Information Statement with the Authority, withdrawn its written consent to being named in this Offer Information Statement as the Manager to the Rights Issue with the inclusion herein of its name and all references hereto, in the form and context in which they are included in this Offer Information Statement. No underwriter has been appointed to relation to the Rights Issue.

Other Matters

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly**
- (a) the relevant entity's business operations or financial position or results; or**
 - (b) investments by holders of securities or securities-based derivatives contracts in the relevant entity.**

Save as disclosed in this Offer Information Statement and the Company's annual reports, circulars and SGXNET announcements (including the 8 July 2021 Announcement), the Directors are not aware of any other matters which could materially affect, directly, or indirectly the Group's business operations or financial position or results or investments by holders of securities in the Company.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

**PART 8: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR
UNITS OF DEBENTURES**

Not applicable.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 9: ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

**PART 10: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR
SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE**

1. Provide –

(a) the particulars of the rights issue;

Please refer to section entitled “Principal Terms of the Rights Issue” of this Offer Information Statement for the particulars of the Rights Issue.

(b) the last day and time for splitting of the provisional allotment of the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

The last date and time for splitting of the provisional allotment of Rights Shares is on 23 July 2021 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(c) the last day and time for acceptance of and payment for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

The last date and time for acceptance of and payment for the Rights Shares is on 29 July 2021 at 5.00 p.m. (and 9.30 p.m. for Electronic Applications) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(d) the last day and time for renunciation of and payment by the renounee for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

The last date and time for acceptance of payment by the renounee for the Rights Shares is on 29 July 2021 at 5.00 p.m. (and 9.30 p.m. for Electronic Applications) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Entitled Depositors who wish to renounce their provisional allotments of Rights Shares in favour of a third party should note that CDP requires three (3) Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his provisional allotment of Rights Shares.

Please refer to the section entitled “Indicative Timetable of Key Events” of this Offer Information Statement for more details.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- (e) the terms and conditions of the offer of securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

The terms and conditions of the Rights Issue are as set out in this Offer Information Statement, including Appendices II, III and IV to this Offer Information Statement, and in the PAL, the ARE and the ARS.

- (f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

As at the Latest Practicable Date, Dr Lin, the Undertaking Shareholder, has a direct interest in 209,853,000 Shares, representing approximately 15.81% of the Existing Issued Share Capital. To demonstrate his confidence in the Rights Issue and his commitment and support to the Company, the Undertaking Shareholder has executed a deed of undertaking dated 3 May 2021 (as supplemented by the supplemental deed of undertaking dated 10 May 2021 and the second supplemental deed of undertaking dated 7 June 2021) (collectively, “**Deed of Undertaking**”), pursuant to which he has irrevocably undertaken to subscribe and pay for in full at the Issue Price, 104,926,500 Rights Shares (“**Undertaken Rights Shares**”) to be provisionally allotted to him.

Pursuant to the Deed of Undertaking and immediately following the completion of the Rights Issue, the shareholding of the Undertaking Shareholder in the Company will be as follows:

Name	Assuming the Maximum Scenario		Assuming the Minimum Scenario	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾
Dr Lin	314,779,500	15.81	314,779,500	21.98

Notes:

- (1) Based on the enlarged share capital of 1,990,464,300 Shares and rounded to the nearest two decimal places, as the number of Rights Shares to be allotted and issued under the Rights Issue will be 663,488,100 new Shares under the Maximum Scenario.
- (2) Based on the enlarged share capital of 1,431,902,700 Shares and rounded to the nearest two decimal Places, as the number of Rights Shares to be allotted and issued under the Rights Issue will be 104,926,500 new Shares under the Minimum Scenario.

- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

In view of the Deed of Undertaking and the savings in underwriting costs which the Company will enjoy, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

APPENDIX I – ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

1. Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

The working capital of the Group as at 31 December 2018, 31 December 2019, and 31 December 2020 is set out below:

	As at 31 December 2018 RMB'000 (Audited)	As at 31 December 2019 RMB'000 (Audited)	As at 31 December 2020 RMB'000 (Audited)
Total Current Assets	200,525	158,736	94,260
Total Current Liabilities	(146,895)	(127,753)	(73,598)
Net Current Assets	53,630	30,983	20,662

A review of the working capital of the Group is set out below:

As at 31 December 2020 vs 31 December 2019

The Group's current assets decreased from RMB158.7 million as at 31 December 2019 to RMB94.3 million as at 31 December 2020. This was mainly due to decreases in the value of contract assets amounting to RMB16.4 million and trade and other receivables amounting to RMB87.5 million, which were in line with the decreases in business activities and higher allowance for impairments on financial assets and contract assets considered based on the expected credit loss model. That being said, these decreases were partially offset by higher cash and cash equivalents of RMB37.9 million derived mainly from the funds raising activities via the private placement and the Rights Issue, and bank deposits pledged of RMB1.5 million to secure the higher bills payable facility during the financial year.

The Group's current liabilities decreased from RMB127.8 million as at 31 December 2019 to RMB73.6 million as at 31 December 2020 due to decrease in contract liabilities, trade and other payables and other liabilities of RMB4.0 million, RMB15.1 million and RMB9.4 million respectively which were in line with the decrease in business activities and borrowings of RMB26.0 million due to repayments during the financial year. The increase was partly offset by higher lease liabilities due to the newly incorporated subsidiaries in Guangzhou and Tianjin.

As at 31 December 2019 vs 31 December 2018

The Group's current assets decreased from RMB200.5 million as at 31 December 2018 to RMB158.7 million as at 31 December 2019. This was mainly due to decreases in the value of contract assets, trade and other receivables and cash and cash equivalents amounting to RMB41.7 million in aggregate. Contract assets decreased by RMB21.7 million, from RMB41.8 million as at 31 December 2018 to RMB20.1 million as at 31 December 2019 due to progress billings and allowance for impairment based on the expected credit loss model. Trade and other receivables decreased by RMB19.2 million, from RMB145.6 million as at 31 December 2018 to RMB126.4 million as at 31 December 2019 attributed mainly to collections, refunds of deposits, allowance for impairments of trade, non-trade suppliers,

APPENDIX I – ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

retention monies and tender and security deposits as a result of the expected credit loss model application. The decrease was partially offset by higher retention monies due to completion of contracts, tenders for contracts and advances to suppliers of raw materials for contracts scheduled for the following financial year. In addition, cash and cash equivalents also decreased by RMB0.8 million during the financial year.

Current liabilities decreased from RMB146.9 million as at 31 December 2018 to RMB127.8 million as at 31 December 2019. This was mainly due to decrease in contract liabilities, borrowings and other liabilities of RMB20.2 million in aggregate, which was partly offset by the increase in trade and other payables and lease liabilities of RMB1.1 million in aggregate. Contract liabilities decreased by RMB0.4 million, from RMB6.1 million as at 31 December 2018 to RMB5.7 million as at 31 December 2019 which was in line with the decrease in revenue. Borrowings decreased from RMB65.1 million as at 31 December 2018 to RMB50.0 million as at 31 December 2019 due to repayments of third party borrowings coupled with higher net repayments of bank borrowings as the loan quantum approved by the bank for working capital purposes was reduced by RMB5.0 million in FY2019.

2. Convertible Securities

- (a) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Listing Manual.**
- (b) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

Not applicable as the Rights Issue does not involve an issue of convertible securities.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SFG Service.
- 1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded).

The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and the application and payment for Excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares in addition to the Rights Shares which have been provisionally allotted to him, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the “Free Balance” of your Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP’s absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank or through an accepted electronic payment service (such as PayNow) or electronic service delivery networks (“**Accepted Electronic Service**”)) or **BY CREDITING HIS/THEIR DESIGNATED BANK ACCOUNT(S) VIA CDP’S DCS**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP). In the event that an Entitled Depositor (who accepts and (if applicable) applies through CDP) is not subscribed to CDP’s DCS, any monies to be returned will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company’s and the Manager’s obligations).

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR AN ACCEPTED ELECTRONIC SERVICE. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SFG SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

- 1.4 For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares must be done through the respective finance companies or Depository Agents. Any acceptance and/or application made directly through CDP, Electronic Applications at any ATM of a Participating Bank or an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.
- 1.5 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore to enforce any term of such contracts. Notwithstanding any term contained therein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 1.6 Details on the acceptance for provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares are set out in paragraphs 2 to 4 of this Appendix II.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service

Instructions for Electronic Applications through an ATM of a Participating Bank to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the Participating Banks. Please refer to Appendix IV of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Instructions for Electronic Applications through an Accepted Electronic Service are set out in the ARE.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, HE WOULD HAVE IRREVOCABLY AUTHORISED THE RELEVANT BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR AN ACCEPTED ELECTRONIC SERVICE, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and the number of Excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**, so as to arrive not later than **5.00 P.M. ON 29 JULY 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"CDP – LEADER ENV RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.3 Acceptance through the SGX-SFG Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed, signed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraph 1.3 and 5.2 of this Appendix II which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

2.5 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares (“**Purchasers**”) as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers whose mailing addresses maintained with CDP are in Singapore. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by the Notification and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS’ OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by the Notification and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, the ARS, the Notification and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy from CDP. Alternatively, Purchasers may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

The Notification, this Offer Information Statement and its accompanying documents will not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS/THEIR OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

is **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) (if acceptance is made through CDP) or **9.30 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) (if acceptance is made by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and also by way of Electronic Application(s) and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$0.10)

As an illustration, if an Entitled Depositor has 400 Shares standing to the credit of his Securities Account as at the Record Date, the Entitled Depositor will be provisionally allotted 200 Rights Shares as set out in his ARE. The Entitled Depositor’s alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	Procedures to be taken
(a) Accept his entire provisional allotment of 200 Rights Shares and (if applicable) apply for Excess Rights Shares.	(1) Accept his entire provisional allotment of 200 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service as described herein not later than 9.30 p.m. on 29 July 2021 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

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Alternatives

Procedures to be taken

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance in full of his provisional allotment of 200 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$20.0 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore, and made payable to "**CDP – LEADER ENV RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by post, at his own risk, in the self-addressed envelope provided to **LEADER ENVIRONMENTAL TECHNOLOGIES C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- (b) Accept a portion of his provisional allotment of Rights Shares, for example 100 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.
- (1) Accept his provisional allotment of 100 Rights Shares by way of an Electronic Application through any ATM of a Participating Bank or an Accepted Electronic Service as described herein not later than **9.30 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

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Alternatives

Procedures to be taken

- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 100 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$10.0, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 100 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market in board lots, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

- (c) Accept a portion of his provisional allotment of Rights Shares, for example 100 provisionally allotted Rights Shares, and reject the balance.

- (1) Accept his provisional allotment of 100 Rights Shares by way of an Electronic Application through any ATM of a Participating Bank or an Accepted Electronic Service as described herein not later than **9.30 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 100 Rights Shares and forward the original signed ARE, together with a single remittance for S\$10.0, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Alternatives

Procedures to be taken

The balance of the provisional allotment of 100 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or if an acceptance is not made through CDP by **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 29 JULY 2021 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE; OR**
- (B) 5.00 P.M. ON 29 JULY 2021 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SFG SERVICE.**

If acceptance of and (if applicable) excess application and payment for, the Rights Shares in the prescribed manner as set out in the ARE, the ARS, or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank or an Accepted Electronic Service by **9.30 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All unsuccessful application monies received by CDP in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by crediting their designated bank accounts via CDP's DCS **AT THE ENTITLED DEPOSITOR'S OR THE PURCHASER'S OWN RISK (AS THE CASE MAY BE)**. In the event that he is not subscribed to the CDP's DCS, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (such retention by CDP being a good discharge of the Company's and the Manager's obligations).

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix II, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for Excess Rights Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and/or CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and/or CDP shall be conclusive and binding;
- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares and/or Excess Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares and/or Excess Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

5.3 Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares (if any), any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and the Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three (3) Market Days after the commencement of trading of the Rights Shares, by crediting their bank accounts with the Participating Banks **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service), the receipt by such banks being a good discharge to the Company, the Manager and CDP of their obligations, if any, thereunder, or by crediting their designated bank accounts via CDP's DCS **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares through CDP). In the event that an Entitled Depositor (who had applied for Excess Rights Shares through CDP) is 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 (the retention by CDP being a good discharge of the Company's and Manager's obligations).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – LEADER ENV RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (c) acceptance is made by a Depository Agent via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) for the Rights Shares is effected by **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All unsuccessful application monies received by CDP in connection therewith will be returned to the Entitled Depositors or the Purchasers or the Depository Agent (as the case may be) without interest or any share of revenue or other benefit arising therefrom by crediting their designated bank accounts via CDP's DCS where acceptance and/or application is made through CDP or by means of telegraphic transfer where refunds are to be made to a Depository Agent and at the **ENTITLED DEPOSITOR'S OR PURCHASER'S OR DEPOSITORY AGENT'S OWN RISK (AS THE CASE MAY BE)**. In the event that the Entitled Depositor or Purchaser is not subscribed to CDP's DCS, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (such retention by CDP being a good discharge of the Company's and the Manager's obligations).

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares and Excess Rights Shares credited to your Securities Account.

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5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access Service. Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained therein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or the ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters.

All communications, notices, documents and remittances to be delivered or sent to you will be sent **BY ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

5.7 Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the relevant banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, the CPF Board, the SGX-ST, the Company and the Manager ("**Relevant Persons**") for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

6. PROCEDURE TO COMPLETE THE ARE/ARS

6.1 Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares currently held by you

XX,XXX

This is your shareholdings as at Record Date.

Shares as at **9 July 2021 AT 5.00 P.M.**
(Record Date)

This is the date to determine your Rights Shares entitlements.

Number of Rights Shares provisionally allotted*

XX,XXX

This is your number of Rights Shares entitlements.

Issue Price

S\$0.10 per Rights Share

This is price that you need to pay when you subscribe for every one (1) Rights Share.

6.2 Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. PayNow Scan the above QR code using your banking app. **Enter in the PayNow reference: <4HWO><last 8 digits of your securities account number> e.g. 4HWO12345678.** Payment amount must correspond to the number of rights shares subscribed, including excess. Make payment by **9.30 p.m. on 29 July 2021.** You do not need to return this form.

This is the last date and time to subscribe for the Rights Shares through ATMs of the Participating Banks and CDP.

2. ATM Follow the procedures set out on the ATM screen of a Participating Bank. Submit your application by **9.30 p.m. on 29 July 2021.** Participating Banks are **Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited.**

You can apply for your Rights Shares through ATMs of the Participating Banks.

3. Form Complete section C below and submit this form by **5.00 p.m. on 29 July 2021,** together with BANKER'S DRAFT/CASHIER'S ORDER payable to **"CDP – LEADER ENV RIGHTS ISSUE ACCOUNT"**. Write your name and securities account number on the back of the Banker's Draft/Cashier's Order.

This is the payee name to be issued on your Cashier's Order where XXXXX is the name of the issuer.

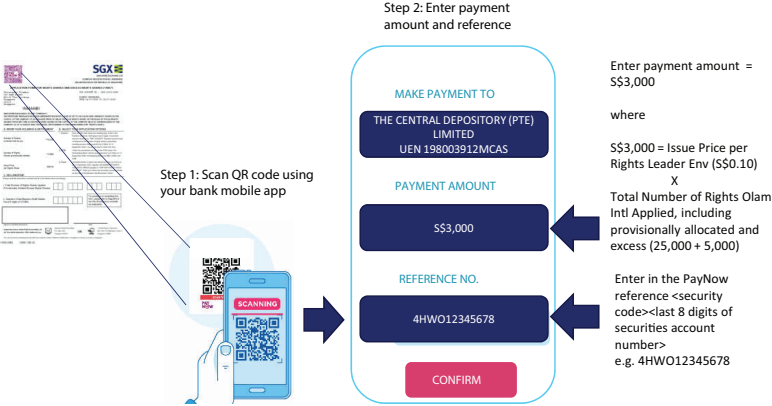
Note:

Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, PayNow reference, list of the Participating Banks and payee name on the Cashier's Order.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

6.3 Application via PayNow

- Before you proceed to subscribe for rights via PayNow, please make sure you have set up/have the following:
1. Daily limit to meet your transfer request
 2. Notification to alert you on the transfer and refund status
 3. Security code, pre-printed on the form under Section B PayNow
 4. Last 8 digits of securities account number, pre-printed on the form
 5. Payment amount = Issue Price per Rights Leader Env X Total Number of Rights Leader Env Applied (including provisionally allocated and excess), rounded down to the nearest cent



- Note:**
1. Please make sure the security code and your last 8 digits of securities account number are entered correctly – there should only be a total of 12 characters in your reference. CDP will reject the application if it is not a valid security code and/or securities account and arrange for refund to your originating bank account. To be notified on the refund, please turn on the setting in your bank account notifications.
 2. You can send up to S\$200,000 per transaction via PayNow capped at your daily fund transfer limit set with your bank, whichever is lower. You can submit multiple PayNow transactions on the same day and across different days if you require to make a payment more than your limit.
 3. CDP aggregates payments received on the same day as one instruction.
 4. CDP will determine the number of rights applied using total payment received on each day, ignoring resultant fractional cent payable if any.
 5. Post allocation, CDP will refund any excess amount to your DCS bank account.

6.4 Application via Form

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. **Total Number of Rights Shares Applied:**
(Provisionally Allotted+Excess Rights Shares) , , ,

ii. **Cashier's Order/Banker's Draft Details:**
(Input last 6 digits of CO/BD)

Signature of Shareholder(s)

Date

Fill in the total number of the Rights Shares and Excess Rights Shares (for ARE)/ number of Rights Shares (for ARS) that you wish to subscribe within the boxes.

Fill in the 6 digits of the Cashier's Order / Banker's Draft number (eg.001764) within the boxes.

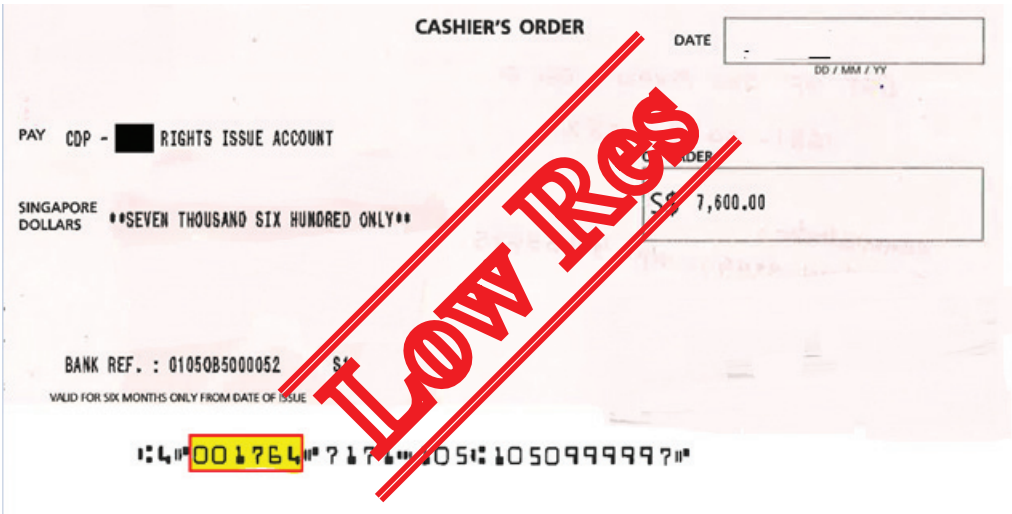
Sign within the box.

Notes:

- (i) If the total number of Rights Shares applied exceeds the provisional allotted holdings in your CDP Securities Account as at the Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.
- (ii) The total number of Rights Shares applied will be based on cash amount stated in your Cashier's Order/Banker's Draft. The total number of Rights Shares will be appropriated accordingly if the applied quantity exceeds this amount.
- (iii) Please note to submit one (1) Cashier's Order per application form.

APPENDIX II – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

6.5 Sample of a Cashier’s Order



APPENDIX III – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

Acceptances of the provisional allotment of and any excess application for the Rights Shares must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

Entitled Scripholders are entitled to receive this Offer Information Statement (through electronic dissemination) together with the following documents which are enclosed herewith, and are deemed to constitute a part of, this Offer Information Statement:

Renounceable PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Application of Excess Rights Shares	Form E

The provisional allotments of the Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this Offer Information Statement and the enclosed PAL and (if applicable) the Constitution of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL. Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in this Offer Information Statement as well as the PAL.

With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the ARE, the ARS and/or any other application form for the Rights Shares in relation to the Rights Issue or with the terms and conditions of this Offer Information Statement, or in the case of any application by the PAL, the ARE and the ARS, and/or any other application form for the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company may, at its absolute discretion, reject or treat as invalid any such acceptance, application and present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

The Company and the Share Registrar shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

The full amount payable for the relevant number of Rights Shares accepted/applied for will be rounded up to the nearest whole cent, if applicable.

Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.

Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this PAL and/or this Offer Information Statement has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained therein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance should:

- (a) complete and sign the Form A of the PAL for the number of Rights Shares which he wishes to accept; and
- (b) forward the PAL at his own risk, in its entirety, duly completed and signed, together with payment in the prescribed manner to **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE SHARE REGISTRAR, M&C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD, #05-01, SINGAPORE 068902** so as to arrive not later than **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient payment

If:

- (a) no remittance is attached for the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder and (if applicable) the Excess Rights Shares applied for by the Entitled Scripholder; or
- (b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder and (if applicable) the Excess Rights Shares applied for by the Entitled Scripholder.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix III entitled “Appropriation” which sets out the circumstances and manner in which the Company and the Share Registrar shall be authorised and entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier’s Order or Banker’s Draft drawn on a bank in Singapore to be applied towards the payment of his acceptance of Rights Shares.

3. REQUEST FOR SPLITTING (FORM B), RENUNCIATION (FORM C) AND FORM OF NOMINATION (FORM D)

Entitled Scripholders who wish to accept a portion of their provisional allotment of Rights Shares and renounce the balance of their provisional allotment of Rights Shares, or who wish to renounce all or part of their provisional allotments in favour of more than one (1) person, should first, using Form B, request to have their provisional allotments under the PAL split into separate PALs (“**Split Letters**”) according to their requirements.

The duly completed Form B together with the PAL, in its entirety, should be returned to **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE SHARE REGISTRAR, M&C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD, #05-01, SINGAPORE 068902** so as to arrive not later than **5.00 p.m. on 23 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B is received after **5.00 p.m. on 23 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The Split Letters, representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing and signing Form C before delivery to the renounee(s). Entitled Scripholders should complete and sign Form A of the Split Letter(s) representing that part of their provisional allotments they intend to accept, if any, and forward the said Split Letter(s) together with payment in the prescribed manner to **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE SHARE REGISTRAR, M&C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD, #05-01, SINGAPORE 068902** so as to arrive not later than **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Entitled Scripholders who wish to renounce their entire provisional allotment of Rights Shares in favour of one (1) person, or renounce any part of it in favour of one (1) person and decline the balance, should complete Form C for the number of provisional allotment of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounee(s).

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The renounee(s) should complete and sign Form D and send Form D together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE SHARE REGISTRAR, M&C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD, #05-01, SINGAPORE 068902** so as to arrive not later than **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one PAL or Split Letter ("**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALs AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

4. PAYMENT

Payment for the full amount due on acceptance and/or application in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**LEADER ENVIRONMENTAL TECHNOLOGIES RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or accepting party clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. The completed and signed PAL and remittance should be addressed to and forwarded at the sender's own risk to **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE SHARE REGISTRAR, M&C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD, #05-01, SINGAPORE 068902** by **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

If acceptance and (if applicable) excess application and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotment of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance and such provisional allotment of Rights Shares not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company subject to applicable laws and the SGX-ST Rules. The Company will return or refund all unsuccessful application monies received in connection therewith **BY ORDINARY POST** and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

5. APPLICATION FOR EXCESS RIGHTS SHARES (FORM E)

Form E contains full instructions with regard to Excess Rights Shares application, and payment and the procedures to be followed if you wish to apply for Rights Shares in excess of your provisional allotment of Rights Shares. Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing, signing the Form E of the PAL and forwarding it with a **SEPARATE SINGLE REMITTANCE** for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out above to **LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED C/O THE SHARE REGISTRAR, M&C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD, #05-01, SINGAPORE 068902** so as to arrive not later than **5.00 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

Applications for Excess Rights Shares are subject to the terms and conditions contained in the PAL, Form E and this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Scripholders, the original allottee(s) or their respective renounee(s), or the Purchaser(s) of the provisional allotment of Rights Shares, the unsold "**nil-paid**" provisional allotments (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the PAL, Form E and (if applicable) the Constitution of the Company.

In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to allot the Excess Rights Shares applied for under Form E in any manner as the Directors may deem fit and to reject or refuse, in whole or in part, any application for Excess Rights Shares without assigning any reason. CDP takes no responsibility for any decision that the Directors may make.

In the event that the number of the Excess Rights Shares allotted to Entitled Scripholders is less than the number of Excess Rights Shares applied for, Entitled Scripholders shall be deemed to have accepted the number of Excess Rights Shares actually allotted to them. If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, it is expected that the amount paid on application or the surplus of the application monies for Excess Rights Shares received by the Company, as the case may be, will be returned or refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares by means of a crossed cheque drawn on a bank in Singapore and sent, **BY ORDINARY POST** to their mailing addresses as maintained with the Share Registrar at their **OWN RISK**.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

6. GENERAL

No acknowledgements or receipts will be issued in respect of any acceptances, remittances, applications or payments received.

Entitled Scripholders who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

Upon listing and quotation on the SGX-ST, the Rights Shares, when issued will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with CDP**" and the "**Terms and Conditions for CDP to act as Depository for the Rights Shares**", as the same may be amended from time to time. Copies of the above are available from CDP.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. These physical share certificates will be sent **BY ORDINARY POST** to person(s) entitled thereto to their mailing addresses as recorded with CDP at his/their **OWN RISK**.

If the Entitled Scripholders' addresses stated in the PALs are different from their addresses registered with CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments and other correspondences will be sent to their addresses last registered with CDP.

A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he can effect the desired trade.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES UNDER THE RIGHTS ISSUE IS 5.00 P.M. ON 29 JULY 2021 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

7. PERSONAL DATA PRIVACY

By completing and delivering the PAL, an Entitled Scripholder or a renouncee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons (as defined in Appendix II) for the Purposes (as defined in Appendix II); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX IV – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

The procedures for Electronic Applications are set out on the ATM screens of the Participating Banks. Please read carefully the terms and conditions of this Offer Information Statement, the instructions are set out on the ATM screens of the Participating Banks (“**Steps**”).

Please read carefully the terms of this Offer Information Statement, the Steps, and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used in respect of the acceptance of the provisional allotments of and (if applicable) excess application for Rights Shares at an ATM belonging to another Participating Bank. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Electronic Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or his renounee or the Purchaser who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the Excess Rights Shares through an ATM of a Participating Bank. An Electronic Applicant must have an existing bank account with, and be an ATM cardholder of, the Participating Banks before he can make an Electronic Application through an ATM of a Participating Bank.

The actions that the Electronic Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the Participating Banks. Upon completion of his Electronic Application transaction, the Electronic Applicant will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is to be retained by the Electronic Applicant and should not be submitted with any ARE and/or ARS.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through the respective finance companies, Depository Agents or approved banks. Such investors are advised to provide their finance companies, Depository Agents or approved banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Application at any ATM of a Participating Bank or Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through the respective finance companies, Depository Agents or approved banks. Such investors are advised to provide their finance companies, Depository Agents or approved banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Application at any ATM of a Participating Bank or Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotment of Rights Shares purchased must be done through the respective finance companies or Depository Agents. Such renounees or Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made directly through CDP, Electronic Application at any ATM of a Participating Bank or Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

APPENDIX IV – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

An Electronic Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance or (as the case may be) application liable to be rejected.

The Electronic Application shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement, including but not limited to the terms and conditions appearing below.

- (1) In connection with his Electronic Application for the Rights Shares, the Electronic Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) that he has read, understood and agreed to all the terms and conditions of acceptance of and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he consents to the disclosure of his name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number and application details (“**Relevant Particulars**”) from his account with that Participating Bank to the Share Registrar, CDP, CPF, Securities Clearing and Company Services (Pte) Limited, the SGX-ST, the Company, the Manager and any other relevant parties (“**Relevant Parties**”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and/or (if applicable) excess application.

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key, as the case may be. By doing so, the Electronic Applicant shall be treated as signifying his confirmation of each of the two (2) statements above. In respect of statement 1(b) above, his confirmation, by pressing the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Electronic Applicant may make an Electronic Application through an ATM of a Participating Bank for the Rights Shares using cash only by authorising the Participating Banks to deduct the full amount payable from his account with such Participating Bank.
- (3) The Electronic Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of the Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares represented by the provisional allotment of the Rights Shares as may be standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of such Excess Rights Shares or not to allot any number of Excess Rights Shares to the Electronic Applicant, the Electronic Applicant agrees to accept the decision as conclusive and binding.

APPENDIX IV – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

- (4) If the Electronic Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, on the ATM screen) of the number of Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied that may be allotted to him.
- (5) In the event that the Electronic Applicant accepts the Rights Shares and (if applicable) instructions to apply for Excess Rights Shares together with payment therefor both by way of the ARE and/or ARS (as the case may be), whether directly to CDP and/or by way of acceptance through Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, the Company and/or CDP shall be authorised and entitled to accept the Electronic Applicant's instructions in whichever mode or combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Rights Shares which the Electronic Applicant has validly given instructions to accept, the Electronic Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the aggregate number of provisionally allotted Rights Shares which have been accepted by the Electronic Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, and the number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance and payment as at the Closing Date. The Company and/or CDP, in determining the number of Rights Shares for which the Electronic Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or the ARS or by way of acceptance by Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, which the Electronic Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his acceptance.
- (6) If applicable, in the event that the Electronic Applicant applies for Excess Rights Shares both by way of ARE and by way of an application through Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, the Company and/or CDP shall be authorised and entitled to accept the Electronic Applicant's instructions in whichever mode or a combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Electronic Applicant has validly given instructions to apply for, the Electronic Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of the ARE, whether directly to CDP and/or by Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service. The Company and/or CDP, in determining the number of Excess Rights Shares which the Electronic Applicant has given valid instructions to apply for, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the Excess Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application by Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, which the Electronic Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his application.

APPENDIX IV – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

- (7) The Electronic Applicant irrevocably requests and authorises the Company to:
- (a) register or procure the registration of the Rights Shares and (if applicable) the Excess Rights Shares allotted to the Electronic Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Electronic Applicant's bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares; and
 - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for Excess Rights Shares be accepted in part only, by automatically crediting the Electronic Applicant's bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE ELECTRONIC APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Electronic Applicant irrevocably agrees and acknowledges that the submission of his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, the Manager, CDP, the Share Registrar and/or the Participating Bank) and any other events whatsoever beyond the control of the Company, the Manager, CDP, the Share Registrar and/or the Participating Banks and if, in any such event, the Company, the Manager, CDP, the Share Registrar and/or the Participating Banks do not record or receive the Electronic Applicant's Electronic Application by **9.30 p.m. on 29 July 2021**, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Electronic Applicant shall be deemed not to have made an Electronic Application and the Electronic Applicant shall have no claim whatsoever against the Company, the Manager, CDP, the Share Registrar and/or the Participating Banks in respect of any purported acceptance thereof and (if applicable) excess applications therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.
- (10) **ELECTRONIC APPLICATIONS MAY ONLY BE MADE THROUGH AN ATM OF A PARTICIPATING BANK FROM MONDAY TO SATURDAYS (EXCLUDING PUBLIC HOLIDAYS) BETWEEN 7.00 A.M. TO 9.30 P.M.**
- (11) Electronic Applications shall close at **9.30 p.m. on 29 July 2021** or such other time as the Directors may, in their absolute discretion, decide (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX IV – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

- (12) All particulars of the Electronic Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the Participating Banks and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Electronic Applicant after the time of the making of his Electronic Application, the Electronic Applicant shall promptly notify his Participating Bank.
- (13) The Electronic Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made through the ATMs of the Participating Banks that does not strictly conform to the instructions set out on the ATM screens of the Participating Banks will be rejected.
- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in the S\$ (without interest or any share of revenue or other benefit arising there from) to the Electronic Applicant by being automatically credited to the Electronic Applicant's account with the Participating Banks within three (3) business days after the commencement of trading of the Rights Shares. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 29 July 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application, the Electronic Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary or replacement document referred to in Section 241 of the Securities and Futures Act is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting there from shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, the Manager, CDP, the Share Registrar, or the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP or the Participating Banks due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares or and (if applicable) application for Excess Rights Shares;
 - (e) in respect of the Rights Shares and/or Excess Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Electronic Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and

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- (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Electronic Applicant, a person who is not a party to any contract made pursuant to this Offer Information Statement and/or the Electronic Application has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained therein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of liability) or terminate such contracts. Where the third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Electronic Applicant should ensure that his personal particulars as recorded by both CDP and the Participating Banks are correct and identical. Otherwise, his Electronic Application may be liable to be rejected. The Electronic Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and/or other correspondence will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
- (18) In the event that the Electronic Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for Excess Rights Shares, as the case may be, by way of ARE or ARS and/or by way of Electronic Application through the ATMs of the Participating Bank, the provisionally allotted Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded without interest or any share of revenue or other benefit arising there from within three (3) business days after the commencement of trading of the Rights Shares by any one (1) or a combination of the following:
- (a) by crediting the Electronic Applicant's designated bank account via CDP's DCS at his **OWN RISK** if he accepts and (if applicable) applies through CDP. In the event that such Electronic Applicant is not subscribed to CDP's DCS, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company's and Manager's obligations); and/or
- (b) by crediting the Electronic Applicant's bank account with the Participating Banks at his **OWN RISK** if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge to the Company, the Manager and CDP of their obligations, if any, thereunder.
- (19) The Electronic Applicant acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company and CDP are entitled and the Electronic Applicant authorises the Company and CDP to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares that the Electronic Applicant has validly accepted, whether under the ARE and/or ARS or any other form of application (including Electronic Application through an ATM or Accepted Electronic Service) for the Rights Shares;

APPENDIX IV – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

- (b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the “Free Balance” of the Electronic Applicant’s Securities Account which is available for acceptance; and
- (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Electronic Applicant.

The Electronic Applicant acknowledges that the Company’s and CDP’s determination shall be conclusive and binding on him.

- (20) The Electronic Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Banks through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares accepted by the Electronic Applicant and (if applicable) the Excess Rights Shares which the Electronic Applicant has applied for.
- (21) With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the ARE, the ARS, (if applicable) the Constitution of the Company and/or other application form for the Rights Shares in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the PAL, the ARE, the ARS and/or any other application form for the Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the “Free Balance” of the Electronic Applicant’s Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such application or present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.
- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

APPENDIX V – LIST OF PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

1. Oversea-Chinese Banking Corporation Limited; and
2. United Overseas Bank Limited.

This Offer Information Statement is dated this 9th day of July 2021.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement 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 Offer Information Statement in its proper form and context.

For and on behalf of **LEADER ENVIRONEMNTAL TECHNOLOGIES LIMITED**

DR LIN YUCHENG

LIN BAIYIN

LIM KUAN MENG

MAK YEN-CHEN ANDREW

LEE SUAN HIANG