



Leader Environmental Technologies Limited
利德环保技术有限公司

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

Leader Secured RMB114.75 Million Contract To Treat Municipal Sludge In Hebei Province, China

The Board of Directors of Leader Environmental Technologies Limited (“Leader”, “Group” or “Company”) wishes to announce that the Company has secured a Public-Private-Partnership project with a total amount of RMB114.75 million (approximately S\$24.5 million) in Bazhou city, Hebei Province. The project involves the design, construction and operation of a 120 tons/day sludge treatment plant and the recycling of the treated sludge into bricks for a concessionary period of 30 years. The minimum tariff payment for the project is guaranteed and has been included in the approved annual finance budget of the province.

The Company will form a subsidiary with other shareholders 安徽昌达路桥工程集团有限公司 and 天津市政工程设计研究总院有限公司, with shareholdings of 99.98%, 0.01%, and 0.01% respectively, to invest in this project. The Company will design and construct the treatment facility using the Company’s proprietary technologies, namely, the integrated continuous thermal hydrolysis and pyrolysis, together with innovative sludge pretreatment and efficient energy recovery system, to achieve the objectives of zero-waste discharge and resource recovery. The subsidiary will be operating the plant to earn a stable and recurring income for the next 30 years.

Chief Executive Officer of Leader, Mr Li Li, comments on the project win: “With China pushing the goals to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060, sludge treatment and reuse will be the trend in addressing carbon reduction work which has become the priority of local government. China’s sludge treatment market has exceeded RMB 50 billion since 2017 and is expected to increase at a rate of 10% per annum¹. We see great market potential for sludge treatment and will continue our efforts to ride on this sludge treatment segment of our business.”

The construction phase of the project is scheduled to be completed within one year and will contribute positively to the revenue of the Company for the financial year ending 31 December 2022.

The investment in the project will be funded using the proceeds from the Company’s Rights Issue and bank loans.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the project.

By Order of the Board

Ngoo Lin Fong
Executive Director
6 January 2022

Note¹ – Intelligence Research Group (2019), 污水处理行业, 市场运营态势及投资前景评估报告