



**Leader Environmental Technologies Limited**

利德环保技术有限公司

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

(Company Registration Number: 200611799H)

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**MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS  
OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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*Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcement dated 25 February 2022 in relation to its unaudited financial results for the financial year ended 31 December 2021.*

The Board of Directors of Leader Environmental Technologies Limited ("Company" and together with its subsidiaries, "Group") refers to the unaudited full year financial results announcement for the financial year ended 31 December 2021 ("FY2021") released via the SGX-NET on 25 February 2022 ("**Unaudited**"). Further reference is made to the Audited Financial Statements of the Company for FY2021 ("**Audited**").

Pursuant to Rule 704(6) of the Listing Manual, the Board wishes to highlight that there were certain reclassifications made by the Company in respect of the Company's Consolidated Statement of Cash Flows in the Audited Financial Statements as compared with the Unaudited Financial Statements.

Below is a comparison between the Unaudited Consolidated Statement of Cash Flows which was announced on 25 February 2022 and the Audited Consolidated Statement of Cash Flows.

**Consolidated Statement of Cash Flows for the financial year ended 31 December 2021**

	<b>Audited RMB'000</b>	<b>Unaudited RMB'000</b>	<b>Variance RMB'000</b>
<b>Net cash used in operating activities</b>	(20,826)	(28,212)	7,386
<b>Net cash flows used in investing activities</b>	(40,943)	(13,544)	(27,399)
<b>Net cash flows generated from financing activities</b>	106,413	86,284	20,129
Net increase in cash and cash equivalents currencies	44,644 (135)	44,528 (19)	116 (116)
<b>Cash and cash equivalents at the beginning of the year</b>	47,628	47,628	
<b>Cash and cash equivalents at the end of the year</b>	<b>92,137</b>	<b>92,137</b>	

**Notes:**

	<b>Operating activities RMB'000</b>	<b>Investing activities RMB'000</b>	<b>Financing activities RMB'000</b>	<b>Remarks</b>
Repayments to related party	7,270	-	(7,270)	(a)
Acquisition of property, plant and equipment	-	(27,399)	-	(b)
Bank borrowings	-	-	27,399	(b)
Translation differences	116	-	-	(c)
	7,386	(27,399)	20,129	

(a) The reclassifications were deemed necessary to better reflect the nature of the cash flow transactions which occurred during the financial year.

(b) The acquisition of property, plant and equipment of RMB17,969,000 was previously presented as net of the bank borrowings amounting to RMB27,399,000 due to the direct loan disbursements from the bank to Jurong Town Corporation.

On completion of the audit, the bank borrowings of RMB27,399,000 were shown as proceeds from bank borrowings and the acquisition of property, plant and equipment was increased by the same amount.

(c) The translation differences of RMB116,000, which arose from the capital injections into a subsidiary whose functional currency is different from the Group, was reclassified as effect of foreign exchange rate changes on balances held in foreign currencies.

**By Order of the Board**

Ngoo Lin Fong  
Executive Director  
11 April 2022