



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)

**MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED
FINANCIAL STATEMENTS OF THE GROUP FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2024**

Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcement dated 21 February 2025 in relation to its unaudited financial results for the financial year ended 31 December 2024.

The Board of Directors (the "Board") 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 2024 ("FY2024") released via the SGX-NET on 21 February 2025 ("Unaudited"). Further reference is made to the Audited Financial Statements of the Company for FY2024 ("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 Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows in the FY2024 Audited Financial Statements as compared with the Unaudited Financial Statements for FY2024 which was announced on 21 February 2025. The comparisons of the Audited and Unaudited Financial Statements are as below.

Consolidated Statement Of Financial Position As At 31 December 2024:

<u>Non-current assets (RMB'000)</u>	<u>Audited</u>	<u>Group Unaudited</u>	<u>Variance</u>
Property, plant and equipment	71,759	71,759	-
Intangible assets	1,287	1,287	-
Investment in subsidiaries	-	-	-
Investment in joint venture	-	10,761	(10,761)
Investment in associates	11,556	795	10,761
Total non-current assets	84,602	84,602	-

Reclassification made to the Consolidated Statement of Financial Position

During the year, the Company, through its subsidiary NTi Memtech Pte Ltd ("NTi"), and Innovamem Holdings Pte Ltd ("Innovamem") incorporated NTi Technology Pte Ltd ("NTi Tech"). NTi and Innovamem both hold 50% stake in NTi Tech respectively. The investment in NTi Tech is reclassified as an investment in associate instead of joint venture.

The above reclassification had no net impact to the total non-current assets reported at the end of the financial year.

Consolidated Statement Of Cash Flows For The Financial Year Ended 31 December 2024:

	<u>Audited</u>	<u>Group Unaudited</u>	<u>Variance</u>
<u>Cash Flows from Investing Activities (RMB'000)</u>			
Acquisition of property, plant and equipment	(11,770)	(11,770)	-
Proceeds from government grant for property, plant and equipment	9,324	-	9,324
Additions to intangible assets	(1,303)	(1,303)	-
Interest income received	1,658	1,658	-
Investment in associates	(11,208)	(11,208)	-
Net cash used in investing activities	(13,299)	(22,623)	9,324
<u>Cash Flows from Financing Activities (RMB'000)</u>			
Capital contributions from non-controlling shareholders of subsidiaries	6,707	6,707	-
Proceeds from bank borrowings	4,538	4,538	-
Repayments of bank borrowings	(6,617)	(6,617)	-
Repayments of lease liabilities	(1,723)	(1,723)	-
Interest paid	(1,476)	(1,476)	-
Decrease in bank deposits pledged	364	364	-
Increase in restricted cash	(690)	(690)	-
Proceeds from government grant	-	9,324	(9,324)
Net cash from financing activities	1,103	10,427	(9,324)

Reclassification made to the Consolidated Statement of Cash Flows

In FY2024, the Company received government grants totalling RMB9,324,000 to finance its sludge treatment demonstration plant which was capitalised under property, plant and equipment. The government grant has been reclassified from cash flows from financing activities to investing activities.

The above reclassification has no net impact to the total cash and cash equivalent reported at the end of the financial year.

BY ORDER OF THE BOARD OF DIRECTORS OF
LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

Mr Ngoo Lin Fong
Executive Chairman
14 April 2025