



LEADER ENVIRONMENTAL TECHNOLOGIES LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 200611799H

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **Leader Environmental Technologies Limited** (the "Company") will be held by way of electronic means on Thursday, 28 May 2020 at 11.00 a.m. (Singapore time) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Statement and audited Financial Statements for the financial year ended 31 December 2019 together with the Auditors' reports thereon. **(Resolution 1)**
2. To re-elect Mr Lin Baiyin, who is retiring by rotation in accordance with Regulation 104 of the Company's Constitution, as Director of the Company. **(Resolution 2)**
3. To re-elect Mr Liu Kaiyi, who is retiring by rotation in accordance with Regulation 114 of the Company's Constitution, as Director of the Company.
(See Explanatory Note (i)) **(Resolution 3)**
4. To approve the payment of S\$107,000/- as Directors' fees to the Independent Non-Executive Directors for the financial year ending 31 December 2020 and to pay the Directors' fees in arrears on a quarterly basis over the financial year 2020. **(Resolution 4)**
5. To re-appoint Messrs Foo Kon Tan LLP as the external auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification, the following resolutions as Ordinary Resolutions:

6. **AUTHORITY TO ALLOT AND ISSUE SHARES** **(Resolution 6)**

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall be limited as follows:
 - (A) without prejudice to sub-paragraph (1)(B) below, the aggregate number of shares to be issued shall not exceed 50 per centum (50%) of the total number of issued shares **(excluding treasury shares and subsidiary holdings)** in the capital of the Company (as calculated in accordance with sub-paragraph (4) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 20 per centum (20%) of the total number of issued shares **(excluding treasury shares and subsidiary holdings)** in the capital of the Company (as calculated in accordance with sub-paragraph (4) below) ("**General Limit**");
 - (B) in addition to the General Limit, the aggregate number of shares to be issued by way of renounceable rights issues on a pro rata basis ("**Renounceable Rights Issues**") shall not exceed 50 per centum (50%) of the total number of issued shares **(excluding treasury shares and subsidiary holdings)** in the capital of the Company (as calculated in accordance with sub-paragraph (4) below ("**Additional Limit**");
 - (C) where an issue of shares is to be issued by way of Renounceable Rights Issues, that issue shall first use the Additional Limit, and in the event that the Additional Limit has been fully used and is insufficient to satisfy that issue, that issue may use the General Limit, but only to the extent of the then remaining General Limit;
 - (D) where an issue of shares is to be issued otherwise than by way of Renounceable Rights Issue, that issue may only use the General Limit, but only to the extent of the then remaining General Limit;
 - (E) an issue of shares that is not for a financing purpose may only use the General Limit, but the number of such shares that may be issued shall be limited to the numerical number of the then remaining Additional Limit;
- (2) the General Limit and the Additional Limit shall not, in aggregate, exceed 100 per centum (100%) of the total number of issued shares **(excluding treasury shares and subsidiary holdings)** in the capital of the Company (as calculated in accordance with sub-paragraph (4) below);
- (3) no shares shall be issued pursuant to this Resolution after 31 December 2019, if on that date the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) exceeds 50 per centum (50%) of the total number of issued shares **(excluding treasury shares and subsidiary holdings)** in the capital of the Company (as calculated in accordance with sub-paragraph (4) below);
- (4) subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1)(A) and (1)(B) above, the total number of issued shares **(excluding treasury shares and subsidiary holdings)** shall be based on the total number of issued shares **(excluding treasury shares and subsidiary holdings)** in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

- (5) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (6) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (ii)]

7. AUTHORITY TO GRANT AWARDS AND TO ALLOT AND ISSUE SHARES UNDER THE LEADER ENVIRONMENTAL PERFORMANCE SHARE SCHEME (Resolution 7)

Pursuant to Section 161 of the Companies Act (Chapter 50), that authority be and is hereby given to the Directors to grant awards in accordance with the provisions of the Leader Environmental Performance Share Scheme ("PSS"); and allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the terms and conditions under the PSS, provided always that the aggregate number of shares to be issued pursuant to the PSS and any other share based schemes of the Company shall not exceed fifteen per cent. (15%) of the issued share capital of the Company excluding treasury shares and subsidiary holdings at any time and from time to time.

[See Explanatory Note (iii)]

8. To transact any other business that may be transacted at the Annual General Meeting.

By Order of the Board

Lim Poh Yeow
Sharon Yeoh
Joint Company Secretaries
13 May 2020

EXPLANATORY NOTES:

- (i) Mr Liu Kaiyi, if re-elected, will remain as the Chairman of the Nominating Committee and a member of Audit and Remuneration Committee. The Board considers Mr Liu Kaiyi to be independent for the purpose of Rule 704(8) of SGX listing manual. Mr Liu Kaiyi is the son of Madam Zhai Guihua, the previous Independent Non-Executive Director who has resigned from the Company on 21 November 2019 due to health reasons. For good corporate governance practice, the Board recommends that the Chief Executive Officer, who is a substantial shareholder of the Company, to abstain from voting on Mr Liu Kai Yi's re-election.
- (ii) Resolution 6, if passed, will empower the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 100 percent. (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company, of which up to twenty per cent. (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) may be issued other than on a pro rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company at the time that Resolution 6 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Resolution 6 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.

On April 8, 2020, SGX RegCo issued a news release which introduced measures to support issuers amid the challenging business and economic climate due to COVID-19, including enabling the acceleration of fund-raising efforts by allowing Mainboard issuers to provisionally seek a general mandate for an issue of shares and convertible securities on a pro rata basis of up to an aggregate of 100% of its issued shares (excluding treasury shares and subsidiary holdings), versus 50% previously (the "Enhanced Share Issue Limit").

The Company is proposing to avail itself of these measures and to seek shareholders' approval for a general mandate with an Enhanced Share Issue Limit at the upcoming Annual General Meeting. The Board of Directors is of the view that it would be in the interest of the Company and its shareholders to do so in the event that circumstances evolve before the 2021 AGM amid the COVID-19 situation to such an extent that a 50% limit for pro rata issues is no longer sufficient to meet the Company's needs. If this were to occur and no Enhanced Share Issue Limit were to be in place, fund raising efforts would otherwise be unnecessarily hampered and compromised by the time needed to obtain shareholders' approval to issue shares above the 50% threshold.

The Enhanced Share Issue Limit may be renewed at the 2021 AGM and is only valid until 31 December 2021, by which date any shares issued pursuant to the Enhanced Share Issue Limit must be listed, and no further shares may be issued under that limit. The Company will notify SGX RegCo, by way of email to enhancedsharelimit@sgx.com, of the date on which the general mandate with the Enhanced Share Issue Limit has been approved by shareholders.

- (iii) Resolution 7, if passed, will empower the Directors to grant award of shares in accordance with rules of the PSS, as the case may be, and to allot and issue Shares thereunder up to an aggregate amount together with any other share-based scheme not exceeding fifteen percent (15%) of the issued share capital of the Company excluding treasury shares and subsidiary holdings at any time and from time to time.

Notes:

1. In view of the circuit breaker measures applicable as of the date of this Notice up to 1 June 2020 and pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time), the AGM of the Company will be held by way of electronic means and members of the Company will NOT be allowed to attend the AGM in person. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the SGX website.
2. Alternative arrangements relating to attendance at the Annual General Meeting ("the Meeting or AGM") via electronic means (including arrangements by which the Meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Meeting, addressing of substantial and relevant questions at the Meeting and voting by appointing the Chairman of the Meeting as proxy at the Meeting, are set out in the accompanying document entitled "Instructions to Shareholders for AGM 2020".
3. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the Annual General Meeting in person. The live webcast will not provide for online voting. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the instrument appointing the Chairman of the Meeting as proxy ("Proxy Form"), failing which the appointment will be treated as invalid.
4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
5. Investors whose shares are held with relevant intermediaries under Section 181(1C) of the Companies Act, Chapter 50, such as CPF and SRS investors, who wish to appoint the Chairman of the Meeting as proxy, should approach their respective intermediaries such as CPF Agent Banks or SRS Operators.
6. The Proxy Form must be submitted through any one of the following means: (a) by depositing a physical copy at the registered office of the Company's share registrar, M&C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902; or (b) by sending a scanned PDF copy by email to gpb@mncsingapore.com, in each case, not less than 48 hours before the time fix for holding the Meeting, and failing which, the Proxy Form will not be treated as valid. **In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.**
7. The Company shall be entitled to, and will, treat any valid instrument appointing the Chairman of the Meeting which was delivered by a member to the Company before 11.00 a.m. on 26 May 2020 as a valid instrument appointing the Chairman of the Meeting as the member's proxy to attend, speak and vote at the Meeting if: (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and (b) the member has not withdrawn the appointment.
8. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

Personal data privacy:

By submitting an instrument appointing the Chairman of the Meeting to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of Chairman of the Meeting as proxy appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Meeting. Accordingly, the personal data of a member of the Company (such as his name) may be recorded by the Company for such purpose.