



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)

BUSINESS UPDATE: LEADER'S AIWATER TECHNOLOGY GAINING MOMENTUM IN WASTEWATER TREATMENT

The board of directors (“**Board**”) of Leader Environmental Technologies Limited (“**Company**” or “**Leader**”, and together with its subsidiaries, “**Group**”) wishes to provide an update on the development of the Group’s Artificial Intelligence Water Management System (“**AIWater**”).

Since the last business update on 21 April 2023, the Group has successfully secured four projects in Shandong province and Zhejiang province, China which will implement our AIWater to manage 500,000 tons/day of municipal and industrial wastewater. The projects were secured via Environment Resource Management Contracts (“**ERMCS**”) for tenures ranging from 6 to 10 years. Under the terms of ERMCS, the Group will earn a share of the cost savings arising from the implementation of AIWater on the existing wastewater treatment plants (“**WWTPs**”).

These ERMCS provide the Group with long-term recurring incomes with minimal capital investments. Based on past experience of operating AIWater, the Group expects a reduction of electricity consumption by approximately 10%, chemical consumption by approximately 40%, and overall operating cost by approximately 10% to 20%. This will translate to reduction of carbon emission by approximately 200 tons per ten thousand tons of wastewater treated annually.

The Group has developed its patented AIWater by integrating AI technology, technical and operational know-hows, and experiences of operating WWTPs. Our AIWater has demonstrated cost savings in optimising the operations of the WWTPs to achieve low-carbon and efficient operation while maintaining stability and regulatory compliance.

The Company believes technology is key to the sustainable growth of its business. We see great market potential for our AIWater as China generates more than 220 million tons of municipal wastewater and 60 million tons of industrial wastewater daily. We believe that the demand for AIWater is huge against the backdrop of China’s quest to reduce carbon footprint. Our AIWater technology is unique and competitive in view of its effectiveness in improving the performance of existing WWTPs without much additional capital investment.

BY ORDER OF THE BOARD

Mr Ngoo Lin Fong
Executive Director
28 June 2023