

# RENAISSANCE UNITED LIMITED

(Company Registration No. 199202747M)  
Incorporated in Singapore

---

## RESPONSE TO SGX-ST QUERIES

---

The Board of Directors of Renaissance United Limited (the “**Company**”) would like to announce its responses to the queries raised by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 24 July 2020 (“**SGX-ST Queries**”) in relation to the Company’s announcement dated 17 July 2020.

### Query (i)

**Please explain the circumstances leading to the resignations of both Joseph Chen and Ng Fook San on 17 July 2020, noting that it is at a time when the Company’s audit for the full financial year ended 30 April 2020 is ongoing and Joseph Chen was the Chairman of the Audit Committee and Ng Fook San was a member of the Audit Committee?**

Messrs. Chen and Ng are 68 and 69 years of age, respectively, and had previously expressed their desire to retire. Both have other commitments they want to pursue outside of the Company.

As far as the audit of the Group’s financial statements is concerned for the financial year ended 30 April 2020 (FY20), the Audit Committee (including Mr. Chen and Mr. Ng) and the Board of Directors have had comprehensive discussions with the Company’s auditors on numerous occasions on how the issues (which are legacy issues) arose and the challenges to their resolution. These legacy issues have been flagged by the auditors in the last two cycles of audit. Management and the Board of directors (of which Mr. Chen and Mr. Ng were a part of) are well aware of what is required to resolve these issues, provided certain information is made available. In fact, prior to Mr. Chen’s and Mr. Ng’s resignation, the AC met with the Company’s auditors and discussed again each of the issues, and how, potentially, they might be resolved. As the Exchange has also pointed out, the Company has updated on its efforts to resolve these legacy issues.

Therefore, in this connection, there is no material adverse impact arising from either of Mr. Chen or Mr. Ng’s resignation.

### Query (ii)

**Please clarify what is the current composition of the Audit Committee following the resignations of Joseph Chen and Ng Fook San which held the positions of Chairman of the Audit Committee and member of the Audit Committee respectively? Please provide the Board and the Nominating Committee’s assessment as to whether the Audit Committee is able to adequately and effectively function following the resignations of Joseph Chen and Ng Fook San, and the basis for its views.**

**It is noted that the Company's 2019 Annual Report disclosed that the Company had a disclaimer of opinion and the independent auditor's report therein had set out matters in its basis for the disclaimer of opinion. In its quarterly results announcements, pursuant to Paragraph 3A of Appendix 7.2 of the SGX-ST Mainboard Listing Manual, the Company had also been updating on its efforts taken to resolve each outstanding audit issue.**

As mentioned under Query (i), the issues flagged by the Company's auditors in the two most recent audit cycles are legacy issues, and management and the board of directors are well aware of how these legacy issues might be resolved, provided information is made available. The composition of the Audit Committee will comprise Mr. Sazali Bin Mohd Nor and Mr. Ramakrishnan whom will be carrying out the duties of the Audit Committee in the meantime, while the Nominating Committee identifies a suitable candidate to replace Mr. Chen as chairman of the Audit Committee in due course.

In the view of the Nominating Committee and the Board, the Audit Committee will, therefore, continue to function normally in accordance with its usual terms of reference, while the Nominating Committee and the Board identify a suitable candidate to ensure that the number of members of the Audit Committee is in compliance with the Listing Rules and the Code of Corporate Governance.

**Query (iii)**

**Please provide the Board and the Nominating Committee's assessment and its basis on the suitability of Aswath Ramakrishnan as an independent director of the Company**

Mr. Aswath Ramakrishnan is a practicing lawyer and currently heads up the Dispute Resolution department of a law firm in Kuala Lumpur, Malaysia.

The Nominating Committee and the Board have assessed Mr. Ramakrishnan to possess the appropriate core competencies to assume the role of an independent director of the Company.

The Nominating Committee and the Board have also assessed the independence of Mr. Ramakrishnan in accordance with the principles and provisions of the Code of Corporate Governance and the Listing Rules, and are of the view that in relation to the Company and its group of companies, Mr. Ramakrishnan satisfies the criteria of independence.

**Query (iv)**

**How many directors of the Company are resident in Singapore? If there are none, please clarify how the Board would be able to discharge its duties effectively.**

One director is resident in Singapore.

**Query (v)**

**Please disclose how Aswath Ramakrishnan was introduced to the Company, and the identity of the introducer(s).**

Mr. Ramakrishnan was introduced to the Executive Director, Mr. James Blythman by one of his contacts in Kuala Lumpur, who then passed his curriculum vitae on to the Nominating committee for its processing.

**Query (vi)**

**Please elaborate on the Company's process with regard to the selection and appointment of an independent director, including whether any other candidates were considered for the aforementioned positions**

The Nominating Committee reviewed Mr. Ramakrishnan's CV, assessed that he satisfies the required core competencies and criteria of independence.

Mr. Chen and Mr. Ng had expressed their desire to retire over the course of this financial year, and the Nominating Committee had been referred a couple of other candidates during this time but has found Mr. Ramakrishnan to be a suitable candidate.

**Query (vii)**

**(vii) Listing Rule 704(8) states:**

***"Any appointment or reappointment of a director to the audit committee. The issuer must state in the announcement whether the board considers the director to be independent. The issuer must also provide such additional disclosure as may be appropriate in the circumstances to enable its shareholders to assess the independence or otherwise of the appointed director. In the event of any retirement or resignation which renders the audit committee unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case not later than three months." (emphasis added)***

**Please clarify what the Company's proposed action steps are in ensuring its compliance with Listing Rule 704(8).**

As mentioned above, Mr. Ramakrishnan will be inducted to be a member of the Audit Committee, Nominating Committee and Remuneration Committee, and efforts will be stepped up to identify a candidate to replace Mr. Chen as the chair of the Audit Committee.

**Query (viii)**

**Please provide the current composition of the Board.**

The current composition of the Board comprises Mr. Sazali Bin Mohd Nor (non-executive and independent director), Mr. Ramakrishnan (non-executive and independent director) and Mr. James Blythman (executive director and chief financial officer).

**By Order of the Board**

Allan P Tan  
Company Secretary  
27 July 2020