

# RENAISSANCE UNITED LIMITED

(Company Registration No. 199202747M)

Incorporated in Singapore

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## QUARTERLY UPDATE UNDER RULE 1314(2) OF THE LISTING MANUAL

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### INTRODUCTION

The Singapore Exchange (SGX-ST) placed Renaissance United Limited (the "Company") on the minimum trading price Watch-List under Rule 1314(2) of the Listing Manual with effect from 5 June 2017. Accordingly, the Company must meet the requirements under Listing Rule 1314(2) within 36 months from 5 June 2017, failing which SGX-ST would delist the Company or suspend trading in the Company's shares. Listing Rule 1314(2) states that SGX-ST will assess the Company for removal from the Watch-List if it records a volume-weighted average price of at least S\$0.20 and an average daily market capitalisation of S\$40 million or more over the prior six months.

Rule 1313(2) of the Listing Manual requires the Company to provide quarterly updates on its efforts and the progress made in meeting the exit criteria of the watch-List, including where applicable, its financial situation, its future direction, or other material developments that may have a significant impact on its financial position.

This announcement is the quarterly update by the Company of its efforts to put itself in a position to apply to the SGX-ST for removal from the Watchlist.

The Company is an investment holding company with a portfolio of businesses and investments with growth potential that it hopes can deliver consistent profits and positive cash flow.

The Company's core businesses are those operated by its three principal operating subsidiaries as follows:

1. Hubei Zonglianhuan Energy Investment Management Inc., focusing on natural gas distribution in the Peoples' Republic of China;
2. Capri Investments L.L.C., engaged in real estate development in the State of Washington, USA;
3. ESA Electronics Pte Ltd, based in Singapore, and engaged in the electronics sector.

## **1Q FY2020 UNAUDITED FINANCIAL PERFORMANCE AND FINANCIAL POSITION**

The Company released its unaudited financial results on 13 September 2019. For an update on the Group's financial performance and position, please go to the SGX-ST's website and the Company's website for the financial results released and uploaded on the said day.

## **ENTRY INTO A NON-BINDING MEMORANDUM OF UNDERSTANDING**

The Company announced on 26 February 2019 it had entered into a non-binding memorandum of understanding (the "MOU") with Broadland Garment Industries Sdn Bhd (the "Vendor"). Pursuant to the MOU, the Company shall enter into negotiations with the Vendor for the proposed acquisition of a majority stake in the issued and paid-up share capital of Broadland Garment International Sdn Bhd.

The Proposed Acquisition is part of the Company's efforts to diversify its business operations and broaden its income and revenue streams to achieve a more consistent and sustainable financial growth.

For further details please see SGXNET and the Company's website.

## **PROPOSED SUBSCRIPTION OF 1,230,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY**

The Company announced on 7 May 2019 that it had entered into Amendment Agreements with the Subscribers to amend the Issue Price and Subscription Agreement. Pursuant to the Amendment Agreements, the Issue Price was revised to \$S0.0011 for each Subscription Share for an aggregate cash consideration of \$S1,353,000.

The Company wishes to update its Shareholders that (i) the General Mandate which the Subscription Shares were to be allotted and issued under has expired; and (ii) the Long-Stop date for the Subscription Agreement had also expired. The Company had not received an in-principal approval from the SGX-ST in relation to the listing and quotation of the Subscription Shares prior to the expiry of the Long-Stop Date under the Subscription Agreement.

Notwithstanding, the Company remains committed to an equity raising and is currently exploring all options, including, but not limited to, discussions with the SGX-ST in relation to any further issuance of shares by way of a private placement.

Pursuant to the recently held annual general meeting on 29 August 2019, the Shareholders of the Company had approved a resolution for the authority to allot and issue new shares and convertible securities, as further set out in the notice of annual general meeting dated 13 August 2019.

The Company will update the Shareholders accordingly as and when further developments arise.

### **FURTHER ANNOUNCEMENTS**

The Company will make the relevant update announcements in relation to the above-mentioned Non-Binding MOU and Subscription Agreements as appropriate and in compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited.

The company remains cautiously optimistic in its belief that by improving the performance of its three principal operating subsidiaries and the announced corporate actions will bring renewed interest in the Company's securities and share price.

The Company bases its outlook on reasonable assumptions made, using available information concerning the Company's present and future business strategies and the environment in which the Group will operate. These views necessarily involve risks, uncertainties and assumptions. Actual performance can differ materially from the Company's outlook. Shareholders are advised to trade with caution if they intend to acquire or dispose of their shares.

### **FUTURE DIRECTION**

The Company will continue its efforts on improving the performance of its existing manufacturing and gas distribution businesses, and to diversify its business through the Proposed Acquisition which it hopes will renew the interest of its current shareholders and new investors in its shares.

### **By Order of the Board**

Allan Tan  
Company Secretary  
13 September 2019