

**RENAISSANCE UNITED LIMITED**  
(Company Registration No. 199202747M)  
Incorporated in Singapore

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**LEGAL PROCEEDINGS – ENTERING INTO SETTLEMENT AGREEMENT WITH SAWYER FALLS CO  
L.L.C.**

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The Board of Directors (the “**Board**”) of Renaissance United Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) would like to refer to the previous announcements related to the Sawyer Falls Co, L.L.C. v Capri Investments, L.L.C. et al Legal Suit in Pierce County Superior Court, No. 20-2-08573-7 which was first announced on 15 December 2020 (the “**Previous Announcements**”).

All defined terms used in this announcement have the same meanings adopted in the Previous Announcements.

**A. Background**

1. As announced on 21 January 2024, trial by jury commenced on 23 January 2024.
2. The Board wishes to inform shareholders and investors that Capri has on 9 February 2024 Pacific Standard Time, reached a settlement with the Plaintiff (or Sawyer Falls) in the Legal Suit filed against Capri (the “**Settlement**”).
3. As stated above, the Legal Suit was first filed and served on the Company and Capri (as defendants) on 14 December 2020 (United States Pacific Time) and announced by the Company on 15 December 2020.
4. Since the 15 December 2020 announcement, the Legal Suit has undergone multiple interlocutory proceedings. To aid shareholders and investors in understanding the Settlement reached, the following outlines a summary of the interlocutory proceedings and their respective outcomes:

<b>Date of Announcement</b>	<b>Nature of Proceedings</b>	<b>Outcome</b>
14 December 2020	Writ of Summons served by Sawyer Falls against the Company and Capri, claiming (A) a principal sum of US\$404, 214.38 and interest in the sum of US\$2,425,286.25, at the rate of 8% per month, in accordance with the Promissory Note and (B) an Unquantified Sum to be proven at trial arising from an obligation alleged agreed to be performed by Capri to develop the Falling Waters Project for the benefit of the Plaintiff.	
28 January 2021	Company and Capri filed claims against Wong and Teoh for misrepresentation and civil conspiracy.	Wong and Teoh added as third parties to the Legal Suit.
6 April 2021	Company and Capri filed a petition to dismiss the Plaintiff's claims and that the Company is not the alter ego of Capri	The Superior Court of the State of Washington ruled on 2 April 2021 that (A) the Plaintiff's claims be dismissed; (B) the Company adjudged not to be the alter ego of

		Capri; and (C) Costs awarded to the Company and Capri to be assessed.
17 May 2021	Plaintiff filed a Notice of Appeal on 14 May 2021 against the rulings of 2 April 2021 (the " <b>Plaintiff's Appeal against Summary Judgment</b> ").	
16 June 2022	Plaintiff's Appeal against Summary Judgment.	The Washington State Courts of Appeals on 14 June 2022 ordered the Plaintiff's claims to be returned to the Superior Court to be litigated based on the merits.  However, the Court of Appeals affirmed that the Company was not the alter ego of Capri, and claims against the Company made were dismissed (the " <b>Court of Appeals Decisions</b> ").
21 August 2022	Capri filed a petition to review the Court of Appeals Decisions on 16 August 2022 (" <b>Capri's Petition to review the Court of Appeals Decisions</b> ").	
31 August 2022	Pursuant to the Plaintiff's originating motion for relief in relation to the reinstatement order.	The Superior Court in Pierce County ordered on 29 August 2022 that all remaining proceeds from the sale of the Falling Water project-land to KB Home be placed in an interest-bearing special purpose account until conclusion of the Legal Suit (the " <b>Preliminary Injunction</b> ").  Plaintiff to put up bond of US\$75,000 as security for costs and damages that may be suffered by Capri.  Capri in discussion with its attorneys to file an appeal against the Preliminary Injunction.
11 December 2022	Capri's Petition to review the Court of Appeals Decisions.	The Washington Supreme Court on 7 December 2022 denied Capri's Petition for review of the Court of Appeals Decisions.  The claims relating to the Promissory Note will be returned to the Superior Court to be litigated based on the merits.
27 December 2022	Decision of Capri's Petition to review the Court of Appeals Decisions.	The Washington State Court of Appeals, Division II Court Commissioner on 21 December 2021, ordered that Capri's Petition to review the Court of Appeals Decisions be granted and the Preliminary Injunction stayed pending further decision of the Washington State Court of Appeals (the " <b>21 December 2022 Ruling</b> ").
19 July 2023	The Plaintiff's appeal against the 21 December 2022 Ruling	The Washington State Court of Appeals Division II on 17 July 2023

		granted the Plaintiff's motion to modify the 21 December 2022 Ruling. The said Court of Appeals denied Capri Petition for review of Court of Appeals Decisions (the " <b>17 July 2023 CA Division II Decision</b> ").
19 August 2023	Capri files motion on 16 August 2023 to Washington Supreme Court appealing the 17 July 2023 CA Division II Decision (" <b>Capri's Appeal against the 17 July 2023 CA Division II Decision</b> ").	
17 October 2023	Capri's Appeal against the 17 July 2023 CA Division II Decision.	Capri's Appeal against the 17 July 2023 CA Division II Decision was denied by the Deputy Commissioner of the Washington Supreme Court on 13 October 2023.
21 January 2024	Trial to start 23 January 2024. Teoh found incompetent by the Court and a Litigation Guardian appointed.	

\*Please note that dates mentioned above combine both Singapore and US Pacific Time and are for summary purposes and may differ slightly from those mentioned in the previous announcements. Kindly refer to the original announcement for further clarification if required.

- The decision to settle the Legal Suit has been made after careful consideration of various factors, including uncertainties of the outcome of trial by jury, the disparate rulings of the various interlocutory proceedings, costs of litigation, the potentiality of the Falling Water Project's entitlements expiring as a result of prolonged legal proceedings, and appeals that may be made by the prevailing party to the Legal Suit. The parties to the Legal Suit, therefore, entered into a settlement agreement on 9 February 2024 (the "**Agreement**").

## **B. Key Terms of the Agreement**

- Settlement sum:** The amount under the Settlement is United States Dollars Four million (USD4,000,000) (the "**Settlement Sum**"). The Settlement Sum is to be paid from the proceeds of the completion of the sale of the remaining parcel of land within the Falling Waters Project to KB Home (the "**KB Sale**").
- Date of Payment:** The Settlement Sum must be paid by February 9, 2024, or by 14 February 2024, in any event, failing which it shall thereafter constitute consent [by Capri] to entry of judgment against Capri and in favour of Sawyer Falls for a total judgment amount of USD4,000,000, without interest, costs, or fees, so long as said failure to close did not result from any action or inaction by Sawyer Falls.
- No Admission of Liability:** The Agreement is a settlement and is the result of a compromise agreed to solely for the purpose of avoiding the costs and uncertainties of continued litigation. The Agreement does not constitute and shall not at any time or for any purpose be construed as, considered to be, or offered as evidence of, any concession or admission by any of the Parties concerning any liability or fault, or the strength or weakness of their claims and defences against each other.
- Renovatio Legal Suit:** Further, the remaining claims in the Renovatio matter against G. Patrick Healy will also be dismissed. Mr Healy was the litigation funder for Sawyers Falls through the entity, 10 Mare Vista L.L.C.

5. Mutual Release from all claims: The Parties will be filing all necessary papers with the Court of the State of Washington to discontinue the Legal Suit.

**C. Key Consideration for agreeing to the Settlement**

1. Reasons for Settlement: Due to the complexities and uncertainties associated with prolonged legal proceedings, the nature of trial by jury, the disparate rulings of the various interlocutory proceedings, the costs of litigation, the potentiality of the Falling Water Project's entitlements expiring as a result of prolonged legal proceedings, including appeals anticipated to be made by the prevailing party to the Legal Suit, the Board and management have concluded that the Settlement was in the interest of the Company and Capri. The decision was made primarily to avoid ongoing costs, potential disruptions to Capri's business and the uncertainties of the final outcome of trial by jury.
2. Financial implications: The Settlement Sum will have an adverse impact on the Company's financial position. The Board and management understand the significance of the Settlement to the Company's financial position, the specific details of which will be disclosed in the Company's unaudited financial statements to be released in the next financial quarter.
3. Future Outlook: The Board and management acknowledge that notwithstanding the adverse impact the Settlement Sum will have on the Group's financial position, the Group's two key operating subsidiaries, Hubei Zonglianhuan Energy Investment Management Inc. ("**HZLH**") and ESA Electronics Pte. Ltd ("**ESA**") are self-sustaining businesses which do not require the financial support of the Company. The Board and management would like to emphasise that the Settlement will not affect HZLH's and ESA's ability to continue its respective business operations or comply with relevant laws and regulations. Further, HZLH's and ESA's viability and/or business prospects will not be affected by the Settlement. The Company will also consider options for further development of the remaining land it owns in the State of Washington, which do not form part of the land being conveyed to KB Home.

**D. Interest Of Directors and Controlling Shareholders in The Settlement**

None of the Directors (other than in his capacity as a director) and controlling shareholders of the Company has any interest, direct or indirect, in the Settlement or Agreement, other than through their respective shareholding interests in the Company, if any.

**E. Trading Caution**

The Board wishes to advise shareholders and investors alike to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisers.

**F. Document Available for Inspection**

As the Agreement is expressed to be confidential, the Company is not permitted to make available for inspection a copy of the Agreement.

**By Order of the Board**

James Moffatt Blythman  
Executive Director and Chief Financial Officer  
12 February 2024