



Renaissance United Limited

(Incorporated in Singapore. Registration Number. 199202747M)

Condensed Interim Financial Statements and Dividend Announcement

For the Third Quarter ("3QFY22") and Nine Months ended 31 January 2022 ("9MFY22").

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RENAISSANCE UNITED LIMITED

(Registration No. 199202747M)

Condensed Interim Financial Statements and Dividend Announcement For the Third Quarter ("3QFY22") and Nine Months ended 31 January 2022 ("9MFY22").

1(a)(i): A condensed interim consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

A. Unaudited condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group			Group		
		3 Months to 31/01/22 S\$'000	3 Months to 31/01/21 S\$'000	% Increase/ (Decrease)	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	% Increase/ (Decrease)
Revenue							
Sale of goods	4	3,493	3,607	(3.2)	12,516	12,799	(2.2)
Sale of land lots		-	11,860	nm	-	11,860	nm
Natural gas installation, connection, delivery and usage	4	17,340	13,466	28.8	39,166	31,654	23.7
		20,833	28,933	(28.0)	51,682	56,313	(8.2)
Other items of income							
Fair value gain/(loss) of financial assets, at fair value through profit or loss		3	21	(85.7)	(18)	29	nm
Interest income		10	25	(60.0)	25	87	(71.3)
Other income		45	194	(76.8)	167	529	(68.4)
		58	240	(75.8)	174	645	(73.0)
Total revenue		20,891	29,173	(28.4)	51,856	56,958	(9.0)
Operating expenses							
Changes in inventories		(535)	153	nm	(31)	(595)	(94.8)
Raw materials and consumables used		(16,175)	(14,088)	14.8	(38,603)	(31,997)	20.6
Development costs		-	(7,399)	nm	-	(7,399)	nm
Amortisation of intangible assets		(335)	(331)	1.2	(999)	(1,015)	(1.6)
Depreciation of property, plant and equipment		(1,018)	(909)	12.0	(2,940)	(2,769)	6.2
Impairment loss of trade and other receivables		(23)	(70)	(67.1)	(47)	(176)	(73.3)
Foreign exchange (loss)/gain, net		(137)	221	nm	461	(1,822)	nm
Employee benefits expenses		(2,174)	(1,760)	23.5	(5,328)	(4,612)	15.5
Finance Costs		(350)	(318)	10.1	(898)	(1,256)	(28.5)
Lease expenses		(16)	(5)	nm	(24)	(23)	4.3
Other expenses		(1,431)	(1,922)	(25.5)	(3,310)	(3,314)	(0.1)
Total expenses		(22,194)	(26,428)	(16.0)	(51,719)	(54,978)	(5.9)
(Loss)/profit before income tax	5	(1,303)	2,745	nm	137	1,980	(93.1)
Income tax expense	6	(172)	(55)	nm	(598)	(138)	nm
(Loss)/profit for the financial period		(1,475)	2,690	nm	(461)	1,842	nm
Other comprehensive income :							
Items that may be reclassified subsequently to profit or loss :							
Exchange differences on translation of foreign operations arising from consolidation		(329)	(1,204)	(72.7)	1,108	79	nm
Items that will not be reclassified subsequently to profit or loss :							
Exchange differences on translation of foreign operations arising from consolidation		543	(6)	nm	548	(11)	nm
Other comprehensive income for the financial period, net of tax		214	(1,210)	nm	1,656	68	nm
Total comprehensive (loss)/income for the financial period		(1,261)	1,480	nm	1,195	1,910	(37.4)

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A. Unaudited condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

	Note	Group			Group		
		3 Months to 31/01/22 S\$'000	3 Months to 31/01/21 S\$'000	% Increase/ (Decrease)	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	% Increase/ (Decrease)
(Loss)/profit attributable to :							
Equity holders of the Company		(1,345)	2,857	nm	(762)	1,456	nm
Non-controlling interests		(130)	(167)	(22.2)	301	386	(22.0)
		(1,475)	2,690	nm	(461)	1,842	nm
Total comprehensive (loss)/income attributable to :							
Equity holders of the Company		(1,674)	1,653	nm	346	1,535	(77.5)
Non-controlling interests		413	(173)	nm	849	375	nm
		(1,261)	1,480	nm	1,195	1,910	(37.4)
(Loss)/earnings per share attributable to equity holders of the Company							
Basic and diluted (in cents)					(0.012)	0.024	
nm-not meaningful							

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Condensed Interim Financial Statements and Dividend Announcement For the Third Quarter ("3QFY22") and Nine Months ended 31 January 2022 ("9MFY22").

1(b)(i): A condensed interim consolidated statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

B. Unaudited condensed interim statements of financial position

	Note	Group As at 31/01/22 S\$'000	Group As at 30/04/21 S\$'000	Company As at 31/01/22 S\$'000	Company As at 30/04/21 S\$'000
Non-current assets					
Intangible assets	7	12,568	13,193	-	-
Property, plant and equipment	8	81,226	76,945	27	15
Investment in subsidiaries		-	-	48,508	48,508
Trade and other receivables		2,837	2,794	-	-
Deferred tax assets		475	459	-	-
		97,106	93,391	48,535	48,523
Current assets					
Inventories		1,620	1,651	-	-
Development property	9	4,288	4,209	-	-
Trade and other receivables		13,430	13,744	83	51
Financial assets, at fair value through profit or loss		535	553	500	502
Cash and cash equivalents	10	18,256	18,203	829	1,258
		38,129	38,360	1,412	1,811
Total Assets					
		135,235	131,751	49,947	50,334
Current liabilities					
Trade and other payables		14,420	16,746	6,362	6,778
Provisions		34	71	6	6
Current income tax payable		682	953	-	-
Borrowings	11	12,040	13,340	-	4
Contract liabilities	12	23,778	19,536	-	-
		50,954	50,646	6,368	6,788
Net current liabilities					
		12,825	12,286	4,956	4,977
Non-current liabilities					
Borrowings	11	11,402	9,503	-	9
Deferred tax liabilities		3,049	2,967	-	-
		14,451	12,470	-	9
Total Liabilities					
		65,405	63,116	6,368	6,797
NET ASSETS					
		69,830	68,635	43,579	43,537
Equity					
Share capital	13	265,811	265,811	265,811	265,811
Other reserves	14	(17,701)	(18,809)	1,961	1,961
Accumulated losses		(195,274)	(194,512)	(224,193)	(224,235)
Equity attributable to equity holders of the Company					
		52,836	52,490	43,579	43,537
Non-controlling interests		16,994	16,145	-	-
TOTAL EQUITY					
		69,830	68,635	43,579	43,537

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Condensed Interim Financial Statements and Dividend Announcement For the Third Quarter ("3QFY22") and Nine Months ended 31 January 2022 ("9MFY22").

1(c) A condensed interim consolidated statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

C. Unaudited condensed interim consolidated statement of cash flows

	3 Months to 31/01/22 S\$'000	3 Months to 31/01/21 S\$'000	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000
Cash flows from operating activities				
(Loss)/profit before income tax	(1,303)	2,745	137	1,980
Adjustments for:				
Impairment loss of trade and other receivables and convertible loan, net	23	70	47	176
Amortisation of intangible assets	335	331	999	1,015
Depreciation of property, plant and equipment	1,018	909	2,940	2,769
Interest expenses	323	293	834	1,173
Interest income	(10)	(25)	(25)	(87)
Interest expenses on lease liabilities	11	16	32	47
Provisions made during the financial period	(5)	41	71	109
Fair value (gain)/loss on financial assets, at fair value through profit or loss	(3)	(21)	18	(29)
Unrealised foreign exchange loss/(gain)	152	(262)	(499)	1,752
Operating cash flows before working capital changes	541	4,097	4,554	8,905
Changes in working capital :				
Inventories	534	(151)	37	(519)
Development property	-	7,205	(6)	7,186
Trade and other receivables	710	(8,607)	669	(12,565)
Trade and other payables and contract liabilities	(495)	1,197	1,304	3,687
Provisions	4	22	(108)	(118)
Cash generated from operations	1,294	3,763	6,450	6,576
Interest received	10	5	25	26
Interest paid on bank overdrafts	(20)	(24)	(66)	(58)
Net income tax paid	(453)	(90)	(879)	(500)
Net cash generated from operating activities	831	3,654	5,530	6,044
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,126)	(1,839)	(4,474)	(2,903)
Proceeds from disposals of property, plant and equipment	-	1	-	2
Net cash used in investing activities	(2,126)	(1,838)	(4,474)	(2,901)
Cash flows from financing activities				
Proceeds from borrowings	2,122	4,614	6,287	6,220
Repayments of borrowings	(3,734)	(2,104)	(5,697)	(8,435)
Repayment of lease liabilities	(262)	(37)	(268)	(187)
Interest paid on borrowings	(303)	(269)	(768)	(1,115)
Interest paid on lease liabilities	154	(16)	(32)	(46)
Net cash (used in) /generated from financing activities	(2,023)	2,188	(478)	(3,563)
Net (decrease)/increase in cash and cash equivalents	(3,318)	4,004	578	(420)
Cash and cash equivalents at beginning of financial period	17,105	4,498	12,872	8,933
Effects of exchange rate changes in cash and cash equivalents	14	(24)	351	(35)
Cash and cash equivalents at end of the financial period	13,801	8,478	13,801	8,478

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1(d)(i) A condensed interim statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

D. Unaudited condensed interim statements of changes in equity

Group	Share capital S\$'000	Foreign exchange translation reserve S\$'000	Capital reduction reserve S\$'000	Equity - Non-controlling interests S\$'000	Accumulated losses S\$'000	Equity attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 May 2021	265,811	(15,519)	1,961	(5,251)	(194,512)	52,490	16,145	68,635
Profit for the financial period	-	-	-	-	(762)	(762)	301	(461)
Other comprehensive income for the financial period:								
Exchange differences on translation of foreign operations	-	1,108	-	-	-	1,108	548	1,656
Total comprehensive income for the financial period	-	1,108	-	-	(762)	346	849	1,195
Transactions with non-controlling interests	-	-	-	-	-	-	-	-
Balance at 31 January 2022	265,811	(14,411)	1,961	(5,251)	(195,274)	52,836	16,994	69,830
Balance at 1 May 2020	265,811	(17,088)	1,961	(5,251)	(189,110)	56,323	15,277	71,600
(Loss)/profit for the financial period	-	-	-	-	1,456	1,456	386	1,842
Other comprehensive income/ (loss) for the financial period:								
Exchange differences on translation of foreign operations	-	79	-	-	-	79	(11)	68
Total comprehensive (loss)/ income for the financial period	-	79	-	-	1,456	1,535	375	1,910
Transactions with non-controlling interests	-	-	-	(157)	-	(157)	157	-
Balance at 31 January 2021	265,811	(17,009)	1,961	(5,408)	(187,654)	57,701	15,809	73,510

Company	Share capital S\$'000	Capital reduction reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance at 1 May 2021	265,811	1,961	(224,235)	43,537
Profit and total comprehensive income for the financial period	-	-	42	42
Balance at 31 January 2022	265,811	1,961	(224,193)	43,579
Balance at 1 May 2020	265,811	1,961	(224,902)	42,870
Loss and total comprehensive income for the financial period	-	-	(487)	(487)
Balance at 31 January 2021	265,811	1,961	(225,389)	42,383

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Condensed Interim Financial Statements and Dividend Announcement For the Third Quarter ("3QFY22") and Nine Months ended 31 January 2022 ("9MFY22").

E. Notes to the unaudited condensed interim consolidated financial statements

1. General corporate information

The Company (Co. Reg. No. 199202747M) is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is at 16 Kallang Place, #05-10/18 Kallang Basin, Industrial Estate, Singapore 339156.

The Company is listed on the main board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activities of the Company are those of an investment holding company and performing the functions of the corporate headquarter of the Company and its subsidiaries (the "Group").

The principal activities of the significant subsidiaries are:

- Trading and providing consultancy services in semi-conductor industry;
- Residential estate development;
- Natural gas distribution.

2. Basis of preparation

The condensed interim financial statements for the nine months ended 31 January 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 April 2021.

The accounting policies and methods of computation adopted by the Group in the financial statements are consistent with those of the previous audited financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 *New and amended standards adopted by the Group*

In the current financial period, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial period.

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

2.2 *Use of judgements and estimates*

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the financial year. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 April 2021.

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E. Notes to the unaudited condensed interim consolidated financial statements

2. Basis of preparation (cont'd)

2.2 Use of judgements and estimates (cont'd)

Going concern assumption

The Group had a loss of \$461,000 during the financial period ended 31 January 2022. As at 31 January 2022, the Group's and the Company's current liabilities exceeded the current assets by \$12,825,000 (30 April 2021: \$12,286,000) and \$4,956,000 (30 April 2021: \$4,977,000) respectively.

The Board of Directors of the Company are of the view that the going concern assumption is appropriate for the preparation of these condensed interim financial statements based on the following assessment on the Group's major segments. Meanwhile, the Company is seeking to resolve its legacy issues with the SGX-ST to enable fund raisings.

(a) Capri Investments L.L.C. ("Capri")

Capri closed on a partial sale of the Falling Water Plat/Planned Development District ("PDD") to KBHPNW LLC ("KB"), a subsidiary of USA national home builder KB Home. The aggregate purchase price for that certain tract of real property known as "Tract C, Falling Water/PDD – Tracts" ("Tract C") within the Falling Water Plat/PDD is US\$8,030,000, with the initial payment of US\$4,000,000. From the funds received, Capri paid fees due to its consultants, title company as well as real estate excise tax. The net amount received in Capri's bank account was US\$3,619,000.

Capri on 3 November 2021 received payment of US\$1,250,000 (Approximately S\$1,687,000) due under the Sale and Purchase Agreement. The remainder of US\$2,779,800 (Approximately S\$3,751,000) is due upon KB sales to third parties over the next 6 to 18 months.

(b) Hubei Zonglianhuan Energy Investment Management Inc. ("HZLH")

Due to the up-front capital required for gas network infrastructure, HZLH does have significant borrowings from local financial institutions. The People's Republic of China ("PRC") has already reduced interest rates with cuts being passed on to HZLH. HZLH has good rapport with the local governments and its banks. Its banks are unlikely to "call in" loans without a long notice period as this may cause disruption to civic services.

Banks in the PRC do recognise such arrangements as it is an increasing popular way for local governments to fund infrastructure projects. As such, the maturing principals due within 12 months can be successfully negotiated for further repayment terms with a longer tenure. The majority of short-term debt obligations are secured in nature either by cash or by property, plant and equipment collaterals, and HZLH will be able to obtain additional fundings, if necessary, from the banks or financial institutions. The Board believes the operational cash flow is sufficient to meet payments when they fall due.

China's gas industry continues to improve however supply concerns still remain especially during the Winter period.

(c) ESA Electronics Pte Ltd ("ESA")

ESA is an operating subsidiary company without borrowings other than bank overdrafts which is fully backed by its cash collaterals.

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E. Notes to the unaudited condensed interim consolidated financial statements

2. Basis of preparation (cont'd)

2.2 Use of judgements and estimates (cont'd)

Going concern assumption (cont'd)

For these reasons, the condensed interim financial statements have been prepared on the assumptions that the Group and the Company will continue as going concerns. The condensed interim financial statements did not include any adjustments that may result in the event that the Group and the Company are unable to continue as going concerns.

In the event that the Group and the Company are unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to realise their assets and discharge their liabilities in the ordinary course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the condensed interim statements of financial position.

In addition, the Group and the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and liabilities as current assets and liabilities respectively.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the financial year are disclosed in Note 3 in the financial year ended 30 April 2021 Annual Report.

3. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors.

The accounting policies of the operating segments are the same of those described in the summary of significant accounting policies disclosed in Note 2 in the financial year ended 30 April 2021 Annual Report. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operation before tax expense.

Management considers the business from both business and geographical segment perspective. The Group's reportable segments are strategic business units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies. There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

Income taxes are managed by the management of respective entities within the Group.

The Group accounts for inter-segment sales and transfer as if the sales or transfers were to third parties, which approximate market prices. These intersegment transactions are eliminated on consolidation.

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E. Notes to the unaudited condensed interim consolidated financial statements

3. Segment information (cont'd)

Business segments

The Group is organised into five main business segments:

- Infrastructure development and turnkey construction;
- Property development;
- Gas distribution;
- Electronics and trading; and
- Investment securities trading.

Other operations of the Group mainly comprise investment holding and other management services, neither of which constitutes a separately reportable segment.

Geographic segments

The Group's business segments operate in five main geographical areas:

- Singapore
- People's Republic of China
- United States of America
- Taiwan and Europe
- Other countries

Sales are based on the geographical area in which the customer is located. Total assets and capital expenditure are shown by the geographical area where the assets are located.

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E. Notes to the condensed interim consolidated financial statements

3. Segment information (cont'd)

Business Segments	Infrastructure development and turnkey construction		Property development		Gas distribution		Electronics and trading		Investment securities trading		Corporate and others		Total	
	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000
Revenue														
Sales to customers	-	-	-	11,860	39,166	31,654	12,516	12,799	-	-	-	-	51,682	56,313
Other revenue	2	2	11	-	167	116	-	428	(5)	71	(1)	28	174	645
Total external revenue	2	2	11	11,860	39,333	31,770	12,516	13,227	(5)	71	(1)	28	51,856	56,958
Segment profit/(loss)	46	(887)	(141)	3,364	861	1,152	1,027	370	(145)	389	(670)	(1,275)	978	3,113
Interest income	1	-	-	-	22	15	2	11	-	61	-	-	25	87
Interest expenses	(1)	(1)	-	-	(768)	(1,115)	(95)	(103)	-	-	(2)	(1)	(866)	(1,220)
Profit/(loss) before income tax	46	(888)	(141)	3,364	115	52	934	278	(145)	450	(672)	(1,276)	137	1,980
Income tax expense	-	-	-	-	(598)	(138)	-	-	-	-	-	-	(598)	(138)
Profit/(loss) for the financial period	46	(888)	(141)	3,364	(483)	(86)	934	278	(145)	450	(672)	(1,276)	(461)	1,842
Non-controlling interests	-	-	-	-	(143)	(351)	(158)	(35)	-	-	-	-	(301)	(386)
Profit/(Loss) attributable to equity holders of the Company	46	(888)	(141)	3,364	(626)	(437)	776	243	(145)	450	(672)	(1,276)	(762)	1,456

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E. Notes to the condensed interim consolidated financial statements

3. Segment information (cont'd)

Business Segments	Infrastructure development and turnkey construction		Property development		Gas distribution		Electronics and trading		Investment securities trading		Corporate and others		Total	
	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000
Segment Assets and Liabilities														
Segment assets	3,196	2,807	8,428	14,643	109,311	103,645	12,839	14,124	19	25	1,442	1,943	135,235	137,187
Segment liabilities	388	476	884	788	56,980	53,007	4,288	6,478	1,716	2,439	1,149	489	65,405	63,677
Capital expenditure	1	-	-	-	4,426	3,104	9	14	-	-	4	17	4,440	3,135
Impairment loss of trade and other receivables	-	-	-	-	-	-	47	115	-	61	-	-	47	176
Amortisation of intangible assets	-	-	-	-	999	1,015	-	-	-	-	-	-	999	1,015
Depreciation of property, plant and equipment	7	7	-	-	2,498	2,308	431	452	-	-	4	2	2,940	2,769

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Condensed Interim Financial Statements and Dividend Announcement

E. Notes to the condensed interim consolidated financial statements

3. Segment information (cont'd)

Geographic Segments	Singapore		People's Republic of China		United States of America		Taiwan		Europe		Others		Total	
	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000	As at 31/01/22 S\$'000	As at 31/01/21 S\$'000
Sales to external customers	2,651	3,483	45,591	36,759	281	12,130	1,375	3,011	497	572	1,287	358	51,682	56,313
Others	(6)	527	167	116	11	-	-	-	-	-	2	2	174	645
Total external revenue	2,645	4,010	45,758	36,875	292	12,130	1,375	3,011	497	572	1,289	360	51,856	56,958
Segment assets	14,296	16,077	109,311	103,645	8,428	14,643	-	-	-	-	3,200	2,822	135,235	137,187
Segment liabilities	7,181	9,435	56,980	53,007	884	788	-	-	-	-	360	447	65,405	63,677
Capital expenditure	13	31	4,426	3,104	-	-	-	-	-	-	1	-	4,440	3,135
Non-current assets	799	1,138	92,978	95,291	-	-	-	-	-	-	17	26	93,794	96,455

Non-current assets consist of intangible assets and property, plant and equipment.

There were no inter-segment sales between the geographic segments.

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E. Notes to the unaudited condensed interim consolidated financial statements

4. Revenue

The following table provides a disaggregation disclosure of the Group's revenue by primary geographical market, major product lines and timing of revenue recognition:

	Property development S\$'000	Gas distribution S\$'000	Electronics and trading S\$'000	Total S\$'000
9 Months to 31/01/22				
Primary geographical markets				
Singapore	-	-	2,651	2,651
PRC	-	39,166	6,425	45,591
Taiwan	-	-	1,375	1,375
USA	-	-	281	281
Others	-	-	1,784	1,784
	-	39,166	12,516	51,682
Major product lines				
Semi-conductor components	-	-	12,516	12,516
Gas installation and connection	-	9,415	-	9,415
Gas delivery and usage	-	29,751	-	29,751
Property development	-	-	-	-
	-	39,166	12,516	51,682
Timing of revenue recognition				
At a point in time	-	9,415	12,516	21,931
Over time	-	29,751	-	29,751
	-	39,166	12,516	51,682
9 Months to 31/01/21				
Primary geographical markets				
Singapore	-	-	3,483	3,483
PRC	-	31,654	5,105	36,759
Taiwan	-	-	3,011	3,011
USA	11,860	-	270	12,130
Others	-	-	930	930
	11,860	31,654	12,799	56,313
Major product lines				
Semi-conductor components	-	-	12,799	12,799
Gas installation and connection	-	9,842	-	9,842
Gas delivery and usage	-	21,812	-	21,812
Property development	11,860	-	-	11,860
	11,860	31,654	12,799	56,313
Timing of revenue recognition				
At a point in time	11,860	9,842	12,799	34,501
Over time	-	21,812	-	21,812
	11,860	31,654	12,799	56,313

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E. Notes to the unaudited condensed interim consolidated financial statements

5. Profit before income tax

5.1 Significant items

Profit before income tax is arrived at after charging the following:

	Group	
	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000
Provision for Directors' fees		
- Directors of the Company	62	62
General repair and maintenance	296	255
Professional and consultancy fees	845	745
Travelling expenses	141	71
Utilities	233	218
Safety production expenses	632	655

5.2 Significant related party transactions

Some of the Group's and the Company's transactions and arrangements are between entities of the Group and with related parties, the effects of which, on basis determined between the parties, are reflected in these condensed interim consolidated financial statements. The balances with these parties are unsecured, interest-free and repayable on demand unless stated otherwise.

Apart from the related party information disclosed elsewhere in these condensed interim financial statements, the Group does not have any other related party transactions.

5.3 Other income

	Group	
	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000
Job Support Scheme	-	391
Sundry income	167	138
	<u>167</u>	<u>529</u>

6. Income tax expense

Income tax expense for the financial year consist of:

	Group	
	9 Months to 31/01/22 S\$'000	9 Months to 31/01/21 S\$'000
- current income tax	598	734
- deferred income tax	-	(596)
	<u>598</u>	<u>138</u>

Domestic income tax is calculated at 17% (31 January 2021: 17%) of the estimated assessable profit for the financial year. The Group's subsidiaries in PRC are subject to corporate income tax rate of 25% (31 January 2021: 25%). Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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E. Notes to the unaudited condensed interim consolidated financial statements

7. Intangible assets

There are no significant additions and disposals of intangible assets during the nine months ended 31 January 2022. The amortisation of intangible assets during the period amounts to \$999,000 (31 January 2021: \$1,015,000).

8. Property, plant and equipment

During the nine months ended 31 January 2022, the Group acquired property, plant and equipment amounting to \$4,440,000 (31 January 2021: \$3,135,000). There are no significant disposals during the nine months ended 31 January 2022 and 31 January 2021. The depreciation of property, plant and equipment during the period amounts to \$2,940,000 (31 January 2021: \$2,769,000).

9. Development property

The development property comprises a parcel of land which is located near the cities of Seattle and Tacoma in the state of Washington, USA.

Capri's development property for sale forms the majority of its Falling Water project which are Tax Parcels "sewn together" to form the "Planned Development District". Further details are disclosed in Note 16 of the 2021 Annual Report.

10. Cash and cash equivalents

	Group	
	As at 31/01/22 S\$'000	As at 30/04/21 S\$'000
Cash and cash equivalents as per statement of financial position	18,256	18,203
Bank overdrafts (Note 11)	(1,855)	(2,731)
Cash pledged for bank facilities (Note 11)	(2,600)	(2,600)
As per condensed interim consolidated statement of cash flows	<u>13,801</u>	<u>12,872</u>

The cash amounting to \$2,600,000 (30 April 2021: \$2,600,000) were pledged to banks to secure credit facilities granted to the subsidiaries.

Significant restriction

Cash and bank balances of approximately \$7,810,000 (30 April 2021: \$8,127,000), equivalent to RMB36,821,000 (30 April 2021: RMB39,700,000) held with the subsidiaries in the PRC are subject to local exchange control regulations. These regulations place restrictions on exporting capital out of the country other than through dividends and thus significantly affect the Group's ability to access or use assets, and settle liabilities, of the Group.

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E. Notes to the unaudited condensed interim consolidated financial statements

11. Borrowings

	Group		Company	
	As at 31/01/22 S\$'000	As at 30/04/21 S\$'000	As at 31/01/22 S\$'000	As at 30/04/21 S\$'000
<i>Secured</i>				
Bank borrowings	20,609	18,874	-	-
Bank overdrafts	1,855	2,731	-	-
	22,464	21,605	-	-
<i>Unsecured</i>				
Loan from a third party	546	537	-	-
Lease liabilities	432	701	-	13
Total borrowings	23,442	22,843	-	13
Less: Amount due for settlement within 12 months	(12,040)	(13,340)	-	(4)
Amount due for settlement after 12 months	11,402	9,503	-	9

- (a) The bank borrowings of the Group included amount of \$20,609,000 (30 April 2021: \$18,874,000) which are secured by property, plant and equipment (Note 8). Interest is charged at 4.35% to 7% (30 April 2021: 4.35% to 7%) per annum.
- (b) Bank overdrafts are secured by cash pledged and interest is charged at 5% (30 April 2021: 5%) per annum.
- (c) The loan from a third party is unsecured, interest-free and repayable on demand.

12. Contract liabilities

The Group receives payments from customers who purchase or reloads prepaid cards, which are used to pay for the consumption of natural gas provided by the Group. These payments received in advance are recognised as contract liabilities. Contract liabilities are recognised as revenue based on the usage of the value in the prepaid cards to pay for the consumption of natural gas.

13. Share capital

The Company has one class of ordinary shares which carries no right to fixed income. The equity holders of ordinary shares of the Company are entitled to receive dividends as and when declared by the Company.

All ordinary shares of the Company have no par value and carry one vote per share without restriction. There is no change in the Company's share capital and its issued shares remained at 6,180,799,986 ordinary shares as at 31 January 2022 and 31 January 2021 respectively.

As at 31 January 2022 and 31 January 2021, the Company does not hold any treasury shares and the Company's subsidiaries do not hold any shares in the Company.

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E. Notes to the unaudited condensed interim consolidated financial statements

14. Other reserves

14.1 Foreign exchange translation reserve

The foreign exchange translation reserve is used to record exchange differences arising from the translation of financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

14.2 Capital reduction reserve

The capital reduction reserve arose from a capital reduction exercise in year 2006 to reduce the par value of each issued and paid-up share capital of the Company from \$0.20 to \$0.05 to cancel an aggregate amount of \$123,867,000 of the issued and paid-up share capital of the Company, of which \$121,906,000 represents issued and paid-up share capital which had been lost and unrepresented by available assets, and the balance of \$1,961,000 was credited to capital reduction reserve.

14.3 Equity - NCI

The Equity - NCI is the effect of transaction with non-controlling interests without loss of control and these transactions will no longer result in goodwill or gains or losses.

15. Financial instruments

15.1 Categories of financial instruments

Financial instruments at their carrying amounts at end of reporting period are as follows:

	Group		Company	
	As at 31/01/22 S\$'000	As at 30/04/21 S\$'000	As at 31/01/22 S\$'000	As at 30/04/21 S\$'000
Financial assets				
Financial assets, at fair value through profit or loss	535	553	500	502
Financial assets at amortised cost	28,374	32,017	889	1,294
	28,909	32,570	1,389	1,796
Financial liabilities				
Financial liabilities at amortised cost	37,862	39,589	6,362	6,791

The Group and the Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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E. Notes to the unaudited condensed interim consolidated financial statements

15. Financial instruments (cont'd)

15.1 Categories of financial instruments (cont'd)

Group	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
31/1/2022				
Financial assets				
At fair value through profit or loss	535	-	-	535
30/4/21				
Financial assets				
At fair value through profit or loss	553	-	-	553
Company				
31/1/2022				
Financial assets				
At fair value through profit or loss	500	-	-	500
30/4/21				
Financial assets				
At fair value through profit or loss	502	-	-	502

16. Subsequent events

There are no known subsequent events which have led to adjustments to these condensed interim financial statements.

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F. Other information required by Listing Rule Appendix 7.2

1. **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The condensed interim consolidated statements of financial position of Renaissance United Limited and its subsidiaries as at 31 January 2022 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the nine months then ended and certain explanatory notes have not been audited or reviewed.

2. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not Applicable.

3. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**
(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
This is not required for any audit issue that is a material uncertainty relating to going concern.

The Group's auditors Messrs Baker Tilly have issued a disclaimer of opinion on the Group's Financial Statements for the financial year ended 30 April 2021 due to the issues set out in the Annual Report pages 10-12.

(a) Updates on efforts taken to resolve each outstanding audit issue.

3.1 Financial information of Hubei Zonglianhuan Energy Investment Management Inc. and its subsidiaries ("HZLH group")

As stated on Page 35 of the FY21 Annual Report, the Company believes the adoption of SFRS(I) INT12 is not appropriate.

The assessment of whether such exclusive contracts fall within scope of Singapore Financial Reporting Standard (International) Interpretation 12 Service Concession Arrangements ("Interpretation") requires significant amount of judgement. The Group had previously applied Singapore Financial Reporting Standard 112 Service Concession Arrangements, which was effective for annual periods beginning on or after 1 January 2008, and had then assessed that such exclusive contracts did not fall within scope of Interpretation. The key considerations, amongst others are:

- (i) industry peers, whereby operations are governed by comparable agreements, have adopted similar accounting treatment as the Group's;
- (ii) whilst China Price Bureaus approve pricing, the pricing is agreed upon by negotiations with local governments;
- (iii) the Group's subsidiaries are able to make decisions on investment on infrastructure especially if there is little or no economic benefit in doing so, which was illustrated by actual business practice; and
- (iv) the Group's practical ability to pledge its infrastructure.

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F. Other information required by Listing Rule Appendix 7.2

3. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**
- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
 - (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**
- This is not required for any audit issue that is a material uncertainty relating to going concern.**

(a) Updates on efforts taken to resolve each outstanding audit issue (cont'd)

The Group believes that this assessment remain appropriate and accordingly, the Group recognises revenue from these natural gas supply contracts based on the accounting policy as described in Note 2.4 of the FY21 Annual Report.

3.2 Fair value of intangible assets

Management is attempting to confirm the underlying assumptions of the allocation of Intangible Assets following the acquisition into natural gas distribution in China as well as subsequent periods. An external report was commissioned by the Company in 2007 which formed the basis of allocation.

3.3 Development property

Management is continuing to collate the required documents and information required to substantiate the carrying amount of the development property.

3.4 Contingent liabilities

The Board has discussed the legal claims with its lawyers in Seattle and Singapore and based on the professional legal advice received, the Board believes the claims are without merit and hence supporting the view that no provisions are required.

Although delays brought about by the COVID19 virus have caused trial dates to be postponed, the professional legal advice still remains unchanged. The Group's auditors continue to be updated on the on-going legal proceedings during Audit Committee meetings.

(b) Confirmation from the board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The Directors of the Company confirm that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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F. Other information required by Listing Rule Appendix 7.2

4. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

Earnings per ordinary share of the group (in cents):

	Group	
	Basic	Diluted
4(a) current financial period 31/01/22 and (Based on 6,180,799,986 basic and diluted weighted average number of ordinary shares in issue at 31/01/22)	<u>(0.012)</u>	<u>(0.012)</u>
	Basic	Group Diluted
4(b) immediately preceding financial period 31/01/21 (Based on 6,180,799,986 basic and diluted weighted average number of ordinary shares in issue at 31/01/21)	<u>0.024</u>	<u>0.024</u>

5. Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the
(a) current period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	As at 31/01/22 S\$	As at 30/04/21 S\$	As at 31/01/22 S\$	As at 30/04/21 S\$
Net asset value per ordinary share	<u>0.009</u>	0.008	<u>0.007</u>	0.007

Based on 6,180,799,986 issued shares at 31/01/22 and 30/04/21 respectively.

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F. Other information required by Listing Rule Appendix 7.2

6. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- a) any significant factors that affected the revenue, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of performance of the Group

Unaudited Condensed Interim Consolidated Income Statement Items: 3QFY2022 vs 3QFY2021

In the third financial quarter ended 31 January 2022 ("3QFY22"), the Group achieved a Turnover of S\$20.8 million, which was S\$8.1 million or 28.0% lower than the Turnover of S\$28.9 million recorded for the corresponding quarter ended 31 January 2021 ("3QFY21"). The Group's Turnover was attributable to the following subsidiaries:

- ESA Electronics Pte Ltd ("ESA"), recorded a 3.2% decrease in Turnover of S\$0.1 million to S\$3.5 million in 3QFY22, as compared to a Turnover of S\$3.6 million recorded in 3QFY21. The decrease was mainly due to decreased demand of burn-in boards by semi-conductor manufacturers in the current quarter.
- Capri Investments L.L.C. ("Capri") did not make any Turnover in 3QFY22 as compared to S\$11.9 million in 3QFY21 which had finalised sales agreement with home builders in the previous quarter;
- Excellent Empire Limited ("EEL"), via its wholly-owned subsidiary, China Environmental Energy Protection Investment Limited ("CEEP"), which in turn through its China subsidiaries, supplies natural gas to households, commercial and industrial users in Anlu, Dawu, XiaoChang and Guangshui cities in Hubei, PRC, achieved a Turnover of S\$17.3 million in 3QFY22, as compared with S\$13.5 million in 3QFY21. The 28.8% increase in Turnover of S\$3.8 million was mainly due to increase in natural gas sales.

The Group recorded a Loss before Income Tax of S\$1.3 million in 3QFY22 as compared to Profit before Income Tax of S\$2.7 million in 3QFY21.

The Group recorded a Loss after Income Tax of S\$1.5 million in 3QFY22, as compared to Profit after Income Tax S\$2.7 million in 3QFY21.

Other Revenue decreased by S\$0.1 million to S\$0.1 million in 3QFY22, as compared with S\$0.2 million income in 3QFY21. This was mainly due to S\$0.1 million government job support scheme in 3QFY21 and none in 3QFY22.

The Group's Total Cost and Expenses decreased by approximately S\$4.2 million to S\$22.2 million in 3QFY22, compared with S\$26.4 million in 3QFY21. This was mainly due to:

- a) S\$2.8 million increase in the changes in inventories, raw materials and consumables used, which is in line with the increased turnover by the natural gas business of China subsidiaries;
- b) S\$7.4 million development costs pertaining to Capri's land sales in 3QFY21 and none in 3QFY22;
- c) S\$0.1 million increase in depreciation mainly from the China subsidiaries;

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F. Other information required by Listing Rule Appendix 7.2

Review of performance of the Group (cont'd)

Unaudited Condensed Interim Consolidated Income Statement Items (cont'd) :

3QFY2022 vs 3QFY2021

d) S\$0.3 million increase in foreign exchange loss from S\$0.2 million gain in 3QFY21 to S\$0.1 million loss in 3QFY22, arising from the revaluation of foreign currency denominated balances primarily in :

(i) United States Dollars ("US\$"), at exchange rates of 1 US\$ to S\$ which weakened from S\$1.361 to S\$1.351 (3QFY21: weakened from S\$1.369 to S\$1.322);

(ii) Chinese Renminbi ("RMB"), at exchange rates of 1 RMB to S\$ which strengthened from S\$0.211 to S\$0.212 (3QFY21: strengthened from S\$0.201 to S\$0.202);

e) S\$0.4 million increase in employee benefits expenses mainly from salaries of China subsidiaries which is in line with its increased turnover;

f) S\$0.5 million decrease in other operating expenses mainly due to increase of S\$0.2 million in safety production expenses of China subsidiaries offset by S\$1.0 million decrease in legal and professional fees, property taxes and commissions mainly from Capri which did not contribute any turnover in 3QFY22 and \$0.3 million increase in general and administrative expenses of the Group's subsidiaries.

An increase in Income Tax to S\$0.1 million in 3QFY22 is mainly due to increased tax provisions from the Group's subsidiaries.

9MFY22 vs 9MFY21

During the nine months ended 31 January 2022 ("9MFY22"), the Group achieved a Turnover of S\$51.7 million, which was S\$4.6 million or 8.2% lower than the Turnover of S\$56.3 million recorded for the corresponding nine months ended 31 January 2021 ("9MFY21"). The Group's Turnover was mainly attributable to the following subsidiaries:

- ESA recorded a 2.2% decrease in Turnover of S\$0.3 million to S\$12.5 million in 9MFY22, as compared to a Turnover of S\$12.8 million recorded in 9MFY21. The decrease was mainly due to lower demand of burn-in boards by semi-conductor manufacturers in the current period;

- Capri Investments L.L.C. ("Capri") did not make any contribution in 9MFY22 as compared to S\$11.9 million in 9MFY21 which it had finalised sales agreement with home builders in the previous period;

- EEL, via its wholly-owned subsidiary, CEEP, which in turn through its China subsidiaries, supplies natural gas to households, commercial and industrial users in Anlu, Dawu, XiaoChang and Guangshui cities in Hubei, PRC, achieved a Turnover of S\$39.2 million in 9MFY22, as compared with S\$31.7 million in 9MFY21. The 23.7% increase in Turnover of S\$7.5 million was mainly due to increase in natural gas sales.

The Group recorded a Profit before Income Tax of S\$0.1 million in 9MFY22, as compared to approximately S\$2.0 million recorded in 9MFY21.

The Group recorded a Loss after Income Tax of S\$0.5 million in 9MFY22, as compared with Profit after Income Tax of S\$1.8 million recorded in 9MFY21.

Correspondingly, in 9MFY22 the Group had a Loss Attributable to Shareholders of S\$0.8 million and Loss per Share of 0.012 Singapore cents (9MFY21: Profit Attributable to Shareholders S\$1.5 million and Earnings per Share of 0.024 Singapore cents).

Other Revenue decreased by S\$0.4 million to S\$0.2 million in 9MFY22, as compared with S\$0.6 million in 9MFY21. This was mainly due to S\$0.4 million government grant from job support scheme in 9MFY21 and none in 9MFY22.

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F. Other information required by Listing Rule Appendix 7.2

Review of performance of the Group (cont'd)

Unaudited Condensed Interim Consolidated Income Statement Items (cont'd) :

9MFY22 vs 9MFY21

The Group's Total Cost and Expenses decreased by S\$3.3 million to S\$51.7 million in 9MFY22, compared with S\$55.0 million in 9MFY21. This was mainly due to:

(a) S\$6.0 million increase in the changes in inventories, raw materials and consumables, which is in line with the increased turnover by the natural gas business of China subsidiaries;

(b) S\$7.4 million development costs pertaining to Capri's land sales in 9MFY21 and none in 9MFY22;

(c) S\$2.3 million foreign exchange gain in 9MFY22 arising from the revaluation of foreign currency denominated balances primarily in:

(i) United States Dollars ("US\$"), at exchange rates of 1 US\$ to S\$ which strengthened from S\$1.328 to S\$1.351 (9MFY21: weakened from S\$1.410 to S\$1.322);

(ii) Chinese Renminbi ("RMB"), at exchange rates of 1 RMB to S\$ which strengthened from S\$0.205 to S\$0.212 (9MFY21: strengthened from S\$0.200 to S\$0.202);

(d) S\$0.7 million increase in employee benefit expenses mainly from China subsidiaries;

(e) S\$0.3 million decrease in finance costs mainly due to repayments of bank borrowings by the China subsidiaries.

An increase in Income Tax of S\$0.5 million to S\$0.6 million in 9MFY22, as compared to S\$0.1 million in 9MFY21, is mainly due to 9MFY21 write back of S\$0.6 million deferred tax liabilities pertaining to the distribution and licensing rights of China subsidiaries.

Unaudited Condensed Interim Statements of Financial Position and Cashflows :

No.	Description	Amount in S\$ million
1)	An Increase/(Decrease) in Non-Current Assets	
1a.	Intangible Assets	(0.6)
1b.	Property, Plant and Equipment	4.3
	Increase in Non-Current Assets	3.7
2)	An Increase/(Decrease) in Current Assets and (Increase)/Decrease in Current Liabilities	
2a.	Trade and Other Receivables	(0.3)
2b.	Cash and Bank Balances	0.1
2c.	Trade and Other Payables and Contract Liabilities	(1.9)
2d.	Current Income Tax Payable	0.3
2e.	Borrowings	1.3
	Increase in Net Current Liabilities	(0.5)
3)	An (Increase)/Decrease in Non-Current Liabilities	
3a.	Long-Term Borrowings	(1.9)
3b.	Deferred Tax Liabilities	(0.1)
	Increase in Non-Current Liabilities	(2.0)

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F. Other information required by Listing Rule Appendix 7.2

Review of performance of the Group (cont'd)

Unaudited Condensed Interim Statements of Financial Position and Cashflows (cont'd) :

The Non-Current Assets of the Group were S\$97.1 million as at 31 January 2022, as compared to S\$93.4 million as at 30 April 2021. The increase of S\$3.7 million was primarily due to:

1a. a decrease in Intangible Assets of S\$0.6 million, mainly due to S\$0.4 million foreign exchange translation gain in Distribution and Licensing Rights of subsidiaries offset by S\$1.0 million amortisation of Distribution and Licensing Rights in current financial quarter;

1b. an increase of S\$4.3 million in Property, Plant and Equipment, mainly due to net additions of S\$4.4 million largely from the LNG storage facility by the Group's China subsidiaries, S\$2.8 million foreign exchange translation gain of Property, Plant and Equipment, offset by S\$2.9 million depreciation in current financial period.

The Net Current Liabilities of the Group increased by S\$0.6 million to S\$12.9 million as at 31 January 2022, as compared with S\$12.3 million as at 30 April 2021. This was attributable to:

2a. a decrease in Trade and Other Receivables of S\$0.3 million, mainly due to S\$1.6 million decrease from Capri's debtors, S\$2.4 million decrease from ESA, offset by S\$3.7 million increase mainly from China subsidiaries which is in line with the increased Turnover;

2b. an increase of S\$0.1 million in Cash and Bank Balances, mainly due S\$0.3 million net proceeds and repayments of bank borrowings and leases, S\$1.7 million payment of taxes and interest, S\$4.5 million purchase of property, plant and equipment mainly from China subsidiaries, offset by S\$6.0 million net receipts and payments of the Receivables and Payables of the Group's subsidiaries;

2c. an increase in Trade, Other Payables and Contract Liabilities of S\$1.9 million is mainly from China subsidiaries;

2d. a decrease in Current Income Tax Payable of S\$0.3 million is due to S\$0.3 million tax payments mainly by Capri;

2e. a decrease in Short-Term Borrowings of S\$1.3 million, mainly due to repayments of leases and bank overdraft of S\$1.1 million in ESA, S\$0.6 million repayments of bank borrowings mainly by the Group's subsidiaries in China, offset by S\$0.4 million foreign exchange translation loss in these borrowings.

The Non-Current Liabilities of the Group have increased to S\$14.5 million as at 31 January 2022, compared to S\$12.5 million as at 30 April 2021. This is primarily attributable to:

3a. an increase of S\$1.9 million in Long-Term Borrowings, mainly due to net S\$2.0 million proceeds and repayments of bank borrowings by China subsidiaries offset by S\$0.1 million foreign exchange translation gain;

3b. an increase of S\$0.1 million in deferred tax liabilities mainly due to foreign exchange loss of deferred tax liabilities relating to distribution and licensing rights of China subsidiaries.

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F. Other information required by Listing Rule Appendix 7.2

7. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The current results for the nine months ended 31 January 2022 are generally in line with the Company's commentary set out in paragraph 10 of its previous results announcement for the year ended 30 April 2021.

8. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months.**

The Group holds an 81.25% equity interest in ESA Electronics Pte Ltd ("ESA"). ESA is a Singapore incorporated company engaged in the business of assembling, trading and providing consultancy services in the semiconductor industry. ESA also acts as agents and distributors of semi-conductor back-end equipment such as vision inspection systems and test systems.

Despite the drop in turnover of ESA's 9MFY22 to S\$12.5 million as compared with the 9MFY21 of S\$12.8 million, profitability improved due to increased equipment sales. ESA continues to focus on sales to mainland China to leverage their faster recovery as well as their strategy of pursuing technology self-sufficiency.

The Group's wholly-owned subsidiary Excellent Empire Limited, via its 100% owned subsidiary China Environmental Energy Protection Investment Limited ("CEEP"), holds 65% equity interest in HZLH. HZLH in turn holds a 100% equity interest in four companies supplying natural gas under 30-year exclusive contracts with the cities of Anlu, Dawu, Xiaochang, and Guangshui in Hubei Province, People's Republic of China ("PRC").

HZLH's 9MFY22 turnover of S\$39.2 million improved slightly compared with 9MFY21 of S\$31.7 million with increased gas sales, however higher upstream prices impacted profitability.

HZLH is still assessing how the sanctions imposed against Russian oil and gas will impact its upstream supply which has seen global LNG prices surge.

As reported by Reuters on 4 February, "Russia has agreed a 30-year contract to supply gas to China via a new pipeline and will settle the new gas sales in euros, bolstering an energy alliance with Beijing amid Moscow's strained ties with the West over Ukraine and other issues. Gazprom, which has a monopoly on Russian gas exports by pipeline, agreed to supply Chinese state energy major CNPC with 10 billion cubic metres of gas a year." (<https://www.reuters.com/world/asia-pacific/exclusive-russia-china-agree-30-year-gas-deal-using-new-pipeline-source-2022-02-04/>).

Capri Investments L.L.C. ("Capri"), in which the Group holds a 100% equity interest, is engaged in property development of its Falling Water Project located in Pierce County, near the cities of Seattle and Tacoma in the State of Washington, USA.

As announced on 3 November 2020, Capri closed on a partial sale of the Falling Water Plat/Planned Development District ("PDD") to KBHPNW LLC ("KB"), a subsidiary of USA national home builder KB Home. The aggregate purchase price for that certain tract of real property known as "Tract C, Falling Water/PDD – Tracts" ("Tract C") within the Falling Water Plat/PDD is US\$8,029,872 (Approximately S\$10,978,441), with the initial payment of US\$4,000,072 (Approximately S\$5,468,898).

Capri on 3 November 2021 received payment of US\$1,250,000 (Approximately S\$1,687,000) due under the Sale and Purchase Agreement. The remainder of US\$2,779,800 (Approximately S\$3,751,000) is due upon KB sales to third parties over the next 6 to 18 months.

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F. Other information required by Listing Rule Appendix 7.2

9. **If a decision regarding dividend has been made:**
(a) Whether an interim (Final) ordinary dividend has been declared (recommended); and
(b) (i) Amount per share (cents) (b) (ii) Previous corresponding period (cents)
(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated)
(d) The date the dividend is payable
(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

No dividend has been declared or recommended in the current and previous reporting period.

10. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for the period ended 31 January 2022 as it is not the usual practice of the Company to declare interim dividend.

11. **If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

There is no general mandate from shareholders for Interested Party Transactions ("IPTs").

12. **Negative confirmations pursuant to Rule 705(5). (Not required for announcement on full year results).**

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the Group for the third quarter and nine months ended 31 January 2022, to be false or misleading in any material aspect.

13. **Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

**BY ORDER OF THE BOARD
RENAISSANCE UNITED LIMITED
JAMES MOFFATT BLYTHMAN
EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER
17 MARCH 2022**