INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RENAISSANCE UNITED LIMITED

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Renaissance United Limited (the "Company") and its subsidiaries (collectively, the "Group") as set out on pages 13 to 89, which comprise the statements of financial position of the Group and the Company as at 30 April 2021, the statements of changes in equity of the Group and the Company and the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis of an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

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

   As disclosed in Note 3.1 to the financial statements, HZLH group supplies 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"). Significant amount of judgement is required to determine if such exclusive contracts fall within scope of Singapore Financial Reporting Standard (International) Interpretation 12 *Service Concession Arrangements* ("Interpretation").

   The Interpretation requires an assessment on whether:

   (i) the local authorities control or regulate the type of services, to whom services are provided and the pricing of these services; and

   (ii) control of the significant residual interest in the assets are with the authorities at the end of the arrangement.

   We are unable to satisfy ourselves with respect to the Group's assessment and conclusion of the above considerations. As the Interpretation, if applicable, may affect accounting of revenue from such contracts, we are also unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to whether the revenue recognition policies of HZLH group is appropriate, and if any further disclosure on the application of the Interpretation is required. In addition, we are unable to determine whether any adjustments in respect of HZLH group's property, plant and equipment of $75,717,000 are necessary.

   Our opinion on the current financial year's financial statements is also modified because of the possible effect of these matters on the comparability of the current financial year's figures and the corresponding figures.

2. Fair value of intangible assets

   At 30 April 2021, the carrying amount of the Group's intangible assets amounted to $13,193,000 (2020: $22,774,000). An impairment loss of $7,056,000 was recognised in the financial year ended 30 April 2021 to write down the carrying amount of intangible assets to its recoverable amount.

Report on the Audit of the Financial Statements (cont'd)

Basis for Disclaimer of Opinion (cont'd)

2. Fair value of intangible assets (cont'd)

   As disclosed in Note 2.10 to the financial statements, HZLH group's intangible assets of distribution and licensing rights were acquired through business combinations. As these transactions were executed more than 10 years ago, we are unable to ascertain whether the allocation of the purchase price for the acquisition of HZLH group to the intangible assets of distribution and licensing rights which occurred at that time were appropriate. Accordingly, we are unable to satisfy ourselves if the opening balances and carrying amounts as at 30 April 2021 of the intangible assets, other reserves, accumulated losses and non-controlling interest contained misstatements. In addition, we are unable to determine if the impairment loss recognised during the financial year of $7,056,000 is appropriate.

   Our opinion on the current financial year's financial statements is also modified because of the possible effect of these matters on the comparability of the current year's figures and the corresponding figures.

3. Development property

   As disclosed in Note 16 to the financial statements, the net carrying amount of the Group's development property as at 30 April 2021 amounted to $4,209,000 (2020: $11,880,000). During the financial year ended 30 April 2021, the Group recognises development costs from sales of development property of $7,334,000 in the Group's profit or loss.

   We are unable to perform audit procedures to obtain sufficient appropriate audit evidence to satisfy ourselves as to whether the net carrying amount of the development property as at 1 May 2017 contained misstatements as management was unable to provide supporting documents for the accumulated brought forward costs of the development property. Accordingly, we are unable to satisfy ourselves that the development property stated at cost of $4,209,000 and $11,880,000 as at 30 April 2021 and 30 April 2020 respectively are fairly stated, and whether any adjustments might have been found necessary in respect of the development costs of $7,334,000 recognised in the Group's profit or loss for the financial year ended 30 April 2021.

   Our opinion on the current financial year's financial statements is also modified because of the possible effect of these matters on the comparability of the current financial year's figures and the corresponding figures.

4. Contingent liabilities

   As described in Note 33 to the financial statements, various writs of summons were filed against the Company and its subsidiary, Capri. No provision for liabilities has been made in the financial statements in respect of these claims as the directors believe the claims are without merits.

   Based on currently available information, we are unable to obtain sufficient appropriate audit evidence to determine whether any provision for additional liabilities is necessary for all the above claims in respect of the financial year ended 30 April 2021.

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred to in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Low See Lien.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

24 September 2021