

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Quanergy Solutions, Inc. v. EOS Australia PTY LTD

Quanergy Solutions · No. 23-cv-06228-NW · Decided September 9, 2025

SUMMARY

The United States District Court for the Northern District of California partially grants and partially denies EOS Australia PTY LTD's motion for summary judgment, and denies Quanergy Solutions, Inc.'s cross-motion for partial summary judgment. The court holds that the distributor agreement conditioned EOS's distributor status on meeting minimum purchase commitments but did not create an express obligation to purchase \$800,000 in products, and that the September 2022 purchase order was not accepted under the agreement. The court finds a material factual dispute regarding whether and when the distributor agreement was terminated, and denies EOS's motions to strike and exclude.

OPINION

Quanergy Solutions, Inc. v. EOS Australia PTY LTD

PER CURIAM.

1 2 3

4 UNITED STATES DISTRICT COURT

5 NORTHERN DISTRICT OF CALIFORNIA

6 7 QUANERGY SOLUTIONS, INC., Case No. 23-cv-06228-NW 8 Plaintiff, ORDER
GRANTING IN PART AND

DENYING IN PART DEFENDANT'S

9 v. MOTION FOR SUMMARY

JUDGMENT; DENYING PLAINTIFF'S

10 EOS AUSTRALIA PTY LTD, PARTIAL MOTION FOR SUMMARY

JUDGMENT

Defendant. 11

ORDER DENYING DEFENDANT'S

12 MOTION TO STRIKE

13 ORDER DENYING DEFENDANT'S

MOTION TO EXCLUDE

14 Re: ECF Nos. 50, 64, 81, 92 15 16 On January 27, 2025, Defendant EOS Australia PTY, LTD
("EOS") moved for summary 17 judgment on Plaintiff Quanergy Solutions, Inc.'s ("Quanergy")
claims. Defendant's Mot. for 18 Summary Judgment, ECF No. 50 ("EOS MSJ"). On February 14,
2025, Quanergy filed an 19 opposition and simultaneously filed a cross-motion for partial

summary judgment. Plaintiff's 20 Mot. for Summary Judgment and Opp'n to EOS MSJ, ECF No. 64 ("Quanergy MSJ"). The 21 parties filed respective oppositions and replies to the cross-motions for summary judgment. ECF

22 Nos. 73, 76.

23 On March 20, 2025, EOS filed a motion to strike Quanergy's reply to Quanergy's cross- 24 motion for partial summary judgment. EOS Mot. to Strike, ECF No. 81. On June 27, 2025, EOS 25 additionally filed a motion to exclude testimony of two of Quanergy's experts. EOS Mot. to 26 Exclude, ECF No. 92. Quanergy opposed both motions, and EOS filed replies. 27 Having considered the parties' briefing, the relevant legal authority, and the arguments put 1 Defendant's motion for summary judgment and DENIES Plaintiff's cross-motion for summary 2 judgment. The Court DENIES Defendant's motion to strike and DENIES Defendant's motion to 3 exclude.

4 I. BACKGROUND

5 Quanergy is a Delaware corporation with its principal place of business in San Jose, 6 California. Compl. ¶ 1, ECF No. 1. Quanergy is a manufacturer of LiDAR sensors and related 7 proprietary products, technology, materials and software. Id. ¶ 9. EOS is an Australian 8 electronics security distribution company with its principal place of business in Auburn, Australia. 9 Answer ¶ 2, ECF No. 18. The parties do not contest that the Court has personal jurisdiction over 10 Defendant and subject matter jurisdiction over Plaintiff's claims. Compl. ¶¶ 3-7; see generally 11 EOS MSJ. 12 This dispute arises out of a distributor agreement between Quanergy's predecessor, 13 Quanergy OldCo., and EOS. The following facts are undisputed.¹ 14 A. Distributor Agreement 15 Effective March 15, 2022, Quanergy OldCo. and EOS entered into an agreement 16 appointing EOS as Quanergy OldCo.'s non-exclusive distributor and reseller of Quanergy 17 OldCo's products in Australia and New Zealand. Compl. ¶ 11, Ex. A ("Distributor Agreement" or 18 "Agreement"). The Agreement was for a term of three years commencing on March 15, 2022, 19 ending on March 14, 2025, and states that it "shall automatically renew for additional one-year 20 periods ("Renewal Term"), unless either Party provides a written notice of non-renewal not less 21 than sixty (60) days prior to the expiration of the Initial Term or Renewal Term, as the case may 22 be." Distributor Agreement, § 8.1. The parties agree, and counsel confirmed at the hearing, that 23 the Distributor Agreement is the only agreement governing the relationship between the parties. 24 The Distributor Agreement sets forth the terms of EOS's appointment as a distributor and 25 required EOS to "use its best efforts to market, promote, sell, and support" the Quanergy OldCo. 26 27 1 The Court relies only on undisputed facts: facts that both parties cited in their respective motions, 1 products. Section 2.1, titled "Appointment," states: 2 2.1 Appointment. Subject to the terms and conditions of this Agreement, including, but not limited to, the Distributor Terms set 3 forth in Exhibit A, Quanergy hereby appoints Distributor, for the Term of this Agreement as a limited and non-exclusive Distributor for 4 the resale of the Products and SLKs to Customers within the Territory. During the Term of this Agreement, Distributor shall use its best 5 efforts to market, promote, sell, and support the Products and SLKs

for its Customers throughout the Territory. Distributor shall not resell 6 any Products and SLKs directly to End Users. Distributor shall not sell any Products or SLKs to Customers located outside the Territory 7 or to Customers for resale to End Users that are located outside the Territory. Distributor shall resell Products and Software solely in the 8 Market Segment specified in Exhibit A. 9 Id., § 2.1. 10 The Distributor Agreement sets out the conditions for EOS’s appointment as a Distributor. 11 Among the various “Obligations” is a “Minimum Volume Commitment”: 12 2.2 Obligations. Distributor’s appointment as a Distributor is conditioned on Distributor meeting and complying with the following 13 obligations throughout the Term: (a) Distributor must purchase a minimum number of Products during the Term (the “Minimum 14 Volume Commitment”) as set forth in Exhibit A; (b) Distributor must ensure that all Customers that purchase Products agree to be 15 bound by terms and conditions no less protective of Quanergy than the terms and conditions of this Agreement, prior to shipping any 16 Products or providing any SLKs to such Customers; (c) Distributor will not resell or attempt to resell any Products or SLKs to any direct 17 competitor of Quanergy; and (d) Distributor will not distribute, publish or disclose any Product or Software specifications or pricing 18 in any publicly available collateral, materials, or website or with any third party, except for disclosures that in each case are to Customers 19 that have been reviewed and qualified by Distributor. If Distributor fails to comply with any of the foregoing obligations, Quanergy shall 20 be entitled to terminate this Agreement immediately upon written notice to Distributor. Without limiting the foregoing, Distributor must 21 ensure that all sales of Products to Distributors’ Customers include terms and conditions set forth in Sections 3, 11, 12, and 13. 22 23 Id., § 2.2. 24 Paragraph six of Exhibit A to the Agreement addresses the Minimum Volume 25 Commitment. Id., Ex. A. It states: “Distributor agrees to order a minimum of product, software 26 and service worth \$800,000 USD from Quanergy during the Initial Term of this Agreement. 27 Further, the Distributor agrees to the annual Minimum Purchase Commitment set forth below 1 2 Year Annual Value Cumulative

3 (USD) (USD)

4 1 \$150,000 \$150,000 5 2 \$250,000 \$400,000 6 7 3 \$400,000 \$800,000 8 9 10 Id. The last sentence of paragraph six states: “The annual Minimum Purchase Commitment 11 during each Renewal Term is \$800,000 USD.” Id. 12 When the relevant provisions of the Agreement are read collectively (sections 2.2, 8.1, and 13 paragraph 6 of Exhibit A), it is clear that the “Distributor’s appointment as a Distributor is 14 conditioned on Distributor meeting and complying” with the terms of the Agreement. This 15 includes the Minimum Volume Commitment set forth in the chart above, for years one through 16 three of the initial term, and \$800,000 for each one-year renewal period, if any, that the Agreement 17 is automatically renewed. 18 The Distributor Agreement sets forth the terms for EOS to issue a purchase order and for 19 Quanergy to accept a purchase order. Section 3.1 states: 20 3.1 Orders. Distributor shall purchase Products for resale by issuing a Purchase Order . . . Quanergy reserves the right to reject any orders 21 at its sole discretion. Orders are not accepted, until Quanergy sends Distributor a written order of acceptance or actually

delivers the 22 ordered Products provided that delivery constitutes acceptance only to the extent Quanergy actually delivers the Products. 23 24 Id., § 3.1. 25 The Distributor Agreement further outlines the “sales support,” and “advertising, 26 marketing and promotion” requirements for EOS, as well as the anticipated “joint marketing 27 activities” between the parties. Id., §§ 2.5, 2.12, 2.13, 7. The Agreement lays out the intellectual 1 The “Termination” provision lays out grounds, which are different for each of the parties, 2 for termination of the Agreement: 3 8.2 Termination. This Agreement may be terminated by either Party for a material breach by the other Party that is not cured within thirty 4 (30) days of written notice to the other Party. In addition, Quanergy may terminate this Agreement immediately upon written notice if 5 Distributor: 6 (a) breaches or threatens to breach the obligations in Section 2.2 and/or Section 10 or otherwise violates any Quanergy policies; 7 (b) Distributor engages in any unlawful or unfair business practice; 8 (c) there is a material change in or transfer of Distributor’s management, ownership, control or business operations, or 9 Distributor becomes affiliated, through common management, ownership, or control, with any person or entity that is unacceptable 10 to Quanergy; (d) Distributor’s actions expose or threaten to expose Quanergy to any 11 liability, obligation, or violation of law; 12 (e) Distributor’s use of the Quanergy Marks in breach of the Quanergy trademark and branding guidelines or in any manner that 13 threatens to harm the goodwill of Quanergy, as it determines in its sole discretion; 14 (f) Distributor fails to maintain sufficient net worth and working capital to meet its obligations, has a receiver or trustee appointed for 15 its property, becomes insolvent or makes an assignment for the benefit of creditors; or 16 (g) Distributor fails to purchase the Minimum Volume Requirements 17 set forth in Exhibit A and fails to cure such failure within thirty (30) days after receipt of written notice thereof from Quanergy. 18 19 Id., § 8.2. 20 B. September 2022 Purchase Order 21 On September 30, 2022, EOS sent a purchase order by email to Quanergy OldCo. for “50 22 MQ-8 POEUltra sensors at a price of \$299,598 and 50 perpetual software licenses for the sensors 23 at a price of \$117,300 for a total order of \$416,898.” EOS MSJ at 4 (“Purchase Order”). EOS 24 included a note along with its Purchase Order saying, “Please see my PO [purchase order] and let 25 me know if everything is okay. For shipping the items, I will inform you when we require them.” 26 Decl. of Christine Park, ¶ 4, Ex. 3, ECF No. 55-3 (“Park Decl.”). 27 Later the same day, Quanergy OldCo. replied to EOS’s email, stating, “Received with 1 quantum.” Park Decl., Ex. 5. Following this exchange, through the date of this Order, Quanergy 2 OldCo. never shared a signed sales order with EOS. 3 C. Subsequent Correspondence 4 On December 12, 2022, Quanergy OldCo. filed a voluntary petition for relief under

5 Chapter 11 of the United States Bankruptcy Code. Quanergy MSJ at 2. On approximately 6 January 15, 2023, EOS emailed Quanergy OldCo. to “cancel” the Purchase Order that Quanergy 7 OldCo. had never accepted. Park Decl., Ex. 7 (“January 2023 Email”). EOS wrote to Quanergy 8 OldCo.: 9 Please be informed that we would like to cancel the backlog PO of 50x MQ-8 Ultra POE sensors. 10 The backlog PO of 50x MQ-8 POE Ultra was agreed across the 11 duration of 16

months. Unfortunately as Quanergy recently filed for Chapter 11 to facilitate the sale of the business and assets, we are not confident in future business moving forward. However, until we have certainty in the auction/sale outcome, EOS will still continue to promote and quote the Quanergy solution to our system integrators within the electronic security market. Id. At the hearing, counsel for both parties confirmed that following the January 2023 Email, months passed without written correspondence between the parties. On February 3, 2023, Plaintiff Quanergy acquired Quanergy OldCo.'s tangible and intangible assets. "Upon closing, Plaintiff acquired the Quanergy name, took over operations and hired many team members from Quanergy OldCo." Quanergy MSJ at 3. Approximately eight months after EOS's prior correspondence, Quanergy reached out to EOS by email about the Purchase Order. Decl. of Enzo Signore, ¶ 17, Ex. 6, ECF No. 68-6 22 ("Signore Decl.").² On August 16, 2023, EOS replied, "You may be unaware however we have cancelled this PO as advised to Marc Lamy [Quanergy OldCo. employee] on Monday 16th 24 January this year. I have attached my original cancellation email to Marc, we cannot move forward with this PO." Id. A few minutes later, Quanergy responded, "As specified in Quanergy 26 27 2 The parties have not produced this initial email from Quanergy; they have only shared EOS's 1 Terms and Conditions,³ all orders are NCNR, and must be delivered within 12 months of PO 2 date." Id. 3 On November 7, 2023, Quanergy's counsel sent a demand letter to EOS, asking for 4 reasonable assurance of performance of the Purchase Order and Distributor Agreement. Signore 5 Decl., Ex. 11. 6 Quanergy initiated this suit against EOS on December 1, 2023. Quanergy asserts five 7 claims: (1) breach of contract; (2) intentional misrepresentation; (3) negligent misrepresentation; 8 (4) violation of Cal. Bus. & Prof. Code § 17200, et seq.; and (5) unjust enrichment. As part of its 9 breach of contract claim, Quanergy alleges three theories of breach: (i) EOS did not adhere to its 10 obligation under the Purchase Order and, as a result, refused to adhere to its additional obligations 11 under the Distributor Agreement, such as the Minimum Volume Commitment; (ii) EOS breached 12 the Distributor Agreement by selling, distributing, and promoting competing products without 13 express written consent of Quanergy while the Distributor Agreement was still in place; and (iii) 14 EOS breached the Distributor Agreement by not using its best efforts to market and sell 15 Quanergy's products. Compl. ¶¶ 60, 62, 74. 16 EOS answered the complaint on January 18, 2024. ECF No. 18. EOS asserted 22 17 affirmative defenses to Quanergy's claims, including, unclean hands, failure to mitigate, and 18 contributory fault.

19 II. LEGAL STANDARD

20 A court shall grant summary judgment "if . . . there is no genuine dispute as to any material 21 fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a). The burden 22 of establishing the absence of a genuine issue of material fact lies with the moving party, see 23 Celotex Corp. v. Catrett, 477 U.S. 317, 322-23 (1986), and the court must view the evidence in the 24 light most favorable to the non-movant. See Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 255 25 (1986) (citation omitted). A genuine issue of material fact exists if there is sufficient

evidence 26 such that a reasonable jury could return a verdict for the non-moving party. *Id.* at 248. The Court 27 1 may not weigh the evidence, assess the credibility of witnesses, or resolve issues of fact. See *id.* at 2 249. 3 To defeat summary judgment once the moving party has met its burden, the nonmoving 4 party may not simply rely on the pleadings, but must produce significant probative evidence, by 5 affidavit or as otherwise provided by Federal Rule of Civil Procedure 56, supporting the claim that 6 a genuine issue of material fact exists. *TW Elec. Serv., Inc. v. Pac. Elec. Contractors Ass’n*, 809 7 F.2d 626, 630 (9th Cir. 1987). In other words, there must exist more than “a scintilla of evidence” 8 to support the non-moving party’s claims, and conclusory assertions will not suffice. See 9 *Anderson*, 477 U.S. at 252; *Thornhill Publ’g Co. v. GTE Corp.*, 594 F.2d 730, 738 (9th Cir. 1979). 10 Similarly, “[w]hen opposing parties tell two different stories, one of which is blatantly 11 contradicted by the record, so that no reasonable jury could believe it, a court should not adopt that 12 version of the facts” when ruling on the motion. *Scott v. Harris*, 550 U.S. 372, 380 (2007). 13 Where, as here, the parties have filed cross-motions for summary judgment, “[e]ach motion must 14 be considered on its own merits.” *Fair Hous. Council of Riverside Cty., Inc. v. Riverside Two*, 15 249 F.3d 1132, 1136 (9th Cir. 2001). “In fulfilling its duty to review each cross-motion 16 separately, the court must review the evidence submitted in support of each cross-motion.” *Id.*

17 III. DISCUSSION

18 Both parties agree that California law applies to this dispute. See Distributor Agreement, 19 § 15.8 (the terms of the Agreement shall be governed by California law). 20 EOS moves for summary judgment on all Quanergy’s claims. EOS asserts that 21 Quanergy’s breach of contract claim fails because the Purchase Order was not a binding 22 agreement, and EOS did not have an obligation to purchase the Minimum Volume Commitment in 23 the Distributor Agreement. EOS further contends that it terminated the Distributor Agreement in 24 their January 2023 Email. EOS’s arguments on Quanergy’s remaining claims draw on these 25 assertions. 26 Quanergy moves for partial summary judgment as to its breach of contract claim and 27 EOS’s affirmative defenses. In its cross-motion, Quanergy leads with arguments that “there is no 1 failing to purchase the minimum volume of products.” Quanergy MSJ at 2. Additionally, 2 Quanergy maintains that EOS failed to submit evidence in support of its affirmative defenses. 3 The factual record in this case is limited. The parties were engaged in an active business 4 relationship for less than two years, and the parties filed substantially overlapping exhibits with 5 their respective declarations. The parties do not challenge the validity of the few emails 6 exchanged between them, only how the communications should be construed. While the Court 7 considers each cross-motion for summary judgment on its own merits, as it must, the Court 8 addresses the parties’ arguments and evidence collectively because “the evidence submitted in 9 support of each cross-motion” substantially overlaps. See *Fair Hous. Council of Riverside Cty., 10 Inc. v. Riverside Two*, 249 F.3d 1132, 1136 (9th Cir. 2001). 11 A. Threshold Issues Underlying Plaintiff’s Claims 12 Both motions raise three threshold questions: (1) whether the Distributor Agreement 13 should

be construed as a distributor agreement or a sales agreement; (2) whether the Purchase 14 Order was a valid agreement between the parties; and (3) whether the Distributor Agreement has 15 been terminated. 16 The Court finds that the first two threshold issues, which are related, are suitable for 17 summary judgment; they require interpretations of law and contract language, and there is no 18 dispute of fact. The Court GRANTS summary judgment in favor of EOS on the first two 19 threshold issues. The Court finds that the third threshold question is not appropriate for summary 20 judgment because there is a material dispute of fact, and the Court DENIES summary judgment on 21 the third threshold issue accordingly. 22 1. Whether the Distributor Agreement is a Sales Contract 23 Quanergy's complaint and cross-motion for summary judgment are grounded in its 24 assertion that the Parties' Distributor Agreement is a sales contract that required EOS to purchase 25 the Minimum Volume Commitment of \$800,000.00 of products during the original term of the 26 Agreement, meaning between March 15, 2022 and March 15, 2025. Quanergy frames its 27 arguments about the contractual relationship between the parties around the Minimum Volume 1 to purchase the Minimum Volume Commitment because the Distributor Agreement was a 2 "reseller" agreement or a sales contract that obligated EOS to purchase \$800,000.00 of 3 Quanergy's products during the original contract term. 4 EOS does not dispute that it failed to order the Minimum Volume Commitment of 5 products. EOS argues that the Minimum Volume Commitment is instead "merely a condition 6 upon which EOS would maintain its status as a distributor." EOS MSJ at 8. EOS asserts that 7 therefore, Quanergy's only remedy for EOS's failure to order the Minimum Volume Commitment 8 of products is termination of the Distributor Agreement. 9 The Court agrees. The Court need only look to the plain language of the Distributor 10 Agreement to find that the Minimum Volume Commitment was a condition for EOS's continued 11 status as a Quanergy distributor. "The courts' superseding objective when interpreting a contract 12 is to 'give effect to the mutual intention of the parties as it existed at the time of contracting.'" Int'l 13 Bhd. of Teamsters v. NASA Servs., Inc., 957 F.3d 1038, 1042 (9th Cir. 2020) (quoting Cal. Civ. 14 Code § 1636 ("When a contract is reduced to writing, the intention of the parties is to be 15 ascertained from the writing alone, if possible.")). "Next, and most importantly, '[t]he whole of a 16 contract is to be taken together, so as to give effect to every part, if reasonably practicable, each 17 clause helping to interpret the other.'" Id. The contract is titled "Distributor Agreement," not a 18 "sales agreement" or "purchase agreement." Additionally, Section 2.2 reads, "Distributor's 19 appointment as a Distributor is conditioned on Distributor meeting and complying with the 20 following obligations throughout the Term: (a) Distributor must purchase a minimum number of 21 Products during the Term (the "Minimum Volume Commitment") as set forth in Exhibit 22 A." Section 2.2 provides an explicit remedy for failing to meet the Minimum Volume 23 Commitment: "If Distributor fails to comply with any of the foregoing obligations, Quanergy shall 24 be entitled to terminate this Agreement immediately upon written notice to Distributor." Finally, 25 reviewing the "whole of the contract" together to "give effect to every part," it is evident that the 26 parties set forth the terms for a comprehensive

manufacturer-distributor relationship in the 27 Distributor Agreement, not merely a transaction for the Minimum Volume Commitment of 1 The Court finds that the plain language of the Distributor Agreement does not create an 2 express obligation for EOS to purchase \$800,000.00 of products. EOS readily acknowledges that 3 it did not make such a purchase. Therefore, Quanergy's remedy, per the plain language of the 4 Distributor Agreement, is to terminate EOS's status as a distributor. 5 2. Whether the Parties Agreed to the Purchase Order 6 Although the Court has already found that the Agreement is a distributor agreement, and 7 not a sales contract that requires EOS to purchase the Minimum Volume Commitment from 8 Quanergy, the Court must still determine whether EOS's September 30, 2022 Purchase Order 9 constituted an agreement between the parties such that EOS was obligated to complete the 10 purchase. To resolve this issue, the Court need only turn to the plain language of the Distributor 11 Agreement and Quanergy OldCo.'s own written statements.

12 Section 3.1 of the Distributor Agreement states, "Orders are not accepted, until Quanergy 13 sends Distributor a written order of acceptance or actually delivers the ordered Products provided 14 that delivery constitutes acceptance only to the extent Quanergy actually delivers the Products." 15 Distributor Agreement, § 3.1 (emphasis added). It is undisputed that Quanergy OldCo. never 16 provided EOS with a signed written order of acceptance or delivered the products in accordance 17 with Section 3.1. 18 When EOS emailed Quanergy OldCo. regarding the Purchase Order (making an offer to 19 purchase \$416,898.00 of products), Quanergy OldCo. did not respond with an acceptance of the 20 offer. Instead, Quanergy OldCo. said, "We will issue a corresponding SO which will require a 21 signature due to the quantum." But there is no dispute that Quanergy OldCo. never provided a 22 subsequent written acceptance to EOS. It was therefore reasonable and accurate for EOS to 23 understand that its September 30, 2022 offer to purchase 50 sensors and software licenses had not 24 yet been accepted, and would not be accepted until EOS received a signed sales order from 25 Quanergy OldCo. 26 Quanergy asserts in its complaint that the Purchase Order was enforceable because it 27 provided EOS with a sales order in response to the Purchase Order. See Compl., Ex. C. However, 1 OldCo. or EOS. Id. Further, EOS says, "it conducted a thorough search of all the company's 2 emails and found no Sales Order from Quanergy OldCo." EOS MSJ at 14. Because Quanergy 3 OldCo. did not provide a written order of acceptance for EOS's Purchase Order as required by

4 Section 3.1 of the Distributor Agreement, Quanergy OldCo. never accepted the order, and EOS 5 validly rescinded its offer with its January 2023 Email. 6 The Court GRANTS EOS's motion for summary judgment on Quanergy's claim of breach 7 by repudiation of obligations under the Purchase Order, and DENIES Quanergy's cross-motion for 8 summary judgment on the same issue. 9 3. Whether Distributor Agreement has been Terminated 10 Finally, the Court turns to whether the Distributor Agreement has been terminated. There 11 is a wide gulf between the parties' positions: EOS says the Agreement terminated in January 2023, 12 and Quanergy argues that it is still in place and will terminate in March 2026. While each party's 13 position appears to

be inconsistent with both the plain language of the Agreement and the 14 communications between the parties, there is nevertheless a dispute of material fact that makes 15 summary judgment on this issue improper. 16 EOS asserts that its January 2023 email stating, “we are not confident in future business 17 moving forward,” constitutes an effective termination of the Distributor Agreement. EOS 18 acknowledges that the only avenue it had to terminate the original term of the Distributor 19 Agreement (which went through March 15, 2025), is set forth in section 8.2, which allows either 20 party to terminate the agreement “for a material breach by the other Party that is not cured within 21 thirty (30) days of written notice to the other Party.” EOS points to no material breach by 22 Quanergy and instead alludes only to a lack of confidence “in future business.” 23 In opposition, Quanergy agrees that EOS was only permitted to terminate the Agreement 24 “for a material breach” by Quanergy if that breach was not cured within 30 days, and EOS failed 25 to follow this protocol. Therefore, Quanergy argues, the Agreement is still in effect and EOS’s 26 continuing conduct promoting competitor products is in violation of the still valid Agreement. 27 At the hearing, Quanergy’s counsel stated that the Agreement was renewed by default for a 1 its motion for summary judgment Quanergy asserts that the Distributor Agreement renewed for a 2 one-year term in March 2025 because “EOS has not provide [sic] a ‘written notice of nonrenewal’ 3 at least sixty (60) days prior the expiration of the Initial Term.” Quanergy MSJ at 18. Nor has 4 Quanergy. The Court notes that, under Quanergy’s logic in its written motion, without notice 5 from either party, the Agreement should continue to renew in one-year terms in perpetuity; yet, 6 although Quanergy did not point to any written notice of nonrenewal by either party since March 7 15, 2025, Quanergy’s counsel, without explanation, maintained that the Agreement will terminate 8 seven months from now. 9 There is a significant delta between the parties’ positions, and a dispute of material fact as 10 to whether the Distributor Agreement has been terminated. Neither party has pled sufficient facts 11 to support their interpretation. 12 The Court notes there are troubling issues with this Distributor Agreement. Some of these 13 issues were pointed out by EOS in its briefs and during oral argument, including the one-sidedness 14 of the Agreement, including the termination clause and the challenges it imposed on EOS to 15 terminate the Agreement during the initial term. However, it strains credulity to find that the 16 single January 2023 Email EOS sent to Quanergy OldCo. constituted a clear intention to terminate 17 the Agreement, let alone a termination that was in accordance with the termination clause of the 18 Distributor Agreement. In fact, in the January 2023 Email, EOS indicates a willingness to 19 continue working with Quanergy, stating: “until we have certainty in the auction/sale outcome, 20 EOS will still continue to promote and quote the Quanergy solution to our system integrators 21 within the electronic security market.” 22 Conversely, it is also perplexing that Quanergy has concluded that the Agreement is still in 23 place when: there has not been a single purchase since the parties signed the Agreement in 2022; 24 there appears to have been no ongoing business relationship between the parties since 25 approximately January 2023; and Quanergy sent EOS a demand letter and initiated this litigation

26 two years ago. 27 The Court finds that there is a material dispute of fact as to whether the Distributor 1 summary judgment as to any of Quanergy's claims and EOS's affirmative defenses that rely upon 2 this argument. 3 B. Remaining Claims 4 EOS moves for summary judgment on the remainder of Quanergy's claims: two additional 5 theories of breach of contract, intentional misrepresentation, negligent misrepresentation, violation 6 of Cal. Bus. & Prof. Code § 17200, et seq., and unjust enrichment. Quanergy asks for summary 7 judgment on EOS's 22 affirmative defenses. 8 Quanergy's additional breach of contract theories, intentional misrepresentation, and 9 negligent misrepresentation claims require a determination of whether the Distributor Agreement 10 has been terminated, and if so, when it was terminated; those are threshold issues that inform 11 whether EOS breached its obligations to not sell competing products or failed to promote 12 Quanergy's products, and if so, for how long EOS engaged in such activity. Whether the 13 Agreement is still operative, and if not, when the Agreement was terminated, also informs the 14 analysis of whether EOS made any misrepresentations in its January 2023 Email. The Court 15 cannot assess liability or damages for these claims given the material dispute of fact. The Court 16 DENIES EOS's motion for summary judgment on these claims. 17 In its California Business and Professions Code Section 17200 ("UCL") claim, Quanergy 18 alleges that EOS "engaged in unlawful, fraudulent, and unfair business acts and practices in 19 violation of the UCL by rejecting the Agreement and the Purchase Order despite applicable 20 Bankruptcy law prohibiting cancellation of a contractual obligation due to a bankruptcy filing." 21 Compl. ¶ 100. To the extent that the UCL claim relies on a theory of "rejecting" the Purchase 22 Order, the Court GRANTS summary judgment in favor of EOS. As discussed above, there is no 23 dispute of fact that Quanergy OldCo. never accepted the Purchase Order so it was not a valid 24 agreement between the parties, thus Quanergy's assertion about a prohibition against cancellation 25 of contracts during bankruptcy is inapplicable. Otherwise, to the extent Quanergy's UCL claim is 26 based on the Agreement, because there is a dispute of material fact regarding termination, the 27 Court DENIES summary judgment as to the UCL claim. 1 grounds that "California courts do not recognize unjust enrichment as a cause of action." EOS 2 MSJ at 21. "California courts have taken different approaches on whether they should dismiss 3 unjust enrichment "claims" on summary judgment." *Habr v. RxMapper, LLC*, No. 4:23-CV-2061- 4 YGR, 2025 WL 235619, at *3 (N.D. Cal. Jan. 9, 2025) (collecting cases). "While California case 5 law appears unsettled on the availability of such a cause of action, [the Ninth] Circuit has 6 construed the common law to allow an unjust enrichment cause of action through quasi-contract." 7 *ESG Cap. Partners, LP v. Stratos*, 828 F.3d 1023, 1038 (9th Cir. 2016); *Gerlinger v. 8 Amazon.Com, Inc.*, 311 F. Supp. 2d 838, 856 (N.D. Cal. 2004) ("Under California law, unjust 9 enrichment is an action in quasi-contract."). Here, however, quasi-contract claims are inapplicable 10 because Quanergy is party to an express contract, and Quanergy argues the Distributor Agreement 11 is still in force. *Gerlinger*, 311 F. Supp. 2d at 856 ("An action based on quasi-contract cannot lie 12 where a valid express contract covering the same subject matter exists between the parties."). 13 Quanergy's latter two breach of

contract theories survive summary judgment, and Quanergy has 14 contract damages available should it prevail. The Court GRANTS summary judgment in favor of 15 EOS on the unjust enrichment claim. 16 C. EOS's Affirmative Defenses 17 EOS brought 22 affirmative defenses to Quanergy's complaint. Quanergy moves for 18 summary judgment for each of EOS's affirmative defenses. The parties each devote minimal 19 space to their arguments about EOS's affirmative defenses and spar over whose burden it was to 20 show that a genuine dispute of fact exists at this stage. EOS picks seven of its 22 affirmative 21 defenses to expand upon, arguing that "EOS is obligated to establish its affirmative defenses only 22 as to the claims on which Plaintiff moves for summary judgment." EOS Reply at 19. As 23 discussed above, there are material disputes of fact that underlie Quanergy's remaining claims. 24 The same is true for EOS's affirmative defenses. For the same reasons, the Court finds that there 25 are material disputes of fact that preclude the Court from granting summary judgment, and 26 DENIES Quanergy's motion.

27 IV. MOTION TO STRIKE PLAINTIFF'S SUR-REPLY

1 motion for summary judgment. EOS Mot. to Strike, ECF No. 81. Quanergy opposed, ECF No. 2 85, and EOS filed a reply, ECF No. 86. 3 EOS argues that Quanergy's Reply "is actually a sur-reply to EOS' Motion for Summary 4 Judgment and repeats the same arguments Plaintiff made in its Opposition." EOS Mot. to Strike 5 at 2. While the Court acknowledges that sur-replies require leave of the Court under the Civil 6 Local Rules, here, Quanergy did not formally submit a sur-reply; Quanergy filed a reply that 7 contains arguments that overlap with the content that EOS challenges. The Court finds that 8 Quanergy's reply was not technically improper, and DENIES EOS's motion to strike.

9 V. MOTION TO EXCLUDE EXPERT'S TESTIMONY

10 On June 27, 2025, EOS filed a motion to exclude testimony of two of Quanergy's experts. 11 EOS Mot. to Exclude, ECF No. 92. Quanergy opposed, ECF No. 93, and EOS filed a reply, ECF 12 No. 95.

13 EOS argues that Quanergy improperly designated its CEO, Enzo Signore, as its damages 14 expert, and its counsel of record, Ely Goldin, Esq. as its expert to testify to any attorney's fees and 15 costs incurred. EOS Mot. to Exclude at 1, 9. In its opposition, Quanergy explains that it "only 16 filed expert disclosures for witnesses, whose testimony would otherwise be admissible, out of an 17 abundance of caution and to prevent any accusation of unfair surprise." Quanergy Opp'n to EOS 18 Mot. to Exclude at 1. Quanergy acknowledges that Mr. Signore's testimony is admissible as lay 19 opinion testimony, and states that "Mr. Signore does not need to qualify as an expert to testify 20 about Quanergy's damages which he has personal knowledge of as Chief Executive Officer." Id. 21 at 5. The Court agrees. Second, Quanergy states that "Quanergy does not intend to proffer Mr. 22 Goldin as a trial witness. Quanergy only disclosed him as a witness to give EOS maximum notice 23 and avoid any accusations of unfair surprise." Id. at 10. The Court interprets Quanergy's 24 representations as withdrawing Mr. Signore and Mr. Goldin as expert witnesses. Accordingly, the 25 Court DENIES without prejudice EOS motion to exclude. 26 /// 27 ///

1 VI. CONCLUSION

2 The Court GRANTS in part and DENIES in part EOS's motion for summary judgment and 3
DENIES Quanergy's cross-motion for summary judgment. The Court DENIES EOS's motion to 4
strike, and DENIES EOS's motion to exclude. 5 IT IS SO ORDERED. 6 Dated: September 9,
2025 " 5 Noël Wise 8 United States District Judge 9 10 1] as 12 13 «14 16 17 Oo Z 18 19 20 21
22 23 24 25 26 27 28

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