# Raffles Interior Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1376)**

## INSIDE INFORMATION
## UPDATE FROM INDEPENDENT BOARD COMMITTEE
## MATERIAL NEW INTERIM FINDINGS FROM INDEPENDENT INVESTIGATION
## AND
## CONTINUED SUSPENSION OF TRADING

This announcement is made by Raffles Interior Limited (the "**Company**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the Company's announcements dated (i) 16 March 2026 in relation to, among others, the interim findings from the independent investigation; (ii) 25 May 2026 in relation to resumption guidance (the "**Resumption Guidance**") as set out in the letter dated 22 May 2026 issued by the Stock Exchange; and (iii) 4 June 2026 in relation to, among others, the engagement of independent investigators (the three announcements together, the "**Resumption Guidance Announcements**"). Unless otherwise defined herein, capitalized terms used in this announcement are defined in the Resumption Guidance Announcements.

### MATERIAL NEW INTERIM FINDINGS FROM INDEPENDENT INVESTIGATION

On 30 July 2026, the Independent Committee received an update on the independent investigation over the Acquisition, which is extracted as follows:

**New information on Mr. Zheng Nenghuan's unilateral engagement of and instructions to a law firm (the "Relevant Law Firm") in relation to the Acquisition with Sale and Purchase Agreement signed on 3 November 2025 and the trading halt application dated 4 November 2025**

Based on the documents reviewed by Independent Investigator A, Mr. Zheng Nenghuan signed an engagement letter with the Relevant Law Firm on 3 November 2025 for a professional fee of HK$1 million (including PRC counsel fee of HK$100,000). The scope of work covered, among others: (a) taking instructions and providing legal advice to the Company in respect of the acquisition, (b) drafting the Sale and Purchase Agreement pursuant to which the Company was to acquire 100% equity interest in Kunyuan and other transaction documents, (c) preparing the trading halt application, and (d) liaising with the Stock Exchange and obtaining the Stock Exchange's approval for the Acquisition. While the engagement letter was addressed to the board of directors of the Company (the "**Board**"), the Board was not aware of such engagement and the work scope contemplated therein at the time.

Further, on 3 November 2025, Mr. Zheng Nenghuan issued an email to the Relevant Law Firm, instructing it, for and **on behalf of the Company,** to apply to the Stock Exchange for the trading halt application. In particular, the said email states, among others, "本人代表上市公司簽署了一份正式買賣協議..." *(I have signed a formal sale and purchase agreement on behalf of the listed company...)* and "本人現代表上市公司指示你按上市規則要求向交易所遞交停牌申請，讓交易所審批該收購" *(I hereby instruct you, on behalf of the listed company, to submit an application for trading halt to the Stock Exchange in accordance with the Listing Rules, such that the Stock Exchange may approve the acquisition)*. Thereafter, the Relevant Law Firm stated in the trading halt application letter to the Stock Exchange that "we have instructions from Mr. Zheng Nenghuan for and on behalf of the Company to write to apply for a trading halt...".

The available documents therefore indicate that Mr. Zheng Nenghuan held himself out to the Relevant Law Firm and the Stock Exchange as acting on behalf of the Company and/or the Board. However, based on the materials available, there is no evidence that the Board had been informed of the proposed Acquisition before such steps were taken, nor that the Board had authorised Mr. Zheng Nenghuan to enter into the Sale and Purchase Agreement or to retain the Relevant Law Firm as external legal advisors. The absence of prior Board approval is particularly significant given the size, nature and connected-party implications of the proposed Acquisition.

Mr. Zheng Nenghuan unilaterally engaged the Relevant Law Firm on behalf of the Company, notwithstanding that Mr. Zheng Nenghuan already had access to the company secretary and legal advisers who were familiar with the Company and fully capable of advising on the proposed acquisition, drafting a sale and purchase agreement and transaction documents and any associated Listing Rules implications. Whilst at this stage it does not appear that any of the Company's funds were used to pay the HK$1 million of professional legal fees with the Relevant Law Firm, there remain serious questions as to why Mr. Zheng Nenghuan did not seek legal advice from the Company's existing set of employees and advisers.

**Further material findings related to the Target Asset; potentially significant over-valuation of the Target Asset with profits going to Ms. Tang Judi being Mr. Zheng Nenghuan's spouse without Company's knowledge**

The Sale and Purchase Agreement entered into unilaterally by Mr. Zheng Nenghuan for and on behalf of the Company purported to acquire 100% equity interest in 鯤元資產有限公司 ("**Kunyuan**") from China Jinhong Holdings Limited (中國金鴻控股有限公司) ("**Jinhong**") for a consideration of HK$300 million. The stated rationale for the Acquisition was that Kunyuan held 100% shares in China Jinxu

Technology Co., Ltd* (中國金溆科技有限公司) (formerly known as 深圳市荣福星新科技有限公司) ("**Jinxu**") which allegedly held land use rights to a plot of land in Shenzhen with a certain lot number (the "**Target Asset**").

***Material finding 1: Target Asset was subject to soon-to-be expiring building construction Conditions at the time of the Sale and Purchase Agreement***

The Target Asset was purchased by Jinxu by way of an open auction on 13 October 2015 for a consideration of RMB51 million together with a service fee of RMB1.01 million. On 25 June 2025, the Pingshan Administration Bureau of the Shenzhen Municipal Bureau of Planning and Natural Resources (the "**Pingshan Bureau**") issued a letter regarding the review of the scheme design for the Jinxu Technology Tower construction project, stating that "鑒於該片區法定圖則修編成果尚未穩定，為保障片區建設與上位規劃的協調統一，我局暫不同意該項目建設工程涉及方案" *(Given that the revised statutory plan for this area has not yet been finalised, and in order to ensure that development in the area is consistent with the overarching plan, our Bureau does not, for the time being, approve the construction works for this project as proposed)*. On 4 September 2025, Jinxu entered into a 4th supplementary agreement to a Shenzhen Land Use Rights Grant Contract with the Pingshan Bureau. It was imposed as a condition, among others, that Jinxu must commence work on the Target Asset before 3 December 2025 and complete all works before 3 December 2026 (the "**Condition**"). In view of the Pingshan Bureau's previous rejection of the construction works on the Target Asset, it is unclear whether there has been any approval from the Pingshan Bureau to commence any work contemplated following the proposed Acquisition.

***Material finding 2: Kunyuan purchased the Target Asset on 30 September 2025 at RMB10 million, and a few weeks later, the same asset was proposed to be sold to the Company via the Sale and Purchase Agreement dated 3 November 2025 at HK$300 million***

On 30 September 2025, Kunyuan became the 100% shareholder of Kunyuan for a consideration of **RMB10 million**. Based on the shareholding information provided, it is apparent that Ms. Tang Judi, the spouse of Mr. Zheng Nenghuan, is the ultimate beneficial owner of Jinxu and therefore the Target Asset. Accordingly, there are obvious connected-party and conflict of interest considerations that should have been disclosed to the Board in connection with the Acquisition.

***Material finding 3: Valuation of Target Asset revised upward by RMB200 million within one month without justification***

The valuation of the Target Asset also raises significant concerns. Pursuant to Jinxu's balance sheets made available to Independent Investigator A and Independent Investigator B, the Target Asset (recorded as an intangible asset on the balance sheet) was valued at RMB123 million as of 31 December 2022 and at RMB125,956,199.32 from December 2023 to September 2025 without any material change in value. However, immediately following Kunyuan's acquisition of Jinxu (i.e., 30 September 2025), and shortly before the Sale and Purchase Agreement was entered into (i.e., 3 November 2025), the valuation of the Target Asset increased dramatically by RMB200 million to RMB325,956,199.32 within a single month (as reflected in the balance sheet dated 31 October 2025).

No documentation or justification has been provided to explain the basis for such a significant upward revaluation by Jinxu. The absence of any contemporaneous justification is particularly troubling given that the revised value closely corresponds with the HK$300 million consideration proposed under the Sale and Purchase Agreement. In Mr. Zheng Nenghuan's response to the Board dated 9 January 2026, he explained that after his own assessment, he believed that the reasonable value of the Target Asset upon completion of its planning transformation should be no less than HK$300 million. In light of the suspicious timing of the revaluation and the relationship between Mr. Zheng Nenghuan and the beneficial owner of the Target Asset, further enquiries are warranted as to the circumstances leading to the revaluation by Jinxu, the basis upon which it was determined and whether Mr. Zheng Nenghuan was involved in or exerted any influence over that process.

***Material finding 4: Material information withheld from the Board and no representation on commercial risk to the Company***

The Relevant Law Firm also noted that on 3 November 2025, Mr. Zheng Nenghuan attended their office to discuss the potential acquisition of Jinxu and provided documents to show that Kunyuan held the issued share in Jinxu and that Jinxu was holding the land use right of the Target Asset. The following day, Mr. Zheng Nenghuan issued an email to the Board, informing them that he had signed the Sale and Purchase Agreement dated 3 November 2025 for and on behalf of the Company and enclosed a copy of the signed Sale and Purchase Agreement dated 3 November 2025. Despite being in possession of further transaction-related documents, no supporting documents were provided to the Board at that time. Critically, there is no indication that the Board was informed of the Condition requiring substantial development works to be commenced and completed within a strict timeframe. The Condition represented a material commercial risk and, if the transaction had proceeded, such risk would ultimately have become a risk borne by the Company. The failure to disclose the Condition deprived the Board of the opportunity to assess a matter that would ordinarily be regarded as essential to any investment decision of this magnitude.

Without expressing any views as to the valuation of the Target Asset, and assuming that HK$ 300 million is a reasonable valuation, the transaction plainly involved assets beneficially owned by Mr. Zheng Nenghuan's spouse and would have resulted in an extraordinarily substantial profit (i.e., from the acquisition of the Target Asset by Ms. Tang Judi, Mr. Zheng Nenghuan's spouse, at RMB10 million to the total sale consideration stated under the Sale and Purchase Agreement of HK$300 million, potentially enriching Ms. Tang Judi by approximately HK$288 million) being realised within a short period of time (approximately one month).

In those circumstances, the Acquisition was inherently sensitive and gave rise to obvious conflict of interest and connected transaction concerns that warranted the utmost transparency. At a minimum, the Board would reasonably have expected the nature of the relationship, the acquisition history of the Target Asset, the valuation methodology, proposed consideration and the associated risks to be fully and properly disclosed to the Board before any commitment was made on behalf of the Company. Instead, the available documents suggest that Mr. Zheng Nenghuan described the transaction in his email of 4 November 2025 (i.e. the day after the Sale and Purchase Agreement was entered into and after the submission of the trading halt application) as an acquisition from an independent third party, notwithstanding the apparent connection between the vendor structure and Mr. Zheng Nenghuan's spouse.

Based on the materials reviewed to date, there is a *prima facie* basis to consider that Mr. Zheng Nenghuan acted in a manner calculated to secure the Board's approval of the Sale and Purchase Agreement whilst deliberately omitting information that was material to the Board's consideration of the Acquisition. Had the transaction proceeded, this would have resulted in Mr. Zheng Nenghuan's spouse profiting approximately HK$288 million within a remarkably short period of time. It is noted that Independent Investigator A and Independent Investigator B require further enquiries before any final conclusion can be reached.

**Company's serious concerns as to Mr. Zheng Nenghuan's conduct, integrity and fitness to continue in any management role at the Company**

In light of the above findings, and when read together with all other information available to the Company, the Company has the following serious concerns:

(i) all of the critical steps were taken by Mr. Zheng Nenghuan alone, namely (i) engagement of the Relevant Law Firm on 3 November 2025, (ii) signing of the Sale and Purchase Agreement dated 3 November 2025 to acquire 100% equity interest in Kunyuan for HK$300 million, and (iii) causing the Relevant Law Firm to prepare and submit the trading halt application to the Stock Exchange on 4 November 2025. None of this was known to, let alone approved by, the Board at the time;

(ii) the Company questions why a fee of HK$1 million (including a PRC counsel fee of HK$100,000) was necessary for what was, in substance, legal support for a single acquisition. It would be clear to the Company that the Sale and Purchase Agreement was signed on the day of engagement of the Relevant Law Firm, that the Relevant Law Firm would not have drafted, reviewed and oversaw the due execution of the Sale and Purchase Agreement within the same day. No explanation has been given by Mr. Zheng Nenghuan as to the reasonableness of the HK$1 million in legal fees, particularly when Mr. Zheng Nenghuan already had access to the company secretary and legal advisers familiar with the Company who were fully capable of advising on the proposed acquisition;

(iii) since the engagement letter with the Relevant Law Firm was addressed to the Board, the Company itself may be regarded as legally responsible for payment of those legal fees, notwithstanding that the Board never sanctioned, and had no knowledge of, the engagement. Mr. Zheng Nenghuan accordingly exposed the Company to a financial liability without any Board deliberation or approval whatsoever;

(iv) the trading halt application was made expressly "for and on behalf of the Company", and Mr. Zheng Nenghuan caused the Relevant Law Firm, and in turn the Stock Exchange, to believe that he was duly authorised by the Board to act for and on behalf of the Company on such matters and the Board in making such application and in entering into the Sale and Purchase Agreement, when in fact he was not so authorised;

(v) Mr. Zheng Nenghuan represented initially that the seller was an independent third party, when in fact the seller and the underlying asset were connected to his spouse, and he affirmatively stated at the Board meeting that the Acquisition did not constitute a connected transaction, including by representing that he had divorced his wife in October 2025 before the Sale and Purchase Agreement was signed;

Mr. Zheng Nenghuan also represented to the Board that based on his own assessment, the Target Asset was worth no less than HK$300 million. These representations must now be assessed against the current investigation findings, which reveal that Kunyuan, the entity ultimately controlling the Target Asset through Jinxu, only became the 100% shareholder of Jinxu on 30 September 2025 for a consideration of RMB10 million — barely five weeks before Mr. Zheng Nenghuan signed the Sale and Purchase Agreement for and on behalf of the Company and valuing the same underlying asset at HK$300 million. Within that single intervening month, and without any documented justification, the book value of the Target Asset increased by RMB200 million, from approximately RMB126 million to approximately RMB326 million, a figure conveniently close to the HK$300 million consideration under the Sale and Purchase Agreement;

(vi) the Company's internal control policy required Board review and approval for any transaction exceeding SG$200,000. Mr. Zheng Nenghuan bypassed this policy entirely by signing an agreement worth HK$300 million, approximately six times the Company's entire net asset value, without seeking or obtaining any prior Board sanction;

(vii) the Board was also never informed of the Condition requiring Jinxu to commence construction on the Target Asset by 3 December 2025 and complete it by 3 December 2026. This was a material commercial risk that, had the Acquisition proceeded, would have been assumed by the Company, yet it was withheld from the Board entirely;

(viii) the Sale and Purchase Agreement was signed on 3 November 2025, the very same day Mr. Zheng Nenghuan received a margin call from Get Nice Securities demanding full repayment by noon the following day, failing which Get Nice would liquidate his pledged 51% controlling stake in the Company. This timing raises the question of whether the Acquisition was designed to support the perceived value of Mr. Zheng Nenghuan's pledged shares rather than to advance the Company's commercial interests; and

(ix) on 14 November 2025, the Company received a demand letter concerning unpaid advisory fees of HK$10,000,000 for services rendered to Mr. Zheng Nenghuan, under which the claimant was entitled, in the event of non-payment, to require the transfer of his controlling stake in the Company to recover those fees. The Company remains concerned as to the circumstances surrounding this liability and its connection, if any, to the events described above.

**Based on the further material findings presented above, had the Acquisition proceeded on the terms concealed from the Board, Mr. Zheng Nenghuan's spouse stood to profit by approximately HK$288 million within a period of approximately one month, at the expense of the Company and its Shareholders. The Company considers that this sequence of events, now corroborated by the current findings, raises serious concerns as to Mr. Zheng Nenghuan's conduct, integrity and fitness to continue in any management role at the Company.**

**The Company will continue to press for the completion of the independent investigation so that appropriate remedial and recovery actions can be taken.**

## CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 1 April 2026 and will remain suspended until further notice pending the fulfilment of the Resumption Guidance. Further announcement(s) will be made by the Company as and when appropriate and in compliance with the requirements under the Listing Rules and the Resumption Guidance.

By order of the Board
**Raffles Interior Limited**
Ding Hing Hui
*Chairman of the Board and*
*executive Director*

Singapore, 4 August 2026

*As at the date of this announcement, the executive directors of the Company are Mr. Ding Hing Hui, Ms. Loke Pui San and Mr. Zheng Nenghuan (duties suspended); and the independent non-executive directors of the Company are Mr. Wong Heung Ming Henry, Mr. Chan Chi Keung, Alan and Mr. Cheung Garnok.*