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Raffles Interior Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1376)

INSIDE INFORMATION RECEIPT OF COMPLAINT LETTER ALLEGATION OF FRAUDULENT UNDERSTATEMENT OF OFFER PRICE BY ZHENG NENGHUAN CONTINUED SUSPENSION OF TRADING

This announcement is made by the board (the “**Board**”) of directors (the “**Director(s)**”) of 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).

The Board wishes to inform the shareholders of the Company (“**Shareholders**”) that it has received a letter of complaint on 10 June 2026 from an anonymous complainant alleged to be a minority Shareholder (“**Complaint Letter**”) addressed to, among others, the Stock Exchange and the Securities and Futures Commission of Hong Kong (the “**SFC**”). The headline of the Complaint Letter is “*Fraudulent understatement of general offer price by Zheng Nenghuan — Complaint by a minority shareholder of Raffles Interior Limited (Stock Code: 1376 — suspected understatement of the consideration paid by Mr. Zheng Nenghuan for the 51% controlling stake, and related breaches of the Takeovers Code, the Listing Rules and the SFO*”.

Among other things, the Complaint Letter set out the following information:

1. the Complaint Letter referred to the joint announcement dated 7 August 2025 and the composite document despatched on 10 September 2025 in relation to the mandatory unconditional cash offer by Han Vision Holdings Limited (the “**Offeror**”), and states that the Offeror and parties acting in concert with it were interested in 510,000,000 shares of the Company, representing 51% of the total issued share capital of the Company, immediately prior to the commencement of the offer;

2. the Complaint Letter alleged that the complainant has information indicating that the actual price paid by Mr. Zheng Nenghuan for the 51% stake was approximately HK\$63.6 million, and that approximately HK\$30 million was paid outside the disclosed consideration (“**Alleged Understatement of Offer Price**”). The complainant’s information is that the HK\$30 million was not paid by or through the Offeror in the ordinary way, but was instead settled by Huahan entities controlled by Mr. Zheng Nenghuan in the PRC, in multiple transactions made on 24 and 25 July 2025, shortly before the change of control was announced to the market. The use of PRC-based entities under Mr. Zheng Nenghuan’s control, and the splitting of the payment across several transactions over two days, were, according to the anonymous complainant, consistent with a deliberate effort to keep this portion of the consideration off the face of the disclosed transaction;
3. it was alleged that, if proven, that would mean (i) the consideration disclosed in the offer documents was materially understated by roughly half, (ii) the mandatory general offer price was correspondingly understated, (iii) that would have deprived the accepting and non-accepting minority shareholders of the higher price to which they were entitled under Rule 26 of the Codes on Takeovers and Mergers and Share Buy-backs (the “**Takeovers Code**”); and (iv) the offer documents, for which Mr. Zheng Nenghuan accepted personal responsibility, contained information that was false or misleading in a material particular. According to the complainant, an undisclosed HK\$30 million payment, if established, would render that confirmation under the offer documents false and may trigger offences and civil liabilities under the Securities and Futures Ordinance, as well as the responsibility statement and “highest price” requirements under the Takeovers Code;
4. the Complaint Letter referred to the opinion of WRise Capital Limited, the independent financial adviser appointed in connection with the mandatory general offer, that the share offer price was not attractive, that the share offer was not fair and reasonable, and that the independent board committee should advise the shareholders subject to the general offer not to accept the share offer. According to the complainant, the independent financial adviser’s conclusion is material in two respects: First, even on the understated figures presented to the market, an independent professional adviser found the offer price unattractive and not fair and reasonable, and advised shareholders to reject it. Second, if the true price paid by Mr. Zheng Nenghuan was in fact HK\$63.6 million, the unfairness is compounded; the controlling shareholder (i.e., Mr. Zheng Nenghuan) would have paid a figure far closer to fair value for himself, while the offer presented to minority shareholders was pitched at an understated level that the independent financial adviser had already condemned, an outcome fundamentally contrary to the equal-treatment principle that underpins the Takeovers Code;

5. the Complaint Letter alleged that the Alleged Understatement of Offer Price is not an isolated event, but “forms part of a continuing pattern of conduct by Mr. Zheng Nenghuan that has caused, and continues to cause, damage to minority shareholders”, including:
- a. the mandatory general offer drew almost no support from independent shareholders. The offer closed at 4:00 p.m. on 2 October 2025 without revision or extension and with four valid acceptances in respect of 456,000 offer shares, representing approximately 0.046% of the issued share capital of the Company, consistent with the independent financial adviser’s view that the share offer price was inadequate;
 - b. shortly after Mr. Zheng Nenghuan taking control, on 3 November 2025, Mr. Zheng Nenghuan entered into a sale and purchase agreement in respect of the proposed acquisition of a target company holding a Shenzhen land interest for a total consideration of HK\$300,000,000, which the Board had stated was executed without due authorization from the Board and has by majority vote resolved not to proceed with such acquisition at that stage. The proposed acquisition is also alleged to raise related-party concern as the seller’s signatory and the target company’s director is Ms. Tang Judi, who, as shown in the general offer documents, is the spouse of Mr. Zheng Nenghuan and a 30% shareholder in the Offeror;
 - c. a previous anonymous complaint had alleged breaches of the Takeovers Code by Mr. Zheng Nenghuan. As reported, it was alleged that Mr. Zheng Nenghuan, who was an offeror in a mandatory general offer that closed in October 2025, may have breached Rule 25 of the Takeovers Code (under which an offeror must not, within six months of the close of offer, enter into arrangements with shareholders on favorable terms not available to all) and that Mr. Zheng Nenghuan had taken steps to enter a special deal providing certain favourable returns to a substantial shareholder. The complainant added that, critically for the Company’s ability to protect minorities, the independent board committee’s investigation has been hampered by Mr. Zheng Nenghuan’s lack of cooperation;
 - d. the Board received two demand letters from an international law firm on behalf of a claimant who, under certain deeds of advisory service, asserts a “Disposition Right” entitling the claimant to require Mr. Zheng Nenghuan to transfer his controlling stake in the Company in certain circumstances.
6. the Complaint Letter alleged that the above taken together, raises the question whether the true economics of Mr. Zheng Nenghuan’s acquisition of shares (and any associated financing or side payments) were ever fully and accurately disclosed to the market. It was alleged that these matters point to a dominant director and controlling shareholder who has repeatedly transacted in ways that bypass proper authorisation and disclosure.

7. the Complaint Letter requested:
 - a. the SFC to investigate whether the offer documents contained false or misleading information as to consideration and whether the Securities and Futures Ordinance and the Takeovers Code have been contravened, to examine whether the mandatory general offer price should have been higher and whether minority shareholders are entitled to any remedy or top-up, and to consider Mr. Zheng Nenghuan's fitness to remain as a director and controlling shareholder of a listed issuer; and
 - b. the Stock Exchange to examine compliance with the disclosure and directors' duties requirements under the Listing Rules and to consider whether further disclosure to the market is required to correct any misleading impression created by the offer documents.

While the Company is unable to verify the accuracy of the factual description under the Complaint Letter at the current stage, the Company considers the receipt of the Complaint Letter (the content of which appears broadly consistent with, among others, the Company's announcements (i) dated 20 November 2025 and 20 May 2026 with respect to certain demand letters on the "Disposition Right" described above, and (ii) dated 29 April 2026 with respect to the alleged special deal between Mr. Zheng Nenghuan and a potential substantial shareholder of the Company in breach of the Takeovers Code), the potential consequences of the Alleged Understatement of the Offer Price and the continuing pattern of conduct of Mr. Zheng Nenghuan as alleged in the Complaint Letter, to be material inside information for the Company and its Shareholders.

Upon receipt of the Complaint Letter, the Company reached out to seek clarification and verification from Mr. Zheng Nenghuan regarding the various claims and allegations contained in the Complaint Letter, and requested Mr. Zheng Nenghuan to confirm and/or clarify (a) whether the allegation that the actual consideration paid for his acquisition of the 51% controlling stake was HK\$63.6 million, and that the public offer price was subsequently understated to regulators and the investing public, is true in whole or in part? (b) whether any payments, fund flows, or commercial arrangements were executed by Mr. Zheng Nenghuan, Han Vision Holdings Limited, or any of his controlled associates (including the aforementioned "Huahan" entities) on 24 and 25 July 2025, or at any other time, to supplement the acquisition cost of the 51% stake? (c) whether there are any other undisclosed side agreements, advisory arrangements, or top-up considerations tied to the change of control transaction that have been withheld from the Board and the regulators? In Mr. Zheng Nenghuan's reply, he asserted that all the aforementioned allegations are entirely untrue, that the burden should not be on Mr. Zheng Nenghuan himself to prove a negative, and requested the Board to disregard the complaint. The Complaint Letter stated that the complainant has documentary information supporting the central allegation in the Complaint Letter and is willing to provide those to the SFC and the Stock Exchange on a confidential basis. Despite Mr. Zheng Nenghuan's lack of cooperation in the Company's due diligence enquiries, the Company will continue to actively pursue internal investigations including making further extensive enquiries with Mr. Zheng Nenghuan. The Company also made enquiries to the anonymous complainant, and will enquire the same with the previous controlling shareholder of the Company. The Company is also seeking legal advice as to whether the matters alleged in the Complaint Letter and Mr. Zheng

Nenghuan's actions are inconsistent with or in breach of, among others, the Takeovers Code, the Securities and Futures Ordinance and/or the Listing Rules and its effect on the Company and the continued suspension in the trading of the Company's securities.

The Company also notes, pursuant to the notice of the annual general meeting dated 9 June 2026, which resolutions currently tabled relate only to the re-election of Directors, that if a majority of the current members of the Board and/or the members of the independent committee of the Company (constituted by all the independent non-executive Directors) are being voted down, the Company is concerned whether any new directors nominated by Mr. Zheng Nenghuan, and in particular, any new independent non-executive directors nominated by Mr. Zheng Nenghuan (i) can manage the ongoing investigations independently and objectively, (ii) are able to conclude its independent investigation within the deadlines set out in the Resumption Guidance (as defined in the Company's announcement dated 25 May 2026), and (iii) are able to complete the independent investigation to the satisfaction of the Stock Exchange in fulfilment of the Resumption Guidance.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited 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.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Raffles Interior Limited
Wong Heung Ming Henry
*Acting Chairman of the Board and
Independent non-executive Director*

Hong Kong, 11 June 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.