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## **Raffles Interior Limited**

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

**(Stock Code: 1376)**

### **CHANGE OF AUDITOR**

This announcement is made by the board of directors (the “**Board**”) of Raffles Interior Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

References are made to the announcements of the Company dated 23 March 2021, 24 March 2021, 31 March 2021, 1 April 2021 and 23 April 2021 in relation to (i) the possible delay in publication of the Group’s audited annual results announcement for the year ended 31 December 2020 (the “**Annual Results**”), (ii) the suspension of trading of its shares; and (iii) the resumption guidance. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

### **RESIGNATION OF AUDITOR**

As mentioned in the previous announcements dated 23 March 2021 and 31 March 2021 (the “**Previous Announcements**”), PricewaterhouseCoopers (“**PwC**”) has, in the course of conducting the audit work, raised concerns over (i) the Discretionary Investment Management Agreements entered into between Ngai Chin and Leo Asset Management and its related transactions, including management fees prepaid by Ngai Chin and the investments made under the management of Leo Asset Management; and (ii) several professional and consultancy service agreements entered into between the Company and various service providers and their related transactions, including service fees prepaid by the Company (the “**Issues**”).

Despite all the communications and proactive efforts made by the Company to meet the outstanding requests of PwC regarding the Issues, including but not limited to establishing an independent board committee (“**IBC**”) and engaging an independent professional advisor to conduct an independent investigation in view of addressing the Issues (the “**Investigation**”), no consensus can be reached between the Company and PwC regarding proposed timeframe for completing the audit of the consolidated financial statements of the Group for the year ended 31 December 2020 (the “**2020 Audit**”) and the additional audit fee.

In the circumstances, the Board believes that it is in the best interest of the Company and its shareholders to proceed and complete the 2020 Audit and to apply for the resumption of trading in the Company's shares as soon as possible. Hence, the Board resolved to ask PwC to consider to resign as auditor and for the Company to engage another qualified external auditor to complete the 2020 Audit as soon as possible. After PwC had been notified of the Board's decision, as PwC considered it was not able to obtain all information nor satisfactory explanations in connection with the Issues and given the Investigation was still in progress, it was not able to determine and perform the necessary additional audit procedures which it believed were necessary to finalise the 2020 Audit and to reasonably estimate the time required to complete the audit.

After due and careful consideration, PwC agreed to resign as the auditor of the Company with effect from 24 May 2021.

Other than the matters disclosed in the Previous Announcements and this announcement in relation to the Issues, the Board and the audit committee of the Company (the "**Audit Committee**") confirmed that there are no other circumstances in relation to the change of auditor which should be brought to the attention of the shareholders or creditors of the Company.

The Board would like to take this opportunity to express its gratitude and appreciation to PwC for its professional services rendered to the Company during its tenure.

#### **APPOINTMENT OF AUDITOR**

The Board further announces that, with the recommendation from the Audit Committee, the Board has resolved to appoint Moore Stephens CPA Limited ("**Moore Stephens**") as the new auditor of the Company with effect from 24 May 2021 to fill the casual vacancy following the resignation of PwC and to hold office until the conclusion of the next annual general meeting of the Company.

Pursuant to Article 155 of the Articles of Association of the Company, the Board has power to fill the casual vacancy if the office of auditor becomes vacant by resignation. Therefore, no EGM is required to be held for the appointment of Moore Stephens.

The Board wishes to emphasize that the operation of the Group remains normal. The Company will publish further announcement(s) to inform the shareholders of the Company of any significant developments and expected dates in relation to the publication of the Annual Results as and when appropriate in compliance with the requirements of the Listing Rules.

The Board would like to take this opportunity to express its warm welcome to Moore Stephens on its appointment as the auditor of the Company.

#### **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021, and will remain suspended until further notice.

The Company will publish further announcement(s) to keep the Company's shareholders and potential investors informed of the status and development of the Company as and when appropriate, as well as publish quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

**Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Raffles Interior Limited**  
**Chua Boon Par**

*Chairman, chief executive officer and executive director*

Hong Kong, 25 May 2021

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. Chua Boon Par, Mr. Ding Hing Hui and Mr. Leong Wai Kit; and three independent non-executive directors, namely Mr. Chia Kok Seng, Mr. Gay Soon Watt and Mr. Wong Heung Ming Henry.*