RAFFLES EDUCATION CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199400712N)
(the "**Company**")

UPDATE TO INVESTIGATIONS

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1. The Board of Directors ("**Board**") of Raffles Education Corporation Limited ("**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 21 October 2021 in relation to, *inter alia*, the investigation by the Monetary Authority of Singapore and the Commercial Affairs Department ("**CAD**") (collectively, the "**Authorities**") in connection with a potential offence under the Securities and Futures Act 2001 ("**SFA**") ("**Investigations**"). The Company understands that such Investigations relate to disclosures made by the Company in relation to a claim by Affin Bank Berhad against certain subsidiaries of the Company, including Raffles K12 Sdn Bhd and Raffles Iskandar Sdn Bhd.

2. The Company wishes to announce that as part of the ongoing Investigations, on 21 February 2022, certain current directors of the Company, namely Mr Chew Hua Seng (Chairman and Chief Executive Officer) ("**Mr. Chew**"), Mr Lim How Teck (Lead Independent Non-Executive Director), Mr Joseph He Jun (Non-Independent Non-Executive Director) and Mr Ng Kwan Meng (Independent Non-Executive Director), as well as Mdm. Doris Chung Gim Lian ("**Mdm. Chung**"), a director and key management of Raffles K12 Sdn Bhd and Raffles Iskandar Sdn Bhd (collectively, the "**Current Officers**") were notified to attend the CAD's offices for the purposes of effecting their formal arrest and posting and release on bail. The Company understands that the bail amount for each Current Officer has been set at S$30,000.

3. The Company understands that the Investigations are still ongoing and none of the Current Officers have been charged for any offence, nor do the arrests necessarily signify that there will be any further actions taken or charges in the future. Further, the Company understands that the Current Officers were not subject to any conditions or restrictions in respect of the bail, other than routine attendance at the CAD's offices to assist with the ongoing Investigations. The Current Officers may travel outside of Singapore so long as they obtain clearance before doing so. The Company further understands that the Current Officers have cooperated, and will continue to fully cooperate with the Authorities on the Investigations. As previously announced, each of the Current Officers has undertaken to inform the Company of the ongoing investigations and the subsequent developments.

4. In the interim, the Current Officers will continue to serve as directors and/or executive officers of the Company (as applicable). The Nomination Committee is of the view that the ongoing Investigations will not compromise the ability of the Current Officers to discharge their duties as directors and/or executive officers of the Company, or their character and integrity, and they have the appropriate experience and expertise to manage the Group's businesses. The operations and day-to-day management of the Company are not impacted by the ongoing Investigations.

   In this regard, the Company wishes to highlight that material information relating to the claim by Affin Bank Berhad has been disclosed in the Company's earlier announcements and the Board was of the view, and continues to resolutely maintain the position, that the actions brought by Affin Bank Berhad were unmeritorious. In fact, Affin Bank Berhad had subsequently filed notices of discontinuance on 23 August 2021 to discontinue the actions under the writs.

5. The Company will monitor the progress of the Investigations and will make further announcements as and when there are material developments. The Nomination Committee will also continue to re-assess the suitability of the continued appointment of the Current Officers as and when there are material developments to the investigation.

6. Shareholders are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in respect of their investments which may be prejudicial to their interests. In the event that shareholders wish to deal in the shares of the Company, they should seek their own professional advice and consult with their own stockbrokers.

BY ORDER OF THE BOARD
Raffles Education Corporation Limited
21 February 2022