

RAFFLES EDUCATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400712N)

I. PROPOSED CONVERSION OF OUTSTANDING AMOUNTS OWED INTO NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

II. PROPOSED SPECIAL INTERIM DIVIDEND

1. INTRODUCTION

1.1. The board of directors (the “**Board**” or the “**Directors**”) of Raffles Education Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that it has, on 29 October 2025, entered into the following:

- (a) a binding term sheet (“**Bond Amendment Term Sheet**”) with Mr. Chew Hua Seng (“**Mr. Chew**”), in relation to the bond subscription agreements dated 24 July 2024 and 1 April 2025 entered into between the Company and Mr. Chew for the subscription and issuance of unlisted, non-convertible bonds (“**Bonds**”); and
- (b) a binding term sheet (“**Loan Amendment Term Sheet**”, and together with the Bond Amendment Term Sheet, the “**Binding Term Sheets**”) with Mr. Chew and Langfang Tonghui Education Consultancy Co. Ltd. (“**Tonghui**”), a subsidiary of the Company, in relation to the loan agreement dated 29 July 2024 (“**Loan Agreement**”) entered into between Tonghui and Mr. Chew, pursuant to which Mr. Chew had extended a loan to Tonghui (“**Loan**”).

Under the respective Binding Term Sheets, the terms of the existing Bonds and Loan have been amended to provide for the conversion of the outstanding amounts under the Bonds and the Loan into new ordinary shares (“**Shares**”) in the capital of the Company, at the election of the Company (collectively, the “**Proposed Conversions**”).

1.2. Amongst other things, the Proposed Conversions will be subject to the approval of shareholders of the Company (“**Shareholders**”) at an extraordinary general meeting of the Company (“**EGM**”) to be convened. A circular (“**Circular**”) containing details of, *inter alia*, the Proposed Conversions will be issued by the Company in due course.

2. THE PROPOSED CONVERSIONS

2.1. The Proposed Bond Conversion

2.1.1. As announced by the Company, Mr. Chew had subscribed for an aggregate of S\$11,750,000 in principal amount of Bonds. Please refer to the Company’s announcements dated 24 July 2024, 27 September 2024, 2 April 2025, and 3 April 2025 for further information on the Bonds.

2.1.2. Under the Bond Amendment Term Sheet, the Company shall have a right to convert the outstanding principal amount of Bonds held by Mr. Chew into new Shares (“**Bond Conversion Shares**”), exercisable at the Company’s discretion, in whole or in part, and in one or more tranches (the “**Proposed Bond Conversion**”).

2.1.3. The Company had approached the other holders of the Bonds to propose amendments to the terms of their Bonds to provide for convertibility, however, only Mr. Chew agreed to proceed with the proposal.

2.2. The Proposed Loan Conversion

- 2.2.1. Pursuant to the Loan Agreement, Mr. Chew had extended a loan to Tonghui. As of the date of this announcement, approximately RMB21,218,183 (approximately S\$3,776,879¹) of the principal amount of the Loan remains outstanding.
- 2.2.2. Under the Loan Amendment Term Sheet, the Company and Tonghui have a joint right to convert the outstanding principal amount of the Loan into new Shares ("**Loan Conversion Shares**", and together with the Bond Conversion Shares, the "**Conversion Shares**", and each a "**Conversion Share**"), such right to be exercisable at the discretion of the Company and Tonghui, in whole and in part, and in one or more tranches (the "**Proposed Loan Conversion**").
- 2.2.3. As Tonghui is a subsidiary of the Company, the Proposed Loan Conversion forms part of a broader restructuring of the Group's debt obligations. By facilitating the conversion at the Company level, the Group effectively reduces liabilities at the subsidiary level while raising a corresponding amount of equity, thereby strengthening its consolidated balance sheet
- 2.3. Accordingly, an aggregate amount of approximately S\$15,526,879 owed to Mr. Chew under the Bonds and the Loan will be subject to the Proposed Conversions. The Proposed Conversions will not result in any new cash proceeds for the Company.
- 2.4. The allotment and issuance of the Conversion Shares pursuant to the Proposed Conversions will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act 2001 of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Conversions.
- 2.5. There are no share borrowing arrangements entered into or to be entered into by the Company to facilitate the Proposed Conversions. No placement agent has been appointed, and no introducer fee or commission was paid or is payable in connection with the Proposed Conversions.
- 2.6. Please refer to paragraph 6 below for further details on the rationale for the Proposed Conversions.

3. INFORMATION ON MR. CHEW

- 3.1. Mr. Chew is the Chairman and Chief Executive Officer of the Company.
- 3.2. Mr. Chew is also a substantial shareholder of the Company. As at the date of this announcement, Mr. Chew and parties acting in concert with him (the "**CHS Concert Party Group**") holds 525,812,764 Shares, representing approximately 37.82% of the existing issued and paid-up share capital of the Company (excluding treasury shares) comprising 1,390,461,472 Shares ("**Existing Share Capital**"). Please refer to **Appendix A** of this announcement for details of the shareholdings of the CHS Concert Party Group.
- 3.3. For completeness, Mr. Chew also holds an aggregate of S\$35,030,306² in principal amount of convertible bonds ("**Convertible Bonds**") issued by the Company on 23 September 2022 pursuant to the renounceable underwritten rights issue. Please refer to the Company's

¹ The Loan is denominated in RMB, with the figure based on an exchange rate of RMB1.00 : SGD0.178002, as at 30 June 2025.

² Of this amount, Mr. Chew is deemed interested in an aggregate principal amount of S\$646,819 Convertible Bonds held by his spouse, Ms. Doris Chung Gim Lian.

announcements dated 7 June 2022, 8 June 2022, 28 July 2022, 6 August 2022, 22 August 2022, 30 August 2022, 21 September 2022 and 23 September 2022, and the offer information statement dated 30 August 2022 for further information on the Convertible Bonds.

- 3.4. Mr. Chew will not be holding the Conversion Shares in trust or as a nominee.

4. KEY TERMS OF THE PROPOSED CONVERSIONS

4.1. Conversion Price

4.1.1. Subject to the adjustments set out in the respective Binding Term Sheets, the price at which each Conversion Share shall be issued upon conversion (the “**Conversion Price**”) is S\$0.0644, being the volume weighted average price (“**VWAP**”) of S\$0.0684 per Share for trades done on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 29 October 2025, being the last full market day on which the Shares were traded prior to the date of this announcement, less the amount of the Special Dividend (as defined in paragraph 5 below) of S\$0.004 per Share. Please refer to paragraph 5 below for further details on the Special Dividend.

4.1.2. The Conversion Price was determined with reference to the prevailing market price of the Shares, and is equivalent to the theoretical ex-dividend share price, with no discount or premium applied. However, the Conversion Price represents a discount of approximately 5.8% to the VWAP of S\$0.0684 per Share for trades done on the SGX-ST on 29 October 2025, being the last full market day on which the Shares were traded prior to the entry into the Binding Term Sheets.

4.2. The Conversion Shares

4.2.1. Based on the Conversion Price, an aggregate of 241,100,605 Conversion Shares may be issued to Mr. Chew under the Proposed Conversions. The Conversion Shares represent approximately 17.3% of the Existing Share Capital. The Conversion Shares will represent approximately 14.5% of the enlarged issued and paid-up share capital of the Company (excluding treasury shares) comprising 1,662,311,361 Shares³. Please refer to **Appendix C** of this announcement for the *pro forma* illustration of the shareholding interests of the CHS Concert Party Group.

4.2.2. The Conversion Shares will be issued free from all claims, charges, liens, pledges, mortgages, and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares, except that they will not rank for any dividend, right, allotment or other distributions, the Record Date (as defined below) for which falls on or before the date of the allotment and issue of the Conversion Shares. “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

4.3. Conversion Period

Subject to the satisfaction of the Conditions (as defined in paragraph 4.5 below), the Company will exercise its rights to convert the Bonds and the Loan into Conversion Shares within one (1) week of the Record Date for the Special Dividend.

³ The enlarged share capital of the Company comprising 1,662,311,361 Shares includes, for illustrative purposes, the allotment and issuance of 30,749,284 Shares pursuant to the CHSCP Scrip Dividend Scheme (as defined in paragraph 5.4 below), based on the assumption that (i) the VWAP of S\$0.0684 on 29 October 2025 is applied for the issuance of the Scrip Dividend Shares, (ii) save for the CHS Concert Party Group, none of the other Shareholders elect to receive their Special Dividend in Scrip Dividend Shares in lieu of cash, and (iii) the CHS Concert Party Group's current shareholding of 525,812,764 Shares.

4.4. Shareholders' approval for the Proposed Conversions and the issuance of the Conversion Shares to Mr. Chew

- 4.4.1. Pursuant to Section 161 of the Companies Act 1967 and Rule 805 of the Listing Manual, the Proposed Conversions and the issuance of the Conversion Shares to Mr. Chew will be made pursuant to specific approval of Shareholders to be obtained at an EGM to be convened. For the avoidance of doubt, the Company will not be relying on its existing general share issue mandate approved by Shareholders at the annual general meeting held on 25 October 2024, nor will it be relying on the general share issuance mandate to be sought for approval at the upcoming annual general meeting on 31 October 2025, for the allotment and issuance of the Conversion Shares.
- 4.4.2. In addition, Rules 812(1) and Rule 812(2) of the Listing Manual provide that, *inter alia*, an issue of shares must not be placed to the issuer's directors and substantial shareholders unless specific shareholders' approval has been obtained for such placement, and the person, and its associates, must abstain from voting on the resolution approving the placement. Accordingly, Mr. Chew and his associates will abstain from voting on the resolution(s) approving the Proposed Conversions and the allotment and issuance of the Conversion Shares.

4.5. Conditions

The Proposed Conversions is subject to, *inter alia*, the following conditions:

- (a) the approval of Shareholders (excluding Mr. Chew and his associates) being obtained at the EGM to be convened, for the Proposed Conversions, and the allotment and issuance of the Conversion Shares to Mr. Chew;
- (b) the approval of Shareholders (excluding Mr. Chew, the CHS Concert Party Group and parties not independent of them) ("**Independent Shareholders**") being obtained at the EGM to be convened, for the Proposed Conversion Whitewash Waiver (as defined in paragraph 8.3 below); and
- (c) the approval in-principle of the SGX-ST being obtained for the listing of and quotation for the Conversion Shares on the SGX-ST and such approval not having been revoked or amended and, to the extent that any conditions for such approval are required to be fulfilled on or before the allotment and issuance of the Conversion Shares, they are so fulfilled,

(collectively, the "**Conditions**").

5. PROPOSED SPECIAL DIVIDEND

- 5.1. The Proposed Conversions are expected to result in substantial cash savings for the Company from the principal repayment of the Bonds and the Loan. Subject to Shareholders' approval of the Proposed Conversions and the Whitewash Resolutions (as defined in paragraph 8.3(a) below) at the EGM to be convened, the Company intends to declare a special interim dividend ("**Special Dividend**", and together with the Proposed Conversions, the "**Proposed Transactions**") of S\$0.004 per Share, which will be funded from part of the expected cash savings arising from the Proposed Conversions.
- 5.2. It is proposed that the Record Date for the Special Dividend will fall prior to the issuance of the Conversion Shares. Accordingly, the Conversion Shares will not be entitled to the Special Dividend.

- 5.3. In addition, the Company intends to adopt a scrip dividend scheme pursuant to Rule 862 of the Listing Manual. Under the scrip dividend scheme, Shareholders will have the option to elect to receive their Special Dividend in the form of fully paid new Shares ("**Scrip Dividend Shares**") in lieu of cash.
- 5.4. To support the Company's cash conservation efforts, the CHS Concert Party Group, at the request of the Company, has preliminarily agreed to elect to receive their entire entitlement to the Special Dividend in the form of Scrip Dividend Shares in lieu of cash ("**CHSCP Scrip Dividend**"). Based on the CHS Concert Party Group's current shareholding of 525,812,764 Shares, they would be entitled to a Special Dividend of approximately S\$2,103,251. This is expected to reduce the immediate cash outlay required for the Special Dividend and further support the Company's liquidity position. The number of new Shares to be issued pursuant to the CHSCP Scrip Dividend will be calculated based on the closing price as at the Record Date to be announced.

For illustration purposes only, assuming:

- (a) Shareholders' approval is obtained for the Proposed Conversions, the allotment and issuance of the Conversion Shares, and each of the Whitewash Resolutions;
- (b) the Company declares the Special Dividend of S\$0.004 per Share;
- (c) the VWAP of S\$0.0684 on 29 October 2025 is applied for the issuance of the Scrip Dividend Shares;
- (d) save for the CHS Concert Party Group, none of the other Shareholders elect to receive their Special Dividend in Scrip Dividend Shares in lieu of cash; and
- (e) the CHS Concert Party Group's current shareholding of 525,812,764 Shares,

approximately 30,749,284 Shares will be issued pursuant to the CHSCP Scrip Dividend, representing approximately 2.2% of the Existing Share Capital, and 1.8% of the enlarged issued and paid-up share capital of the Company comprising 1,662,311,361 Shares⁴. Please refer to **Appendix C** of this announcement for a *pro forma* illustration of the shareholding interests of the CHS Concert Party Group.

- 5.5. Please refer to paragraph 6 below for further details on the rationale for the Special Dividend. Further details of the proposed Special Dividend, including the Record Date and payment date, will be announced by the Company in due course. Shareholders are also advised to refer to the separate announcement released by the Company on the terms of the scrip dividend scheme.

6. RATIONALE FOR THE PROPOSED CONVERSIONS AND THE SPECIAL DIVIDEND

- 6.1. The Company is proposing to undertake the Proposed Conversions as part of a broader financial strategy to manage its debt obligations, improve its balance sheet, and support its long-term financial sustainability and growth. The conversion of the outstanding debt into equity is expected to reduce the Group's overall financial leverage, alleviate its repayment obligations, and significantly improve its cash flow position. This, in turn, will allow the Company to reallocate resources to other strategic initiatives, operational investments, and business expansion opportunities. Alternative funding arrangements for the repayment of the Bonds and the Loan, such as further debt financing, equity issuance, or restructuring arrangements, may be on less favourable terms and could impose additional financial or operational constraints on

⁴ The enlarged share capital of the Company comprising 1,662,311,361 Shares includes the allotment and issuance of 241,100,605 Conversion Shares.

the Company. The Company believes the Proposed Conversions represent the most effective and sustainable solution currently available.

- 6.2. To share the expected cash savings on principal repayment from the Proposed Conversions and to partially offset the dilutive impact on Shareholders, the Company intends to declare the Special Dividend. The Special Dividend serves as a tangible return to all Shareholders in recognition of their continued support and balances the interests of Shareholders by supporting long-term financial sustainability while also offering near-term value.
- 6.3. The proposed adoption of a scrip dividend scheme, under which Shareholders may elect to receive their Special Dividend entitlement in the form of Scrip Dividend Shares in lieu of cash, allows the Company to conserve internal cash reserves and further strengthen its capital position, while still rewarding Shareholders. The scrip dividend scheme provides Shareholders flexibility and enables Shareholders to select the form of dividend that best suits their investment objectives.

7. ADDITIONAL LISTING APPLICATION

The Company will be applying to the SGX-ST, for the dealing in, listing of and quotation for the Conversion Shares and the Scrip Dividend Shares on the Main Board of the SGX-ST and will make the necessary announcement(s) upon receipt of the respective approvals in-principle from the SGX-ST.

8. WHITEWASH WAIVERS

- 8.1. Pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”), unless waived by the Securities Industry Council (“**Council**”), a person will incur an obligation to make a general offer if such person, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights, and such person, or any person acting in concert with him, acquires in any period of 6 months additional shares carrying more than 1.0% of the voting rights.
- 8.2. As Mr. Chew’s aggregate voting rights in the Company may increase by more than 1.0% following (i) the allotment and issuance of the CHSCP Scrip Dividend, and/or (ii) the allotment and issuance of the Conversion Shares, Mr. Chew will incur an obligation to make a mandatory general offer pursuant to Rule 14 of the Code, unless this obligation is waived by the Council.
- 8.3. Whitewash waivers (“**Whitewash Waivers**”) have been received from the Council, waiving the obligation for Mr. Chew to make a mandatory general offer for the Company’s Shares under Rule 14 of the Code incurred as a result of (i) the allotment and issuance of the CHSCP Scrip Dividend to the CHS Concert Party Group (including Mr. Chew), and (ii) the allotment and issuance of the Conversion Shares to Mr. Chew (the “**Proposed Conversions Whitewash Waiver**”), subject to the following conditions:
 - (a) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of (i) the CHSCP Scrip Dividend to the CHS Concert Party Group and (ii) the Conversion Shares to Mr. Chew, separate resolutions in relation to each of the Whitewash Waivers (the “**Whitewash Resolutions**”) by way of a poll each to waive their rights to receive a general offer from Mr. Chew;
 - (b) each of the Whitewash Resolutions is separate from other resolutions;
 - (c) Mr. Chew, parties acting in concert with him, and parties not independent of them abstain from voting on each of the Whitewash Resolutions;

- (d) Mr. Chew and his concert parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of the Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which have been disclosed in the Circular):
 - (i) during the period between the date of this announcement and the date Shareholders' approval is obtained for each of the Whitewash Resolutions; and
 - (ii) in the 6 months prior to the date of this announcement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Proposed Transactions;
- (e) the Company appoints an independent financial adviser ("**IFA**") to advise the Independent Shareholders on each of the Whitewash Resolutions;
- (f) the Company sets out clearly in the Circular:
 - (i) details of the Proposed Transactions, including the proposed issue of (A) the CHSCP Scrip Dividend to the CHS Concert Party Group, and (B) the Conversion Shares to Mr. Chew under the Proposed Conversions;
 - (ii) the dilution effect to existing holders of voting rights of the Company upon the issue of (A) the CHSCP Scrip Dividend to the CHS Concert Party Group, and (B) the Conversion Shares to Mr. Chew, under the Proposed Transactions;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and option in respect of Shares held by Mr. Chew and his concert parties as at the latest practicable date;
 - (iv) the number and percentage of voting rights to be acquired by Mr. Chew and his concert parties upon the issue of (A) the CHSCP Scrip Dividend to the CHS Concert Party Group, and (B) the Conversion Shares to Mr. Chew, under the Proposed Transactions; and
 - (v) specific and prominent reference to the fact that:
 - (A) the issue of the Conversion Shares to Mr. Chew under the Proposed Conversions could result in Mr. Chew and his concert parties holding Shares carrying over 49% of the voting rights of the Company and to the fact that Mr. Chew and his concert parties will be free to acquire further Shares without incurring any obligation under Rule 14 to make a general offer;
 - (B) Shareholders, by voting for each of the Whitewash Resolutions, are waiving their rights to a general offer from Mr. Chew at the highest price paid by Mr. Chew and his concert parties for the Shares in the past 6 months preceding the date of this announcement; and
 - (C) Shareholders, by voting for the Whitewash Resolutions in respect of the Proposed Conversions, could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Proposed Conversions;

- (g) the Circular states that each of the Whitewash Waivers granted by Council to Mr. Chew from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated at paragraphs 8.3(a) to (f) above;
- (h) Mr. Chew obtains Council's approval in advance for those parts of the Circular that refer to the Whitewash Resolutions;
- (i) to rely on each of the Whitewash Resolutions:
 - (i) the approval of each of the Whitewash Resolutions must be obtained within 3 months of 24 October 2025;
 - (ii) in respect of the CHSCP Scrip Dividend, the acquisition of the CHSCP Scrip Dividend by the CHS Concert Party Group must be completed within 3 months of the approval of the Whitewash Resolution; and
 - (iii) in relation to the Proposed Conversions:
 - (A) the respective definitive agreements effecting the amendments to the Bonds and the Loan must be executed, as well as the issue of the convertible bonds and the convertible loan facilities thereunder (collectively, the "**Convertibles**") must be completed within 3 months of the approval of the Whitewash Resolution; and
 - (B) the acquisition of the Conversion Shares by Mr. Chew under the Proposed Conversions must be completed within 5 years of date of issue of the Convertibles; and
- (j) Mr. Chew will comply or procure the relevant person(s) to comply with the disclosure requirements set out in Note 2 on Section 2 of Appendix 1 of the Code.

- 8.4. In accordance with the Council's condition set out in paragraph 8.3(e) above, the Company will appoint an IFA to advise the Directors who are deemed independent for the purposes of the Whitewash Resolutions, and the Independent Shareholders on the Whitewash Resolutions. The IFA's opinion will be included in the Circular.

9. INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL

- 9.1. Transactions entered into between an issuer's "interested person" and the issuer, its subsidiaries or associated companies (which the listed group or its interested persons have control over) are deemed "interested person transactions" ("**IPT**") and subject to Chapter 9 of the Listing Manual. Pursuant to Rule 904(4) of the Listing Manual, a director, chief executive officer, or controlling shareholder of the issuer, and the associates of such director, chief executive officer, or controlling shareholder of the issuer are deemed "interested persons" of the issuer. Accordingly, Mr. Chew, a director of the Company, is deemed to be an interested person of the Company.
- 9.2. Rule 905(1) of the Listing Manual provides that an issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets ("**NTA**"). As the value of the Proposed Conversions of approximately S\$15,526,879, amounts to 3.38% of the Group's latest audited NTA attributable to the owners of the Company of S\$459,610,000 as of 30 June 2025, the Proposed Conversions is a discloseable IPT under Chapter 9 of the Listing Manual.

- 9.3. Save as disclosed in this announcement and in the Company's annual report, as of the date of this announcement, there are no other IPTs (with a value of more than S\$100,000) entered into between the Company and Mr. Chew or his associates or any other interested person for the current financial year ending 30 June 2026.

10. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

- 10.1. The *pro forma* financial effects of the Proposed Transactions set out below are strictly for illustrative purposes and are not indicative of the actual financial position and results of the Group following completion of the Proposed Transactions.
- 10.2. The *pro forma* financial effects have been prepared based on the latest audited financial results of the Group for the financial year ended 30 June 2025 ("FY2025"), on the following bases and assumptions:
- (a) the declaration of the Special Dividend of S\$0.004 per Share;
 - (b) the VWAP of S\$0.0684 on 29 October 2025 is applied for the issuance of the Scrip Dividend Shares;
 - (c) save for the CHS Concert Party Group, none of the other Shareholders elect to receive their Special Dividend in Scrip Dividend Shares in lieu of cash;
 - (d) the sequence of events comprising (i) the declaration and payment of the Special Dividend and the allotment and issuance of 30,749,284 Shares pursuant to the CHSCP Scrip Dividend, followed by (ii) the allotment and issuance of 241,100,605 Conversion Shares;
 - (e) the Proposed Transactions had been completed on 30 June 2025 for the purpose of illustrating the financial effects on the NTA;
 - (f) the Proposed Transactions had been completed on 1 July 2024 for the purpose of illustrating the financial effects on the EPS;
 - (g) the Proposed Transactions had been completed on 30 June 2025 for the purpose of illustrating the financial effects on the net gearing;
 - (h) no other outstanding convertible securities of the Company have been converted into Shares;
 - (i) the Existing Share Capital comprising 1,390,461,472 Shares; and
 - (j) the expenses incurred in connection with the Proposed Conversions amounting to approximately S\$300,000.

10.3. Share Capital

	Number of Shares (excluding treasury shares)
As at the date of this announcement	1,390,461,472
After the declaration and payment of the Special Dividend and issuance of the CHSCP Scrip Dividend but before completion of the Proposed Conversions	1,421,210,756
After the completion of the Proposed Conversions	1,662,311,361

10.4. NTA per Share

Assuming that the Proposed Transactions were completed on 30 June 2025, the *pro forma* financial effects on the Group's NTA per Share would be as follows:

	Before the Proposed Transactions	After the declaration and payment of the Special Dividend and issuance of the CHSCP Scrip Dividend but before completion of the Proposed Conversions	After the Proposed Transactions
NTA attributable to the owners of the Company (S\$)	459,610,000	456,151,000	471,378,000
Number of issued ordinary shares in the capital of the Company	1,390,461,472	1,421,210,756	1,662,311,361
NTA per Share (Singapore cents)	33.05	32.10	28.36

10.5. Earnings per Share

Assuming that the Proposed Transactions were completed on 1 July 2024, the *pro forma* financial effects on the Group's Earnings per Share would be as follows:

	Before the Proposed Transactions	After the declaration and payment of the Special Dividend and issuance of the CHSCP Scrip Dividend but before completion of the Proposed Conversions	After the Proposed Transactions
Earnings after income tax attributable to the owners of the Company (S\$)	7,696,000	7,696,000	8,539,000
Number of issued ordinary shares in the capital of the Company	1,390,461,472	1,421,2210,756	1,662,311,361
Earnings per Share (Singapore cents)	0.55	0.54	0.51

10.6. Net Gearing

Assuming that the Proposed Transactions were completed on 30 June 2025, the *pro forma* financial effects on the Group's net gearing would be as follows:

	Before the Proposed Transactions	After the declaration and payment of the Special Dividend and issuance of the CHSCP Scrip Dividend but before completion of the Proposed Conversions	After the Proposed Transactions
Net borrowings (S\$) ⁽¹⁾	191,880,000	191,880,000	176,353,000
Total equity (S\$) ⁽²⁾	555,826,000	552,367,000	567,594,000
Net gearing (times)	0.35	0.35	0.31

Notes:

- (1) Net borrowings refer to the total borrowings less cash and cash equivalents.
- (2) Total equity excludes non-controlling interest and is adjusted for fair value adjustment reserves for computation of net gearing.

11. EXISTING SHARE OPTIONS AND OTHER CONVERTIBLES

As at the date of this announcement, the Company has outstanding employee share options and Convertible Bonds. Following the completion of the Proposed Transactions, adjustments may be required to the number and/or exercise price or conversion price (as the case may be) of such outstanding employee share options and/or Convertible Bonds. If required, the Company will make the appropriate announcement(s) and notify the relevant holders of any such adjustments in due course.

12. DIRECTORS' OPINION

The Directors are of the opinion that, barring any unforeseen circumstances, after taking into account the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements.

13. STATEMENT FROM THE AUDIT COMMITTEE

- 13.1. Pursuant to Rule 917(4)(a) of the Listing Manual, a statement (i) whether or not the audit committee of the issuer is of the view that the transaction is on normal commercial terms, and is not prejudicial to the interests of the issuer and its minority shareholders; or (ii) that the audit committee is obtaining an opinion from an IFA before forming its view, is required to be disclosed in this announcement.
- 13.2. The Audit Committee will be obtaining an opinion from the IFA before forming its view as to whether the Proposed Conversions is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. The IFA's opinion will be included in the Circular to be issued by the Company in due course.

14. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 14.1. Ms. Doris Chung Gim Lian, a substantial shareholder of the Company, is the spouse of Mr. Chew. She is a part of the CHS Concert Party Group, and has preliminarily elected to receive the CHSCP Scrip Dividend.
- 14.2. For the avoidance of doubt, Mr. Chew has abstained from and will not be involved in any decision of the Board in relation to the Proposed Transactions. Save as disclosed in this announcement, none of the Directors or substantial shareholders and their associates has any interest, direct or indirect, in the matters stated herein (other than their shareholdings in the Company, if any).
- 14.3. The interests of the Directors, substantial shareholders, and the CHS Concert Party Group in the share capital of the Company as at the date of this announcement are set out in **Appendix A** to this announcement.
- 14.4. The interests of the Directors, substantial shareholders, and the CHS Concert Part Group in the Convertible Bonds as at the date of this announcement are set out in **Appendix B** to this announcement.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the matters stated herein, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

16. CIRCULAR TO SHAREHOLDERS

The Company will be seeking Shareholders' approval for, amongst other things, the Proposed Conversions at the EGM to be convened. The Circular containing, *inter alia*, further details on the Proposed Conversions, the IFA's opinion, and enclosing a notice of EGM in connection therewith will be issued to Shareholders in due course.

17. TRADING CAUTION AND FURTHER ANNOUNCEMENTS

Shareholders and potential investors are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Transactions will proceed to completion. Shareholders are advised to read this announcement, and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

The Company will continue to keep shareholders updated and make further announcement(s) as and when there are material developments.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Bond Amendment Term Sheet and Loan Amendment Term Sheet are available for inspection at the Company's registered office at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164 during normal business hours for a period of three (3) months from the date of this announcement.

By Order of the Board
RAFFLES EDUCATION LIMITED

30 October 2025

APPENDIX A

INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS / CHS CONCERT PARTY GROUP IN THE SHARE CAPITAL OF THE COMPANY

	Number of Shares as at the date of this announcement			Percentage shareholding as at the date of this announcement (%) ⁽¹⁾
	Direct	Deemed	Total	
Directors (other than the Substantial Shareholders / CHS Concert Party Group)				
Mdm Lim Siew Mun	4,375,300	-	4,375,300	0.31
Mr Lim How Teck ⁽²⁾	3,375,300	2,000,000	5,375,300	0.39
Mr Ng Kwan Meng ⁽³⁾	4,375,340	2,000,000	6,375,340	0.46
BG (Retd) Chua Chwee Koh	10,103,600	-	10,103,600	0.73
Mr Joseph Ho Yan Jun	1,375,300	-	1,375,300	0.10
Substantial Shareholders / The CHS Concert Party Group				
Mr. Chew Hua Seng ⁽⁴⁾	491,769,605 ⁽⁵⁾	34,043,159	525,812,764	37.82
Ms. Doris Chung Gim Lian ⁽⁴⁾	170,992,922 ⁽⁵⁾	354,819,842	525,812,764	37.82

Notes:

- (1) The percentage shareholding interest is computed based on the Existing Share Capital comprising 1,390,461,472 Shares as at the date of this announcement.
- (2) Mr. Lim How Teck is deemed to be interested in the Shares held by his spouse, Ms. Tan Cheng Hiang Rosalind (Mrs Rosalind Lim).
- (3) Mr. Ng Kwan Meng is deemed to be interested in the Shares held by his spouse, Ms. Serena Lim Ai Ping.
- (4) Mr. Chew is deemed to be interested in the Shares held by his spouse, Ms. Doris Chung Gim Lian, and *vice versa*.
- (5) Includes 136,949,763 Shares jointly held by Mr. Chew and his spouse, Ms. Doris Chung Gim Lian.

APPENDIX B

INTERESTS OF THE DIRECTORS AND THE SUBSTANTIAL SHAREHOLDERS / CHS CONCERT PARTY GROUP IN THE CONVERTIBLE BONDS

	Direct Interest in Convertible Bonds (S\$)	Deemed Interest in Convertible Bonds (S\$)
Directors (other than the Substantial Shareholders / CHS Concert Party Group)		
Mdm Lim Siew Mun	100,000	-
Mr Lim How Teck ⁽¹⁾	50,000	50,000
Mr Ng Kwan Meng ⁽²⁾	200,000	99,800
BG (Retd) Chua Chwee Koh	421,000	-
Mr Joseph Ho Yan Jun	-	-
Substantial Shareholders / The CHS Concert Party Group		
Mr. Chew Hua Seng ⁽³⁾	34,383,487	646,819
Ms. Doris Chung Gim Lian ⁽³⁾	646,819	34,383,487

Notes:

- (1) Mr. Lim How Teck is deemed to be interested in the Convertible Bonds held by his spouse, Ms. Tan Cheng Hiang Rosalind (Mrs Rosalind Lim).
- (2) Mr. Ng Kwan Meng is deemed to be interested in the Convertible Bonds held by his spouse, Ms. Serena Lim Ai Ping.
- (3) Mr. Chew is deemed to be interested in the Convertible Bonds held by his spouse, Ms. Doris Chung Gim Lian, and *vice versa*.

APPENDIX C

ILLUSTRATION OF THE SHAREHOLDING INTEREST OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS / CHS CONCERT PARTY GROUP IN THE SHARE CAPITAL OF THE COMPANY

The shareholding interest set out below are for illustration purposes only and reflects the sequence of events comprising (i) the issuance of the CHSCP Scrip Dividend, followed by (ii) the allotment and issuance of the Conversion Shares, and is based on the following bases and assumptions:

- (a) the declaration of the Special Dividend of S\$0.004 per Share;
- (b) the VWAP of S\$0.0684 on 29 October 2025 is applied for the issuance of the Scrip Dividend Shares;
- (c) save for the CHS Concert Party Group, none of the other Shareholders elect to receive their Special Dividend in Scrip Dividend Shares in lieu of cash; and
- (d) the CHS Concert Party Group's current shareholding of 525,812,764 Shares.

	Number of Shares as at the date of this announcement	Percentage shareholding as at the date of this announcement (%) ⁽¹⁾	Number of Shares upon completion of the allotment and issue of the CHSCP Scrip Dividend	Percentage shareholding upon completion of the allotment and issue of the CHSCP Scrip Dividend (%) ⁽²⁾	Number of Shares upon completion of the allotment and issue of the CHSCP Scrip Dividend and the Conversion Shares	Percentage shareholding upon completion of the allotment and issue of the CHSCP Scrip Dividend and the Conversion Shares (%) ⁽³⁾
Directors (other than the Substantial Shareholders / CHS Concert Party Group)						
Mdm Lim Siew Mun	4,375,300	0.31	4,375,300	0.31	4,375,300	0.26
Mr Lim How Teck ⁽⁴⁾	5,375,300	0.39	5,375,300	0.38	5,375,300	0.32
Mr Ng Kwan Meng ⁽⁵⁾	6,375,340	0.46	6,375,340	0.45	6,375,340	0.38

	Number of Shares as at the date of this announcement	Percentage shareholding as at the date of this announcement (%) ⁽¹⁾	Number of Shares upon completion of the allotment and issue of the CHSCP Scrip Dividend	Percentage shareholding upon completion of the allotment and issue of the CHSCP Scrip Dividend (%) ⁽²⁾	Number of Shares upon completion of the allotment and issue of the CHSCP Scrip Dividend and the Conversion Shares	Percentage shareholding upon completion of the allotment and issue of the CHSCP Scrip Dividend and the Conversion Shares (%) ⁽³⁾
BG (Retd) Chua Chwee Koh	10,103,600	0.73	10,103,600	0.71	10,103,600	0.61
Mr Joseph Ho Yan Jun	1,375,300	0.10	1,375,300	0.10	1,375,300	0.08
Substantial Shareholders / The CHS Concert Party Group						
Mr. Chew Hua Seng ⁽⁶⁾	525,812,764	37.82	556,562,048	39.16	797,662,653	47.99
Ms. Doris Chung Gim Lian ⁽⁶⁾	525,812,764	37.82	556,562,048	39.16	797,662,653	47.99

Notes:

- (1) The percentage shareholding interest is computed based on the Existing Share Capital comprising of 1,390,461,472 Shares as at the date of this announcement.
- (2) The percentage shareholding interest upon completion of the allotment and issue of 30,749,284 Shares pursuant to the CHSCP Scrip Dividend is computed based on the enlarged issued and paid-up share capital (excluding treasury shares) of the Company comprising 1,421,210,756 Shares.
- (3) The percentage shareholding interest upon completion of the allotment and issue of 30,749,284 Shares pursuant to the CHSCP Scrip Dividend and 241,100,605 Conversion Shares is computed based on the enlarged issued and paid-up share capital (excluding treasury shares) of the Company comprising 1,662,311,361 Shares.
- (4) Mr. Lim How Teck is deemed to be interested in the Shares held by his spouse, Ms. Tan Cheng Hiang Rosalind (Mrs Rosalind Lim).
- (5) Mr. Ng Kwan Meng is deemed to be interested in the Shares held by his spouse, Ms. Serena Lim Ai Ping.
- (6) Mr. Chew is deemed to be interested in the Shares held by his spouse, Ms. Doris Chung Gim Lian, and *vice versa*.