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26 ANNUAL
REPORT

EDUCATION WITHOUT LIMITS

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LETTER TO SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors of Raffles Education Limited (the “Company”, and together with its subsidiaries, the “Group”), I would like to provide our shareholders with an update on the Group’s financial performance and key developments for the financial year ended 30 June 2026 (“FY2026”).

The Group recorded revenue of S\$106.8 million for FY2026, compared with S\$111.7 million in the previous financial year. The decrease was mainly attributable to the disposal of Hefei Yuren Education Management Co. Ltd. (“HFYR”) during the year.

Despite the lower revenue, the Group recorded profit before income tax of S\$6.8 million for FY2026, compared with S\$8.7 million in FY2025. The Group’s net loss after tax was S\$6.4 million, compared with a net profit after tax of S\$4.4 million in FY2025. Amongst other factors, the results for FY2026 were affected by, amongst other factors, the loss arising from the disposal of HFYR and related tax provisions as well as foreign exchange movements.

The Group also recorded an adjusted EBITDA of S\$29.6 million for FY2026, compared with S\$19.4 million in FY2025. The improvement primarily reflects the Group’s operating performance after adjusting for certain significant non-recurring and non-operating items.

Strengthened Financial Position

During FY2026, the Group continued to focus on strengthening its balance sheet and managing its financial obligations.

Total borrowings decreased significantly from S\$208.7 million as at 30 June 2025 to S\$86.2 million as at 30 June 2026. This was principally due to repayments of borrowings, repayment of non-convertible bonds and conversion of convertible bonds, partly offset by the issuance of S\$3.0 million in non-convertible bonds.

As a result, the Group’s net gearing ratio decreased from 34% to 7% as at 30 June 2026. The Group also ended FY2026 with cash and cash equivalents of approximately S\$39.1 million, compared with S\$16.9 million at the end of FY2025.

Net cash generated from operating activities increased to S\$12.6 million, compared with S\$4.3 million in FY2025. During the year, the Group also generated cash proceeds from the disposal of non-current assets held for sale and the disposal of a subsidiary.

Streamlining and Restructuring of the Group

The Group continues to streamline and restructure its operations with focus on improving cost management and operational efficiency.

During FY2026, the Group completed the disposal of HFYR and the disposal of the property at 51 Merchant Road, Singapore. The disposal of 51 Merchant Road contributed to a gain of S\$52.8 million, while the disposal of HFYR resulted in a loss of S\$29.4 million recognised in the Group’s financial statements.

The Group will continue to assess its businesses and assets with a view to optimising its resources, strengthening its financial position and improving the sustainability of its operations.

Education Business

The Group remains focused on its core education businesses across its key markets.

The global education environment remains challenging, with increasing competition, evolving regulatory requirements and restrictive policies in certain countries affecting the recruitment of international students. Currency volatility also continues to affect the Group’s financial performance.

Against this backdrop, the Group will continue to focus on operational efficiency, prudent cost management, student recruitment and the development of its education businesses.

Langfang Land Reclamation in China

Subsequent to the financial year end of 2026, the Group announced that its 70%-owned indirect subsidiary, Langfang Hezhong Education Consulting Co., Ltd., entered into a land reclamation compensation agreement on 18 August 2026 with the Langfang Economic and Technological Development Zone Management Committee in relation to the compulsory government reclamation of the relevant land.

The compensation consideration is RMB293.3 million (approximately S\$55.7 million) and is expected to be collected in two tranches by the end of 2026.

After taking into account related income taxes and expenses, the net cash proceeds are estimated at RMB270.7 million (approximately S\$50 million), of which the Group's 70% share is estimated at RMB174.2 million (approximately S\$31 million).

The Board believes that the expected proceeds from this transaction, together with the Group's ongoing efforts to strengthen its balance sheet and manage its operations, will provide additional financial resources to support the Group's continuing operations and strategic initiatives.

Outlook

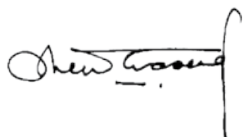
Looking ahead, the Group expects the global education landscape to remain competitive and challenging. Economic and geopolitical uncertainties may continue to affect the recruitment of international students, while currency volatility and regulatory developments in the countries within in which the Group operates may continue to impact its business.

The Group will therefore remain focused on disciplined financial management, operational streamlining and restructuring, while continuing to develop its education businesses and optimise its portfolio of assets.

The Board remains committed to creating sustainable value for our shareholders and will continue to keep shareholders informed of material developments affecting the Group.

On behalf of the Board, I would like to thank our shareholders, students, parents, business partners, employees and other stakeholders for their continued support and confidence in the Group.

Yours faithfully,



Mr Chew Hua Seng

Chairman and Chief Executive Officer
Raffles Education Limited



CORPORATE PROFILE



Singapore

OUR VISION

Our vision is to be the premier education Group.

OUR MISSION

We are committed to provide quality education and related services through our network of institutions

OUR VALUES & CULTURE

We provide a learning environment that leads to successful careers through educational experiences that promote:

- Social responsibility
- Professional excellence for employability
- Analytical thinking for problem solving
- Creativity to encourage innovation
- Entrepreneurship

RafflesEducation is a premier education Group.

Since establishing its first college in Singapore in 1990, **RafflesEducation** has grown to provide a full spectrum of education services through a vast network of 13 educational institutions across 8 countries in Asia Pacific and Europe: Cambodia, India, Indonesia, Italy, Malaysia, Singapore, Thailand, and the People's Republic of China.

More than 12,408 students enrolled in **RafflesEducation's** programmes benefit from a quality education that provides them with a well-rounded hands-on experience that is relevant to the industry.

The Group, through its Hong Kong Stock Exchange listed subsidiary, Oriental University City Holdings (H.K.) Ltd., leases education facilities to 8 educational institutions, offering a wide variety of vocational and technical courses, catering to a student population of approximately 7,000.



COMPANY HIGHLIGHTS AND AWARDS



Asian Couture
Federation Awards
2014



International
Star Quality
Awards
2014



International Diamond
Prize for Excellence in
Quality Awards
2015



ESQR Quality
Choice Prize
2015



IAIR Best
Company
Awards
2015



World
Branding
Awards
2015



IAIR Best
Company
Awards
2016



World
Branding
Awards
2016-17



World
Branding
Awards
2017-18





Influential Brands
Top Brand Private Education
2018



International Crown Awards
2018



Super Golden Bull Awards
2018



Singapore Good Design Awards
Design With(Out) Senses
2023



Singapore Good Design Awards
Sustainable Fashion Collection
2023



Singapore Good Design Awards
Fashion Education
2023



Design Power Index
Business of Design Category
2025



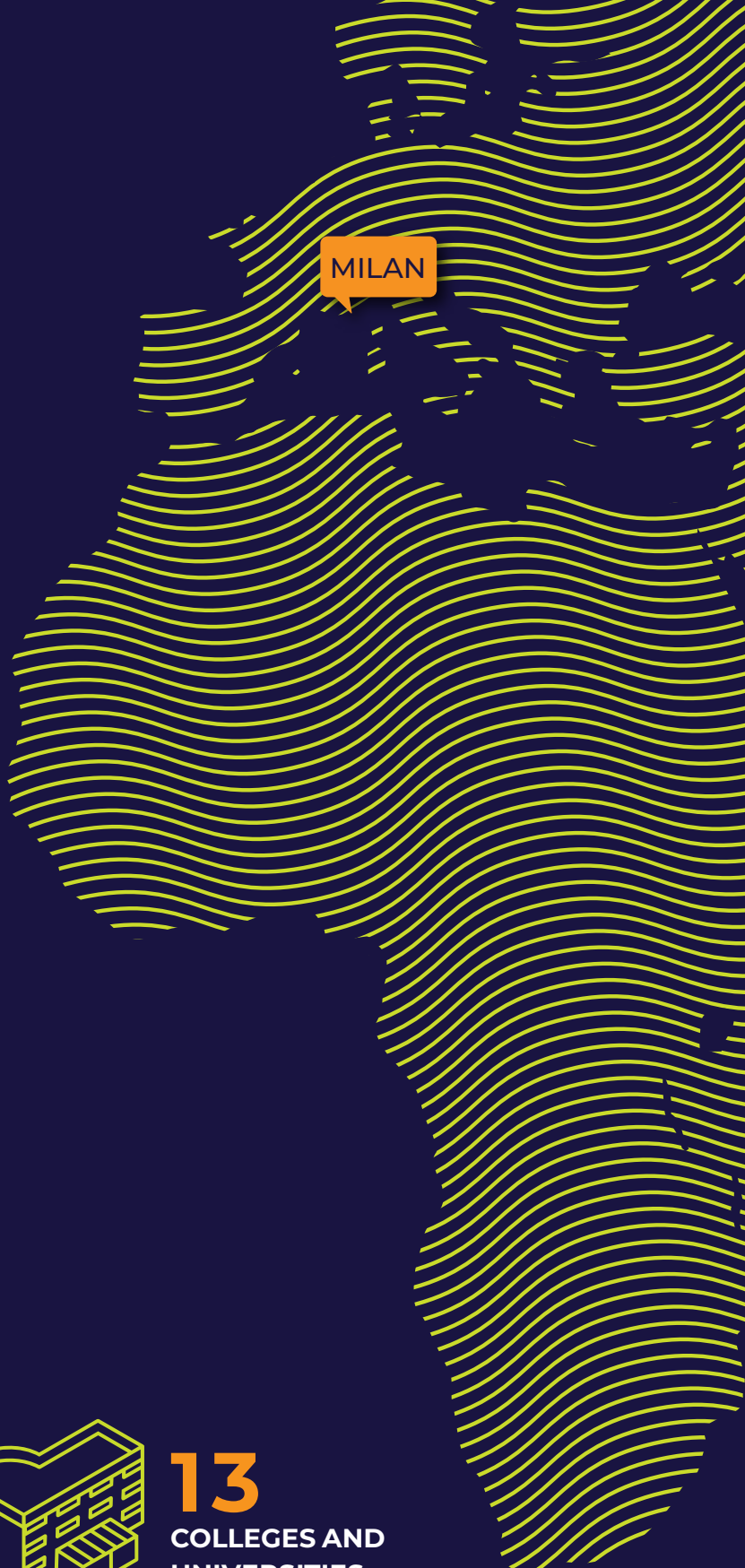
Singapore Good Design Awards
Design Beyond Vision - Empathy Lab
2026



COMPANY OF GOOD
2 Hearts
2026



RafflesEducation



8
COUNTRIES



13
COLLEGES AND
UNIVERSITIES

ORIENTAL UNIVERSITY CITY

8 EDUCATIONAL
INSTITUTIONS



11
CITIES



REGIONAL INSIGHTS

REGIONAL INSIGHTS



Raffles Phnom Penh *Cambodia*

Established in 2010, Raffles International College Phnom Penh, Cambodia, offers internationally recognised Design and Business programmes. With advanced facilities and technology, the College provides students with a high-quality, industry-focused education, equipping them with practical skills and global perspectives.



Raffles Mumbai *India*

Established in 2004, Raffles Design International Mumbai offers a broad range of Design, Management, and Business programmes, including Interior Design, Fashion Design, Visual Communication Design, and Fashion Marketing. With a focus on experiential learning, the Institute equips students with creative and professional skills to succeed in both the creative industries and the corporate world.



Raffles Jakarta *Indonesia*

Established in 2005 and located in the prestigious Lippo Thamrin district, Raffles Jakarta offers internationally recognised Design and Business programmes supported by modern facilities and technology. The College provides students with a well-rounded, industry-relevant education. Graduates may further their studies at Raffles campuses in Singapore and Milan, enhancing their global academic pathway.



Raffles Milano *Italy*

Founded in 2016, Raffles Milano – Istituto Moda e Design is located in the heart of Porta Venezia's Design District. The campus embodies a progressive educational model that integrates aesthetics, functionality, and urban context. It fosters close collaboration between students and faculty while maintaining strong ties to Milan's cultural and design heritage. As the home of the globally renowned "Made in Italy" movement, Milan provides an inspiring environment that shapes the next generation of designers.



Raffles American School (Iskandar)

Malaysia

Established in 2012, Raffles American School (RAS) in Iskandar, Malaysia, serves students from Pre-K to Grade 12, offering a U.S. standards-referenced curriculum accredited by the Western Association of Schools and Colleges (WASC), USA. With rigorous academics and co-curricular activities, RAS emphasises holistic student development – intellectual, emotional, physical, and social – guided by the belief that all students can learn.



Raffles Kuala Lumpur

Malaysia

Founded in 1994, Raffles Kuala Lumpur is one of Malaysia's most awarded colleges in design disciplines. Offering programmes in Design, Fashion, Business, and Psychology, the College provides an immersive, industry-relevant education. Its students regularly gain recognition in local and international competitions, while the diverse campus environment offers valuable global exposure and career opportunities.



Raffles University

Malaysia

Established in 2011, Raffles University in Medini, Iskandar, achieved a 4-star QS rating, with 5-stars in Employability, Teaching, Online Learning, and Inclusiveness. Guided by the philosophy “Doing while Learning, Learning while Doing,” the University emphasises innovation in teaching and learning. With globally accredited programmes, Raffles University continues to deliver high-quality education that equips students for future success.



Raffles Guangzhou

People's Republic of China

Founded in 2002 with the support of RafflesEducationCorp, Raffles Design Institute Guangzhou was the first full-time higher education institution in Guangdong to deliver Business and Design programmes in English. Recognised by the Guangzhou government and Bureau of Education, the Institute blends international education with Chinese cultural immersion, offering students a unique bilingual learning environment.

REGIONAL INSIGHTS



Raffles Shanghai

People's Republic of China

Established in 1994 through a collaboration with Donghua University, Raffles Design Institute Shanghai is a pioneering international design school. With its first intake in 1995, it offers programmes in Fashion, Interior, Graphic, Multimedia Design, and more. Known for innovative teaching and strong industry alignment, the Institute fosters creativity, technical expertise, and professional readiness in a global learning environment.



Raffles Tianjin

People's Republic of China

Established in 1999, Tianjin University of Commerce Boustead College is a four-year undergraduate institution approved by the Education Bureau in 2004. Today, it enrolls over 8,000 students across 25 majors under seven faculties, offering a wide range of academic disciplines that combine rigorous education with practical industry alignment.



Raffles Singapore

Singapore

Established in 1990, Raffles College of Higher Education Singapore was the first college of the Group. Strategically located at 111 Somerset on Orchard Road, the city campus features state-of-the-art facilities and technology. The College delivers industry-relevant, hands-on learning experiences that enhance student career opportunities, cementing its reputation as a premier design and business education provider.





Raffles American School (Bangkok)

Thailand

Established in 2015, Raffles American School Bangkok provides Pre-K to Grade 12 education based on an American curriculum. With a strong focus on innovation and creativity, students engage in rigorous academics and co-curricular activities supported by General Learning Outcomes. The school ensures holistic growth, nurturing students intellectually, physically, psychologically, and emotionally, to prepare them for the future.



Raffles Bangkok

Thailand

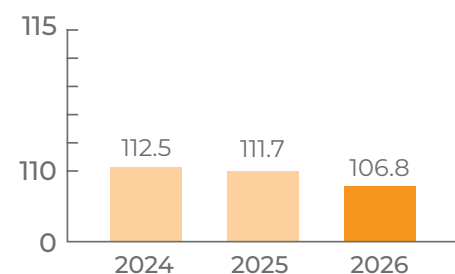
Founded in 2003, Raffles International College Bangkok is located on a 22,500 sqm campus in the Bangna District. The college integrates contemporary architecture with lush greenery to create a stimulating academic environment. The facilities include studios, workshops, seminar rooms, and student lounges – all supporting interactive and creative learning experiences in an international community.



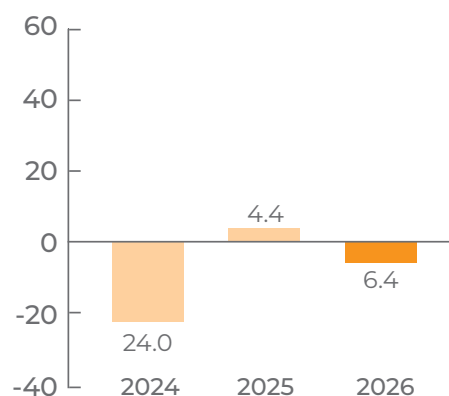
FINANCIAL HIGHLIGHTS

For the year ended 30 June (S\$'000)	2024	2025	2026
Operating Results			
Revenue	112,472	111,710	106,823
Profit/(loss)			
Adjusted EBITDA*	21,124	19,406	29,556
Operating	13,097	31,800	19,474
Before Tax	(22,562)	8,738	6,779
After Tax	(23,994)	4,358	(6,352)
Attributable to shareholders	(19,261)	7,696	(5,607)
Operating Cashflow	19,396	4,349	12,584
Earnings per Share (cents) - Basic	(1.39)	0.55	(0.36)
- Diluted	(1.39)	0.55	(0.36)
Shares used in calculating EPS (millions) - Basic	1,385	1,389	1,550
- Diluted	1,385	1,389	1,550
Financial Position			
Issued Share Capital**	516,801	518,201	579,077
Shareholders Funds	589,979	555,826	631,026
Non-current Assets	947,404	894,599	893,727
Current Assets	152,678	124,152	76,047
Current Liabilities	169,459	209,955	101,889
Non-current Liabilities	248,767	168,235	150,600
Net Asset Value per Share (cents)	42.52	39.97	34.72
Return On Shareholders Funds			
Return on Equity (%)	(3.3%)	1.4%	(0.9%)
Net Profit/(Loss) Margin (%)	(17.1%)	6.9%	(5.2%)

Revenue
S\$ millions



Net Profit/(Loss) After Tax
S\$ millions



Notes:

* Net fair value gain/(loss) on investment properties and loss on disposal of investment properties were included in the adjusted EBITDA as the real estate investment and development segment is part of our core business.

** Net of treasury shares.

As at 30 June	2025	2026
Revenue Contribution by Regions		
Asean	49.5%	54.2%
North Asia	47.4%	42.9%
South Asia	0.2%	0.2%
Europe	2.9%	2.7%
Total	100%	100%

Notes:

* Net fair value gain/(loss) on investment properties and loss on disposal of investment properties were included in the adjusted EBITDA as the real estate investment and development segment is part of our core business.

** Net of treasury shares.

FY2026 FINANCIAL REVIEW

- (1) Decrease in revenue to \$106.8 million for FY2026 from \$111.7 million for FY2025 was mainly due to decrease in revenue recognized by Hefei Yuren Education Management Co. Ltd ("HFYR") as this subsidiary has been disposed during the year.
- (2) Other operating income for FY2026 of \$71.6 million was mainly due to gain on disposal of 51 Merchant Road of \$52.8 million by Raffles Assets (Singapore) Pte Ltd and foreign exchange translation gain of \$16.8 million during periods when Malaysia Ringgit strengthened against Singapore Dollar for financial liabilities denominated in Singapore Dollar.
- (3) Other operating expense increased to \$94.1 million for FY2026 from \$66.6 million for FY2025 mainly due to loss on disposal of subsidiary, HFYR, of \$29.4 million
- (4) Fair value gain on investment properties of \$4.6 million for FY2026 was mainly attributable to the revaluation of investment properties in 4 Valleys Pte Ltd and Raffles College of Design and Business (Private) Limited.

Fair value loss on investment properties of \$5.6 million for FY2025 were mainly attributable to the revaluation of investment properties in Oriental University Holdings (H.K.) Limited and Oriental University City (Cayman) Limited. The fair value loss on investment properties was offset by increase in fair value of investment properties in Trophy Land Global Limited and Raffles Iskandar Sdn Bhd.

- (5) Income tax expenses and deferred tax net expenses for FY2026 of \$13.1 million was mainly due to:
 - (a) Recognition of estimated tax provision for disposal of a subsidiary, HFYR; and
 - (b) Recognition of deferred tax expenses arising from fair value gain on investment properties.
- (6) FY2026 Group net loss was \$6.4 million and net asset value per share was 34.72 cents.
- (7) Net cash from operating activities amounted to \$12.6 million.
- (8) Major contributors of cash inflows were:
 - (a) Net proceeds from disposal of non-current assets held for sale of \$29.3 million;
 - (b) Net proceeds from disposal of subsidiary of \$9.4 million;
 - (c) Sale of treasury shares of \$8.7 million;
 - (d) Refund for acquisition of investment properties of \$4.6 million;
 - (e) Drawdown of bank borrowings of \$3.4 million; and
 - (f) Proceeds from issuance of non-convertible bonds of \$3.0 million.
- (9) Major contributors of cash outflows were:
 - (a) Repayment of non-convertible bonds of \$12.2 million;
 - (b) Payments for property, plant & equipment of \$9.4 million;
 - (c) Repayment of bank borrowings of \$8.7 million;
 - (d) Acquisition of a subsidiary of \$5.3 million;
 - (e) Repayment of loan to a director of \$4.1 million; and
 - (f) Repayment of lease liabilities of \$3.9 million.
- (10) The Group's cash position was \$39.1 million at the end of FY2026 (FY2025: \$16.9 million).



“**RafflesEducation** is
committed to provide
quality education and
education-related
services through its
network of institutions.”

BOARD OF DIRECTORS



Mr. CHEW Hua Seng

Chairman
and CEO

Mr. CHEW Hua Seng is the founder, controlling shareholder, Chairman and CEO of Raffles Education Limited (the “Company”). Under his astute leadership, the Company has grown to become a premier private education provider, with 13 institutions of learning, including two universities, spread across 8 different countries. Mr. CHEW founded the Company in 1990, and led it to be listed on the Stock Exchange of Singapore in 2002.

Mr. CHEW is Executive Chairman of Oriental University City Holdings (H.K.) Limited (“OUCHK”), listed on the Growth Enterprise market of the Stock Exchange of Hong Kong. Mr. CHEW’s role in OUCHK is primarily to oversee overall strategic planning and management of OUCHK group of companies.

Mr. CHEW was appointed as a Non-Executive Chairman of Sitra Holdings (International) Limited, a company listed on the Stock Exchange of Singapore, with effect from 21 October 2019.

Mr. CHEW holds a Bachelor’s Degree in Business Administration from the University of Singapore (now known as the National University of Singapore) obtained in May 1979 and was awarded the National University of Singapore Business School Eminent Business Alumni Award in November 2010 for his outstanding achievements. Mr. CHEW was also conferred the Public Service Medal in 2010 by the President of Singapore for his contribution to community service.



Mdm. LIM Siew Mun

Lead Independent
Non-Executive Director

Mdm. LIM Siew Mun joined the Board of Raffles Education Limited on 1 July 2021 and designated to Lead Independent Non-Executive Directors on 28 February 2022. Mdm. LIM is currently a member of charitable and religious organizations, a consultant and a mental health professional.

Mdm. LIM held various senior positions in finance. She was CEO of Credit Suisse First Boston Southeast Asia, Director of Credit Suisse First Boston Asia and Head of Capital Markets of BNP Paribas. Mdm. LIM was also CEO and Vice Chair of the Board of Olivant Asia, Director of Stonehage Asia, and Founder of Strategic Access Pte Ltd.

Mdm. LIM holds a Bachelor of Business Administration from National University of Singapore, a Masters in Arts from Singapore Bible College and an Advanced Certificate in Trust Services from the Wealth Management Institute.



Mr. LIM How Teck

Independent
Non-Executive Director

Mr. LIM How Teck is currently Chairman of Redwood International Pte. Ltd. (an investment & consultancy company). Mr. LIM sits on the Board of Aetherium Acquisition Corporation and Trident Digital Tech Pte Ltd. He is also an adviser to many private companies and family offices.

Mr. LIM has in-depth knowledge of the shipping industry, having been with the NOL Group from 1979 to 2005, where he held various positions from Executive Director, Group CFO, Group COO, and Group Deputy CEO.

Mr. LIM has extensive international qualifications and experience in business finance and accounting. Prior to joining NOL, he worked in Coopers & Lybrand (an international accounting firm) and Plessey Singapore (a multi-national trading and manufacturing company).

Mr. LIM had previously served as Chairman of the Singapore Commodity Exchange Ltd (SICOM), PSA Marine Pte Ltd, Certis Cisco Security Pte Ltd, Cisco Recall Total Information Management Pte Ltd, Lloyds Syndicate 1965, Heliconia Capital Management Pte Ltd, NauticAWT Pte Ltd, ARA Trust Management (Cache) Ltd, Pacific King Shipping Holding Pte Ltd, Integra2000 Ltd, Tuas Power Ltd, Swissco Holdings Ltd and 33 Ventures Pte Ltd.

Mr. LIM holds a Bachelor of Accountancy Degree from the University of Singapore. He is a Fellow of the Chartered Institute of Management Accountants of UK (FCMA), a Fellow of the Certified Public Accountants of Australia (FCPA Aust), a Fellow of the Institute of Certified Public Accountants of Singapore (FCPA ICPAS), and a Fellow of the Singapore Institute of Directors (FSID). He is a graduate of Harvard Graduate School of Business in Corporate Financial Management Course and Advanced Management Programme in 1983 and 1989 respectively.

Mr. LIM was awarded the Public Service Medal (PBM) National Day Award in 1999 and the Public Service Star (BBM) National Day Award in 2014.

BOARD OF DIRECTORS



BG(Retd) CHUA Chwee Koh

Independent
Non-Executive Director

BG(Retd) CHUA Chwee Koh joined the Board of Raffles Education in March 2022 as an Independent Non-Executive Director. BG(Retd) CHUA brings with him a wealth of experience, having spent 17 years with Certis CISCO, leading and transforming the business, where he was the Chief Operating Officer for 13 years. He played a key role in integrating operations and technology in the security business and was leading the digital transformation in the last three years. Prior to joining Certis in 2004, Mr. CHUA served 22 years in the Singapore Armed Forces and retired with the rank of Brigadier General. In addition, he is also an Independent Director of Trident Digital Tech Holdings Ltd (listed on Nasdaq), a member of Audit Committee of Dementia Singapore (a charity), a Senior Advisor at Vizzio Technologies Pte Ltd, and an individual consultant at A.T. Kearney Saudi Arabia Limited (a management consulting firm).

BG(Retd) CHUA graduated with a Bachelor of Science in Mechanical Engineering & Economics with First Class Honours from University of Birmingham in 1985. He holds a Master of Public Administration from Harvard University and has also completed the Advanced Management Programme at Harvard Business School.



Mr. Joseph HO Yan Jun

Non-Independent
Non-Executive Director

Mr. Joseph HO Yan Jun is a Partner in the China Practice and Mergers & Acquisitions Practice at WongPartnership LLP. His main practice areas are corporate finance, equity capital markets, foreign investment, mergers and acquisitions and property development in the People's Republic of China.

Mr. HO presents and participates in panel discussions at regional and local conferences on PRC-related topics. He is a member of The Law Society of Singapore's Inquiry Panel.

Mr. HO graduated with a Bachelor of Arts from Yunnan University (PRC) and obtained Master of Laws from China University of Political Science and Law in Beijing and McGeorge School of Law, University of the Pacific (U.S.) and Master of Business Administration from Tsinghua University PBC School of Finance. He was also a Visiting Scholar at the School of Law, Columbia University (U.S.) from 1990 to 1991. He is admitted to the Bar of the People's Republic of China.



BUSINESS OVERVIEW

RafflesEducation is a premier education Group that is committed to providing quality education and education-related services through its network of institutions across Asia-Pacific and Europe.

Our strategic goal is to nurture and groom skilled professionals through the transfer of industry-relevant knowledge and technical know-how to succeed in the globalised economy. The Group strives to provide a well-balanced education that encourages creative and critical thinking, thus allowing students to realise their potential and aspirations, while enjoying the learning process at our colleges.

Since its founding in 1990, **RafflesEducation** has grown its portfolio from one college in Singapore to 13 educational institutions in 11 cities across 8 countries.

Our colleges offer a comprehensive range of internationally recognised programmes leading to Diploma, Advanced Diploma, Degree, Master's and Doctorate qualifications. The diagram below illustrates the structure of **RafflesEducation**:

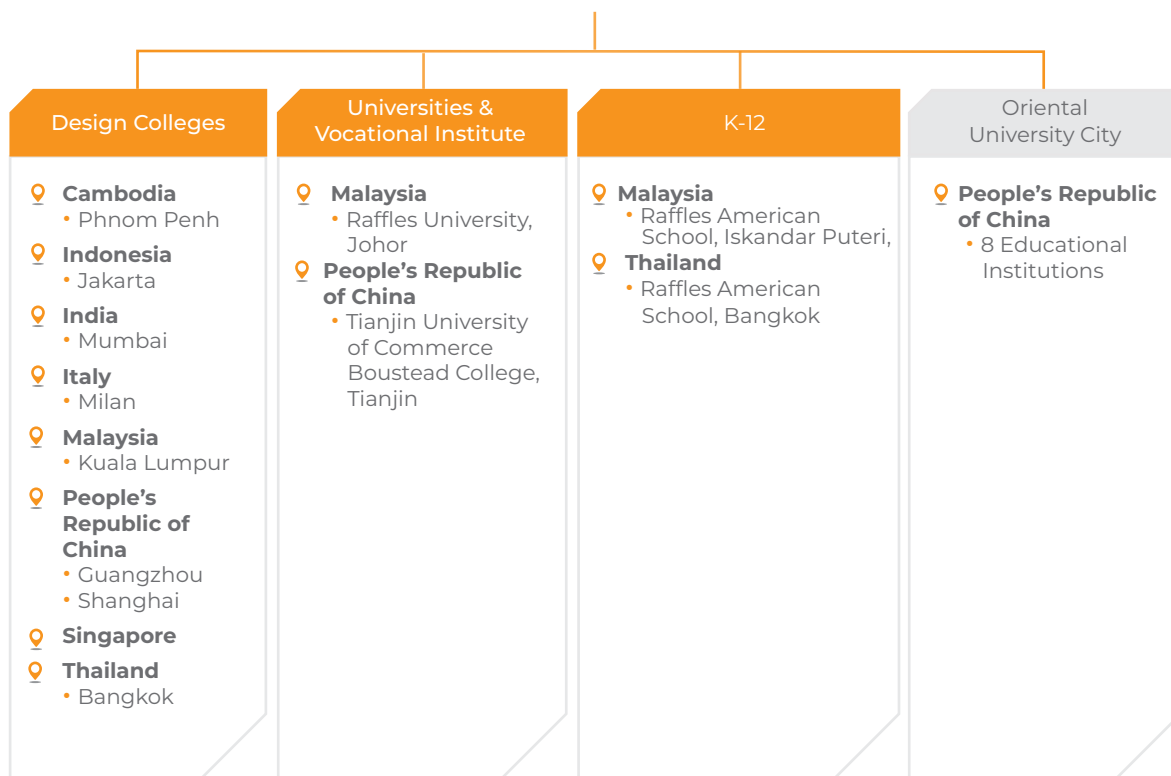
Our journey to success was a corporate journey crafted with great foresight and a well-designed roadmap.

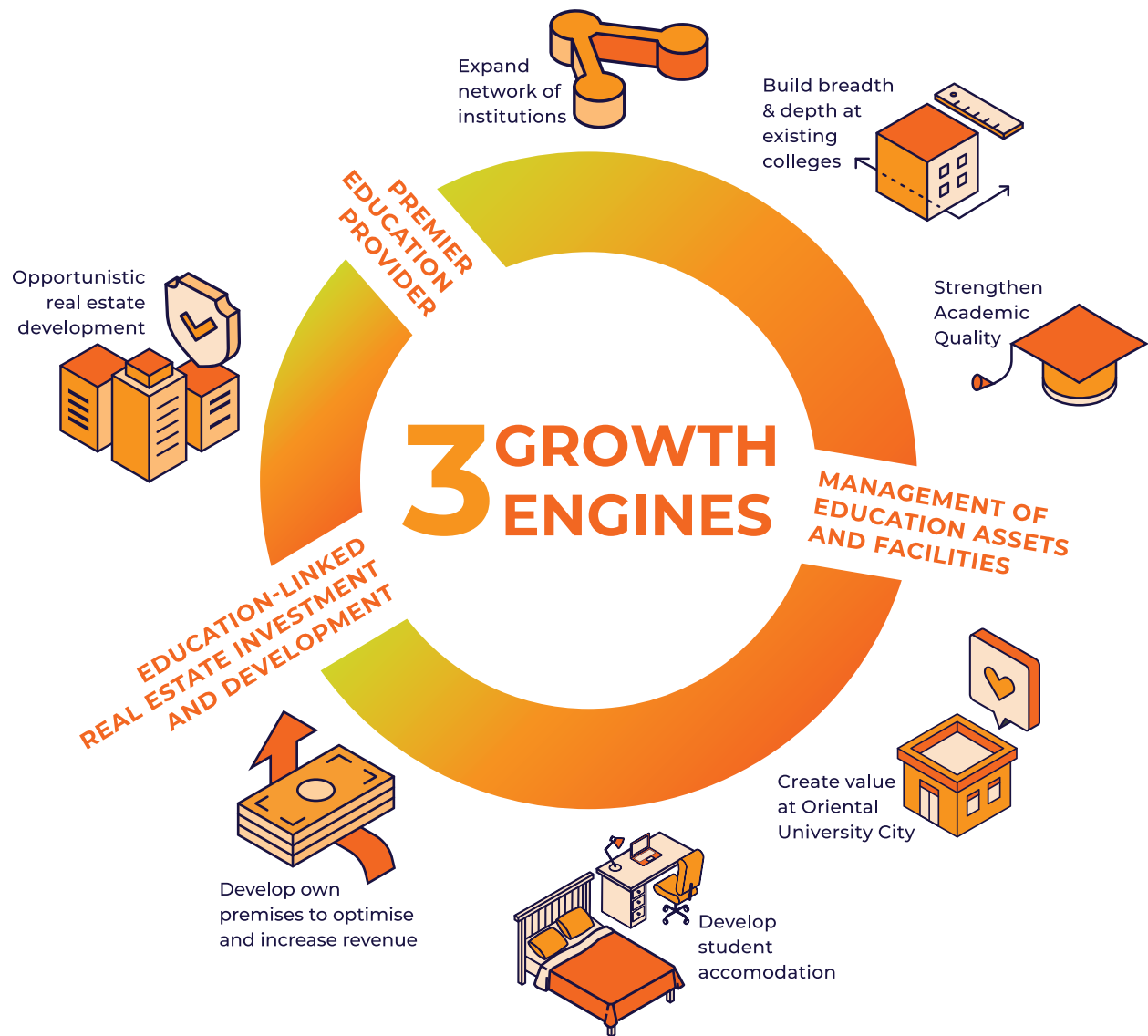
The foundation of an excellent educational institution comprises a superior curriculum, an outstanding faculty and an intellectual environment. For years, these remained as the Group's core competencies.

RafflesEducation seeks sustainable growth that creates value for its stakeholders. The trusted Raffles brand name and its network of institutions support the Group's continued organic growth. The Group also owns valuable education assets across Asia-Pacific and Europe that can be realised for reinvestment into its education business.

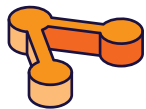
Capitalising on its strong fundamentals, the Group will continue to build breadth and depth at its existing colleges, expand its network of institutions, grow its university group, create value at its university city and strengthen its academic quality.

RafflesEducation





STRATEGY



EXPAND NETWORK OF INSTITUTIONS

One of the unique advantages of **RafflesEducation** is the opportunity for students to complete their studies in any institutions within the Raffles network. Given the Group's extensive global presence, students can receive international exposure to enrich their personal outlook and learning experience.

RafflesEducation currently has higher educational institutions in the People's Republic of China and Malaysia.

The expansion of Raffles' network of colleges is significant, as it will eventually translate into a larger market share for **RafflesEducation**.





BUILD BREADTH AND DEPTH OF EXISTING COLLEGES

RafflesEducation enjoys a reputation as a provider of quality education that focuses on practical training and academic excellence. Therefore, the Group is relentless in implementing initiatives and efforts to fortify its education business.

Resources are invested to continually enhance and expand programme offerings to cater to a diverse community of students, as well as to attract and retain exceptional faculty. The Group also strives to deepen its ties with industry partners to better prepare students for the dynamic workplace and therefore increase their employability. Together, these efforts enable the Group to build breadth and depth of its existing colleges for greater growth.



STRENGTHEN ACADEMIC QUALITY

RafflesEducation places a strong emphasis on curriculum development that is relevant to industry trends and needs.

The ultimate goal of an education with **RafflesEducation** is to groom skilled professionals through the transfer of industry-relevant knowledge and technical know-how to succeed in the globalised economy. Quality Assurance & Enhancement Unit (QAEU) is the corporate unit responsible for all academic matters and adheres strictly to a rigorous reporting and audit system to ensure quality standards and assurance, as well as operational compliance.

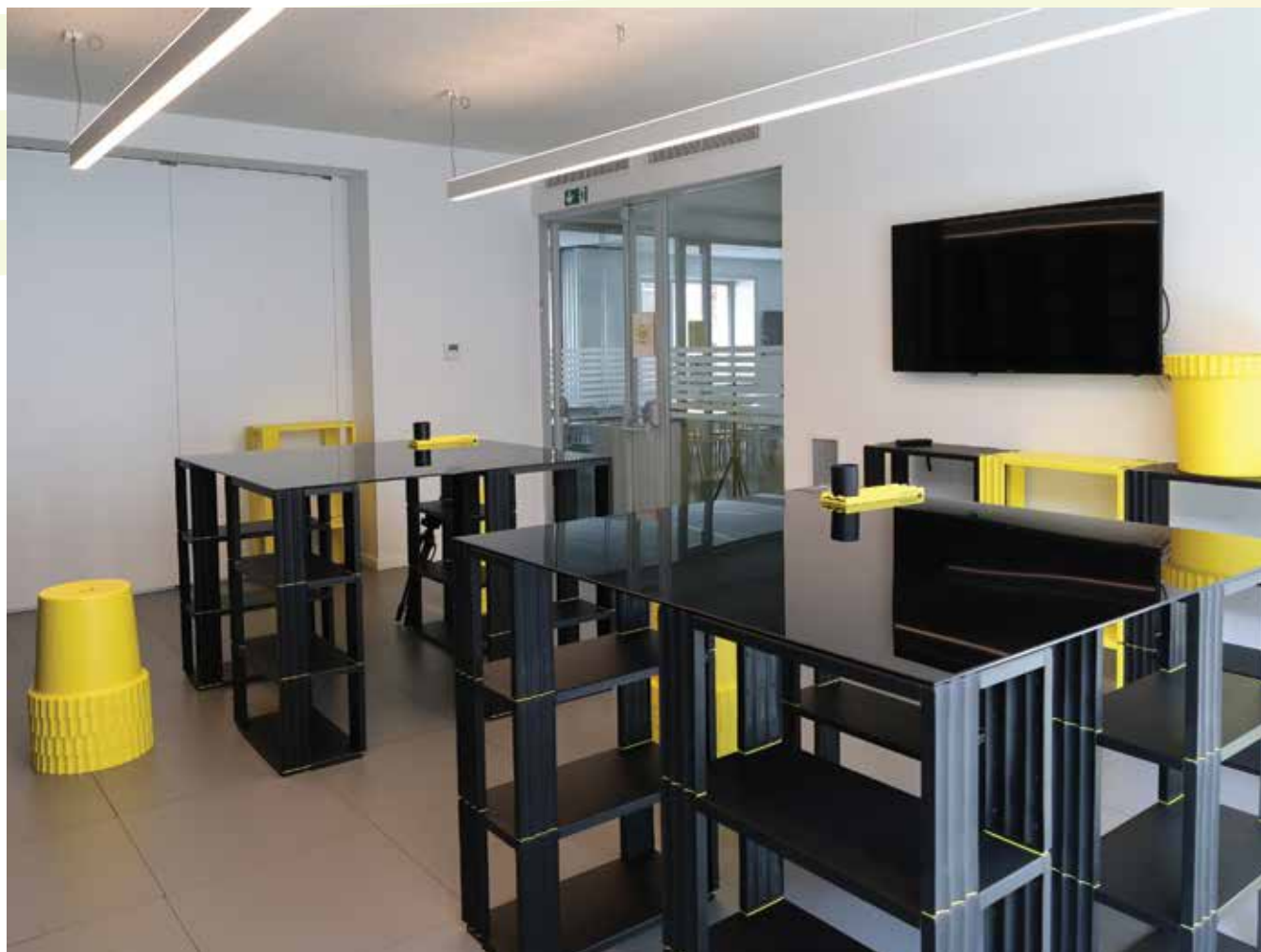
Through QAEU, the Group grows its intellectual property portfolio and strengthens its accreditations and academic credibility.



CREATE VALUE AT ORIENTAL UNIVERSITY CITY

The Group owns and leases education facilities, comprising primarily teaching buildings and dormitories, to educational institutions in the People's Republic of China (PRC), Malaysia and the Republic of Indonesia ("Indonesia**"). The Group's education facilities are located in the OUC Campus; Kuala Lumpur, Malaysia; and Jakarta, Indonesia. In addition, the Group also leases commercial properties in the OUC Campus to commercial tenants operating a range of supporting facilities, including a shopping centre, supermarket, cafe and cafeterias, bank, telecommunication companies, dental and polyclinic, amongst others, to serve the needs of students in the campus and the residents of adjacent housing estates.

RAFFLES NEWS



Raffles Milano – International Design Institute
MATERIAL INNOVATION LAB

INTERNATIONAL LAB OF MITTELMODA



Raffles Jakarta FINALIST OF INTERNATIONAL LAB OF MITTELMODA, ITALY 2025



Finalist
Christabell Bellini
Bachelor of Fashion Design

A Fashion Design student, who was selected as the only finalist from Southeast Asia to compete at Mittelmoda, one of Italy's most prestigious international fashion competitions, held in Milan. She earned this distinction through her graduation collection, Suburbia, a contemporary interpretation of 1950s suburban aesthetics that demonstrates exceptional creativity, technical excellence, and compelling storytelling. This accomplishment reflects the international standard of education at Raffles Jakarta and reinforces the institution's commitment to nurturing globally competitive creative talents capable of making a meaningful impact on the world stage.



RAFFLES NEWS



Raffles Jakarta

INDUSTRY COLLABORATION - THE GRAND FASHION SHOW OF FIORI'S 21ST ANNIVERSARY

In 2025, Raffles Jakarta's Fashion Design program partnered with the pioneering women's lingerie brand FIORI for their 21st-anniversary celebration, "Fiori 21st Fashion Runway The Art of Empowerment". Held on October 11, 2025, at The Ballroom at Djakarta Theater, this milestone event exemplified the powerful synergy between design education and professional industry excellence.

Our talented students collaborated directly with FIORI's professional design team to present two grand runway segments titled "Indonesian Heritage" and "Golden Hour". These collections successfully blended haute couture with FIORI's signature product lines, allowing students to share the stage with industry professionals and renowned performers such as Isyana Sarasvati.

This partnership functioned as a dynamic, real-life classroom for Raffles Jakarta students. It provided a vital platform for them to apply their academic knowledge, witness their designs come to life on a professional stage, and actively participate in the execution of a world-class fashion show.

Ultimately, the collaboration between Raffles Jakarta and FIORI reinforces our institution's deep commitment to practical learning and real-world excellence. It stands as a prime example of how educational institutions and businesses can unite to inspire innovation, celebrate cultural heritage, and empower the next generation of creative leaders.



Balinese Girl - Vietnam, 2023



The Potassium – Indonesia (National Gallery of Indonesia), 2023



Dream - France, 2023



Face for the Faceless - Indonesia (KOLCAI, Komunitas Lukis Cat Air Indonesia), 2024

Raffles Jakarta

INTERNATIONAL RECOGNITION IN VISUAL ARTS



Tadeus Gerald Susanto

Bachelor of Digital Media Design

Tadeus Gerald Susanto's works have been selected for exhibition at prestigious galleries and cultural platforms across Asia and Europe. Through participation in internationally recognised exhibitions, our students have demonstrated exceptional artistic ability, cultural appreciation, and creative storytelling while engaging with diverse audiences. These achievements reflect the institution's commitment to nurturing globally competitive artists and providing opportunities for students to showcase their work on both national and international stages.

Selected exhibitions include:

- Face for the Faceless - Indonesia (KOLCAI, Komunitas Lukis Cat Air Indonesia), 2024
- Mother - Japan (JIWI, Japan International Watercolor Institute), 2024
- Balinese Girl - Vietnam, 2023
- Dream - France, 2023
- The Potassium – Indonesia (National Gallery of Indonesia), 2023



Mother - Japan (JIWI, Japan International Watercolor Institute), 2024

RAFFLES NEWS



Raffles Jakarta

WINNER OF LOMBA PERANCANG MODE (LPM), INDONESIA 2025



Winner

Carolin Valentina

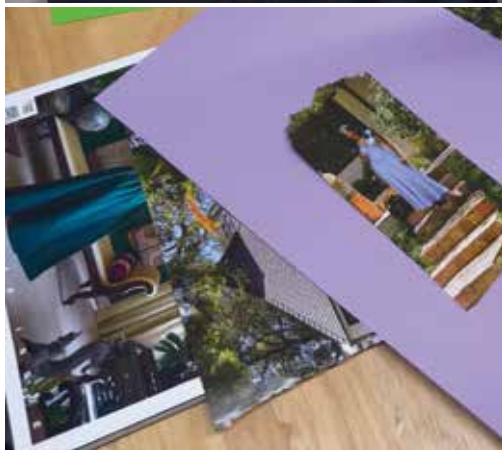
Bachelor of Fashion Design

Fashion Design student Carolin Valentina, winner of Lomba Perancang Mode (LPM) 2025 at Jakarta Fashion Week, one of Indonesia's most prestigious fashion design competitions.

Carolin's award-winning collection, *Luruh: The Molting Forest*, was recognised for its compelling narrative, innovative craftsmanship, and commitment to sustainability. Inspired by the environmental challenges facing Kalimantan,

the collection explored the natural cycle of destruction and renewal through the thoughtful use of sustainable materials, demonstrating how fashion can serve as a medium for both creative expression and environmental awareness.

These achievements reflect the strength of Raffles Jakarta's practice-based learning approach, which encourages students to combine technical excellence, cultural relevance, and global design perspectives. The recognition received by Christabell and Carolin reinforces the institution's commitment to nurturing creative professionals who are capable of competing and excelling on both national and international stages.



Raffles Mumbai RAFFLES × IDOODLE COLLABORATION

Partnered with Idoodle, a design coaching centre, to engage with aspiring design students and strengthen pre-admission outreach. Through collaborative sessions and joint initiatives, the partnership introduced prospective students to the Raffles learning experience, increased brand visibility, and created a strong pathway for students interested in pursuing professional design education at Raffles Design International, Mumbai.

RAFFLES NEWS



Raffles University GRADUATE FASHION WEEK (GFW), LONDON

Raffles University Fashion Design students have made their mark on the international stage, showcasing their work at Graduate Fashion Week (GFW) in London, one of the world's leading platforms for emerging designers.

Among them, students such as Kok HaoZhe and Tai Wen Jie brought their creative visions to life through original designs that reflect both artistic expression and technical excellence. Their participation highlights how ideas developed in the classroom can evolve into compelling fashion statements on a global platform.

From concept to runway, these journeys demonstrate the strength of Raffles University's practice-based learning approach. Students are encouraged to explore, experiment, and refine their craft, supported by industry-informed teaching and real-world exposure.

Their achievements at GFW are a testament to the power of creativity, innovation, and perseverance—showing that with the right environment and guidance, student work can transcend borders and gain international recognition.

Raffles Jakarta INDUSTRY COLLABORATION - INJOURNEY SARINAH MALL DECORATION

Raffles Jakarta is chosen to partner with Injourney, a state-owned company in tourism and retail business, to decorate Sarinah Mall for their holiday-themed campaign. Showcasing kite designs inspired by the rich cultural heritage of the Indonesian archipelago. Every shape, color, and motif represents diverse narratives born from the creativity of the younger generation.

Visitors are expected to discover the stories behind the colorful kites while they can enjoy multiple fun activities for kids like kite coloring, traditional art performance, storytelling among others





Raffles Jakarta INDUSTRY COLLABORATION - RAFFLES JAKARTA X MAP RETAIL ACADEMY

This year, Raffles Jakarta proudly launched a strategic partnership with MAP Group through its learning and development arm, MAP Retail Academy. The collaboration commenced with an exclusive executive session titled “Creative Thinking as a Strategic & Leadership Skill,” reinforcing our institution’s role as a vital thought partner for industry leaders.

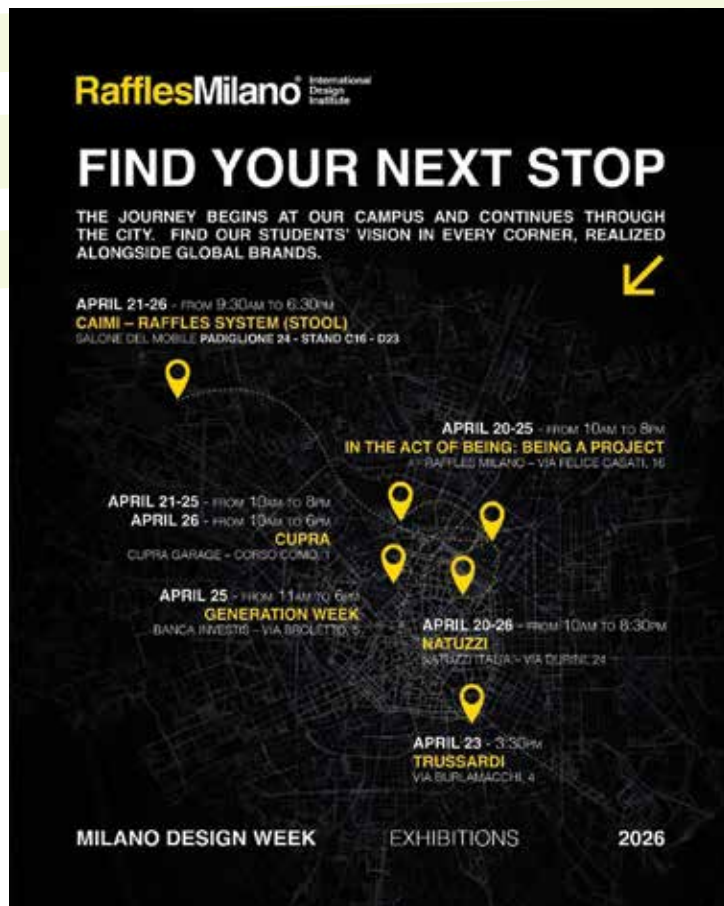
We integrated academic insights into professional development through the MAP CRAFT (Creative Refinement and Artistic Fundamentals Training) program. This successfully positioned creative thinking as a critical capability for executive vision, decision-making, and problem-solving.

The event demonstrated our deep commitment to real-world relevance by engaging directly with Indonesia’s leading retail ecosystem. This ensures our education contributes to professional transformation and helps shape decision-makers who actively influence markets.

Participants explored how creativity acts as a strategic advantage in fast-evolving industries like retail, fashion, and lifestyle, emphasizing that operational efficiency alone is no longer sufficient for modern market relevance.

This initial session established a remarkably strong foundation for a dynamic and growing collaboration. Moving forward, the partnership will continue to expand through future executive programs, collaborative learning opportunities, and industry-integrated academic initiatives. This momentum perfectly reflects a shared vision to cultivate forward-thinking leaders equipped with both creativity and strategic intelligence.

RAFFLES NEWS



Raffles Jakarta MILAN DESIGN WEEK

In 2026, Raffles Jakarta's student, **Dyllon Barlie** from Interior Design program participated in Milan Design Week event accompanied by Raffles Jakarta's Lecturer Dollie Sehartian. A journey where mentorship meets ambition, and ideas turn into global inspiration. From classroom discussions to international design conversations, this is what pushing boundaries looks like.

Through cross-campus collaboration across the Raffles community, at the heart of creativity during Milano Design Week, students connect cultures, exchange perspectives, and grow within a truly international creative network.

Raffles Mumbai INTERIOR DESIGN MASTERCLASS

Conducted an Interior Design Masterclass led by industry experts to provide students with practical insights into contemporary interior design, space planning, and industry workflows. The session offered valuable exposure to professional practices, emerging design trends, and real-world applications, enriching students' learning beyond the classroom.



Raffles Mumbai PANEL DISCUSSION

Organized industry-led panel discussions featuring experienced professionals to bridge the gap between academia and practice. These sessions exposed students to real-world perspectives, emerging industry trends, and career opportunities while strengthening the institute's connection with the professional design community.



Raffles Mumbai RESIN ART WORKSHOP

Conducted a hands-on Resin Art Workshop to encourage creative exploration through material experimentation. Students gained practical experience in resin techniques, surface finishes, and artistic applications while developing their craftsmanship and expanding their creative skill set through experiential learning.



RAFFLES NEWS



Source: chanel.com/sg/fashion/collection/cruise-2025-26-singapore/



Raffles Singapore AT CHANEL CRUISE 2025 SINGAPORE

Raffles Singapore is thrilled to spill the beans of what goes behind the CHANEL Cruise 2025 Repeat Show, held at Raffles Hotel, Singapore on 4 November 2025.

First revealed in the mythical Villa d'Este in Italy, this is the first time the collection was showed in Asia — Singapore! The CHANEL Cruise shows are exclusive runway events presenting seasonal collections through couture craftsmanship, innovative design, and theatrical presentation.

Over 75 Raffles Marketers and Designers were engaged as dressers and stand-in models, playing a crucial role in the smooth execution of the fashion show. Dressers were tasked to handle the collection with care and assisted the models with outfit changes. Students, standing in as models rehearsed the runway routes to help the organiser in refining and perfecting the fashion show, and better understand the intricate planning behind the making of a memorable experience for CHANEL guests.

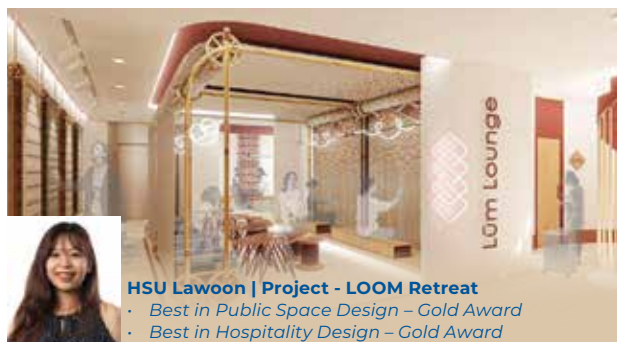
A dedicated team of four Raffles Marketers — **Celine CALLISTA**, **ZHA Jing Jing**, **BO Lay Nwe**, and **BAI Yinxi** — led their peers throughout the event, demonstrating professionalism, leadership, and teamwork under high-pressure conditions.

This experience offered students far more than technical skills. It immersed them in luxury fashion production, strengthened their ability to collaborate in a fast-paced environment, and challenged them to anticipate needs and maintain high standards — essential qualities in the production of any successful events.

Their dedication and enthusiasm left a lasting impression on CHANEL and the event management company, Activation Events, and this collaboration exemplifies our commitment to providing students with real-world, industry-aligned experiences that cultivate both skill and confidence for the global stage.



Ms. Cagil YURDAKUL TOKER receiving the Design Educator of the Year award from Ms. Indranee Thurai RAJAH (Second Minister for Finance and National Development) and Mr. TUNG Ching Yew (President, SIDS & Adviser, SIDA 2025)



HSU Lawoon | Project - LOOM Retreat
 • Best in Public Space Design – Gold Award
 • Best in Hospitality Design – Gold Award



Karyn Reine WIDJAJA | Project - Borneo Terra
 • Best in Academia Design – Gold Award



Liviani WONGSO | Project - Sakana Fisheries Hub
 • Best in Workplace Design and Best in F&B Design – Honourable Mention



MU Zhouxing | Project - Coral Reef
 • Best in Workplace Design – Honourable Mention

Raffles Singapore WON AT SIDA 2025

The evening was memorable as our Senior Lecturer, Ms. **Cagil YURDAKUL TOKER**, was honoured with the Design Educator of the Year award in recognition of her outstanding contributions to design education. She received the award from Ms. Indranee Thurai RAJAH, Second Minister for Finance and National Development, together with Mr. TUNG Ching Yew, President of SIDS and Adviser to SIDA 2025.

The ceremony also celebrated emerging talents shaping the future of interior design through creativity, innovation, and purposeful thinking. Our Raffles Interior Design students were among the honourees, recognised for their visionary works and strong design sensibilities.

Congratulations to all our award-winning Raffles Interior Design students on their remarkable achievements at SIDA 2025.



Senior Parliamentary Secretary, Ministry of Law & Ministry of Social and Family Development, Eric CHUA, with all the performers at the DARE Festival 2025



CAI Zirou receiving a certificate for her key visual design



LIM Yii Shing receiving a certificate for her animation design

After weeks of preparation and creative development, Raffles Designers students finally saw their work come to life at DARE Festival 2025.

Raffles Graphic Designer **CAI Zirou**'s concept was selected, and she worked closely with the organisers to turn her ideas into the final key visuals featured across the event. Raffles Animation Designer, **LIM Yii Shing** created the animation which added depth and motion to the festival's storytelling.

DARE Festival celebrates creativity, courage, and inclusivity, bringing together artists of diverse abilities and backgrounds in music, dance, theatre, and comedy. This year's edition took place on 16 November 2025 at Gateway Theatre, filling the evening with lively performances and meaningful collaborations.

A proud moment for all of us: Zirou and Yii Shing received their certificates from the organisers, recognising their contributions. Their works also appeared across the festival's promotional materials, including the official SISTIC listing — a rewarding payoff to their hard work and dedication.



Raffles Product Designer, Ivan ONG Ming Yao receiving his SEED Award from President Tharman Shanmugaratnam



Raffles Interior Designer, HSU Lawoon receiving her SEED Award from President Tharman Shanmugaratnam



**SEED
AWARD**

dbcs ☆
design business chamber
singapore

Raffles Singapore

CELEBRATED DESIGN EXCELLENCE AT DBCS' 40TH ANNIVERSARY GALA DINNER

Raffles Singapore celebrated design excellence at Design Business Chamber Singapore (DBCS) 40th Anniversary Gala Dinner with Guest-of-Honour President Tharman Shanmugaratnam. The evening celebrated excellence, innovation, and the transformative power of design, providing a distinguished platform for emerging and established talent alike.

The College would also like to congratulate Raffles Product Designer, **Ivan ONG Ming Yao**, and Raffles Interior Designer, **HSU Lawoon**, for winning the inaugural SEED (Shaping Emerging Exemplary Designers) Awards. The SEED Award reflects DBCS's vision of future design leaders, recognising leadership qualities that go beyond academic achievement and support graduates throughout their careers.



An intimate selfie with President himself to capture this memorable moment

Celebrating this gala with a touch of style! Raffles Fashion Designer, **KHIN Khin Win**, was invited by DBCS to design a dress for emcee Vanessa VANDERSTRAATEN. Inspired by the fluidity of one's subconscious mind and the gala theme "Flourishing by Design," the detachable ribbed corsages allowed the silhouette to evolve throughout the gala, offering multiple looks that reflected versatility, dynamism, and sustainability.

One stage. Four looks and many possibilities!



Emcee Vanessa VANDERSTRAATEN dazzles in a transformative dress designed by Raffles Fashion Designer, KHIN Khin Win inspired by the gala's theme "Flourishing by Design"





CELEBRATING DESIGN AND COMMUNITY: RAFFLES AT ANG MO KIO (AMK) COMMUNITY DAY

At the upgraded Ang Mo Kio Community Centre (AMKCC), Raffles Singapore was invited to conduct a Cold Wax Painting Workshop guided by Raffles' Fashion faculty. Participants of all ages brought new life to the upcycled tote bags. Participants were experimenting with colours, discovering the joy of transforming everyday materials into expressive, wearable art — a playful yet thoughtful exploration of sustainability and personal creativity.

Alongside the workshop, Raffles Singapore proudly showcased the winning entries from the Batik Design Singapore Competition 2025, with three of the winners from Raffles Designers. Mr Jack SIM, organiser of the competition, was present at AMK Community Day, together with Principal Giuseppe (Joe) SPINELLI, and Mr ONG Kai How, Senior Vice President of the College to welcome Senior Minister LEE Hsien Loong at the display.



Through the workshop and the batik showcase, Raffles Singapore brought a unique blend of creativity, artistry, and interactive learning to the event, enriching the Community Day experience for residents of all ages.



Raffles Fashion Designer, HENG Chanrithy, with his models in Rokid AI glasses



Rokid

WEARABLE TECHNOLOGY, FASHIONABLE REALITY!

Raffles Fashion Designer, **HENG Chanrithy** collaborated with Rokid, pioneer of AR, to showcase wearable technology fashionably at Singapore IT Show 2026 at Suntec City.

With Gemini AI built into the Rokid experience, smart eyewear just got a whole lot more exciting.

Coming in six new colours, these glasses offer a seamless experience for the wearer to communicate in foreign languages with real-time translation, navigate places with confidence, and identify pictures and objects for information

Thank you Rokid for the opportunity for Chanrithy to style his designs with the latest range of smart eyewear!

Experience the future of eyewear up close at Challenger or at selected stores Bugis Flagship, Plaza Singapura, VivoCity, NEX, and Jewel.





Raffles Fashion Designer CHEA Darya's fashion collection



Raffles Fashion Designer KUN Pheakkropom's fashion collection

RAFFLES EDUCATION WITHOUT BORDERS



Raffles Phnom Penh celebrated the graduation for Class of 2025 on 18 Jan 2026 with two Cambodian Raffles Fashion Designers, **CHEA Darya** and **KUN Pheakkropom** returning from Raffles Singapore to showcase their Bachelor of Arts (Honours) in Fashion collections at this graduation. Raffles Singapore was honoured to be part of this celebration, represented by our Principal Giuseppe (Joe) SPINELLI and Senior Vice President ONG Kai How to present the Advanced Diploma certificates and Outstanding Student Awards



Creating one-of-its-kind dress



A warm welcome by Senior Vice President, ONG Kai How



Winning teams from "The World Is Your Raffles" game



Winning teams from "The World Is Your Raffles" game



As part of Raffles Education Without Borders initiative, Raffles Singapore hosted students from Raffles Phnom Penh on 23 Jan 2026. Raffles Singapore organised an engaging itinerary for our visiting students. They took part in an interactive game to familiarise themselves with the campus' facilities, attended workshops which put their design and business knowledge into practice, and networked with fellow Cambodian students who currently studying at Raffles Singapore campus.



The first week of term kicked off with real momentum. From global engagements to industry dialogue, the campus was buzzing with activity.

Raffles Singapore stands as both **the** gateway to international connections and a space where ideas, collaboration, and innovation flourish.

Delegates from Education Makeover in Mexico were welcomed to campus, opening up meaningful exchanges on design education and industry readiness.

The visit also reinforced something simple but important — Raffles Singapore sits within a global community, where students and educators from different parts of the world connect and share perspectives.





Senior Vice President, Mr ONG Kai How and Head of Group IT, Mr Rotimi AFELUMO welcomed the NIPSS delegation



Principal Mr Giuseppe (Joe) SPINELLI and the NIPSS delegation in discussion on design education and its industry relevance



NIPSS delegation observing students in Ms Rosa Liãe da Silva LOPES' interior design class during studio-based learning

Raffles Singapore is honoured to host the delegation from the National Institute for Policy and Strategic Studies (NIPSS) of Nigeria at our Singapore campus as part of their study trip exploring education, culture, and the creative economy.

Senior Vice President Mr ONG Kai How, joined by the Head of RafflesEducation IT, Mr Rotimi AFELUMO, who is Nigerian, gave an overview of the impact of Design education on business, community, and industry development.

Meaningful exchanges around how Raffles Singapore delivers our design education in preparing our graduates for the industry and be future-ready.

Mr Rotimi AFELUMO also shared his experience working within the Group, adding a personal connection to the visit for the delegation.

We look forward to deeper exchanges with the delegates and promote Design education beyond borders!



Raffles Privato | DORS



Five Raffles Privato Designers bring their graduation collections



SZF by SHI Zhengfeng Sherman



KROPOM.STUDIO by KUN Pheakkropom

RAFFLES PRIVATO — OPENING DOORS FOR EMERGING DESIGNERS

Following the successful launch of Raffles Privato at Design Orchard Retail Store (DORS) in January 2025, Raffles Singapore is proud to debut the second batch of Raffles Privato Designers on 12 March 2026.

First launched in 2010 as a platform to support young designers in building their own labels, Raffles Privato has long reflected the College's commitment to nurturing entrepreneurial talent. What began as an early retail initiative has since evolved into a stronger, more industry-connected platform for graduate designers.

The five Raffles Privato Designers, handpicked by DORS are:

- Mal by **Radin Amal Shah BIN RADIN YUSOFF** (@Malmorbid)
- STEPHANIE GABRIELLE by **Stephanie Gabrielle PAGARISI** (@by.stephanie_gab)
- ORAE BY DAYA by **CHEA Darya** (@cheadarya_official)
- KROPOM.STUDIO by **KUN Pheakkropom** (@kropom.studio)
- SZF by **SHI Zhengfeng Sherman** (@szf_ss)

Through this partnership, graduates gain first-hand experience in retail, brand building, and customer engagement — valuable exposures that hone their business acumen while strengthening the visibility for their labels. Hear from them on their experience transitioning from design studio to retail: Raffles Privato 2026: Debut of Raffles Fashion Designers at Design Orchard.

RAFFLES WINS COMPANY OF GOOD — 2 HEARTS



Raffles Singapore was awarded the Company of Good – 2 Hearts accolade by the National Volunteer and Philanthropy Centre (NVPC), presented on 20 July 2026 by Mr Suhaimi Zainul-Abidin, Vice Chairman of NVPC

The accolade recognises organisations that blend business success with purpose-driven impact across community, sustainability and workplace well-being — a fit with Raffles Singapore's own commitment to social responsibility and inclusivity.



Raffles Design Institute, a faculty of **Raffles** Singapore, was inducted into the inaugural Design Power Index (DPI) 2025 under the Business of Design category, launched by the Design Business Chamber Singapore (DBCS) in partnership with global knowledge partner Consul as part of DBCS's 40th anniversary.

The DPI is the world's first longitudinal index measuring the economic value organisations generate through design. The Business of Design category recognises companies that have built revenue and growth on unique intellectual property created through design

AD CAMPUS ACADEMY AWARDS 2026

Raffles University, Malaysia

We are proud to celebrate the outstanding achievements of our students at the AD CAMPUS Academy Awards, part of the China University Student Advertising Art Festival.

Raffles University proudly celebrates our Bachelor in Graphic Design (Honours) students for their outstanding achievements on an international stage.

Excellence Awards

拒绝分页式沟通

Reject Fragmented Communication

by **Tai Ke Ning**



Silver Award

失序的表达

Disordered Expression

by **Tai Ke Ning**

Excellence Awards

他人眼中的我

The Me in Others' Eyes

by **Joon Yu Xuan**





Finalists
立兴能量不停止
Lixing Energy
Never Stops
by **Song Jia Hui**



Finalists
能量拿捏就一口!
Energy, Perfected in
One Bite!
by **Song Jia Hui**



Finalists
抢戏的居然是它
Stealing the Spotlight –
Turns Out It's That
by **Joon Yu Xuan**



Finalists
表情下的故事
Stories Beneath the Expression
by **Joon Yu Xuan**

CROWBAR AWARDS 2026

Raffles University, Malaysia

Art & Design award results covering corporate and branding identity, book design, mobile applications, art direction, integrated design and illustration.



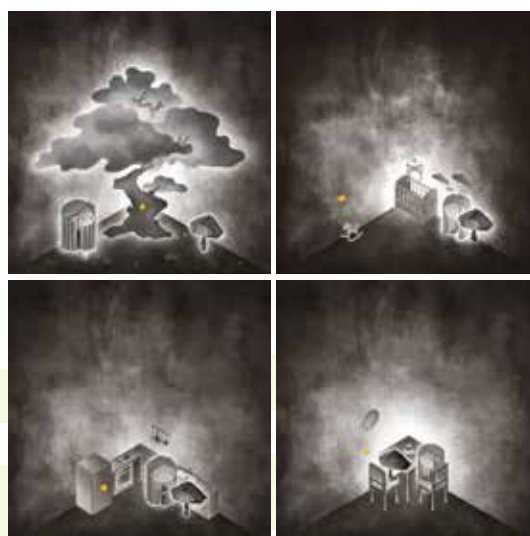
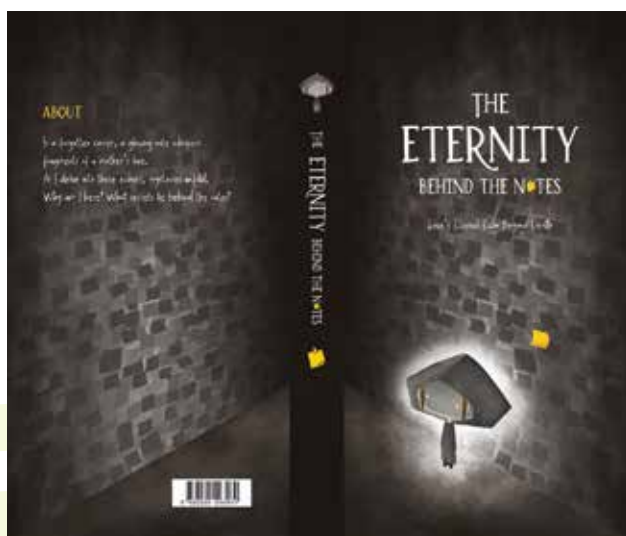
Finalist

Project: Korea Land (B03 Corporate / Branding Identity) by **Sim Jia Hui;**
Pang Jie Yin
Diploma in Visual Communication



Silver Award

Project: 404LAB (C02 Book Design;
C11 Art Direction) by **Chan Zhi Ying**
Diploma in Visual Communication



Finalist

Project: The Eternity Behind the
Notes (C02 Book Design; C13
Illustrations) by **Song Jia Hui**
Diploma in Visual Communication

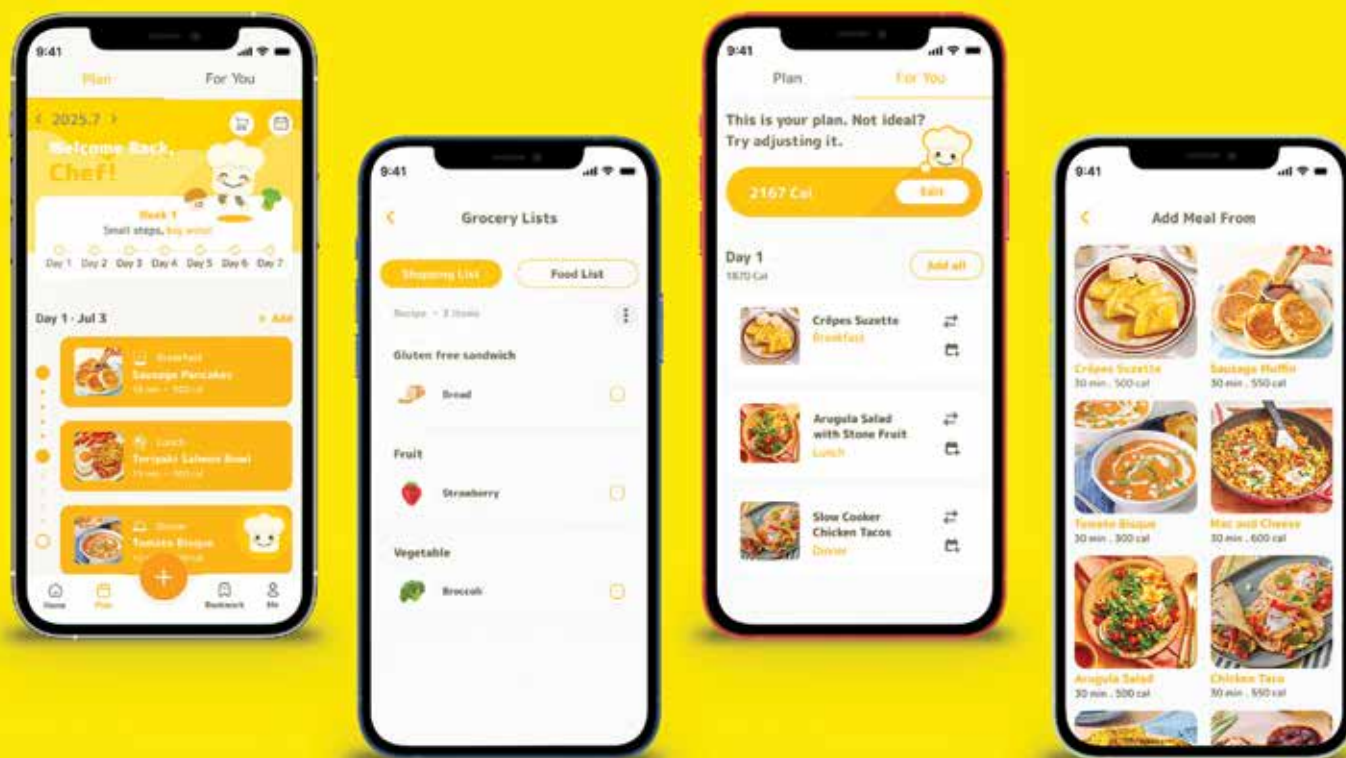


Bronze Award

Project: Rootspoint (C04 Mobile Applications (UI/UX / Integrated Project); D03 Mobile (UI/UX / Integrated Project)

• **How Ziru**
Bachelor in Graphic Design (Honours)

• **Goh Yu Jing**
• **Lee Kai Sin**
• **Tee Xiao Thong**
Bachelor in Multimedia Design (Honours)



Finalist

Project: Born to Play
C12 Design (Integrated Project)

• **Song Jia Hui**
Bachelor in Graphic Design (Honours)

• **Gan Huay Yi**
• **Lee Kai Sin**
• **Tee Xiao Thong**
Bachelor in Multimedia Design (Honours)

NAN'AO "VILLAGE REBRANDING AND REACTIVATION" COMPETITION 2026



Raffles University, Malaysia

In collaboration with Neusoft Institute (China), Raffles University has been awarded 2nd Prize in the 2nd Nan'ao "Village Rebranding and Reactivation" Competition, a prestigious initiative organised by Guangdong provincial and local governments alongside leading industry partners.

This unique interdisciplinary project brought together students and academic leads from Raffles University's Faculty of AI and Robotics and Faculty of Arts and Design. Our representative, Team 11, presented a forward-thinking concept titled "心域九溪 JIUXI MINDSCAPE" under the Rural Construction (乡村建设) category, focusing on sustainable AI-enabled cultural tourism. The proposal envisions an immersive, meditative experience where visitors connect deeply with the village's natural landscape and rich traditions.

The design team strengthened its ability to translate academic and creative knowledge into decisions that are workable under real industry conditions. Working on a live, place-based brief required the team to conduct field-informed research, interpret local constraints, and convert observations into feasible strategies rather than purely conceptual proposals.



Awarded 2nd Prize at Nanao Village Rebranding Competition

Project: 心域九溪 JIUXI MINDSCAPE

- Chan Zhi Ying
- Tang Xin Tong

Bachelor in Graphic Design (Honours)

- Chong Jun Hao

Bachelor of Information Systems (Honours)
in Artificial Intelligence

- Loh Min Yu

Bachelor in Information Technology (Honours)

INDIGO DESIGN AWARD 2026

Raffles University, Malaysia

This is a cross-disciplinary project initiated through Art & Design and developed in collaboration with the AI & Robotics Department, led by Dr Choo Yen Lee.

Overall, our Art & Design students achieved 2 Gold Awards and 6 Silver Awards across multiple categories.

These achievements reflect the creativity, commitment, and innovative capabilities of our students, as well as the value of interdisciplinary collaboration across departments. They also highlight the meaningful guidance and support provided by our lecturers and collaborators.



Immerse Into The Hanguk – Korean Shopping Mall Rebranding
Gold Winner — Branding for Graphic Design
Silver Winner — Character Design for Social Change

- **Ani Heng**
Bachelor in Graphic Design (Honours)
- **Chiew Kein Wu**
Bachelor in Multimedia Design (Honours)
- **Chee Hui Xin**
Bachelor in Graphic Design (Honours)



Booth Design



App Information



Oori's Shopping service Interactive Application



Launching Event



IP Design

Oori is a chubby, lively duck with a playful and vibrant personality. One of its most charming features is a four-leaf clover perched on its head, symbolizing good luck and positivity. The sausage-shaped mouth is a quirky and fun element, reflecting how the tropical Malaysia weather has given it a unique appearance.

IP character Oori exudes joy, good luck and warmth, making it sparkle in every moment and bring healing and luck to other people.



Oori

오리

Personality
Lovely
Outgoing

MBTI
ENFP

Skills
Bring luck to others

Hobby
Shopping
Explore new things



Costume



Emoji



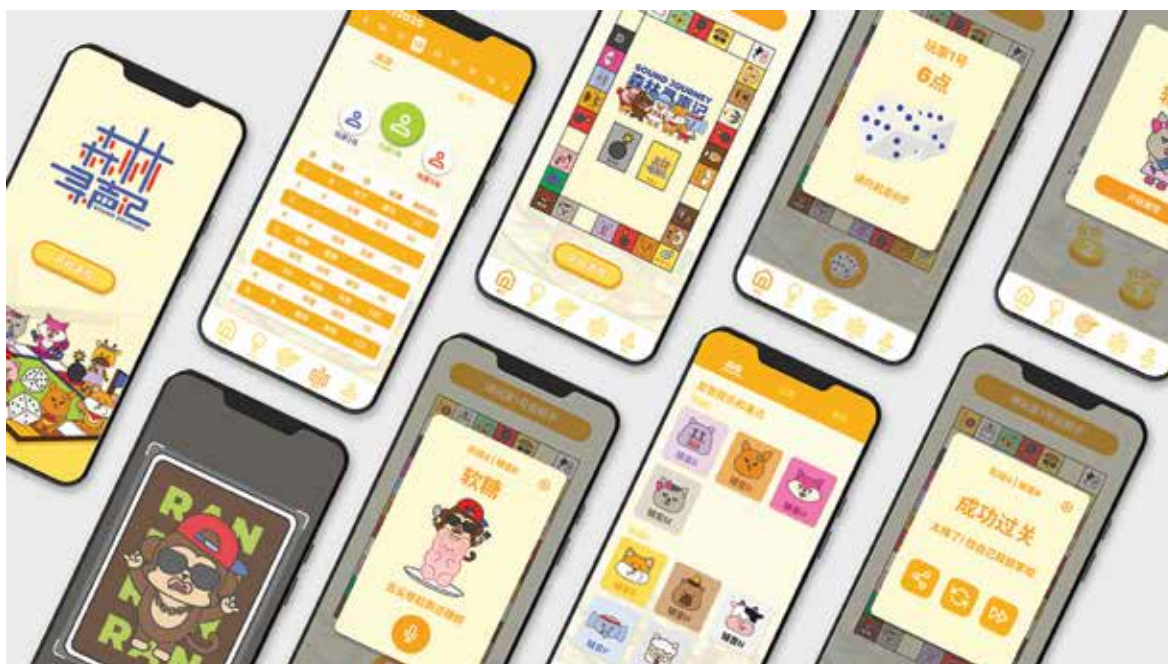
Korea Land

Silver Winner — Branding for Graphic Design

Silver Winner — Illustration for Graphic Design

- Sim Jia Hui
- Pang Jie Yin

Diploma in Visual Communication

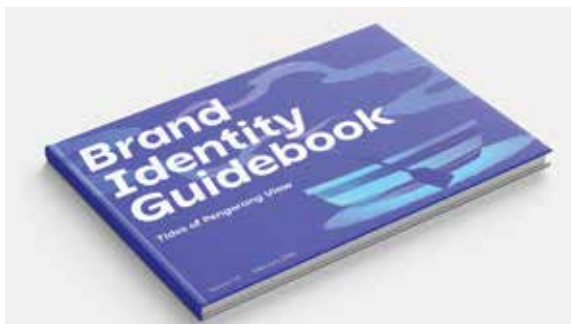


Sound Journey

This is a cross-disciplinary project initiated through Art & Design and developed in collaboration with the AI & Robotics Department, led by Dr Choo

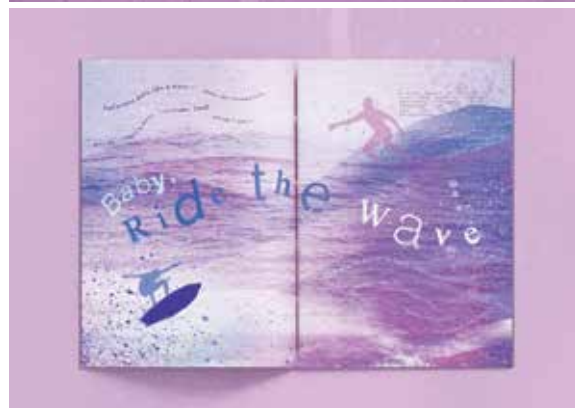
Gold Winner — AI for Games for Digital Design
Cross-disciplinary Art & Design and AI & Robotics project

- **Tang Xin Tong**
Bachelor in Graphic Design (Honours)
- **Haword Toh Jia Hao**
Bachelor of Information Technology (Honours)



Tides of Pengerang View
Silver Winner — Book Design for Graphic Design

- **Ani Heng**
Bachelor in Graphic Design (Honours)



Unprefectoinism
Silver Winner — Book Design for Graphic Design
• **Chee Hui Xin**
Bachelor in Graphic Design (Honours)

INTERNATIONAL TIMES YOUNG CREATIVE AWARDS 金犛奖 2026

Raffles University, Malaysia

Raffles University is proud to announce the outstanding achievements of our students at the International Times Young Creative Awards 金犛奖, where the award ceremony will be hosted in Macao, September 2026. This competition gathers outstanding works from students in fields such as advertising, branding, merchandise design, and multimedia, providing a platform to showcase fresh ideas and innovative storytelling to a global audience.

These achievements demonstrate the strength of interdisciplinary collaboration between design and emerging technologies at Raffles University. They also reflect our students' creativity, innovation, and ability to develop meaningful projects for regional and international creative platforms.

Sound Journey (森林寻声记)

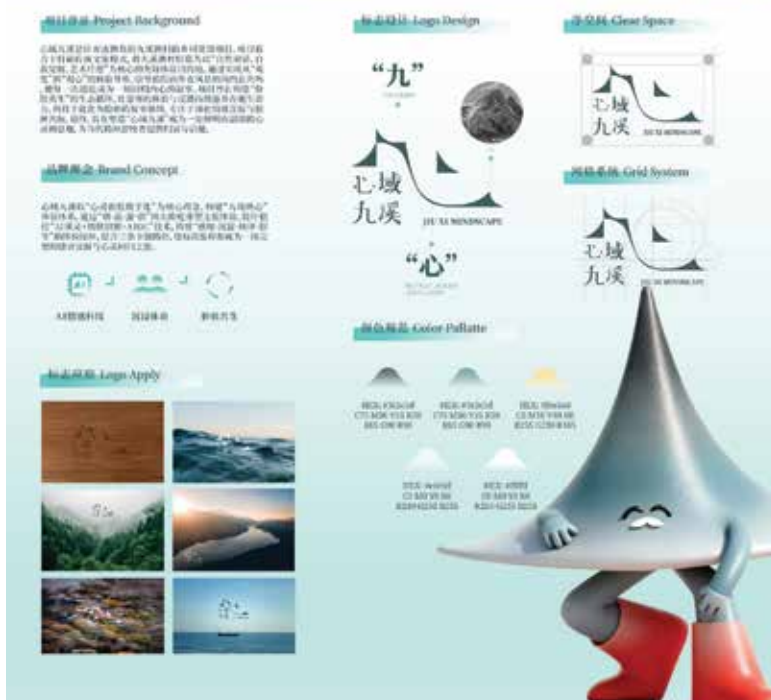
A cross-disciplinary project by ADE and the Faculty of AI & Robotics, jointly supervised by Ms Sylvia Tan Huey Wen and Dr Choo Yen Lee.

Gold Award – Future Innovation Design Category (未来创新设计项)

Excellence Award – Digital Media Innovation Category (数位媒体创新项)
Raffles University

- **Tang Xin Tong**
Bachelor in Graphic Design (Honours)
- **Haword Toh Jia Hao**
Bachelor of Information Technology (Honours)





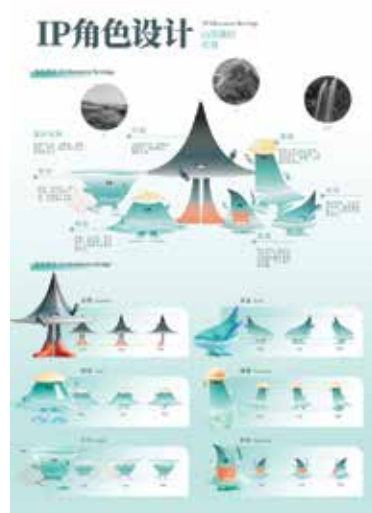
Xinyu Jiuxi (心域九溪)

A cross-disciplinary project by ADE and the Faculty of AI & Robotics, jointly supervised by Ms Sylvia Tan Huey Wen and Dr Choo Yen Lee.

Gold Award – Future Innovation Design Category
(未来创新设计项)

Excellence Award – Digital Media Innovation Category
(数位媒体创新项)

- **Tang Xin Tong**
Bachelor in Graphic Design (Honours)
- **Chan Zhi Ying**
Bachelor in Graphic Design (Honours)
- **Loh Min Yu**
Bachelor of Information System in
Artificial Intelligence (Honours)
- **Chong Jun Hao**
Bachelor of Information Technology (Honours)



KANCIL AWARDS 2025



Raffles University, Malaysia

Raffles University is proud to announce that we have received two prestigious awards at the Kancil Awards 2025, recognising excellence in both design and cross-disciplinary innovation.

Silver Award

"404LAB" Best Design: Publications
(Books, annual reports and graphic novels) by

Chan Zhi Ying

Bachelor in Graphic Design (Honours)

Merit Award

Digital Experience

Jiu Xi Mindscape by **Chan Zhi Ying**

Bachelor in Graphic Design (Honours)

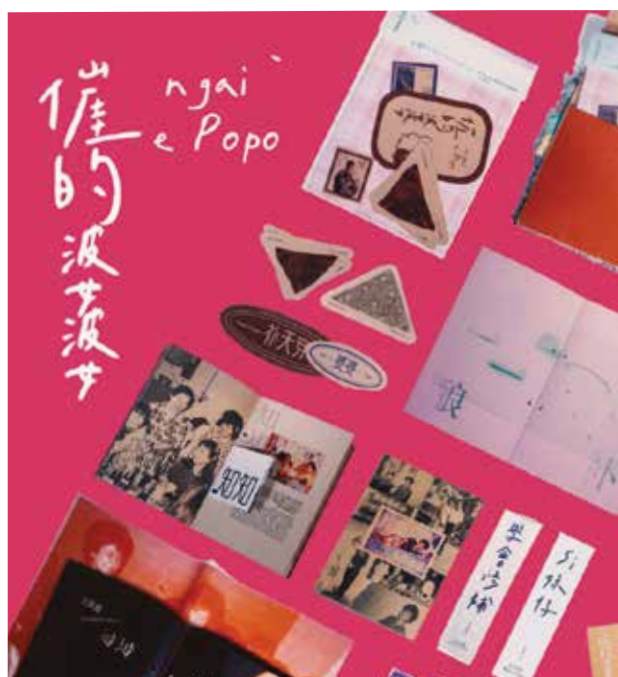
The project was driven by a 4 member team:

- **Chan Zhi Ying**
Bachelor in Graphic Design (Honours)
- **Tang Xin Tong**
Bachelor in Graphic Design (Honours)
- **Chong Jun Hao**
Bachelor of Information Systems
(Honours) in Artificial Intelligence)
- **Loh Min Yu**
Bachelor in Information Technology
(Honours)

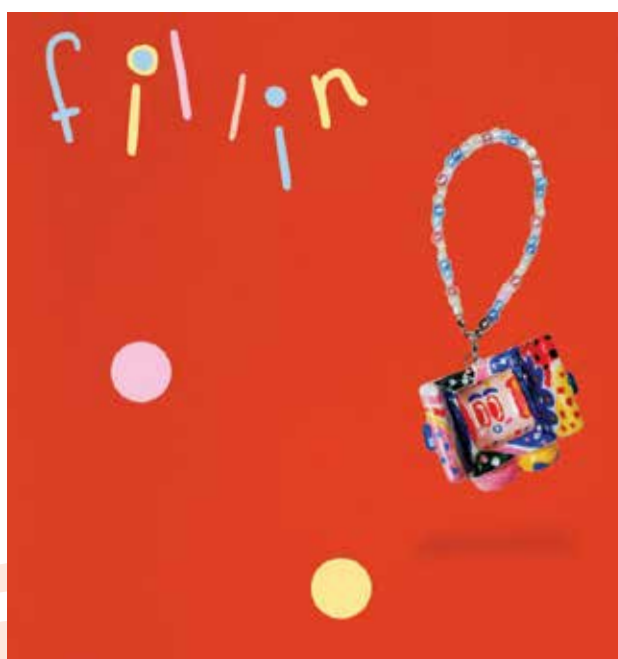
KANCIL AWARD 2025



Raffles College of Higher Education, Kuala Lumpur, Malaysia
補天穿 | Ngai E Popo
Merit in Best Design - Publications (includes books, annual reports and graphic novels)



To Fill, To Feel (Bronze in Best Design - Publications (includes books, annual reports and graphic novels)
Cassandra Ng Xin Tong
Bachelor of Fashion Design (Honours)



2025 CHOREOCUP



Raffles College of Higher Education, Kuala Lumpur, Malaysia
1st Place, Manila, Philippines
Deborah Lim Hui Xin
Diploma in Fashion Marketing

KLFW X ISETAN STYLING COMPETITION 2026 (FINALIST)

Raffles College of Higher Education, Kuala Lumpur, Malaysia



Students:
Sin Mei Kei
Ong Yee Shyen
Yap Xin Hui
Tham Yin Sheune
Diploma in Fashion Styling

INDUSTRY COLLABORATION - EROS RAMAZZOTTI



Raffles Milano – International Design Institute, Italy
Students Matteo Schianta and Bibek Rai designed a custom shirt for Eros Ramazzotti's 2026 Tour. Developed in close collaboration with the artist's stylist, the project balanced strong aesthetics with stage functionality. Key design elements included a deep black tone, strategic rhinestone details, an oversized contemporary fit, and a minimal mandarin collar. Fabrics were specifically selected for breathability, freedom of movement, and high-impact performance under stage lighting.



**Custom Shirt Design for
Eros Ramazzotti Tour 2026**
Matteo Schianta
Bibek Rai

Bachelor of Fashion Design (Honours)
Raffles Milano – International Design Institute

MILANO DESIGN WEEK



Raffles Milano – International Design Institute, Italy
Students **Matteo Schianta** and **Bibek Rai** designed a custom shirt for Eros Ramazzotti's 2026 Tour. Developed in close collaboration with the artist's stylist, the project balanced strong aesthetics with stage functionality. Key design elements included a deep black tone, strategic rhinestone details, an oversized contemporary fit, and a minimal mandarin collar. Fabrics were specifically selected for breathability, freedom of movement, and high-impact performance under stage lighting.





TOUCHPOINT AWARDS 2026

Raffles Milano – International Design Institute, Italy

Created in collaboration with Banca Investis S.p.A. and Piano B, Generation Week brought together 20 international Raffles Milano students. Guided by multidisciplinary mentors (a philosopher, a scientist, and a designer), students were given full creative freedom to imagine, design, and tell the story of the spaces of the future. The project was awarded the Special Jury Mention in the Unconventional category at the Touchpoint Awards 2026.

Touchpoint Awards 2026 — Special Jury Mention (Menzione Speciale della Giuria)
Category: Unconventional

20 Raffles Milano international students:

- Destiny Agwunedu
- Sofia Bukrejeva
- Laura Cojocari
- Olivia Cojocari
- Chanilka De Silva
- Alessandro Giuliani
- Sofia Iosifidou
- Catherine Sophie Kabanda
- Sofia Koshkina
- Giacomo Leggio
- Agnese Kristiana Lepse
- Elena Minniti
- Claudia Pini
- Daniela Pons Ramirez
- Nikoleta Maria Poulou
- Bibek Rai
- Valentina Russello
- Matteo Schianta
- Rayana Sughair
- Milena Leonel Venturini



“Inspiring the next generation of designers to forge their own path and leave their mark on the world.”

RAFFLES STUDENTS SPEAK



CHAN ZHI YING

Malaysian
Raffles University
Graphic Design

For me, design has always been about bringing people together. I'm passionate about becoming a bridge between others rather than just someone who creates neat visuals; I want my work to build real connections and spark meaningful conversations.

I chose Raffles University for its "Success by Design" philosophy, hands-on curriculum, and industrial attachment opportunities, along with its strong recognition among professional organisations, which gave me complete confidence in my choice.

My lecturers and course mates have been my biggest inspiration, constantly pushing me to question my assumptions and use design to share meaningful messages. A highlight was our "Graphic Design and Society" module, where field trips showed me how design impacts real communities and shifted my perspective. My Raffles journey has been inspiring, experimental, and enriching.

My advice to future students is to live the life you want to create, and use your time here to build it.



CHANILKA DE SILVA

Italian
Raffles Milano
Product Design

I am deeply passionate about the design world, especially automotive design. Before enrolling at Raffles Milano, I sketched cars in my free time, experimenting with improving their shape and styling; sketching remains central to how I approach every project. After joining Raffles, my curiosity only deepened as I discovered how sophisticated design truly is.

I stumbled upon Raffles Milano by accident and attended an open day, fascinated by how hands-on the courses were. Working alongside industry professionals in a small, studio-like setting, and collaborating with companies on real projects, gave me the chance to build a network for my career. My journey has been fun, challenging, and enriching.

My advice to future students is to treat it like a job, be professional, and network with your professors as colleagues, not just teachers. It opens doors for your design career.



GANESH KUMAR YADHAVI

Indian
Raffles Singapore
Fashion Design

Fashion has always been my way of expressing myself. I love turning ideas into something real and creating designs that tell a story, and every project has taught me something new, which is what keeps me excited about this industry.

I found Raffles Singapore while researching fashion schools in Singapore, and it immediately stood out. I loved that the course was hands-on, the lecturers came from the industry, and the learning environment was so diverse, it felt like a place where I could truly grow as a designer.

My lecturers have always encouraged me to keep improving and never settle for my first idea. One piece of advice that has stayed with me is to always think about the story behind my designs, and that has shaped me into a more thoughtful designer. My Raffles journey has been creative, challenging, and unforgettable.



IEWA FAWAD BIN MOHAMED

Singaporean
Raffles Singapore
Jewellery Design

Jewellery brings together everything I'm passionate about – art, history, and science. Exploring material science, chemistry, and the history behind each piece shows how these elements intertwine to create timeless expressions of identity and innovation. It's a niche art that constantly evolves, pushing me to balance tradition with innovation.

I found Raffles Singapore through my own research online, and I was drawn to its industry-relevant curriculum and networking opportunities.

My Creative Practitioners are supportive and engaging, challenging me to think outside the box and add depth to my work. They're always generous with their help, whether with metalsmithing or software like Rhinoceros 3D, and are constantly looking to expand our resources, like bringing in tools such as the 3D printer for students. My Raffles journey has been enriching, fulfilling, and challenging.

My advice to future students is to take this time to explore who you are as a creative and develop your design process in a way that best cultivates the designer in you.



IVY ONG LE YI

Malaysian
Raffles University
Psychology

My passion is understanding human behaviour and supporting mental wellbeing. During my studies, I developed a strong interest in clinical psychology and research, learning how the human mind works and finding practical ways to help people through evidence-based knowledge. I believe psychology can make a real difference in improving mental health care.

I chose Raffles University for its industry-relevant curriculum, experienced lecturers who bring genuine professional insight, and its supportive, multicultural environment.

My lecturers pushed us to think critically and apply psychological theories to everyday life. During our research projects, they gave clear guidance while still giving us freedom to explore our own ideas, and mentorship that built my confidence and reaffirmed my decision to build a career in psychology. My Raffles journey has been inspiring, enriching, and transformative.

My advice to future students is to stay curious, be proactive, and make the most of every opportunity here.



JESSLYN CALLISTA TJANDRA

Indonesian
Raffles Jakarta
Tourism and Hospitality
Management

Driven by a passion for the ever-evolving hospitality industry, choosing Raffles Jakarta was one of the best decisions of my educational journey. I was drawn to the international perspectives, collaborative environment, and industry-focused learning.

Beyond the classroom, the supportive lecturers and Creative Practitioners pushed me to embrace new challenges, deeply inspiring my creative thinking. They helped me build the confidence, professionalism, and adaptability I use every day building my career at a leading Southeast Asian educational institution.

If I had to sum up my experience in three words, it would be dynamic, collaborative, and fulfilling. For future students, my advice is to embrace every new challenge and build meaningful connections. The hands-on experiences here will broaden your perspective and thoroughly prepare you to navigate the real world.



**LEILA CHRISTINE
KLAGGES**

Indonesian
Raffles Jakarta
Business Administration

My passion for human resources and management drives my relentless desire to grow personally and academically. As an international student, I chose Raffles Jakarta for its highly international environment, the close-knit campus community, and the deeply up-to-date learning facilities.

The lecturers here are incredibly friendly and personal. They are always available to answer questions and provide support, which has genuinely boosted my confidence and taught me practical skills like managing my personal finances. I proudly sum up my time at Raffles Jakarta as supportive, personal, and international.

My piece of advice to future students is to be open-minded and highly communicative with your classmates. Engaging with people from different cultures makes the transition much easier.



LIU, YUXIN

Chinese
Raffles Singapore
Product Design

My passion in product design allows me to turn ideas into practical and meaningful products. I enjoy developing concepts through research, 3D modelling, visualisation, physical prototyping, and seeing an idea take shape from start to finish.

I found Raffles Singapore while researching product design programmes in Singapore, and chose it for its practical, project-based learning approach, experienced lecturers, and international learning environment.

My lecturers have inspired me to think more critically and explore different design possibilities. Their honest feedback encouraged me to refine my ideas, pay attention to both function and detail, and become a more confident, independent designer. My Raffles journey has been inspiring, practical, and transformative.

My advice to future students is to stay open-minded, manage your time well, and don't be afraid of feedback. Use every project as an opportunity to grow and build a strong portfolio.



POOJITHA VEMULA

Indian
Raffles Mumbai
Visual Communication Design

I joined Raffles Design International in 2020 as a transfer student during the pandemic. Starting off with online classes wasn't easy, but thankfully the faculty was good and patient, and made sure I was comfortable enough to learn new things at my pace, which made learning interesting and fun.

As a visual communication student, the learning process can be intimidating and time-consuming, but it was significantly aided and brought to fruition with the assistance of experienced lecturers who ensured we obtained a thorough understanding of our work.



**RACHEL PHANG
YEUNG JIA**

Malaysian
Raffles Kuala Lumpur
Creative New Media
& Technology

Choosing Creative New Media Technology at Raffles Kuala Lumpur was one of the most rewarding decisions in my creative journey. It gave me the freedom to experiment, explore different areas of design, and discover what I truly enjoy from branding and packaging to digital content and visual storytelling. Every project challenged me to think creatively, solve problems, and express ideas with confidence.

The guidance from my lecturers and the hands-on learning experience helped me grow not only as a designer but also as a person. Today, I work as a graphic designer, and I continue to apply the skills, creativity, and mindset I developed at Raffles Kuala Lumpur.

I'm grateful for the opportunities and experiences that shaped my passion into a career, and I'm excited to keep learning and creating meaningful work.



**SHURUDTHY
GUHANESAN**

Malaysian
Raffles Kuala Lumpur
Applied Psychology

Ever since I was twelve, I've been fascinated by psychology and how the mind works. My tendency to notice things closely and reflect deeply isn't a weakness in this field, it's a strength that makes me unique. Knowing that this effort will one day help others is what keeps me going, and that drive to help as many people as I can fuels my passion.

I was searching for psychology courses that offered forensics, and Raffles Kuala Lumpur stood out immediately, with intriguing subjects and among the most accessible options I found. My course mates have inspired me to work diligently in what I excel at. Each of us brings our own strengths, and with a shared goal, we've become a great team. My Raffles journey has been challenging, insightful, and transformative.

My advice to future students is to keep making new friends, you'll learn so much about them, and about yourself too.



STEVEN AUSTY

Indonesian
Raffles Singapore
Interior Design

Interior design and architecture have fascinated me for as long as I can remember. Whenever I visited different places, I found myself studying their layouts and materials, imagining how I could transform the space. That curiosity grew into a genuine passion, and I committed myself to becoming a designer creating functional, meaningful spaces that positively impact people's everyday lives.

I discovered Raffles Singapore through an education expo in my hometown. With no prior background in design or technical drawing, I needed a college that could guide me from the fundamentals, and Raffles Singapore gave me exactly that foundation and growth.

The Creative Practitioners here have been incredibly supportive, always approachable, while pushing us to step outside our comfort zones and keep improving. My Raffles journey has been inspiring, fulfilling, and innovative. My advice to future students: you don't need a design background to start. Trust the process, and enjoy the journey.



TAN KIAN SHEN

Malaysian
Raffles Kuala Lumpur
Fashion Marketing

I have always been passionate about branding, marketing, and understanding consumer behaviour. Fashion is more than just clothing to me, it's a way of expressing identity, creativity, and culture, and studying Fashion Marketing let me combine creativity with business. I chose Raffles for its strong reputation in creative education, industry-focused curriculum, experienced lecturers, and supportive learning environment, giving me confidence that it was the right place for my education.

My lecturers were always approachable and willing to share real industry experience, encouraging us to think creatively while giving practical guidance for the working world. They created a classroom environment where learning felt enjoyable rather than stressful, motivating me to grow more confident. My Raffles journey has been inspiring, memorable, and rewarding.

My advice to future students is to be open to learning, don't be afraid to ask questions, and make the most of every opportunity.



ZENO FERRARI

Italian
Raffles Milano
Visual & Communication
Design

I'm a graphic designer driven by turning ideas into meaningful visual experiences, focused on brand identity, art direction, and digital experiences. My curiosity stretches beyond design itself – photography, architecture, fashion, and everyday life all shape how I think and create.

After completing my Bachelor's at Politecnico di Milano, I chose Raffles Milano for its practical, studio-like approach to learning, where every project reflects real industry workflows and client expectations.

My Creative Practitioners, all active professionals, made every lesson feel relevant. Meeting Erik Kessels was unforgettable, his words "Inspired by creativity, driven by logic" became my personal design philosophy. My Raffles journey has been transformative, inspiring, and eye-opening.

My advice to future students is to come with an open mind, be ready to step outside your comfort zone, and lean on the people around you; you'll leave with far more than technical skills.



ZIN MIN HTWE

Malaysian
Raffles Kuala Lumpur
Fashion Business

My passion has always been fashion and the business behind it, understanding not only how fashion is designed but how brands are built, marketed, and managed. I find it exciting to learn about consumer trends and retail strategies, and that passion led me to pursue a Diploma in Fashion Business.

I chose Raffles Kuala Lumpur for its strong reputation in creative education, its experienced lecturers who bring practical industry knowledge into the classroom, and its modern learning environment that combines creativity with business fundamentals.

My lecturers were supportive and passionate about helping students succeed. Assignments reflected real industry practices, branding, market research, merchandising, and marketing strategies, strengthening my technical knowledge along with my teamwork and problem-solving skills. My Raffles journey has been impactful, transformative, and memorable.

My advice to future students is to stay curious, participate actively, and give your best in every assignment.

CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Mr. Chew Hua Seng Chairman and CEO
		Mdm. Lim Siew Mun Lead Independent Non-Executive Director
		Mr. Lim How Teck Independent Non-Executive Director
		BG(Retd) Chua Chwee Koh Independent Non-Executive Director
		Mr Joseph Ho Yan Jun Non-Independent Non-Executive Director
COMPANY SECRETARY	:	Mr. Keloth Raj Kumar
REGISTERED OFFICE	:	111 Somerset Road, #15-22, 111 Somerset, Singapore 238164 Telephone : +65 6338 5288 Facsimile : +65 6338 5167 Website : www.Raffles.Education
SHARE REGISTRAR	:	B.A.C.S. Private Limited 77 Robinson Road #06-03 Robinson 77 Singapore 068896
AUDITOR	:	BDO LLP Public Accountants and Chartered Accountants 600 North Bridge Road #23-01 Parkview Square Singapore 188778 Audit Partner-in-charge: Mr. Yeo Siok Yong (Appointed since financial year ended 30 June 2024)
PRINCIPAL BANKERS	:	United Overseas Bank Limited 80 Raffles Place UOB Plaza Singapore 048624 Citibank N.A. Singapore Branch 8 Marina View #17-01 Asia Square Tower 1 Singapore 018960

CORPORATE GOVERNANCE STATEMENT

The Board of Directors (the “**Board**”) of Raffles Education Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is committed to excellence in corporate governance, transparency and accountability, seen as essential for the long-term performance and sustainability of the Group, and to protect and enhance the interests of shareholders and other stakeholders.

The Group’s corporate governance practices and processes are guided by the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) and are continually reviewed for relevance and effectiveness by reference to the legal and regulatory environment in which the Group operates. We confirm that the Group has complied with the principles and provisions of the Code during the financial year ended 30 June 2026 and where there are deviations from the Code, appropriate explanation is provided within this Statement.

I. BOARD MATTERS

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

Board Responsibility and Conflicts of Interest

The Board directs the Group in the conduct of its affairs, exercising its fiduciary role at all times in the interests of the Group to ensure that corporate responsibility and ethical standards are met. The Board is collectively responsible for the activities of the Group, its strategy and governance, risk management and financial performance.

All Directors exercise due diligence and independent judgement and are obliged to act in good faith and consider at all times the best interests of the Company. Where there are conflicts of interest, directors recuse themselves from discussions and decisions involving the issues of conflict.

The principal roles and responsibilities of the Board are as follows:

- reviews and adopts a strategic plan, as developed by Management, taking into account the sustainability of the businesses of the Company and its subsidiaries (“Group”), with attention given to climate-related and environmental, social, and governance (“ESG”) aspects of the operations;
- oversees the conduct of the Group’s businesses, including monitoring Management’s performance to determine whether the business is being properly managed;
- identifies principal business risk faced by the Group and ensures the implementation of appropriate internal controls and mitigating measures to manage such risks;
- decides on matters that require its approval and clearly communicates this to Management in writing;
- reviews the adequacy and integrity of the Group’s management information and internal control systems, ensuring there is a sound framework for reporting internal controls and regulatory compliance; and
- ensures the integrity of the Group’s financial and non-financial reporting.

CORPORATE GOVERNANCE STATEMENT

Matters requiring the Board's approval

The Board decides on matters that require its approval and clearly communicates this to Management in writing.

Key matters requiring the Board's approval are as follows:

- Setting the strategic direction and long-term goals for the Group and ensuring adequate resources to meet these objectives.
- Approving and monitoring capital and financial plans to ensure alignment with the Group's strategic directions.
- Approving the annual budget, annual and interim financial statements, major funding proposals and capital expenditures, and strategic acquisitions and divestments.
- Ensuring the adequacy and integrity of the internal controls and setting risk appetites, establishing a risk strategy and a framework for risks to be assessed and managed.
- Approving appointments of suitable candidates to the Board and endorsing the appointments of key personnel, internal and external auditors.
- Monitoring and reviewing management performance.
- Making succession plans for itself and key persons to ensure continuity of leadership.

Delegation by the Board

The Board delegates certain functions to committees to enable the Board to manage more effectively its stewardship and fiduciary responsibilities. However, the ultimate responsibility and decision on all matters still lies with the Board. The Board is assisted by five committees, namely, the Audit Committee, Nominating Committee, Remuneration Committee, Risk Management Committee and Independent Committee, each constituted with clear written terms of reference. Each Board Committee has direct access to management and the discretion to hire independent advisers as it deems necessary.

Board Meetings and Board Committees

The schedule for all meetings of the Board and Board Committees for the next calendar year is planned well in advance in consultation with the Directors. The Board meets at least four (4) times a year at regular intervals. Additional meetings are convened where necessary to address significant transactions or issues that arise. Where exigencies prevent a member from attending a Board meeting in person, telephonic attendance and conference via audio-visual communication are allowed under the Constitution of the Company. Board and Board Committees' decisions are also obtained through circulation of written resolutions. The Constitution of the Company allow written resolutions that are signed by any two members, being the quorum necessary for transaction of the business of the Directors, to be as effective as if they were passed at physical meetings.

CORPORATE GOVERNANCE STATEMENT

The attendance at meetings of the Board and Board Committees held in the financial year ended 30 June 2026 are as follows:-

	Board	Audit Committee	Nominating Committee	Remuneration Committee	Risk Management Committee	Independent Committee
No. of meetings held	5	4	2	1	2	1
No. of meetings attended by respective Directors						
Mr Chew Hua Seng	5	*4	2	*1	*2	-
Mdm Lim Siew Mun	5	4	*1	1	-	1
Mr Lim How Teck	5	4	2	1	2	-
Mr Joseph Ho Yan Jun	5	*4	*1	1	2	-
BG (Retd) Chua Chwee Koh	5	4	2	*1	2	1
** Mr. Ng Kwan Meng	0	0	0	-	-	-

* Attendance at invitation of the Committees.

** Mr. Ng Kwan Meng retired on 31 October 2025

Board Induction

New Directors are appointed by the Board upon recommendation of the Nominating Committee. Newly appointed Directors will be issued with a formal letter of appointment or service agreement setting out, *inter alia*, the scope of their duties and responsibilities as a Director under the various relevant Singapore laws.

In addition, a newly appointed Director is given an orientation to the Group's businesses and governance practices. As Directors are appointed based on their existing knowledge, skills and experience that are expected to enhance the effectiveness of the Board, any further training after appointment is for continual professional development.

The Company will, as and when required or necessary, arrange and fund the training for a first-time Director of a listed company in areas of accounting, legal and compliance such as Directors' duties and responsibilities under statute and common law, and a broad overview on the rules of SGX-ST Listing Manual.

To facilitate the further development of the competencies of the members of the Board, all Directors are also updated regularly on key accounting and other regulatory changes that have a significant impact on the Group either during Board meetings or via electronic mail.

CORPORATE GOVERNANCE STATEMENT

Access to Information

Agendas for Board meetings are set in advance with items proposed by the CEO and management. Directors have separate and independent access to senior management and the Company Secretary and are provided with complete and relevant information in a timely manner. Directors are entitled to request from management such additional information as is needed in order to make informed and timely decisions. Directors also have the discretion to seek independent professional advice at the expense of the Group.

Company Secretary

The Company Secretary attends all meetings of the Board and ensures that applicable rules, regulations and Board procedures are complied with. Under the Constitution of the Company, the appointment and removal of the Company Secretary require the approval of the Board.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

Independence of Judgement

The present Board comprises five (5) members who are business leaders or professionals with financial or other technical backgrounds. Amongst them are three (3) independent Directors, one non-executive and non-independent Director, and one executive Director. There is a strong independent element on the Board as the majority of the Board and its Board Committees are independent Directors.

An “independent Director” is defined in the Code as one who is independent in conduct, character and judgment, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independent business judgment in the best interests of the Company.

All Directors are required to officially disclose their interests in the Company including any interested person transactions with the Company. Any Director who has an interest that may present a conflict between his obligation with the Company and his personal business or other interests will either recuse himself from participating in the deliberations and voting on the matter or declare his interest and abstain from decision-making. All Directors practise good governance by updating the Company with the changes to their interests in a timely manner.

The Nominating Committee assesses and determines the independence of a Director upon appointment and on an annual basis. Please refer to the section on “Board of Directors” in the Annual Report for key information on each director.

CORPORATE GOVERNANCE STATEMENT

Annual Review of Director's Independence

The Nominating Committee reviews the independence of each Non-Executive Director annually in August by taking into consideration the information collected through the confirmation of independence completed by each Director which is addressed to the Nominating Committee. The Director is required to declare any circumstances in which he may be considered non-independent. The Nominating Committee will review each confirmation of independence before affirming the independence of a Director. The Nominating Committee adopts the materiality thresholds and independence criteria as defined in the Code.

Name of Director	Appointment	Date of Initial Appointment	Last Re-election
Mr Chew Hua Seng**	Chairman and Chief Executive Officer Member of Nominating Committee	25 November 1999	25 October 2024
Mdm Lim Siew Mun	Lead Independent and Non-Executive Director Member of Independent Committee Member of Audit Committee Member of Remuneration Committee Chairman of Nominating Committee	1 July 2021	27 October 2023
Mr Lim How Teck**	Independent and Non-Executive Director Chairman of Audit Committee Chairman of Remuneration Committee Member of Nominating Committee Member of Risk Management Committee	6 March 2018	25 October 2024
Mr Joseph Ho Yan Jun	Non-Independent and Non-Executive Director Member of Remuneration Committee Member of Risk Management Committee	5 November 2018	31 October 2025
BG (Retd) Chua Chwee Koh**	Independent and Non-Executive Director Chairman of Risk Management Committee Member of Audit Committee Chairman of Independent Committee Member of Nominating Committee	4 March 2022	25 October 2024

Note:

** re-elected in Annual General Meeting held on 25 October 2024.

The Nominating Committee is tasked by the Code to undertake a “particularly rigorous review” of the independence of a Director that has served on the Board for a continuous period of nine years or longer from the date of his first appointment. If the Nominating Committee decides to regard such a Director as independent, it shall disclose its explanation in the Company's Annual Report.

As of now, there are no Independent Directors and Non-Executive Directors on the Board who have served beyond nine years from the date of their appointment.

CORPORATE GOVERNANCE STATEMENT

Board Composition and Diversity

The Company acknowledges and values the significance and advantages of having a Board and Board Committees that are structured, sized, and composed appropriately, with directors who collectively offer a balanced and diverse range of perspectives. The Company also recognises the need and benefits of embracing diversity at the Board level to enhance stewardship and decision-making capabilities that commensurate with the Company's ever-evolving operating environment.

The Company is doing its best to carry out the recommendations by the Singapore Council for Board Diversity for women representation in the listed companies. The current percentage of the female Board member in the Company is 20% and this will be reviewed from time to time based on such recommendation. The Nominating Committee reviews the composition of the Board in the process of new appointments and on an annual basis. The Nominating Committee is satisfied that the current Board comprises persons of an appropriate size and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate, taking into account the nature and scope of the Company's operations.

The information of current composition, date of initial appointment and last re-election of each member of the Board and Board Committees are presented in a table in the preceding page.

Role of Non-Executive Directors

The non-executive Directors of the Company, who are also independent, together with the non-executive and non-independent Director, constructively challenge and assist in developing proposals on strategy. They also assist the Board in reviewing the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.

Meeting of Directors without Management

The Non-Executive Directors meet without the presence of management or Executive Directors at least once a year or hold *ad hoc* meetings as circumstances dictate, to review and discuss any matters required to be raised privately. The meetings are chaired by the Chairman of the Independent Committee who is also the Lead Independent Director. The Chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Separation of the Role of Chairman and the Chief Executive Officer ("CEO")

Mr Chew Hua Seng is both the Chairman and CEO of the Company. He bears executive responsibility for the overall management and strategic development of the Group in addition to overseeing the activities of the Board and ensuring that procedures are in place for compliance with the Code.

Although the roles and responsibilities for both Chairman and CEO are vested in Mr Chew, major decisions are made in consultation with the Board which comprises a majority of non-executive and independent Directors. The Board believes that there are adequate measures in place to ensure a degree of checks and balances.

CORPORATE GOVERNANCE STATEMENT

In addition, the Board has appointed an Independent Director to be the Lead Independent Director as recommended by Provision 3.3 of the Code. The Lead Independent Director acts as the principal liaison between the Independent Directors of the Company and the Chairman of the Board, and between the Independent Directors of the Company and senior management. The Lead Independent Director chairs all the meetings of Independent Directors and provides feedback on such meetings to the Chairman of the Board.

As the Chairman, Mr Chew is responsible for:

- ensuring that Board meetings are held when necessary and preparing the meeting agendas (with the assistance of the Company Secretary) to enable the Board to perform its duties effectively having regard to the flow of the Group's businesses and operations.
- reviewing board papers before they are presented to the Board to ensure that information provided is adequate.
- ensuring sufficient allocation of time for members of the Board to engage in constructive debate on strategic issues and business planning.
- controlling the quality, quantity and timeliness of information flow between the Board and management.
- fostering constructive dialogue between shareholders, the Board and management during annual general meetings and other shareholder meetings.
- promoting high standards of corporate governance.

Lead Independent Director

The Board has appointed Madam Lim Siew Mun as the Lead Independent Director and she will be available to address any shareholders' concerns when contact through the normal channels via the Chairman, CEO or other management executive have failed to provide satisfactory resolution or when such contact is inappropriate or inadequate.

The Lead Independent Director also responds to queries and comments that shareholders of the Company have directed to him or to the Independent Directors of the Company collectively, in consultation with the Chairman of the Board and the other Non-Independent Director, as she may deem appropriate.

PRINCIPLE 4: BOARD MEMBERSHIP

Nominating Committee

The Nominating Committee (the "NC") has put in place a formal and transparent process for the appointment and re-appointment of Directors to the Board.

CORPORATE GOVERNANCE STATEMENT

The current composition of the NC comprises four members, of whom three are non-executive and independent Directors and one executive director:

1. Madam Lim Siew Mun (Chairman of NC and Lead Independent Director)
2. Mr Chew Hua Seng (Chairman and Chief Executive Officer)
3. BG (Retd) Chua Chwee Koh (Independent Director)
4. Mr Lim How Teck (Independent Director)

The NC's responsibilities include, but are not limited to, the following:

- regularly reviewing the composition of the Board and Board Committees, taking into consideration the size and independence requirements, amongst others.

Please refer to Principle 2 for details of the "Annual Review of Director's Independence".

- reviewing the Board's succession plans for Directors, in particular, the Chairman and the CEO.
- identifying, reviewing and recommending Board appointments for approval by the Board, taking into account the experience, expertise, knowledge and skills of the candidate and the needs of the Board.
- reviewing and recommending to the Board the re-appointment of any Non-Executive Director having regard to his/her performance, commitment and ability to contribute to the Board as well as his/her skillset.
- maintaining a process for evaluating the performance of the Board, Board Committees and the Directors.
- conducting an annual evaluation on the performance of the Board, Board Committees and the Directors, and in particular where the Directors concerned have multiple board representations, whether the NC is satisfied that sufficient time and attention have been given by the Directors to the affairs of the Company notwithstanding their multiple board representations.

Selection Criteria and Nominating Process for New Directors

The NC recognises the importance of an appropriate balance and diversity of industry knowledge, skills, background, experience professional qualifications and gender in building an effective Board. To this end, the NC reviews the Board's collective skills matrix regularly.

As part of the formal process for the appointment of new Directors, the NC reviews the composition of the Board and identifies the skillsets that will enhance the Board's effectiveness. Suitable candidates are identified from various sources including search companies and through recommendations. The NC considers the proposed candidate's independence, expertise and background, and determines if he or she possesses the skills required and makes its recommendations to the Board accordingly.

Rotation and Re-election of Directors

The Constitution of the Company requires one-third of Directors that are longest-serving to retire from office every year at the Annual General Meeting ("AGM").

CORPORATE GOVERNANCE STATEMENT

Directors' Multiple Directorships in Listed Companies

The Company has not determined a specified maximum number of listed board representations for a Director, but the NC takes into consideration the individual's other competing time commitments such as whether the individual also holds a full-time executive position in other organisations.

The NC had carried out an evaluation and review of the contributions of each Directors at meetings of the Board and Board Committees and Directors' participation in the affairs of the Company, including a review of matters such as the independence of Directors, their individual skills, experience and time commitment, in particular for Directors who served on multiple boards as well as overall Board size and compositions.

The NC is satisfied that despite the multiple directorships of certain Directors, the Directors had spent adequate time on the Company's affairs and have carried out their responsibilities.

Alternate Director

There is no appointment of Alternate Director on the current Board of the Company.

Key Information on Directors

The Notice of AGM sets out the Directors proposed for re-election. Key information on each Director can be found in the "Board of Directors" section of this Annual Report.

In addition, information on shareholdings in the Company held by each Director is set out in the "Directors' Statement" section of this Annual Report.

PRINCIPLE 5: BOARD PERFORMANCE

The NC makes an assessment in August annually to determine whether the Board, Board Committees and the Directors are performing effectively and formulate action plans for improvement. No external facilitator is appointed to assist NC in the evaluation. The performance evaluation criteria are set by the NC.

The Board Performance Evaluation Questionnaire includes questions on:

- (i) Board's composition;
- (ii) Board's access to information;
- (iii) Board procedures such as the conduct of proceedings at Board meetings and the independent access to officers and members of management outside of Board meetings; and
- (iv) Board's standard of conduct in preventing conflicts of interest and the disclosure of personal interests in transactions and abstention from voting where appropriate.

The performance of the Directors, individually and collectively, is assessed by means of a performance appraisal that covers a range of issues including Board size, the proportion of Non-Executive Directors versus Executive Directors, whether there is an adequate diversity of independence, the right mix of expertise, experience and skills, and whether expertise and skills applied to the various issues that come before the Board enabled sound, balanced and well considered decisions.

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The performance of individual Directors, formal evaluation is carried out by the NC as and when a Director is due for retirement by rotation and is seeking re-election. Contributions in different forms by an individual Board member including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and attendance at Board and Board Committee meetings are considered.

II. REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Remuneration Committee (the “**RC**”) comprises three members of whom two are non-executive and independent Directors and one a non-executive and non-independent Director:

- 1) Mr Lim How Teck (Chairman of RC and Independent Director)
- 2) Mr Joseph Ho Yan Jun (Non-executive and Non-Independent Director)
- 3) Mdm Lim Siew Mun (Lead Independent Director)

The principal functions of the RC are to:

- determine and agree with the Board the framework or broad policy for the remuneration of the Company’s Board and key executives, and to determine specific remuneration packages for each executive director and the Chief Executive Officer and such other members of the executive management as it is designated to consider;
- determine targets for any performance related pay schemes operated by the Company, taking into account pay and employment conditions within the industry and in comparable companies;
- within the terms of the agreed policy, determine the total individual remuneration package of each executive manager including, where appropriate, allowances, bonuses, benefits in kind, incentive payments and share options;
- determine the policy for and scope of service agreements for the executive management team, termination payments and compensation commitments, including fixing appointment period for the directors;
- determine the remuneration of non-executive directors, taking into factors such as efforts, time spent and the responsibilities; and
- oversee any major changes in employee benefit structures throughout the Company or Group.

The RC is satisfied that the existing framework that has the endorsement of the Board and which serves to attract, retain and motivate senior management staff of the Group through competitive compensation compared to the industry and comparable companies, is still relevant and effective. The framework for remuneration of Directors and key management personnel covers all aspects of remuneration including Directors’ fees, salaries, allowances, bonuses, grant of shares and benefits in kind.

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In addition, the RC reviews the obligations arising in the event of termination of the executive Directors' and key management personnel's contract of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC has access to expert advice from external remuneration consultants where required.

None of the RC members or Directors is involved in the deliberations in respect of any remuneration, compensation, options or any form of benefits to be granted to him.

Raffles Education Corporation Performance Share Plan (Year 2021)

The Company had, by way of a shareholders' approval at the Annual General Meeting held on 30 October 2021, adopted the "Raffles Education Corporation Performance Share Plan (Year 2021)" (the "RE PSP"). The RE PSP is administered by a committee of directors comprising as follows:-

Mr Lim How Teck (Chairman)
Mr Joseph Ho Yan Jun
Mdm Lim Siew Mun

A member of the Remuneration Committee who is also a Participant of the RE PSP Scheme must not be involved in its deliberations in respect of options granted or to be granted to him or held by him.

Participants of RE PSP are not required to pay for the grant of awards and they have a right to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, provided that certain performance conditions or other conditions are met and upon the expiry of the vesting periods.

Eligibility to participate in the RE PSP extends to among others, executive and non-executive directors of any member of the Group and confirmed full-time employees of any member of the Group, and this includes the non-executive Directors (including independent Directors). Controlling Shareholders of the Company and/or their Associates (each as defined in the RE PSP) are not eligible to participate in the RE PSP.

It is currently intended that, subject to shareholders' approval at the upcoming Annual General Meeting, the Lead Independent Director and the non-executive Directors, who hold office as at the payment date, will each receive a portion of their Directors' remuneration for the financial year ended 30 June 2026 in the form of Awards pursuant to the RE PSP.

Awards can be exercised within 3 years and one-third of the awards granted can be exercised each year.

Awards granted will lapse when participant ceases to be an executive director, non-executive director or full-time employee with the Group, subject to certain exceptions at the discretion of the Company.

The aggregate number of shares over which awards may be granted on any date, when added to the number of shares issued and issuable in respect of all share-based incentive schemes under the RE PSP, shall not exceed 15% of the total number of issued shares excluding treasury shares of the Company on the day preceding that date of grant.

CORPORATE GOVERNANCE STATEMENT

The Directors are of the view that the participation by the independent non-executive Directors in the RE PSP will not affect the independence of such independent non-executive Directors, as it is contemplated that the number of Shares subject to such Award(s) will not be significant such as to affect their independence. For this proposed Award of Shares to non-executive Directors (including independent Directors), It is contemplated that the awards under the PSP will, to the extent practicable, be satisfied through the transfer and delivery of existing treasury shares, where available, and otherwise through the issuance of new shares by the Company, with a view to minimising the potential dilutive impact on the Company's issued share capital.

Since the commencement of the RE PSP and up to and including 30 June 2026, there were grants of awards that have been issued to non-executive directors, being payment of the share component of directors' fee for the financial year ended 30 June 2025 as follows:

Directors	Number of shares granted to each director
Chua Chwee Koh	505,000
Joseph Ho Yan Jun	505,000
Lim How Teck	505,000
Lim Siew Mun	505,000
Ng Kwan Meng*	505,000

* Mr. Ng Kwan Meng retired on 31 October 2025

No participant has been awarded 5% or more of the total number of Shares available under the RE PSP. There were no awards granted to participants who are controlling shareholders of the Company and their associates.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The Group advocates a performance-based remuneration system that is directly linked to corporate and individual performance, both in terms of financial and non-financial remuneration, and the creation of shareholder wealth by incorporating appropriate key performance indicators.

Remuneration of Executive Director

A significant proportion of the CEO's remuneration is structured such that it links rewards to corporate and individual performance.

If necessary, the RC would seek and indeed had sought external expert advice on the remuneration package of the CEO.

Remuneration of Non-Executive Directors

All non-executive and independent Directors and non-executive and non-independent Directors received Director's fees and fees for serving on the various Board Committees. These fees are subject to shareholders' approval at the Company's AGM.

CORPORATE GOVERNANCE STATEMENT

The terms of appointment of the directors are as specified in the Constitution of the Company. All non-executive and independent Directors and non-executive and non-independent Director do not have service contracts with the Company.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Board has not included a separate annual remuneration report to shareholders in this Annual Report as the Board is of view that the matters which are required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this Corporate Governance Statement and the financial statements of the Company.

Remuneration of Directors for the year ended 30 June 2026 is set out below:

Name of Director	Fees \$	Salary \$	Performance-Related Bonuses \$	Total \$
Mr Chew Hua Seng	-	1,237,930	480,228	1,718,158
Name of Director	Fees \$	Salary \$	PSP Shares \$	Total \$
Mr Lim How Teck	101,746.58	-	30,000	131,746.58
Mr Joseph Ho Yan Jun	62,500	-	30,000	92,500
Mdm Lim Siew Mun	94,246.58	-	30,000	124,246.58
BG (Retd) Chua Chwee Koh	89,246.58	-	30,000	119,246.58

The remuneration of Directors is disclosed in compliance with Listing Rule 1207(10D), amongst others, disclosure of the exact amounts of remuneration paid to each individual Director and the CEO of the Issuer.

The remuneration of the top five key management personnel (who are not Directors or the CEO), are disclosed in bands, as indicated in the following table as the Board is of the view that the Group's key management remuneration is a sensitive issue to the individuals and to the Group.

The Group operates in very diverse market conditions across many jurisdictions with diverse cultural and local sensitivities when it comes to personal remuneration. The non-disclosure of exact remuneration does not compromise the ability of the Company to meet the Corporate Governance Code, as the RC, comprising two non-executive and independent Directors and one non-executive and non-independent Director, reviews the remuneration package of such key management personnel who are remunerated based on the performance of the individual and the Group to ensure that they are fairly remunerated.

The Group's framework and policies on remuneration take into consideration performance factors such as size of the college and maturity of the college (number of years in operation) when assessing the performance of its key management personnel. In addition to financial performance, the level of difficulty in managing a particular college arising from local operational and regulatory conditions is also taken into consideration in the appraisal of performance.

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The total remuneration paid to the key management personnel (who are not directors or the CEO) in FY 2026 was \$2,489,992. The level and mix of each of the key management personnel (who are also not directors or the CEO) in bands of S\$50,000 are set out below:

Remuneration Band & Name of Key Management Personnel	Fees %	Salary %	Performance-Related Bonuses %	Others	Total
Between S\$550,000 to S\$600,000					
Executive 1	-	82	18	-	100
Between S\$300,000 to S\$350,000					
Executive 2	-	100	-	-	100
Between S\$250,000 to S\$300,000					
Executive 3	-	84	16	-	100
Executive 4	-	84	16	-	100
Between S\$200,000 to S\$250,000					
Executive 5	-	86	14	-	100

Save as disclosed below, none of the Directors had family members who were employees of the Group and whose personal remuneration exceeded S\$100,000. The following are employees who are immediate family members of Mr Chew Hua Seng, the Chairman and CEO. Their remuneration in bands of S\$50,000 during the financial year ended 30 June 2026 are shown below:

Remuneration Band & Name	Relationship	Salary (%)	Performance-Related Bonuses	Total
Between S\$550,000 to S\$600,000				
Mdm Doris Chung Gim Lian	Spouse of Chairman and CEO	82	18	100
Between S\$250,000 to S\$300,000				
Mr Chew Han Wei	Son of Chairman and CEO	84	16	100
Between S\$150,000 to S\$200,000				
Mr Chew Han Qiang	Son of Chairman and CEO	79	21	100
Ms Chew Xuan Wei	Daughter of Chairman and CEO	100	-	100
Mr Chew Han Qing	Son of Chairman and CEO	100	-	100

CORPORATE GOVERNANCE STATEMENT

III. ACCOUNTABILITY AND AUDIT

Accountability

The Board provides shareholders with bi-annual financial reports, price sensitive reports and reports to regulators (if required). In presenting these reports, the Board aims to give shareholders a balanced and understandable assessment of the Group's financial performance, position and prospects. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

Management currently provides annual budgets and business plans to members of the Board for endorsement. The Chairman and CEO receives detailed management accounts of the Group on a quarterly basis.

The Group has a policy on corporate disclosure controls and procedures to ensure that the Group complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate decision-making procedures and an obligation on internal reporting of decisions made.

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

Risk Management Committee

The Board recognizes the importance of sound internal controls and risk management practices to good corporate governance. The Board affirms its overall responsibility for the Group's systems of internal controls and risk management, and for reviewing the adequacy and integrity of those systems on an annual basis.

The Board has established the Risk Management Committee (the "**RMC**") to assist the Board in overseeing the risk management practices of the Group.

The RMC comprises three members of whom two are non-executive and independent Directors and one is non-executive and non-independent Director:

1. BG (Retd) Chua Chwee Koh (Chairman of RMC and Independent Director)
2. Mr Joseph Ho Yan Jun (Non-executive and Non-Independent Director)
3. Mr. Lim How Teck (Independent Director)

The principal functions of the RMC are, amongst others, to:

- advise the Board on the Company's Enterprise Risk Management Framework in consultation with Audit Committee. Within the ERM framework, AC will maintain oversight of the Financial Risks while RMC will oversee all the other risks;
- oversee and advise the Board on the current risk exposures and future risk strategy of the Company;

CORPORATE GOVERNANCE STATEMENT

- in relation to risk assessment:
 - a) keep under review the Company's overall risk assessment processes that inform the Board's decision making;
 - b) review regularly and approve the parameters used in these measures and the methodology adopted; and
 - c) set a process for the accurate and timely monitoring of large exposures and certain risk types of critical importance.
- review the Company's capability to identify and manage new risk types;
- before a decision to proceed is taken by the Board, advise the Board on proposed strategic transactions, focusing in particular on risk aspects and implications for the risk appetite and tolerance of the Company, and taking independent external advice where appropriate and available;
- review reports on any material breaches of risk limits and the adequacy of the proposed action;
- keep under review the effectiveness of the Company's risk management systems and review and approve the statements to be included in the annual report concerning the effectiveness of the Company's risk management systems;
- provide qualitative and quantitative advice to the Remuneration Committee on risk weightings to be applied to performance objectives incorporated in executive remuneration;
- monitor the independence of risk management functions throughout the organisation;
- review promptly all relevant risk reports on the Company; and
- review and monitor Management's responsiveness to the findings.

Internal Controls

The Group has instituted an adequate and effective system of risk management and internal controls addressing material financial, operational, compliance and information technology risks to safeguard the interests of shareholders and the Group's assets.

An enterprise-wide risk management framework has been set in place to enhance the Group's risk management capabilities. This is administered by the Enterprise Risk Management team ("**ERM**"). The key risks of the Group are identified and action plans made to mitigate these risks. Risk awareness and ownership of risk treatments are continually instilled and reinforced throughout the organisation.

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As the environment in which the Group operates changes, risks and opportunities also change. Under the ERM Framework, which is developed with reference to the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Model, management of all levels are expected to constantly review the business operations and the environment that the Group operates in to identify risk areas and ensure mitigating measures are promptly developed to address these risks. The ERM Framework outlines the Group's approach to managing enterprise-wide risks and sets out a systematic process for identifying, evaluating, managing and monitoring risks faced by the Group.

Individual business units have different cultures and risk profiles. Hence, each business unit will identify and evaluate its set of risks. As part of the internal audit of each business unit, risk identification, analysis and evaluation exercise will be carried out and treated according to the risk management process as set out in the ERM Framework. The risk owners, internal auditor and management participate in the review process.

The Board has received assurance from the CEO and Chief Financial Officer ("CFO") that, as at 30 June 2026:

- a) the Group's financial records have been properly maintained, and the financial statements give a true and fair view of the Group's operations and finances; and
- b) the Group's risk management and internal control systems were adequate and effective to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations.

Based on the internal controls established and maintained by the Group, work performed by the internal auditors, reviews performed by management and various Board Committees and assurances received from the CEO and CFO, the Board, with the concurrence of the AC, is of the opinion that the Group's internal control and risk management systems were adequate and effective as at 30 June 2026 to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations.

The Board notes that the internal control and risk management systems provide reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this respect, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

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Related Party Transactions

The Company has adopted procedures to comply with all regulations governing related party transactions, and for the periodic review and approval of these transactions by the AC.

Pursuant to Rule 907 of the Listing Manual of the SGX-ST, the aggregate value of interested person transactions entered into by the Group during FY2026 is as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
Mr Chew Hua Seng*	S\$9,715,000
Mdm Lim Siew Mun	S\$93,000
Mr Lim How Teck*	S\$71,000
Mr Joseph Ho Yan Jun	S\$52,000
BG (Retd) Chua Chwee Koh	S\$60,000
Mr Ng Kwan Meng**	S\$30,000

* Include directors and close members of their respective families.

** Mr. Ng Kwan Meng retired on 31 October 2025

Note:

- The Company does not have a shareholders' mandate on interested party transactions.
- The nature of interested party transaction is described under Notes 32 to the Financial Statements FY2026.

Dealings in Securities

The Company has adopted the SGX-ST Best Practices Guide with respect to dealings in securities for the guidance of Directors and employees. In accordance with Rule 1207(19) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Directors and employees of the Group are reminded on a quarterly basis to refrain from dealing in the Company's securities on short-term considerations. In particular, in accordance with Rule 1207(19)(c) of the Listing Manual, the Company and its Directors and employees should not deal in the Company's securities during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements, and ending on the date of the relevant results announcement.

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Directors and employees of the Group are also reminded that, irrespective of the applicable closed periods, they must not deal in the Company's securities at any time when they are in possession of unpublished material or price-sensitive information relating to the Group. Directors and employees are further reminded to comply with all applicable laws and regulations relating to insider trading and dealings in securities.

PRINCIPLE 10: AUDIT COMMITTEE

The Audit Committee (the “**AC**”) has written terms of reference that are approved by the Board and clearly set out its responsibilities. A former partner or director of the Company's existing auditing firm or auditing corporation cannot act as a member of the Company's AC:

- a) within a period of two (2) years commencing on the date of his ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case
- b) for as long as he has any financial interest in the auditing firm or auditing corporation.

The AC comprises four members who are all non-executive and independent Directors:

- 1) Mr Lim How Teck (Chairman of AC and Independent Director)
- 2) BG (Retd) Chua Chwee Koh (Independent Director)
- 3) Mdm Lim Siew Mun (Lead Independent Director)

The AC meets on a quarterly basis, with further meetings if circumstances require. The Board is of the view that the members of the AC, collectively, have recent and relevant accounting or related financial management expertise or experience and are qualified to discharge the AC's responsibilities. The AC is kept abreast by management and the external auditors of changes to accounting standards, the Listing Manual of the SGX-ST and other regulations which could have an impact on the Group's operations and financial statements. Members of the AC also update themselves through relevant publications and by attending relevant seminars and courses.

Please refer to the section on “Board of Directors” in the Annual Report for key information on the AC members, including their academic and professional qualifications.

The AC assists the Board to maintain a high standard of corporate governance, particularly in the areas of effective financial reporting and the adequacy of internal controls system of the Group.

The duties and responsibilities of AC include:

Risk Management & Internal Control

- i. Reviews the adequacy and effectiveness of the risk management, Group's internal control system, and management information system;
- ii. Reviews the extent of compliance with established internal policies, standards, plans, procedures, laws, and regulations;
- iii. Reviews the appropriateness and adequacy of the delegation of authority limit;

CORPORATE GOVERNANCE STATEMENT

- iv. Recommends to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors;
- v. Provide guidance to the Risk Management Committee (RMC) in formulating the Enterprise Risk Management (ERM) framework. Within the ERM framework, AC will maintain oversight of the Financial Risks while RMC will oversee all the other risks; and
- vi. Review the Company's procedures for detecting fraud, including the whistle-blowing policy. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

Financial Reporting

- i. Reviews the quarterly interim results and annual financial statements of the Group, before recommending to the board for deliberation, focusing particularly on:
 - a. changes in or implementations of major accounting policies and practices;
 - b. significant adjustments arising from the audit and unusual events;
 - c. compliance with the applicable approved accounting standards, other statutory and legal requirements;
 - d. the going concern assumption;
 - e. significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed;
 - f. compliance with accounting standards and other legal requirements; and
 - g. functions are equipped with adequate resources and the right infrastructure to support the financial reporting process.
- ii. Reviews any related party transaction and conflict of interest situation that may arise within the Company or the Group with its related parties including any transaction, procedure, or course of conduct that raises questions of management integrity.

Internal Audit

- i. Oversees the internal audit function by:
 - a. reviewing and approving the internal audit charter;
 - b. reviewing and approving the internal audit budget;
 - c. reviewing the adequacy of the scope, competency, and the resources of the internal audit function and that it has the necessary authority to carry out its work;

CORPORATE GOVERNANCE STATEMENT

- d. developing the scope of the internal audit function, which includes the following:
 - person responsible for internal audit should report directly to the AC and have relevant experience, sufficient standing and authority;
 - internal audit should have sufficient resources and is able to access information to enable it to carry out its role effectively;
 - personnel assigned to undertake internal audit should have the necessary competency, experience, and resources to carry out the function effectively; and
 - internal auditors should execute internal audit plan, undertake root-cause analysis to provide proactive strategic advice, suggest meaningful business improvements, and provide advisory support on strategy.
 - e. reviewing the internal audit plan, processes, the results of the internal audit assessments, investigations undertaken, and whether appropriate action is taken on the recommendations;
 - f. reviewing and evaluating factors related to the independence of internal auditors and assisting them in preserving their independence;
 - g. reviewing appraisal or assessing the performance of members of the internal audit function;
 - h. taking reasonable steps to ensure internal auditors continuously keep abreast with developments in the profession, relevant industry, and regulations; and
 - i. approving any appointment or termination of senior members of the internal audit/internal auditors.
- ii. Considers major findings of internal investigations and management's response to identify and monitor the areas of weaknesses or deficiencies in internal processes to facilitate appropriate remedial measures by the Company.
 - iii. Brings an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control, anti-corruption, whistleblowing, and governance processes.

External Audit

- i. Discusses with the external auditor before the audit commences, the nature and scope of the audit, annual audit plan and ensure coordination where more than one audit firm are involved;
- ii. Assesses the performance and effectiveness of the external auditors and make recommendations to the Board on their appointment and removal focusing particularly on:
 - a. the adequacy of the experience and resources of the accounting firm;
 - b. the number and experience of supervisory and professional staff assigned to the particular audit;

CORPORATE GOVERNANCE STATEMENT

- c. the accounting firm's audit engagements; and the size and complexity of the Group being audited;
- iii. Reviews and monitor the suitability and independence of the external auditors and their services, including non-audit services;
- iv. Undertakes an annual review/assessment of the suitability, objectivity, and independence of the external auditors, including, among others, the following:
 - a. the competence, audit quality and resource capacity of the external auditors in relation to the audit;
 - b. the nature and extent of the non-audit services rendered and the appropriateness of the level of audit and non-audit fees; and
 - c. obtaining written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- v. Reviews issues and reservations arising from the interim and final audits, whether appropriate action is taken on the recommendations of the auditors and any matter the auditor wish to discuss in the absence of the executive directors or management where necessary;
- vi. Reviews the external auditor's management letter, management's response, and audit report; and
- vii. Reviews with the external auditors the Statement on Risk Management and Internal Control of the Group for inclusion in the annual report.

Other Responsibilities

- i. Undertakes continuous professional development to keep AC members abreast of relevant developments particularly, in accounting and auditing standards, practices and rules;
- ii. Prepares annual AC report to the Board for inclusion in the annual report;
- iii. Reviews the assistance and co-operation given by the Company and its Groups' officers to the external and internal auditors;
- iv. Reviews with the internal and external auditors their evaluations of the systems and standards of internal control and any comments they may have with respect to improving control;
- v. Avails to the external and internal auditors a private, confidential audience at any time they desire and requested it through the AC Chairman, with or without the prior knowledge of the management;
- vi. Verifies the criteria for the allocation of shares to the eligible employees and/or vested in a grantee under the Employees' Share Scheme and ensure the same is disclosed to the eligible employees and/or grantee at the end of each financial year in accordance with the Listing Rules;

CORPORATE GOVERNANCE STATEMENT

- vii. Reviews the code of ethics of Company's business, the method of monitoring compliance with the aforesaid code and the disposition of reported exceptions;
- viii. Reports to the Board if there is any breach of the Listing Requirements and recommends corrective measures;
- ix. Reports to SGX-ST or relevant authority if there is any breach of the Listing Rules, which the Company has failed to satisfactorily correct after due notice; and
- x. Performs any other function that may be assigned by the Board when deemed necessary and appropriate.

The AC makes recommendations to the Board for its consideration and implementation, but it has no executive powers to implement such recommendations on behalf of the Board.

The AC has explicit authority to investigate any matter within its Terms of Reference, and has full access to and co- operation of the management. The AC has the full discretion to invite any Director, executive officer, internal auditors and external auditors to attend its meetings.

The AC meets with the external auditors, BDO LLP, without the presence of management, at least once a year. The external auditors also have unrestricted access to the AC. The internal auditors, who report to the Chairman of the AC, engage in regular communication with the AC.

External Auditors

The AC makes recommendations to the Board for the appointment, re-appointment and dismissal of the external auditors, including the remuneration and terms of engagement.

The AC reviews the independence and objectivity of the external auditors through discussions with them as well as a review of the volume and nature of all non-audit services provided by the external auditors during the relevant financial year. The AC is satisfied that the financial, professional and business relationships between the Group and BDO LLP will not prejudice their independence and objectivity and has recommended their re-appointment as external auditors of the Company at the coming AGM.

Whistle-blowing Policy

The Group has a whistle-blowing policy and established procedures which provide well-defined and accessible channels within the Group on the escalation, investigation and follow up of any reported wrong-doing by an employee, customer, vendor or third party.

The Whistle-Blowing Policy is available for download at the following link:

https://www.raffles.education/images/Investor/Whistblower_Policy_Nov_2022.pdf

CORPORATE GOVERNANCE STATEMENT

Internal audit

The Board and the AC agree that it is important to have a strong professional internal audit function that will enhance the management of risk and safeguard shareholders' interests. However, the size of the operations of the Group does not warrant having an in-house internal audit function. The internal audit function is outsourced to Baker Tilly Consultancy (Singapore) Pte Ltd.

Baker Tilly Consultancy (Singapore) Pte Ltd is affiliated to Baker Tilly TFW LLP, one of the 10 largest accountancy and business advisory firms in Singapore and also an independent member of Baker Tilly International, the world's 8th largest accounting and business advisory network. The persons assigned to carry out the internal audits on the Group are well qualified, with certifications such as Chartered Accountant of Singapore, Certified Internal Auditor and Certification in Risk Management Assurance, amongst others. The AC is satisfied that Baker Tilly Consultancy (Singapore) Pte Ltd has adequate resources to perform its functions and also has the appropriate standing within the Company.

The responsibilities of internal audit include:

- Evaluating the adequacy and effectiveness of the Group's risk management and internal controls systems, including whether there is prompt and accurate recording of transactions and proper safeguarding of assets.
- Reviewing whether the Group complies with relevant laws and regulations and adheres to established policies.
- Reviewing whether management is taking appropriate steps to address control deficiencies.

Baker Tilly Consultancy (Singapore) Pte Ltd has conducted its internal audits on the Group in accordance with internal audit methodology which is aligned with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The internal audit has direct access to AC Chairman and would update AC Chairman regularly. The AC reviews annually the adequacy and effectiveness of the internal audit function.

The AC reviews and approves the annual internal audit plans and reviews the scope and results of internal audit procedures issued by the internal auditors. Internal audit has unfettered access to the AC, the Board and senior management, as well as the right to seek information and explanation. Internal audit also has unfettered access to all of the Group's documents, records, properties and personnel. All audit reports are circulated to the AC, the CEO, the external auditors and the relevant senior management representatives. Information on outstanding issues is categorised according to level of concern and high-risk outstanding issues are escalated to senior management for timely resolution.

CORPORATE GOVERNANCE STATEMENT

IV. SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Shareholder Rights

The Group accords all shareholders fair and equitable treatment. The Group is committed to the practice of fair, transparent and timely disclosure of material information to enable shareholders to make informed decisions in respect of their investments in the Company. All price-sensitive information is publicly released prior to any sessions with individual investors or analysts.

Announcements of results and information on new initiatives are published through the SGXNET. Financial results and Annual Reports are announced or issued within the mandatory period. Shareholders can also access information on the Group via the website <https://raffles.education>.

The Company ensures that shareholders have the opportunity to participate effectively and vote at general meetings of shareholders and be informed of the rules, including voting procedures that govern such meetings. Shareholders may download the Annual Report and notice of the general meeting from the Company's website at <https://raffles.education> and SGXNET. The notice of general meeting is also broadcasted on SGXNET and advertised in newspapers.

The Constitution of the Company allows each shareholder to appoint up to two (2) proxies to attend and vote at general meetings on his/her behalf, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act). A relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other issues are satisfactorily resolved. Accordingly, the Company's Constitution does not currently expressly provide for such absentia voting methods at general meetings of shareholders.

The Annual General Meeting (AGM 2026) to be held on 30 October 2026 will be held at a physical place in Singapore, pursuant to the Companies, Business Trusts and Other Bodies (Miscellaneous Amendments) Act 2023.

The Minutes of the AGM which will incorporate substantial and relevant comments or queries from shareholders relating to the agenda of the AGM and responses from the Board and Management will be published on SGXNET and the Company's website at <https://raffles.education>.

Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, capital requirements, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

Communication with Shareholders

The Board views the general meetings as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the Directors or managements questions regarding the Company and its operations.

The Group's investor relations activities promote regular, effective and fair communication with shareholders. All press statements and announcements, if any, and quarterly financial statements are published on the Group's website <https://raffles.education> and at SGXNET website.

An investor relations team supports the Chairman and CEO in maintaining a close and active dialogue with institutional investors. Contact details for investors to submit their feedback and queries are provided on the Group's website.

Conduct of Shareholder Meetings

The AGM provides shareholders with the opportunity to share their views on matters of the Group and to meet the Board of Directors, including chairpersons of the Board Committees and certain members of senior management. Directors must attend all general meetings of the Company unless prevented by extenuating circumstances. The Group encourages and values shareholders' participation at its general meetings. Representatives from the external auditors of the Company are also present at AGM of the Company to address shareholders' queries.

The Company Secretary prepares Minutes of shareholders' meetings which incorporate substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and the responses from the Board and management. The Minutes are available to shareholders upon request.

In accordance with the recommendations contained in the Code and its Guidelines, comprehensive explanatory notes are provided in the notice of meeting on any special business to be transacted and resolutions requiring the approval of shareholders are tabled separately at the Company's general meetings unless they are closely related and are more appropriately dealt with together.

All the resolutions proposed at the Company's general meetings are put to vote by poll. The Company has adopted electronic poll voting which allows the votes cast for or against together with the respective percentages on each resolution to be tallied immediately and displayed live on screen at the general meeting. The same information is also announced after the general meeting via SGXNET.

CORPORATE GOVERNANCE STATEMENT

V. MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Company's material stakeholders are its shareholders, employees and the communities in which its subsidiary companies and institutions of learning operate in. The Company sets the direction for the growth of the organization and it does so in the knowledge of stakeholders' requirements and needs.

The Company regularly seeks its stakeholders' views and expectations through conversations, collaboration and research. By taking an inclusive approach, the Company hopes the stakeholders in turn will have a deeper understanding of the Company's strategic goals, practices and performance.

The environmental, social and governance factors that are material to the Company and its' stakeholders have been identified and are described in the Company's Sustainability Report.

The Company publishes its sustainability report on an annual basis. The Company's FY2026 Sustainability Report will be issued by 30 October 2026 and such Report will be made available to shareholders on SGXNET and the Company's website <https://raffles.education> in due course.

Through regular interactions, the Company will manage its relationships with all stakeholders and keep them apprised of the Company's governance, social and environmental concerns. All these efforts will be detailed in the Company's Sustainability Report.

VI. OTHER INFORMATION

Use of Proceeds from Unlisted, Non-Convertible Bonds ("Proposed Bond Issue")

- a) The Company received proceeds of \$20.0 million after the completion of issuance of non-convertible bonds, refers to the announcements dated 24 July 2024, 25 July 2024, 29 July 2024, 27 September 2024, 1 November 2024, 6 November 2024, 28 November 2024, 29 November 2024, 27 February 2025, 28 February 2025, 17 March 2025, 18 March 2025, 27 March 2025, 28 March 2025, 1 April 2025 and 3 April 2025 in relation to the Proposed Bond Issue.

The proceeds have been fully utilised as follows:

- (i) Repayment of existing loans and interest of \$10.5 million;
- (ii) Payment of \$6.8 million for other payables;
- (iii) Payment of \$2.1 million for personnel expenses; and
- (iv) Payment of \$0.6 million for other operating expenses and taxes.

Some of the proceeds were used to refinance some of the Group's borrowings in accordance with the intended use of the proceeds as stated in the announcement dated 24 July 2024. The Company had also re-allocated the balance of proceeds for payment of other payables, personnel expenses, other operating expenses and taxes.

CORPORATE GOVERNANCE STATEMENT

VI. OTHER INFORMATION (Continued)

Use of Proceeds from Unlisted, Non-Convertible Bonds (“Proposed Bond Issue”) (Continued)

- b) The Company received proceeds of \$4.0 million after the completion of issuance of non-convertible bonds, refers to the announcements dated 13 June 2025, 17 June 2025, 21 August 2025, 22 August 2025, 8 September 2025, 9 September 2025, 10 December 2025 and 11 December 2025 in relation to the Proposed Bond Issue.

The proceeds have been fully utilised as follows:

- (i) Repayment of existing loans and interest of \$2.1 million;
- (ii) Payment of \$0.6 million for personnel expenses;
- (iii) Payment of \$0.6 million for other payables;
- (iv) Payment of \$0.5 million for other operating expenses and taxes; and
- (v) Payment of \$0.2 million for investment in associate.

Some of the proceeds were used to refinance some of the Group’s borrowings in accordance with the intended use of the proceeds as stated in the announcement dated 13 June 2025. The Company had also re-allocated the balance of proceeds for payment of personnel expenses, other payables, other operating expenses, taxes and investment in associate.

Use of Proceeds from Sale of Treasury Shares

The Company received total net proceeds of \$8.5 million from the sale of 16,000,000, 10,000,000 and 44,660,300 treasury shares announced by the Company on 13 November 2025, 16 December 2025 and 16 January 2026.

The net proceeds have been fully utilised as follows:

- (i) Payment of \$2.0 million for investment in Raffles Iskandar Sdn Bhd;
- (ii) Payment of \$1.8 million for personnel expenses;
- (iii) Payment of \$1.2 million for interest expenses;
- (iv) Payment of \$1.1 million for professional fees;
- (v) Repayment of loans of \$1.1 million;
- (vi) Payment of \$0.7 million for other operating expenses and taxes; and
- (vii) Payment of \$0.6 million for other payables.

Some of the net proceeds were used for repayment of borrowings and general working capital purposes in accordance with the intended use of the net proceeds as stated in the announcement dated 13 November 2025, 16 December 2025 and 16 January 2026. The Company had also re-allocated the balance of net proceeds for payment of investment in Raffles Iskandar Sdn Bhd.

FINANCIALS

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DIRECTORS' STATEMENT

The Directors of Raffles Education Limited (the "Company") present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group"), the statement of changes in equity of the Company for the financial year ended 30 June 2026 and the statement of financial position of the Company as at 30 June 2026.

1. Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company together with the notes thereon are properly drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year ended on that date; and
- (b) at the date of this statement and as disclosed in Note 2 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are:

Chew Hua Seng
 Lim Siew Mun
 Lim How Teck
 Chua Chwee Koh
 Joseph Ho Yan Jun

3. Arrangements to enable Directors to acquire shares and debentures

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company for the purposes of Section 164 of the Singapore Companies Act 1967 (the "Act"), none of the Directors who held office at the end of the financial year had any interests in the shares or debentures of the Company or its related corporations except as follows:

	Shareholdings registered in the name of Directors		Shareholdings in which Directors are deemed to have an interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Interests in Raffles Education Limited				
	Number of ordinary shares			
Chew Hua Seng	491,769,605	749,262,532	34,043,159	35,177,931
Lim Siew Mun	4,375,300	5,042,977	-	-
Lim How Teck	3,375,300	2,899,530	2,000,000	2,769,230
Chua Chwee Koh	10,103,600	10,914,922 ⁽¹⁾	-	-
Joseph Ho Yan Jun	1,375,300	1,880,300	-	-
	Number of convertible bonds			
Chew Hua Seng	34,383,487	34,383,487	646,819	646,819
Lim Siew Mun	100,000	100,000	-	-
Lim How Teck	50,000	-	50,000	-
Chua Chwee Koh	421,000	421,000	-	-

(1) Shareholders may refer to the shareholding disclosures announced on 12 October 2026

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of Directors' Shareholdings, the Directors' interests as at 21 July 2026 in the shares of the Company have not changed from those disclosed as at 30 June 2026.

By virtue of Section 7 of the Act, Chew Hua Seng is deemed to have interests in the shares of all the related corporations of the Company as at the beginning and end of the financial year.

DIRECTORS' STATEMENT

5. Share options and performance shares

5.1 Share options

(a) Options to take up unissued shares

The Company had, by way of a shareholders' approval at an Extraordinary General Meeting held on 23 March 2011, adopted a new scheme "Raffles Education Corporation Employees' Share Option Scheme (Year 2011)" (the "RE ESOS Scheme").

The RE ESOS Scheme are administered by the Remuneration Committee whose current members are:

Lim How Teck (Chairman)
Joseph Ho Yan Jun
Lim Siew Mun

A member of the Remuneration Committee who is also a Participant of the RE ESOS Scheme must not be involved in its deliberations in respect of options granted or to be granted to him or held by him.

Statutory and other information regarding the RE ESOS Scheme are set out below:

- (i) The Committee may at its discretion, fix the subscription price at a discount up to 20% off market price, or a price equal to the average of the last dealt market prices for the 5 consecutive market days on which the shares of the Company were traded on the SGX-ST immediately preceding the date of grant of the options.
- (ii) Consideration for the grant of an option is \$1.00.
- (iii) Options can be exercised 1 year after grant for market price options and 2 years for discounted options.
- (iv) Options granted will expire after 5 years for participants not holding a salaried office or employment in the Group, and 10 years for employees of the Group.
- (v) Options granted will lapse when participant ceases to be a full-time employee with the Group, subject to certain exceptions at the discretion of the Company.
- (vi) The aggregate number of shares over which options may be granted on any date, when added to the number of shares issued and issuable in respect of all options granted under the RE ESOS Scheme, shall not exceed 15% of the total number of issued shares excluding treasury shares of the Company on the day preceding that date of grant.

DIRECTORS' STATEMENT

5. Share options and performance shares (Continued)

5.1 Share options (Continued)

(b) Unissued shares under option and options exercised

Under the RE ESOS Scheme, share options granted, exercised and cancelled during the financial year and outstanding as at 30 June 2026 were as follows:

Date of grant	At 1 July 2025					Exercise period
	Or date of grant, whichever is later	Exercised	Expired/ cancelled	Balance as at 30 June 2026	Exercise price	
	('000)	('000)	('000)	('000)	\$	
RE ESOS Scheme						
14 September 2018	800	-	-	800	0.148	14 September 2019 to 13 September 2028
14 September 2018	930	-	(100)	830	0.148	14 September 2020 to 13 September 2028
	1,730	-	(100)	1,630		

DIRECTORS' STATEMENT

5. Share options and performance shares (Continued)

5.1 Share options (Continued)

- (c) Share options pursuant to the RE ESOS Scheme (the "Schemes")

Aggregate options granted to Directors and controlling shareholders of the Company under the Schemes since their commencement, adjusted for share consolidation in financial year 2011, are as follows:

	Options granted during the financial year ended 30 June 2026 ('000)	Aggregate options granted since the commencement of the Schemes to 30 June 2026 ('000)	Aggregate options exercised/ cancelled since the commencement of the Schemes to 30 June 2026 ('000)	Aggregate options outstanding as at 30 June 2026 ('000)
Chew Hua Seng	-	1,500	(1,500)	-
Doris Chung Gim Lian*	-	300	(300)	-
	-	1,800	(1,800)	-

*Ms Doris Chung Gim Lian is the spouse of Mr Chew Hua Seng.

DIRECTORS' STATEMENT

5. Share options and performance shares (Continued)

5.1 Share options (Continued)

- (d) During the financial year, no options were granted at a discount to market price.
- (e) During the financial year, no participant received 5% or more of the total number of options, available under the Schemes.
- (f) There were no options granted to participants who are controlling shareholders of the Company and their associates except for options granted to Chew Hua Seng and Doris Chung Gim Lian, as disclosed above.
- (g) These options do not entitle the holder to participate by virtue of the options, in any share issue of any other corporations.

Save as disclosed above, there were no unissued shares of the Company or its subsidiary corporations under options as at the end of the financial year.

5.2 Performance Share Plan

- (a) The Company had, by way of a shareholders' approval at the Annual General Meeting held on 30 October 2021, adopted the "Raffles Education Performance Share Plan (Year 2021)" (the "RE PSP").

The RE PSP are administered by the Remuneration Committee whose current members are:

Lim How Teck (Chairman)
Joseph Ho Yan Jun
Lim Siew Mun

A member of the Remuneration Committee who is also a Participant of the RE PSP must not be involved in its deliberations in respect of options granted or to be granted to him or held by him.

Statutory and other information regarding the RE PSP are set out below:

- (i) The participants in the RE PSP extends to among others, executive and non-executive directors of any member of the Group and confirmed full-time employees of any member of the Group, and this includes the non-executive Directors (including independent Directors). Controlling Shareholders of the Company and/or their Associates (each as defined in the RE PSP) are not eligible to participate in the RE PSP.
- (ii) The Participants are not required to pay for the grant of awards.

DIRECTORS' STATEMENT

5. Share options and performance shares (Continued)

5.2 Performance Share Plan (Continued)

- (a) The Company had, by way of a shareholders' approval at the Annual General Meeting held on 30 October 2021, adopted the "Raffles Education Corporation Performance Share Plan (Year 2021)" (the "RE PSP"). (Continued)

Statutory and other information regarding the RE PSP are set out below:
(Continued)

- (iii) Participant has a right to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, provided that certain performance conditions or other conditions are met and upon the expiry of the vesting periods.
- (iv) Awards can be exercised within 3 years and $\frac{1}{3}$ of the awards granted can be exercised each year.
- (v) Awards granted will lapse when participant ceases to be an executive director, non-executive director or full-time employee with the Group, subject to certain exceptions at the discretion of the Company.
- (vi) The aggregate number of shares over which awards may be granted on any date, when added to the number of shares issued and issuable in respect of all share-based incentive schemes under the RE PSP, shall not exceed 15% of the total number of issued shares excluding treasury shares of the Company on the day preceding that date of grant.
- (b) During the financial year, there were grants of awards that have been issued to non-executive directors, being settlement of the share component of directors' fee for the financial year ended 30 June 2025 as follows:

Directors	Number of shares granted to each director
Lim How Teck	505,000
Ng Kwan Meng (retired on 31 October 2025)	505,000
Lim Siew Mun	505,000
Joseph Ho Yan Jun	505,000
Chua Chwee Koh	505,000

- (c) During the financial year, no participant was awarded 5% or more of the total number of shares, available under the RE PSP.
- (d) There were no awards granted to participants who are controlling shareholders of the Company and their associates.

DIRECTORS' STATEMENT

6. Audit Committee

The members of the Audit Committee as at the end of the financial year and at the date of this statement are:

Lim How Teck (Chairman)
Lim Siew Mun
Chua Chwee Koh

The Audit Committee performs the functions specified in Section 201B (5) of the Act. In performing those functions, the Audit Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditors;
- the audit plans and the overall scope of examination by the external auditor of the Group;
- the independence of the external auditor of the Company and the nature and extent of non-audit services provided by the external auditor;
- the assistance provided by the Company's officers to the external auditor; and
- the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2026, as well as the independent auditor's report on these financial statements thereon prior to submission to the Directors of the Company for adoption.

The Audit Committee has recommended to the Board of Directors the nomination of BDO LLP, for re-appointment as external auditor of the Company at the forthcoming Annual General Meeting.

7. Independent auditor

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Chew Hua Seng
Director

Singapore
8 October 2026

Lim How Teck
Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Raffles Education Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Raffles Education Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 118 to 198, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2026;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended; and
- notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2026, and of its consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

To the Members of Raffles Education Limited

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 30 June 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER

AUDIT RESPONSE

1 Impairment assessment of goodwill

As at 30 June 2026, the Group's goodwill amounted to \$93,741,000 which had been mainly allocated to two cash-generating-units ("CGUs") including China Education Limited and Raffles College of Higher Education Sdn. Bhd. In accordance with SFRS(I) 1-36 *Impairment of Assets*, the Group is required to test goodwill for impairment annually or more frequently if there is any indication that the goodwill have been allocated to respective CGUs may be impaired.

Management applied the value-in-use (discounted cash flow forecasts) method to determine the recoverable amount of respective CGUs. Any shortfall between the recoverable amount and the carrying amount of the CGUs would be recognised as impairment losses.

We have determined the impairment assessment of goodwill allocated to respective CGUs to be a key audit matter as significant judgements and estimates are involved with regard to the key assumptions such as revenue growth rate and discount rate used in the discounted cash flow forecast prepared by management.

Our procedures included amongst other, the following:

- Evaluated the reasonableness of the key assumptions made by management in preparing the discounted cash flows by performing analytical procedures and comparing the revenue and terminal growth rates against historical performance and industry outlook;
- Engaged our internal valuation specialist to evaluate the appropriateness of the discount rates used by management against market data;
- Performed sensitivity analysis around the key assumptions, including the revenue and terminal growth rate and discount rate used in cash flow forecast; and
- Assessed the adequacy of the related disclosures in the financial statements.

Refer to Note 9 of the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of Raffles Education Limited

KEY AUDIT MATTER	AUDIT RESPONSE
2 Valuation of investment properties As at 30 June 2026, the Group's investment properties amounted to \$335,481,000 and represented 35% of the Group's total assets. The Group recorded fair value gain on investment properties of \$4,606,000 during the financial year. The Group's investment properties are stated at fair value based on valuation performed by independent professional valuation specialists. The fair value of investment properties was derived using the direct comparison and income approach. Details of the valuation methodologies used are disclosed in Note 5 to the financial statements. The valuation process involves significant judgement in determining the appropriate valuation methodologies to be applied and these are underpinned by a number of key assumptions which included capitalisation rate, monthly rental rate and price per square metre. Changes to these key assumptions may have a significant impact to the valuation. We have determined the valuation of investment properties as a key audit matter due to the significance of the carrying amount and fair value gain to the financial statements as a whole, as well as the significant estimates and judgements associated with the valuation.	Our procedures included amongst other, the following: - Assessed the competency, capabilities and objectivity of the independent professional valuation specialists, including obtaining an understanding of the specialists' scope of work and the terms of engagement; - Read the valuation reports issued by the independent professional valuation specialists to understand and evaluate the appropriateness of the valuation methodologies used; - Assessed the reasonableness of the key assumptions made by comparing the price per square metre, monthly rental rate and capitalisation rate to market rates, rental agreements and market data, as appropriate; and - Assessed the adequacy of the related disclosures in the financial statements.
Refer to Note 5 of the accompanying financial statements.	

INDEPENDENT AUDITOR'S REPORT

To the Members of Raffles Education Limited

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

To the Members of Raffles Education Limited

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

To the Members of Raffles Education Limited

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Yeo Siok Yong.

BDO LLP

Public Accountants and
Chartered Accountants

Singapore
8 October 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2026

		Group		Company	
	Note	2026	2025	2026	2025
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	3	448,897	464,998	210	240
Right-of-use assets	4	6,425	9,113	-	-
Investment properties	5	335,481	316,440	-	-
Investments in subsidiaries	6	-	-	418,699	419,101
Investments in joint venture	7	-	-	-	-
Investments in associates	8	962	1,780	-	-
Intangible assets	9	95,042	96,216	56	65
Deferred tax assets	17	523	630	-	-
Other receivables	10	3,740	3,187	49,534	52,000
Financial assets at fair value through profit or loss	11	418	-	-	-
Restricted bank balances	12	2,239	2,235	-	-
		893,727	894,599	468,499	471,406
Current assets					
Inventories		49	60	-	-
Trade and other receivables	10	35,413	34,108	270,190	344,338
Cash and bank balances	12	39,159	16,861	3,501	96
		74,621	51,029	273,691	344,434
Non-current assets held for sale	13	1,426	73,123	-	-
		76,047	124,152	273,691	344,434
Less:					
Current liabilities					
Trade and other payables	14	49,775	54,169	297,212	388,000
Course fees received in advance	21	24,016	23,058	-	-
Education facilities rental service received in advance		1,455	338	-	-
Income tax payables		12,724	15,578	51	51
Borrowings	15	10,154	113,405	-	2,095
Lease liabilities	16	3,765	3,407	-	-
		101,889	209,955	297,263	390,146
Net current liabilities		(25,842)	(85,803)	(23,572)	(45,712)
Less:					
Non-current liabilities					
Other payables	14	5,475	4,929	-	-
Course fees received in advance	21	3,705	4,317	-	-
Borrowings	15	76,048	95,336	36,016	59,481
Lease liabilities	16	3,453	6,739	-	-
Deferred tax liabilities	17	61,919	56,914	-	-
		150,600	168,235	36,016	59,481
Net assets		717,285	640,561	408,911	366,213

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2026

		Group		Company	
	Note	2026	2025	2026	2025
		\$'000	\$'000	\$'000	\$'000
Equity					
Share capital	18	579,077	554,599	579,077	554,599
Treasury shares	19	-	(36,398)	-	(36,398)
Accumulated profits/(losses) and other reserves	20	51,949	37,625	(170,166)	(151,988)
Equity attributable to equity holders of the Company		631,026	555,826	408,911	366,213
Non-controlling interests		86,259	84,735	-	-
Total equity		<u>717,285</u>	<u>640,561</u>	<u>408,911</u>	<u>366,213</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	2026 \$'000	2025 \$'000
Revenue	21	106,823	111,710
Interest income	22	122	161
Other operating income	23	71,616	53,787
Personnel expenses	24	(47,562)	(48,125)
Other operating expenses		(94,083)	(66,554)
Depreciation and amortisation expenses		(17,714)	(18,221)
Reversal of loss allowances/(loss allowance) on trade and other receivables, net	10	272	(958)
Reversal of impairment loss/(impairment loss) on investment in associates	8	584	(585)
Fair value gain/(loss) on investment properties, net	5	4,606	(5,658)
Finance costs	25	(16,641)	(16,640)
Share of results of associates, net of tax		(1,244)	(179)
Profit before income tax	26	6,779	8,738
Income tax expense	27	(13,131)	(4,380)
(Loss)/profit after income tax		(6,352)	4,358
Other comprehensive income/(loss), net of tax			
Items that may be reclassified subsequently to profit or loss:			
Currency exchange differences arising on translating foreign operations		44,784	(45,778)
Total other comprehensive income/(loss), net of tax		44,784	(45,778)
Total comprehensive income/(loss) for the financial year		38,432	(41,420)
Attributable to:			
Equity holders of the Company		(5,607)	7,696
Non-controlling interests		(745)	(3,338)
Net (loss)/profit for the financial year		(6,352)	4,358
Attributable to:			
Equity holders of the Company		34,126	(34,278)
Non-controlling interests		4,306	(7,142)
Total comprehensive income/(loss) for the financial year		38,432	(41,420)
(Loss)/earnings per share (cents)			
- Basic	28	(0.36)	0.55
- Diluted	28	(0.36)	0.55

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Attributable to equity holders of the Company										
	Share capital \$'000	Treasury shares \$'000	Revaluation reserve \$'000	Treasury shares reserve \$'000	Convertible bonds reserve \$'000	Foreign currency translation reserve \$'000	Share-based payments reserve \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Group											
Balance at 1 July 2024	554,599	(37,798)	8,304	(1,652)	5,150	(57,819)	2,642	116,553	589,979	91,877	681,856
Net profit for the year	-	-	-	-	-	-	-	7,696	7,696	(3,338)	4,358
Other comprehensive loss	-	-	-	-	-	(41,974)	-	-	(41,974)	(3,804)	(45,778)
Total comprehensive loss for the year	-	-	-	-	-	(41,974)	-	7,696	(34,278)	(7,142)	(41,420)
Share-based payment	-	1,400	-	(1,275)	-	-	-	-	125	-	125
Balance at 30 June 2025	554,599	(36,398)	8,304	(2,927)	5,150	(99,793)	2,642	124,249	555,826	84,735	640,561

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

Company	Share capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Convertible bonds reserve \$'000	Share-based payments reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2025	554,599	(36,398)	(2,927)	5,150	2,642	(156,853)	366,213
Total comprehensive income	-	-	-	-	-	15,968	15,968
Issuance of ordinary shares	24,478	-	-	(380)	-	-	24,098
Dividends paid	-	-	-	-	-	(6,158)	(6,158)
Share-based payment	-	1,256	(1,131)	-	-	-	125
Sale of treasury shares	-	35,142	(26,477)	-	-	-	8,665
Balance at 30 June 2026	579,077	-	(30,535)	4,770	2,642	(147,043)	408,911
Balance at 1 July 2024	554,599	(37,798)	(1,652)	5,150	2,642	(162,044)	360,897
Total comprehensive income	-	-	-	-	-	5,191	5,191
Share-based payment	-	1,400	(1,275)	-	-	-	125
Balance at 30 June 2025	554,599	(36,398)	(2,927)	5,150	2,642	(156,853)	366,213

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	2026 \$'000	2025 \$'000
Operating activities			
Profit before income tax		6,779	8,738
Adjustments for:			
Depreciation for property, plant and equipment	3	14,098	14,609
Fair value (gain)/loss on investment properties, net	5	(4,606)	5,658
Amortisation of right-of-use assets	4	3,410	3,400
Amortisation of intangible assets	9	206	212
(Reversal of loss allowance)/loss allowance on trade and other receivables, net	10	(272)	958
(Reversal of impairment)/Impairment loss on investments in associates	8	(584)	585
Loss on disposal of investment in an associate	26	487	183
Loss on disposal of subsidiaries	26	29,362	-
Loss on disposal of investment properties	26	141	2,073
Loss/(gain) on disposal of property, plant and equipment, net		44	(90)
Loss on strike off of a subsidiary	26	1,823	-
Bad trade and other receivables written off	26	870	756
Finance costs	25	16,641	16,640
Interest income	22	(122)	(161)
Gain on lease modification	23	(189)	(49)
Gain on compensation from termination on acquisition of investment properties	23	(966)	-
Gain on disposal of non-current assets held for sale	23	(52,296)	-
Property, plant and equipment written off	26	7	-
Share of results of associates		1,244	179
Unrealised foreign exchange loss/(gain), net		11,494	(27,310)
Operating cash flows before movements in working capital		27,571	26,381
Inventories		10	(3)
Trade and other receivables		17	(637)
Course fees received in advance		4,510	5,023
Education facilities rental service received in advance		1,058	(158)
Trade and other payables		(6,022)	(5,112)
Cash generated from operations		27,144	25,494
Interest paid		(10,001)	(14,321)
Interest received		122	161
Income tax paid, net		(4,681)	(6,985)
Net cash generated from operating activities		12,584	4,349

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	2026 \$'000	2025 \$'000
Investing activities			
Acquisition of convertible notes	11	(407)	-
Acquisition of investment in associate	8	(175)	-
Additions of intangible assets	9	(61)	-
Payments for property, plant and equipment	A	(9,434)	(4,208)
Refund for acquisition of investment properties*		4,643	1,551
Refund from advance payment for construction of investment properties		-	1,604
Acquisition of investment in a subsidiary		(5,306)	-
Acquisition of non-controlling interest		(1,996)	-
Additions of right-of-use-assets		-	(1)
Additions of investment properties	5	(305)	(567)
Deposit received from non-current assets held for sale		-	1,780
Net proceeds from disposal of non-current assets held of sale	13	29,263	-
Net proceeds from disposal of subsidiaries	6	9,446	-
Proceeds from disposal of property, plant and equipment		2	771
Proceeds from disposal of investment properties		326	2,174
Net cash generated from investing activities		25,996	3,104
Financing activities			
Decrease in bank balances pledged and restricted cash, net		80	125
(Repayment to)/loan from a director, net	14, B	(4,134)	1,918
Proceeds from issuance of non-convertible bonds	C	3,000	21,000
Drawdown of bank borrowings	C	3,359	6,934
Dividend paid	D	(2,338)	-
Repayment of bank borrowings	C	(8,736)	(45,999)
Repayment of non-convertible bonds	C	(12,250)	-
Repayment of principal portion of lease liabilities	16	(3,472)	(3,332)
Repayment of interest portion of lease liabilities	16	(479)	(607)
Sale of treasury shares		8,665	-
Net cash used in financing activities		(16,305)	(19,961)
Net change in cash and cash equivalents		22,275	(12,508)
Cash and cash equivalents at beginning of financial year		16,861	29,369
Cash and cash equivalents at end of financial year	12	39,136	16,861

* These refunds were due to cancelled transactions.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	2026 \$'000	2025 \$'000
Note A: Reconciliation of net cash flow from additions of property, plant and equipment			
Additions of property, plant and equipment	3	23,415	6,710
Increase in other payables in relation to property, plant and equipment		(14,596)	(4,309)
Increase in advance payment for construction		615	1,807
Payments for property, plant and equipment per consolidated statement of cash flows		9,434	4,208

Note B: Reconciliation of amount due to a director

	Note	2026 \$'000	2025 \$'000
Balance at 1 July		7,688	6,011
Fund received from Director		1,105	17,991
Repayment to Director		(5,239)	(16,073)
Conversion into ordinary shares		(3,776)	-
Foreign currency realignment		222	(241)
Balance at 30 June 2026	14	-	7,688

Note C: Reconciliation of liabilities arising from financing activities

	Note	2026 \$'000	2025 \$'000
Balance at 1 July		208,741	225,271
Cash flows		(14,627)	(18,065)
Conversion into ordinary shares from:			
- Convertible bonds	18	(4,752)	-
- Non-convertible bonds		(11,750)	-
Settlement through disposal of non-current asset held for sale		(93,643)	-
Settlement through disposal of subsidiaries		(1,102)	-
Accrued loan interest		2,286	2,173
Foreign currency realignment		1,049	(638)
Balance at 30 June	15	86,202	208,741

Note D: Reconciliation of dividend paid

	2026 \$'000
Dividend declared (Note 20)	6,158
Conversion into ordinary shares – scrip dividend	(3,820)
Payments for dividends per consolidated statement of cash flows	2,338

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

1. General corporate information

Raffles Education Limited (the “Company”) is incorporated and domiciled in the Republic of Singapore (Registration Number: 199400712N), and its registered office and principal place of business is at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164. The Company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activities of the Company are those of an investment holding and provision of business and management consultancy services.

The principal activities of significant subsidiaries are set out in Note 6 to the financial statements.

The consolidated financial statements relate to the Company and its subsidiaries (collectively referred to as the “Group”) and the Group’s interests in associates and joint venture.

2. Basis of preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) under the historical cost convention, except as disclosed in the relevant notes to the financial statements.

The individual financial statements of each entity within the Group are measured and presented in the currency of primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollar (“\$”) which is the functional currency of the Company and the presentation currency for the consolidated financial statements and all values presented are rounded to the nearest thousand (“\$’000”) as indicated unless otherwise stated.

The preparation of financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group’s application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below and detailed disclosures are included in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

2. Basis of preparation (Continued)

Critical judgements applied:

- Classification between property, plant and equipment and investment property (Note 3 and 5)
- Evaluation of levels of control and influence (Note 6, 7 and 8)
- Determination of lease terms (Note 16)

Significant accounting estimates and assumptions used:

- Fair value measurement of investment properties (Note 5)
- Impairment assessment of investment in subsidiaries, joint venture and associates (Notes 6, 7 and 8 respectively)
- Impairment assessment of goodwill (Note 9)
- Estimated credit loss on trade and other receivables (Note 10)
- Income taxes in various jurisdictions (Note 27)

Going concern

As at 30 June 2026, the Group's and the Company's current liabilities exceeded its current assets by \$25.8 million (2025: \$85.8 million) and \$23.6 million (2025: \$45.7 million) respectively. The Directors have assessed that there is no material uncertainty as to the Group's and Company's ability to continue as a going concern based on the following factors:

- (i) Positive cash flow generation from its operations based on the cash flow forecast that covers a period of at least 15 months from 30 June 2026;
- (ii) The Group is confident that its lenders will continue to give support to the Group;
- (iii) The Group's ability to refinance its existing borrowings when necessary with financial institutions;
- (iv) The Group's ability to realise certain of its assets through sale/lease of its properties; and
- (v) The Company has the ability to tap funds from its shareholders and the capital market.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

2. Basis of preparation (Continued)

Changes in accounting policies

New standards, amendments and interpretations effective from 1 July 2025

On 1 July 2025, the Group adopted the new or amended FRSs and interpretations to FRSs that are mandatory for application for the financial year. The adoption of these standards did not result in significant changes to the Group's accounting policies and had no material impact to the Group's financial statements.

New standards, amendments and interpretations issued but not yet effective

There are a number of standards, amendments to standards, and interpretations published that are effective in future accounting periods which the Group has not decided to early adopt. The Group does not expect any of these standards upon adoption will have a material impact to the Group, except as disclosed below:

SFRS(I) 18 Presentation and Disclosure in Financial Statements

The SFRS(I) 18 replaces SFRS(I) 1-1 *Presentation of Financial Statements* and provides guidance on presentation and disclosure in financial statements, focus on the statement of profit or loss.

SFRS(I) 18 introduces:

- New structure on statement of profit or loss with defined subtotals;
- Disclosure related to management-defined performance measures ("MPMs"), which are measures of financial performance based on a total or sub-total required by accounting standards with adjustments made (e.g. 'adjusted profit or loss'). A reconciliation of MPMs to the nearest total or subtotal calculated in accordance with accounting standards; and
- Enhanced principles on aggregation and disaggregation of financial information which apply to the primary financial statements and notes in general.

SFRS(I) 18 will take effect on 1 January 2027 and management anticipates that the new requirements will change the current presentation and disclosure in the financial statements. An impact assessment regarding the adoption of SFRS(I) 18 is still underway and has not yet been completed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

3. Property, plant and equipment

	Freehold land \$'000	Leasehold land, buildings and improvements \$'000	Plant and equipment \$'000	Furniture, fittings and equipment \$'000	Computer equipment \$'000	Motor vehicles \$'000	Construction in-progress \$'000	Total \$'000
Group								
2026								
Cost								
Balance at 1 July 2025	71,657	458,422	6,158	19,244	12,100	1,978	13,038	582,597
Acquisition of a subsidiary	5,194	111	-	-	-	-	-	5,305
Additions	-	14,270	277	257	494	-	8,117	23,415
Disposals	-	(545)	(349)	(105)	(19)	(262)	-	(1,280)
Disposal of subsidiaries	-	(47,574)	-	(5,549)	(921)	(140)	(6,270)	(60,454)
Written off	-	-	-	(28)	(131)	(2)	-	(161)
Foreign currency realignment	1,448	22,743	335	829	538	73	266	26,232
Balance at 30 June 2026	78,299	447,427	6,421	14,648	12,061	1,647	15,151	575,654
Accumulated depreciation and impairment losses								
Balance at 1 July 2025	-	84,496	4,886	14,655	11,109	1,277	1,176	117,599
Depreciation charged	-	11,936	320	1,247	453	142	-	14,098
Disposals	-	(525)	(349)	(86)	(18)	(256)	-	(1,234)
Disposal of subsidiaries	-	(4,229)	-	(4,210)	(914)	(83)	-	(9,436)
Written off	-	-	-	(21)	(131)	(2)	-	(154)
Foreign currency realignment	-	4,406	300	618	483	56	21	5,884
Balance at 30 June 2026	-	96,084	5,157	12,203	10,982	1,134	1,197	126,757
Carrying amounts								
Balance at 30 June 2026	78,299	351,343	1,264	2,445	1,079	513	13,954	448,897

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

3. Property, plant and equipment (Continued)

	Freehold land \$'000	Leasehold land, buildings and improvements \$'000	Plant and equipment \$'000	Furniture, fittings and equipment \$'000	Computer equipment \$'000	Motor vehicles \$'000	Construction in-progress \$'000	Total \$'000
Group								
2025								
Cost								
Balance at 1 July 2024	58,062	470,388	6,072	19,151	11,989	1,861	7,714	575,237
Additions	-	155	397	510	438	52	5,158	6,710
Transfer in from right-of-use assets	-	-	-	-	-	38	-	38
Transfer in from investment properties	11,143	2,265	-	-	-	-	-	13,408
Transfer in from advance payment for property, plant and equipment	-	-	-	-	-	-	206	206
Disposals	-	(935)	(7)	(40)	(6)	(12)	-	(1,000)
Written off	-	(192)	-	-	-	-	-	(192)
Foreign currency realignment	2,452	(13,259)	(304)	(377)	(321)	39	(40)	(11,810)
Balance at 30 June 2025	71,657	458,422	6,158	19,244	12,100	1,978	13,038	582,597
Accumulated depreciation and impairment losses								
Balance at 1 July 2024	-	74,969	4,873	13,434	10,950	1,093	1,119	106,438
Depreciation charged	-	12,162	294	1,534	466	153	-	14,609
Disposals	-	(254)	(7)	(40)	(6)	(12)	-	(319)
Written off	-	(192)	-	-	-	-	-	(192)
Foreign currency realignment	-	(2,189)	(274)	(273)	(301)	43	57	(2,937)
Balance at 30 June 2025	-	84,496	4,886	14,655	11,109	1,277	1,176	117,599
Carrying amounts								
Balance at 30 June 2025	71,657	373,926	1,272	4,589	991	701	11,862	464,998

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

3. Property, plant and equipment (Continued)

	Computer equipment \$'000	Motor vehicle \$'000	Total \$'000
Company			
2026			
Cost			
Balance at 1 July 2025 and 30 June 2026	13	300	313
Accumulated depreciation			
Balance at 1 July 2025	13	60	73
Depreciation	-	30	30
Balance at 30 June 2026	13	90	103
Carrying amount			
Balance at 30 June 2026	-	210	210
2025			
Cost			
Balance at 1 July 2024 and 30 June 2025	13	300	313
Accumulated depreciation			
Balance at 1 July 2024	11	30	41
Depreciation	2	30	32
Balance at 30 June 2025	13	60	73
Carrying amount			
Balance at 30 June 2025	-	240	240

During the year, the Group capitalised borrowing costs amounting to \$177,000 (2025: \$7,000) relating to construction of buildings. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation range from 6.35% to 6.90% (2025: 6.75% to 6.90%).

Property, plant and equipment are initially recorded at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure on an item of property, plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

Freehold land has an unlimited useful life and therefore is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

3. Property, plant and equipment (Continued)

Depreciation on other items of property, plant and equipment is calculated and recognised in profit or loss using the straight-line basis to allocate their depreciable amounts over their estimated useful lives as follows:

Leasehold land, buildings and improvements [#]	3 - 50 years
Plant and equipment	10 years
Furniture, fittings and equipment	7 - 10 years
Computer equipment	4 - 5 years
Motor vehicles	10 years

[#] Majority of the leasehold land and buildings are depreciated over 20 - 50 years.

Construction in-progress represents buildings under construction, which is stated at cost less impairment if any. Cost comprises the direct costs incurred during the period of construction, installation and testing. Construction in-progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use. No depreciation is provided on construction in-progress. Depreciation commences when the asset is ready for its intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Gain or loss on disposal of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and its carrying amount and is recognised in profit or loss.

Certain leasehold land, buildings and improvements consist of certain land use rights.

Certain freehold land and leasehold land, buildings and improvements with carrying value of \$81.5 million (2025: \$73.1 million) were mortgaged to secure borrowings as referred to in Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

4. Right-of-use assets

	Leased premises \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
Group				
Cost				
Balance at 1 July 2025	16,571	641	98	17,310
Additions	1,364	171	-	1,535
Transfer out to property, plant and equipment	-	(75)	-	(75)
Lease modification	(2,127)	(216)	-	(2,343)
Foreign currency realignment	240	12	5	257
Balance at 30 June 2026	16,048	533	103	16,684
Accumulated amortisation				
Balance at 1 July 2025	7,775	408	14	8,197
Amortisation charged	3,256	144	10	3,410
Transfer out to property, plant and equipment	-	(75)	-	(75)
Lease modification	(1,136)	(216)	-	(1,352)
Foreign currency realignment	73	5	1	79
Balance at 30 June 2026	9,968	266	25	10,259
Carrying amounts				
Balance at 30 June 2026	6,080	267	78	6,425
Cost				
Balance at 1 July 2024	18,340	576	180	19,096
Additions	1,144	64	-	1,208
Transfer out to property, plant and equipment	-	-	(91)	(91)
Lease modification	(1,693)	-	-	(1,693)
Written off	(1,050)	(9)	-	(1,059)
Foreign currency realignment	(170)	10	9	(151)
Balance at 30 June 2025	16,571	641	98	17,310
Accumulated amortisation				
Balance at 1 July 2024	6,966	339	53	7,358
Amortisation charged	3,316	72	12	3,400
Transfer out to property, plant and equipment	-	-	(53)	(53)
Lease modification	(1,365)	-	-	(1,365)
Written off	(1,050)	(9)	-	(1,059)
Foreign currency realignment	(92)	6	2	(84)
Balance at 30 June 2025	7,775	408	14	8,197
Carrying amounts				
Balance at 30 June 2025	8,796	233	84	9,113

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

4. Right-of-use assets (Continued)

Restrictions

Included in the above, motor vehicles and office equipment with a carrying amount of \$345,000 (2025: \$317,000) are secured by the lease liabilities of \$305,000 (2025: \$288,000) (Note 16) as at 30 June 2026. The motor vehicles and office equipment will be returned to lessor in the event of default by the Group.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Right-of-use assets are subsequently measured at cost less any accumulated amortisation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis on the following bases:

Leased premises	1 - 6 years
Office equipment	3 - 5 years
Motor vehicles	10 years

5. Investment properties

	Group	
	2026	2025
	\$'000	\$'000
Balance at beginning of financial year	316,440	351,288
Additions	305	567
Fair value gain/(loss) recognised in profit or loss, net	4,606	(5,658)
Disposal of investment properties	(467)	(4,247)
Transfer to property, plant and equipment, net (Note 3)	-	(13,408)
Transfer to non-current assets held for sale (Note 13)	-	(5,025)
Foreign currency realignment	14,597	(7,077)
Balance at end of financial year	<u>335,481</u>	<u>316,440</u>

Investment properties, which are properties held to earn rentals and/or for capital appreciation and are not occupied by the Group, are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value unless it is still in the course of construction or development at the reporting date and its fair value cannot be reliably determined at that time. Gains or losses arising from changes in the fair value of investment properties are recognised in profit or loss for the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

5. Investment properties (Continued)

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements are capitalised as additions and carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvements are charged to profit or loss when incurred.

Classification between property, plant and equipment and investment property

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes.

In accordance with SFRS(I) 1-40 *Investment Property*, the Group has established certain criteria in making judgement on whether a property qualifies as an investment property. Investment property is a property held for capital appreciation or to earn rentals or both. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property. In addition, depending on the Group's latest corporate strategies, from time to time, the management may change the usage of its landed properties between property, plant and equipment and investment properties.

- (a) As at 30 June 2026, the investment properties relate to land and properties of certain subsidiaries held by Oriental University City Limited ("OUCL"), Oriental University City Holdings (H.K.) Limited ("OUCHK") (collectively "OUC"), Raffles Iskandar Sdn. Bhd. ("RU"), Raffles K12 Sdn. Bhd. ("RK12"), Mandurah Resort Pty Ltd ("Mandurah"), Raffles College of Design and Business (Private) Limited ("RUSL"), Raffles Sivez 1750 Pte. Ltd. ("Sivez") and 4 Valleys Pte. Ltd. ("4 Valleys"). OUC owns and leases out investment properties to colleges within its self-contained campus. The land under RU, Mandurah and RUSL are vacant as at 30 June 2026. RK12 has utilised part of the land for cafeteria and boarding facilities rental. Sivez owns a commercial building. 4 Valleys owns a hotel and facilities ("Hotel") and seven commercial units ("commercial units"), of which four are rented out.

Rental income from the Group's investment properties which are leased out under operating leases amounted to \$9.3 million (2025: \$9.6 million). Direct operating expenses arising from rental and non-rental generating investment properties amounted to \$2.5 million and \$1.5 million (2025: \$2.6 million and \$1.5 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

5. Investment properties (Continued)

- (b) Investment properties are stated at fair value, determined based on professional valuation carried out by firms of independent professional valuation specialists holding recognised and relevant professional qualifications and recent experience in the locations and categories of the properties being valued. The valuation conforms to International Valuation Standards and is based on the assets' highest and best use, which is in line with actual use.

The valuations are mainly performed using Direct Comparison Approach and Income Approach.

Direct Comparison Approach makes reference to the comparable sales evidence in the relevant locality with adjustments made to reflect the differences in size, location, tenure, condition, prevailing market conditions and all other relevant factors affecting its use. The major inputs into the valuation model were the price per square metre and size of the properties.

Income Approach is based on capitalisation of net rental income derived from the existing tenancies with due allowances for revisionary income potential of the property or by reference to comparable market transactions. The major inputs into the valuation model were the rental rates and capitalisation rates.

For valuations performed by independent professional valuation specialist, the management reviews the appropriateness of the valuation methodologies and assumptions adopted including reliability of the inputs used in the valuations.

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The fair value of the investment properties is considered Level 3 recurring fair value measurements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

5. Investment properties (Continued)

(b) (Continue)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Valuation techniques	Key unobservable inputs	Range	Inter-relationship between key unobservable inputs and fair value measurement
Income approach	Capitalisation rate	2.9% - 8.0% per annum (2025: 2.9% - 8.0% per annum)	Increase in capitalisation rate would result in lower fair value.
	Monthly rental rate	\$3.4 - \$81.9 per sqm (2025: \$3.2 - \$89.3 per sqm)	Increase in monthly rental rate would result in higher fair value.
Direct comparison approach	Price per square metre ⁽¹⁾	\$107.1 - \$1,116.7 per sqm (2025: \$106.9 - \$791.7 per sqm)	Increase in price per square metre would result in higher fair value.

⁽¹⁾ The yield adjustments are made for any difference in the nature, location or condition of the specific property.

- (c) As at 30 June 2026, \$260.8 million (2025: \$244.7 million) of the Group's investment properties are held under remaining leasehold interests between 23 to 28 years (2025: 24 to 29 years). The remaining investment properties are freehold.
- (d) Certain investment properties with carrying values totalling \$220.7 million (2025: \$207.2 million) were mortgaged to secure borrowings as referred to in Note 15 to the financial statements.
- (e) Investment properties of the Group are held mainly for leasing to tenants under operating leases.

6. Investments in subsidiaries

	Company	
	2026	2025
	\$'000	\$'000
Quoted equity shares, at cost	68,736	68,736
Unquoted equity shares, at cost	376,003	375,986
Less: Allowance for impairment losses	(26,040)	(25,621)
	<u>418,699</u>	<u>419,101</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. Investments in subsidiaries (Continued)

Evaluation of levels of control and influence

The Group and the Company carry on parts of its business activities through subsidiaries, associates or joint venture. In those circumstances, the Group and the Company have the ability to affect the significant financial and operating policies of the investees through the presence of control, significant influence or joint control. The determination of the level of influence the Group and the Company have over a business is often a mix of contractually defined and subjective factors that can be critical to the appropriate accounting treatment of investees in the Group's and the Company's financial statements. The management exercises significant judgement in analysing and evaluating relevant, subjective, diverse and sometimes contrasting qualitative and quantitative facts and circumstances surrounding its involvement in the investees, in determining whether the Group and the Company have control, significant influence or joint control over the investees. There are instances, where elements are present that, when considered in isolation, indicate control or lack of control over an investee, but when considered together makes it difficult to reach a clear conclusion. In certain circumstances, despite the lack of the required legal equity ownership, there could exist a parent-subsidary relationship, an investor-associate relationship or a joint-investor relationship between the Group and the Company with these investees. Such evaluation and assessment processes do take into consideration to account for transactions and events in accordance with their substance and economic reality, and not merely their legal forms.

During the financial year ended 30 June 2026, Raffles Design International (India) Private Limited, issued additional shares amounting to \$253,000 (2025: \$260,000) to the Company. In addition, Myanmar Raffles Edu Co., Ltd. was liquidated during the year, resulting in a reduction in the cost of investment in subsidiaries of approximately \$236,000.

During the financial year ended 30 June 2026, the Group acquired additional 15% equity interest of Raffles Iskandar Sdn. Bhd. from non-controlling interest of cash consideration of \$1.9 million.

Analysis of allowance for impairment losses on investments in subsidiaries during the financial year is as follows:

	Company	
	2026	2025
	\$'000	\$'000
Balance at beginning of financial year	25,621	25,100
Allowance made during the financial year, net	419	521
Balance at end of financial year	<u>26,040</u>	<u>25,621</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. Investments in subsidiaries (Continued)

As at each reporting date, the Company carried out a review of the recoverable amounts of the investment in subsidiaries, resulting in recognition of impairment losses of approximately \$419,000 (2025: \$521,000) for the financial year ended 30 June 2026, due to decline in performance of a subsidiary. The recoverable amount of \$3,716,000 (2025: \$4,194,000) is determined based on the estimated fair value less cost of disposal using the adjusted net asset of the subsidiaries. This fair value measurement is categorised as a Level 3 of the fair value hierarchy based on the inputs used.

Details of the significant subsidiaries are as follows:

	Effective equity interest held by the Group		Country of incorporation/ principal place of business	Principal activities
	2026 %	2025 %		
Subsidiaries				
Wanbo Institute of Science & Technology ^(a)	-	100	The People's Republic of China	Provision of vocational and technical training
Tianjin University of Commerce Boustead College ^(a)	100	100	The People's Republic of China	Provider of education services
Oriental University City Holdings (H.K.) Limited ("OUCHK") and its subsidiaries ("OUCHK Group") ^(a)	75*	75*	The People's Republic of China	Provider of education supporting services
4 Vallees Pte. Ltd. ("4VPL")	75	75	Singapore	Property investment
Langfang Tonghui Education Consulting Co., Ltd ^(a)	99	99	The People's Republic of China	Provider of education consulting and development services
Langfang Hezhong Real Estate Development Co., Ltd ^(a)	70	70	The People's Republic of China	Property investment
Raffles College of Higher Education Sdn. Bhd. ("RKL") ^(a)	70	70	Malaysia	Provision of training programmes and courses in various areas of design and management

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. Investments in subsidiaries (Continued)

Details of the significant subsidiaries are as follows: (Continued)

	Effective equity interest held by the Group		Country of incorporation/ principal place of business	Principal activities
	2026 %	2025 %		
Subsidiaries (Continued)				
Raffles Iskandar Sdn. Bhd. ^(a)	95	70	Malaysia	Provider of education services
Raffles K12 Sdn. Bhd. ^(a)	100	100	Malaysia	Operating an American system school
Raffles Assets (Singapore) Pte. Ltd.	100	100	Singapore	Property investment
Raffles Assets (Thailand) Limited ^(a)	100	100	Thailand	Provider of education services
Raffles College of Higher Education Pte. Ltd.	100	100	Singapore	Provider of education services

Notes on significant subsidiaries:

All the subsidiaries above are audited by BDO LLP, Singapore except for the following:

^(a) Audited by overseas member firms of BDO

In appointing the auditors of the Company and the subsidiaries, the Group has complied with Rule 712 and Rule 716 of the SGX-ST Listing Rules.

* OUCHK is listed on the Growth Enterprise Market ("GEM") of the Hong Kong Stock Exchange. Significant subsidiary within OUCHK Group includes Langfang Development Zone Oriental University City Education Consultancy Co., Ltd, whose principal activities being provision of education facilities rental services in the People's Republic of China.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. Investments in subsidiaries (Continued)

Non-controlling interests

The following subsidiaries of the Group have material non-controlling interests ("NCI"):

	Effective equity interest held by the NCI		Country of incorporation/ principal place of business
	2026 %	2025 %	
Subsidiaries			
Oriental University City Holdings (H.K.) Limited and its subsidiaries (“OUCHK Group”)	25	25	The People’s Republic of China
Langfang Hezhong Real Estate Development Co., Ltd (“Hezhong”)	30	30	The People’s Republic of China

Summarised financial information in relation to the subsidiaries that have non-controlling interests ("NCI") that are material to the Group, before inter-company eliminations together with amounts attributed to NCI, is presented below:

	OUCHK Group		Hezhong	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Revenue	10,474	10,444	-	-
Profit/(loss) before income tax	3,552	(8,714)	(4,266)	(4,230)
Income tax (expense)/ credit	(2,584)	(2,188)	112	97
Profit/(loss) after income tax	968	(10,902)	(4,154)	(4,133)
Profit/(loss) allocated to NCI	243	(2,725)	(1,246)	(1,240)
Other comprehensive income/(loss) allocated to NCI	2,681	(1,801)	2,167	(2,124)
Total comprehensive income/(loss) allocated to NCI	2,924	(4,526)	921	(3,364)
Cash flows from/(used in) operating activities	5,137	(1,777)	(1)	1
Cash flows from investing activities	6,642	4,279	-	-
Cash flows used in financing activities	(11,174)	(15,108)	-	-
Net cash inflow/(outflow)	605	(12,606)	(1)	1

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. Investments in subsidiaries (Continued)

Non-controlling interests (Continued)

Summarised financial information in relation to the subsidiaries that have non-controlling interests (“NCI”) that are material to the Group, before inter-company eliminations together with amounts attributed to NCI, is presented below: (Continued)

	OUCBK Group		Hezhong	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Assets:				
Current assets	6,085	13,199	51,248	47,998
Non-current assets	282,197	266,515	117,112	113,783
Liabilities:				
Current liabilities	(15,419)	(18,621)	(55,388)	(51,864)
Non-current liabilities	(65,433)	(65,355)	(1,467)	(1,482)
Net assets	207,430	195,738	111,505	108,435
Accumulated non-controlling interests	51,858	48,934	33,451	32,531

Disposal of subsidiaries

Disposal of Hefei Yuren Education Management Co., Ltd. (“Hefei Yuren Education Management”)

During the financial year ended 30 June 2026, the Group disposed of Hefei Yuren Education Management together with its subsidiary, Wanbo Institute of Science & Technology, for a total consideration of approximately \$78.4 million (equivalent to RMB 426.4 million). The consideration comprised cash consideration of approximately \$20.6 million (equivalent to RMB 112.0 million) and the debt assumption by the purchaser amounting to approximately \$57.8 million (equivalent to RMB 314.4 million).

Pursuant to the terms of the Sale and Purchase Agreement with the purchaser, the purchaser acquired Hefei Yuren Education Management from the Group for a cash consideration of RMB 112 million. During the financial year, the purchaser paid RMB 75 million (equivalents to \$13.8 million). The remaining balance of RMB 37 million (equivalent to \$7.034 million) is expected to be repaid within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. Investments in subsidiaries (Continued)

Disposal of subsidiaries (Continued)

Disposal of Hefei Yuren Education Management Co., Ltd. ("Hefei Yuren Education Management")
(Continued)

The effect of the disposal as at date of disposal were:

Carrying amounts of net assets over which control was lost	\$'000
Property, plant and equipment (Note 3)	51,018
Goodwill (Note 9)	7,115
Trade and other receivables	58,579
Cash and cash equivalents	4,335
Trade and other payables	(13,593)
Income tax payables	(10,370)
Borrowings	(1,102)
Net assets derecognised	<u>95,982</u>
Total consideration of the disposal of subsidiaries	
Debt assumption by purchaser*	57,776
Cash consideration	<u>20,579</u>
	<u>78,355</u>
Loss on disposal of subsidiaries	17,627
Realisation of foreign currency translation reserve	<u>11,735</u>
Net effect of loss on disposal of subsidiaries (Note 26)	<u>29,362</u>
The effects of the disposal of the subsidiaries are as follows:	
Total cash received	13,781
Cash and cash equivalents disposed	<u>(4,335)</u>
Net cash inflow	<u>9,446</u>

* The amount represents balance owing by the Group to Hefei Yuren Education Management and Wanbo Institute of Science & Technology at the date of disposal.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. Investments in subsidiaries (Continued)

Acquisition of a subsidiary

On 27 March 2026, the Group acquired 100% equity interest in Dataran Delapan (M) Sdn Bhd for cash consideration of RM16,810,000 (equivalent to \$5,305,000).

The transaction is accounted for as an asset acquisition, as the subsidiary acquired does not meet the definition of business under SFRS(I) 3, Business Combinations. At the date of acquisition, the subsidiary comprised solely of two parcels of freehold land. Accordingly, the purchase consideration has been allocated to identifiable assets acquired.

The fair value of the identifiable assets of Dataran Delapan (M) Sdn Bhd at date of acquisition are as follows:

	\$'000
Property, plant and equipment (Note 3)	5,305
Net assets acquired, representing net cash outflow on acquisition of a subsidiary	<u>5,305</u>

7. Investments in joint venture

For all joint arrangements, the Group assesses the substance of the joint arrangement in determining whether it is classified as a joint venture or joint operation. This assessment requires the Group to consider whether it has rights to the joint arrangement's net assets (in which case it is classified as a joint venture), or rights to and obligations for specific assets, liabilities, expenses and revenues (in which case it is classified as a joint operation). The Group considers the structure, legal form, and contractual agreement of these joint arrangements that give the Group's rights to the net assets and therefore, classified as a joint venture.

Details of the joint venture is as follows:

	Effective equity interest held by the Group		Country of incorporation/ principal place of business	Principal activities
	2026	2025		
	%	%		
Joint venture				
Jai Radha Raman Education Society ("JRRES") ^(a)	50	50	India	Provision of higher education services

^(a) Based on management's assessment and judgement, the financial information of the insignificant joint venture is immaterial for disclosures.

The Group has not recognised losses relating to joint venture where its share of losses exceeded the Group's carrying amount of its investment in the joint venture. The Group's cumulative share of unrecognised losses as at 30 June 2026 was \$0.4 million (2025: \$0.7 million). The Group has no obligation in respect of those losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

8. Investments in associates

	Group	
	2026	2025
	\$'000	\$'000
Quoted equity shares, at cost	2,717	3,029
Unquoted equity shares, at cost	331	331
Share of post-acquisition results	(2,086)	(1,014)
Allowance for impairment losses	-	(566)
	<u>962</u>	<u>1,780</u>

Analysis of allowance for impairment losses on investment in Axtec Limited (formerly known as Axiom Properties Limited) during the financial year is as follows:

	Group	
	2026	2025
	\$'000	\$'000
Balance at beginning of financial year	566	-
(Reversal of impairment)/ impairment loss made during the financial year	(584)	585
Foreign exchange translation difference	18	(19)
Balance at end of financial year	<u>-</u>	<u>566</u>

Details of associates are as follows:

	Effective equity interest held by the Group		Country of incorporation/ principal place of business	Principal activities
	2026	2025		
	%	%		
Associates				
Axtec Limited ("Axtec") ^{(a)(c)}	13.7***	14.3***	Australia	Property development and investment
Raffles Education Middle East Training Co. Ltd ("REMET") ^(b)	30.0	30.0	Saudi Arabia	Provision of education services and training programmes

*** This is computed by OUCHK's 18.25% (2025: 19.01%) ownership in Axtec further multiplied by the Company's 75% ownership in OUCHK = arising to effective equity interest of 13.7% (2025: 14.3%) ownership in Axtec by the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

8. Investments in associates (Continued)

During the financial year ended 30 June 2026, the Group subscribed for 13,500,000 ordinary shares in Axtec through a private placement at a subscription price of AUD 0.015 per share, for a total consideration of AUD 202,500 (equivalent to \$175,000). As part of the arrangement, the Group's equity interest in Axtec was diluted, resulting in a deemed disposal of a portion of its interest in the associate. Accordingly, a loss on deemed disposal of investment in associate of RMB 2,652,000 (equivalent to \$487,000) was recognised in profit or loss during the financial year.

Notes on associates:

- (a) Audited by overseas member firm of BDO
- (b) Based on management's assessment and judgement, the financial information of the insignificant associate is immaterial for disclosure.
- (c) Although the Group's ownership interest in Axtec is less than 20%, the Group has the rights to appoint representative on the board of directors of Axtec. Management therefore considered that the Group has the power to exercise significant influence and accounted the investment in Axtec as an associate.

As at 30 June 2026, the fair value of the Group's investment in Axtec, which is listed on the Australian Securities Exchange, was \$1,107,000 (2025: \$1,568,000). The fair value measurement is classified within Level 1 of the fair value hierarchy.

As at 30 June 2026, the fair value less costs to sell off the corresponding interest in Axtec has been determined as higher (2025: lower) than the carrying amount hence the management recognised a reversal of impairment loss of \$584,000 (2025: impairment loss of \$585,000) in profit or loss for the financial year ended 30 June 2026. There are no contingent liabilities relating to the Group's interest in associates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

8. Investments in associates (Continued)

Summarised financial information of Axtec based on management accounts are as follows:

	Axtec	
	2026	2025
	\$'000	\$'000
Current assets	814	5,599
Non-current assets	3,153	9,401
Current liabilities	(528)	(5,963)
Non-current liabilities	(1,543)	(297)
Net assets	<u>1,896</u>	<u>8,740</u>
Revenue	-	7,218
Loss after tax	(6,583)	(2,524)
Other comprehensive income	35	1,916
Total comprehensive loss	<u>(6,548)</u>	<u>(608)</u>

The information above reflects the amounts presented in the financial statements of the associates (and not the Group's share of those amounts), adjusted for fair value adjustments made at the time of acquisition and differences in accounting policies between the Group and the associates.

	Group	
	2026	2025
	\$'000	\$'000
Net assets	<u>1,896</u>	<u>8,740</u>
Share of net assets attributable to the Group	333	1,662
Goodwill	503	472
Impairment loss	-	(566)
Carrying value	<u>836</u>	<u>1,568</u>
Add:		
Carrying value of individually immaterial associate	126	212
Carrying value of the Group's investments in associates	<u>962</u>	<u>1,780</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

9. Intangible assets

	Goodwill on acquisitions \$'000	Trademarks and licenses \$'000	Development costs \$'000	Computer software \$'000	Total \$'000
Group					
2026					
Cost					
Balance at 1 July 2025	94,753	2,335	2,935	113	100,136
Additions	-	-	61	-	61
Disposal of subsidiaries	(7,115)	-	-	-	(7,115)
Foreign currency realignment	6,103	(24)	120	(4)	6,195
Balance at 30 June 2026	93,741	2,311	3,116	109	99,277
Accumulated amortisation and impairment losses					
Balance at 1 July 2025	-	898	2,920	102	3,920
Amortisation	-	191	8	7	206
Foreign currency realignment	-	(7)	119	(3)	109
Balance at 30 June 2026	-	1,082	3,047	106	4,235
Carrying amounts					
As at 30 June 2026	93,741	1,229	69	3	95,042
2025					
Cost					
Balance at 1 July 2024	100,450	2,281	2,826	133	105,690
Write off	-	-	-	(18)	(18)
Foreign currency realignment	(5,697)	54	109	(2)	(5,536)
Balance at 30 June 2025	94,753	2,335	2,935	113	100,136
Accumulated amortisation and impairment losses					
Balance at 1 July 2024	-	695	2,804	105	3,604
Amortisation	-	187	8	17	212
Write off	-	-	-	(18)	(18)
Foreign currency realignment	-	16	108	(2)	122
Balance at 30 June 2025	-	898	2,920	102	3,920
Carrying amounts					
As at 30 June 2025	94,753	1,437	15	11	96,216

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

9. Intangible assets (Continued)

	Trademarks \$'000	Computer software \$'000	Total \$'000
Company			
2026			
Cost			
Balance at 1 July 2025 and 30 June 2026	228	51	279
Accumulated amortisation			
Balance at 1 July 2025	171	43	214
Amortisation	2	7	9
Balance at 30 June 2026	173	50	223
Carrying amounts			
As at 30 June 2026	55	1	56
2025			
Cost			
Balance at 1 July 2024 and 30 June 2025	228	51	279
Accumulated amortisation			
Balance at 1 July 2024	170	35	205
Amortisation	1	8	9
Balance at 30 June 2025	171	43	214
Carrying amounts			
As at 30 June 2025	57	8	65

Trademark and licenses

Trademarks and licenses with definite useful lives are stated at cost less accumulated amortisation and accumulated impairment loss. They are assessed for impairment annually or whenever there are indications of impairment. The useful lives are reviewed on an annual basis, and amortised using the straight-line method from the date on which they are available for use, over the estimated useful lives of up to 10 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

9. Intangible assets (Continued)

Development costs

Expenditures on development activities, being the application of technical findings and/or other knowledge to a plan or design for the production of new or substantially improved products or services before commercial production or use, is capitalised if the products or services are technically and commercially feasible; adequate resources available to complete development and sufficient certainty of future economic benefits to the Group will cover not only the usual operation and administrative costs but also the development costs themselves.

Expenditure capitalised comprises all directly attributable costs, including materials, services and appropriate proportion of overhead costs. Other development expenditure is recognised in profit or loss as expense when incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and assessed for impairment whenever there is an indication of impairment. Amortisation is calculated using the straight-line method to allocate cost over the expected period of benefits, varying between useful lives of 3 to 7 years.

Computer software

Computer software is initially capitalised at costs which include purchase price and other directly attributable cost of preparing the asset for its intended use. Direct expenditure, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Maintenance costs are recognised as an expense when incurred.

Computer software under development represents software under development, which is stated at cost. Cost comprises the direct costs incurred during the period of development, installation and testing. Computer software under development is reclassified to the appropriate category of intangible assets when completed and ready for use. No amortisation is provided on computer software under development. Amortisation commences when the asset is ready for its intended use.

Computer software is subsequently carried at cost less accumulated amortisation and accumulated impairment loss. These costs are amortised using the straight-line method over their estimated useful lives of 3 to 7 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

9. Intangible assets (Continued)

Goodwill on acquisitions

Goodwill arising on the acquisition of a subsidiary or business represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previously held equity interest in the acquiree over the acquisition date fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

Goodwill on subsidiary is recognised separately as intangible assets. Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

Goodwill acquired in a business combination is allocated to the cash-generating units ("CGUs") that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated to the CGUs which made up of the various subsidiaries are as follows:

	Group	
	2026	2025
	\$'000	\$'000
China Education Limited ("CEL")	90,121	84,387
Wanbo Institute of Science & Technology ("Wanbo")	-	6,923
Raffles College of Higher Education Sdn. Bhd. ("RKL")	3,605	3,429
Others	15	14
	<u>93,741</u>	<u>94,753</u>

The Group tested the CGUs annually for impairment or more frequently when there are indications that the CGUs might be impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

9. Intangible assets (Continued)

Impairment testing of goodwill

In current year, the Group determined the recoverable amounts of the CGUs based on the respective value-in-use by applying the discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by the management covering a period of up to five years, including terminal value. The key assumptions used in the value-in-use calculation were:

	CEL		Wanbo		RKL	
	2026	2025	2026	2025	2026	2025
Revenue growth rate	5.6%	9.1%	-	9.3%	13.8%	13.5%
Terminal growth rate	2.0%	2.0%	-	3.4%	2.0%	2.0%
Discount rate	7.0%	7.0%	-	7.0%	7.5%	7.5%

Following the impairment tests, the Group did not recognise any impairment charge during the financial year ended 30 June 2026 and 30 June 2025.

Sensitivity analysis

Management has estimated that, with all other variables remain constant and on a standalone basis, the maximum movement of the key assumptions used in the value-in-use calculation before recognising an impairment charge were:

	CEL	RKL
Revenue growth rate	Decrease from 5.6% to 3.8%	Decrease from 13.8% to 11.0%
Terminal growth rate	Reduction from 2% to 0%	Reduction from 2% to 0%
Discount rate	Increase from 7.0% to 9.0%	Increase from 7.5% to 11.9%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

10. Trade and other receivables

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables:				
Third parties	5,733	6,362	-	-
Less: loss allowance	(706)	(819)	-	-
	5,027	5,543	-	-
Other receivables:				
Third parties	7,745	4,315	-	-
Less: loss allowance	-	(366)	-	-
	7,745	3,949	-	-
Deposits	2,135	2,438	-	7
Prepayments	3,870	4,668	94	109
Subsidiaries ^(a)	-	-	323,635	396,628
Less: loss allowance on amount due from subsidiaries	-	-	(53,923)	(52,776)
	-	-	269,712	343,852
Joint venture and associates ^(a)	15,786	16,926	352	347
Value added tax recoverable	679	447	-	-
Others	171	137	32	23
	30,386	28,565	270,190	344,338
	35,413	34,108	270,190	344,338
Non-current other receivables:				
Subsidiaries ^(a)	-	-	48,534	51,000
Prepayments	2,465	1,868	-	-
Others	1,275	1,319	1,000	1,000
	3,740	3,187	49,534	52,000
Total	39,153	37,295	319,724	396,338

Trade receivables are non-interest bearing and are generally on 30 days credit term.

As at 30 June 2026, other receivables from third parties comprised an amount of \$7,034,000 arising from the disposal of subsidiaries, Hefei Yuren Education Management (Note 6). The balance is due to be received from the purchaser by August 2026. Although the amount remained unpaid as at the date of this report, management has assessed the recoverability of the receivable and concluded that the associated expected credit loss is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

10. Trade and other receivables (Continued)

As at 30 June 2025, other receivables from third parties comprised an amount of \$3,561,000 arising from termination payments due from a vendor which the Group prepaid for property acquisition. The amount is repayable by the vendor in four equal instalments starting from March 2025. The amount has been fully repaid by the vendor as at 30 June 2026.

Deposits comprise deposits made for rental of office premises, office equipment, and utilities are refundable upon the termination of the lease terms.

The maximum exposure to credit risk in the event that the customers fail to perform their obligations as at end of financial year in relation to each class of recognised financial assets is the carrying amounts of those assets stated in the statements of financial position. There are no collaterals held as securities or other credit enhancements.

The concentration of credit risk for trade receivables is limited due to the large, diverse and unrelated customer base. As at 30 June 2026, the Group has significant amount due from joint venture. The Company has significant amounts of non-trade receivables due from subsidiaries.

The Group applied the simplified approach and provided for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance with days past due by grouping of customers based on observable ageing buckets. The Group's loss allowance as at 30 June 2026 amounted to \$706,000 (2025: \$819,000).

The Group provides expected credit losses for non-trade receivables based on the general three-stage model. Credit performance of each debtor is monitored regularly by management. In respect of amounts due from joint ventures and associates, management considers factors such as the performance, financial capability and/or any delay in agreed payment schedule to determine whether there is a significant increase in credit risk of each debtor since initial recognition. Based on the assessment, the non-trade receivables of the Group at 30 June 2026 are subject to immaterial credit losses. At 30 June 2025, a receivable amounting to \$3,561,000 with allowance of \$366,000 is provided considering likelihood of vendor failing to pay (probability of default) and the potential loss if default occurs (loss given default). In the current year, the allowance of \$366,000 was written back as the vendor has fully repaid the amount of \$3,561,000.

For the Company's non-trade amounts due from subsidiaries, management has taken into account the available internal information on the subsidiaries' past, current and expected operating performance and cash flow position in assessing if there is a significant increase in credit risk since initial recognition and then adjust the loss allowance based on the assessment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

10. Trade and other receivables (Continued)

Movements in the loss allowance for receivables are as follows:

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of financial year	1,185	252	52,776	53,511
Allowance made for the financial year	111	1,022	1,662	-
Written off against allowance*	(260)	-	(515)	-
Write-back of allowance	(383)	(64)	-	(455)
Foreign currency realignment	53	(25)	-	(280)
Balance at end of financial year	706	1,185	53,923	52,776

*Certain loss allowances are written off during the current year when there are no reasonable expectations of recovery.

At the end of the reporting period, included within the loss allowance for receivables of the Group and the Company comprise credit impaired receivables of \$706,000 and \$29,317,000 (2025: \$819,000 and \$27,072,000) due to long outstanding or financial difficulty of the related counterparties.

Further notes on trade and other receivables:

- (a) The amounts due from subsidiaries, joint venture and associates are non-trade in nature, unsecured, interest-free and are to be settled in cash, except for non-current amount due from subsidiaries of \$48,475,000 (2025: \$47,900,000) subject to annual interest of 3.00% (2025: 3.00%). The carrying amount of these amounts approximates its fair value due to the relatively short period of maturity or insignificant effects of discounting.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

11. Financial assets at fair value through profit or loss

	2026 \$'000	2025 \$'000
Group		
Debt investment	418	-

On 29 November 2025, the Group as noteholder and Axtex as issuer entered into the convertible note issue agreement in relation to the subscription of the convertible notes, pursuant to which the Group agreed to subscribe for the convertible notes with aggregate face value of AUD 475,000 at a consideration of AUD 475,000 (equivalent to approximately \$418,000). The convertible notes have been issued to the Group on 29 June 2026. The convertible notes are unsecured, bear interest at a rate of 10% per annum payable quarterly in arrears.

The convertible notes are convertible into ordinary shares of the issuer at the option of the Group prior to maturity or automatically on maturity in December 2028. The conversion price is based on a discount to the market price of the issuer's shares and is subject to specified minimum and maximum conversion prices.

The Group may elect to redeem the convertible note on maturity by providing the required notice to the issuer. In addition, the issuer has the right to redeem all or part of the outstanding convertible note, together with any accrued interest, prior to maturity.

The convertible notes are classified as a financial asset at fair value through profit or loss ("FVTPL"). The fair value of the instrument was determined by an independent professional valuer using a discounted cash flow model for the debt component and an option pricing model for the embedded derivative feature. The fair value measurement is categorised within Level 3 of the fair value hierarchy.

The significant unobservable inputs applied in the valuation are as follows:

	2026
Credit spread	5.38%
Yield volatility	1.00%

No sensitivity analysis has been performed on the valuation of convertible notes as the effect of reasonably possible changes in the unobservable inputs is considered immaterial to the fair value measurement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

12. Cash and bank balances

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Cash and bank balances	39,120	16,846	3,501	96
Fixed deposits	39	15	-	-
	39,159	16,861	3,501	96
Non-current				
Restricted bank balances	2,239	2,235	-	-
	41,398	19,096	3,501	96
Less: restricted bank balances	(2,239)	(2,235)		
Less: pledged fixed deposits balances	(23)	-		
Cash and cash equivalents for purpose of consolidated statement of cash flows	39,136	16,861		

Group

The restricted bank balances are pledged to banks as collateral for credit facilities granted (Note 15).

Cash and bank balances of \$32,028,000 (2025: \$11,558,000) held in The People's Republic of China are subject to local exchange control regulations.

At each reporting date, fixed deposits have an average maturity of 3.0 months (2025: 3.0 months) from the end of the financial year with an average effective interest rate of 0.8% (2025: 0.8%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

13. Non-current assets held for sale

	Group	
	2026	2025
	\$'000	\$'000
As at 1 July	73,123	89,104
Transfer from investment property (Note 5)	-	5,025
Disposal	(71,885)	(20,263)
Foreign currency realignment	188	(743)
As at 30 June	1,426	73,123

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of the asset's previous carrying amount and fair value less costs to sell except for inter-alia investment properties accounted for in accordance with the fair value model. The assets are not depreciated or amortised while classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

Property at 51 Merchant Road

On 21 June 2023, the Group announced its intention to dispose of its investment property located at 51 Merchant Road through a public tender process. On 1 December 2025, the Group entered into a sale and purchase agreement to dispose of the property for a total cash consideration of \$121.8 million. The disposal was approved by shareholders at the extraordinary general meeting and was completed in February 2026.

The net cash inflow arising from the disposal amounted to \$27.05 million, after deducting repayment of borrowings of \$93.6 million and transaction-related costs.

Property in Langfang Development Zone, Hebei, the People's Republic of China

On 15 March 2024, the Group announced the proposed disposal of OUCHK's subsidiary's property located in Langfang Development Zone, Hebei, the People's Republic of China, at a total consideration of RMB 110 million (equivalent to approximately HK\$121.19 million or S\$20.63 million). The proposed disposal has been approved on 14 May 2024 during the extraordinary general meeting. The sale was completed in August 2024.

Non-current assets held for sale with carrying amount of \$Nil (2025: \$68.3 million) were mortgaged to secure borrowings as in Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

14. Trade and other payables

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Trade payables	1,837	2,219	-	-
Amounts due to subsidiaries	-	-	294,333	382,500
Other accruals	9,432	13,370	2,342	3,354
Accruals for property and land use tax	4,935	4,676	-	-
Accruals for business taxes	3,971	3,511	-	-
Accruals for capital expenditure	3,904	5,960	-	-
Amount due to a director	-	7,688	-	771
Deposit received from non-current asset held for sale	950	1,780	-	-
Other payables	24,746	14,965	537	1,375
	<u>49,775</u>	<u>54,169</u>	<u>297,212</u>	<u>388,000</u>
Non-current other payables				
Other payables	5,475	4,929	-	-
	<u>5,475</u>	<u>4,929</u>	<u>-</u>	<u>-</u>
Total	<u>55,250</u>	<u>59,098</u>	<u>297,212</u>	<u>388,000</u>

Trade payables are non-interest bearing and are normally settled on 30 to 60 days' term.

In the current financial year, the amounts due to subsidiaries are unsecured, interest-free and repayable on demand. As at 30 June 2025, included in the amounts due to subsidiary is \$47.6 million which bears interest at a range of 4.69% to 6.03% per annum.

At 30 June 2025, the amount due to a director is unsecured and repayable on demand. The director took personal loans which bear interests at 5.59% to 6.00% (2025: 2.80% to 8.03%) per annum which he provided to the Group. The Group reimburses the interest on the amounts that the director provided to the Group. During the financial year ended 30 June 2026, the outstanding balance was settled through repayments and conversion into ordinary shares (Note 18).

Included in the current other payables is \$17.2 million (equivalent to RM54.2 million) arising from an arbitration award and related claim against a wholly-owned subsidiary of the Group (Note 30).

The carrying amount of non-current other payables approximate its fair value after taking into consideration the insignificant effects of discounting.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

15. Borrowings

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Bank loans and bank overdrafts				
- Secured	9,728	111,920	-	2,077
- Unsecured	426	1,485	-	18
	10,154	113,405	-	2,095
Non-current				
Bank loans				
- Secured	40,032	35,855	-	-
Convertible bonds				
- Unsecured ⁽¹⁾	36,016	38,481	36,016	38,481
Non-convertible bonds				
- Unsecured ⁽²⁾	-	21,000	-	21,000
Total non-current	76,048	95,336	36,016	59,481
Total borrowings	86,202	208,741	36,016	61,576

⁽¹⁾ On 30 August 2022, the Company entered into a definitive underwriting agreement which UOB Kay Hian Private Limited (UOBKH) had underwritten up to \$22,265,000 in principal amount of right issue bonds based in the right Issue bond price of \$0.85 and \$17,900,000 in principal amount of placement bond.

The convertible bonds bear interest at 6% per annum, payable on a semi-annual basis. The initial conversion price is \$0.065 and is subject to adjustments as set out in the Terms and Conditions of the convertible bonds. They are convertible at the option of the holder at any time on or after 60 days after the issue date of the convertible bonds up to the close of business on a date 10 days prior to maturity date on 23 September 2027. Convertible bonds with principal balance amounted to \$4,752,000 were converted to shares as disclosed in Note 18 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

15. Borrowings (Continued)

- ⁽²⁾ On 24 July 2024, the Company proposed issuance of unlisted, non-convertible, 5-year 10.5% unsecured bonds up to an aggregate principal amount of \$20,000,000. During the financial year ended 2025, the Company entered into subscription agreements with certain subscribers who subscribe to the entire non-convertible bonds. The maturity date of the bonds is determined based on 5 years from each of the subscription date.

Further to above, the Company had on 13 June 2025 proposed issuance of unlisted, non-convertible, 5-year 10.5% unsecured bonds up to an aggregate principal amount of \$10,000,000. Certain subscribers have subscribed to \$1,000,000 principal amount of the non-convertible bonds on 17 June 2025. During the financial year ended 30 June 2026, additional subscribers subscribed to a further \$3,000,000 principal amount of the non-convertible bonds.

During the financial year ended 30 June 2026, the non-convertible bonds were fully settled. \$11,750,000 was settled through the issuance of ordinary shares of the Company, while the remaining balance was settled through cash repayment.

Interest-bearing borrowings are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of reporting period, in which case they are presented as non-current liabilities.

Convertible bonds are regarded as compound instruments, consisting of a liability component and an equity component. The component parts of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability, on an amortised cost basis until extinguished upon conversion or at the instruments' maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

15. Borrowings (Continued)

Security for bank loans is as follows:

- bank borrowings of \$20.4 million (2025: \$113.8 million) are secured by letter of guarantee by the Company;
- bank borrowings of \$Nil (2025: \$2.1 million) are secured on shares of a subsidiary and a director's personal guarantee;
- certain restricted bank balances of \$2.2 million (2025: \$2.2 million) (Note 12);
- certain property, plant and equipment (Note 3) with carrying amount of \$81.5 million (2025: \$73.1 million) and investment properties (Note 5) with carrying amount of \$220.7 million (2025: \$207.2 million); and
- non-current asset held for sale (Note 13) with carrying amount of \$Nil (2025: \$68.3 million).

The current borrowings have an average maturity of 6 months (2025: 6 months) from the end of the financial year. The non-current borrowings have an average maturity of approximately 2.35 years (2025: 3.33 years) from the end of the financial year.

The effective interest rates of the borrowings range from 1.50% to 13.70% (2025: 1.69% to 13.70%) per annum. Management estimates that the carrying amount of the Group's and the Company's borrowings approximates its fair value as the current lending rates for similar types of lending arrangement are not materially different from the rates obtained by the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

16. Lease liabilities

	Leased premises \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
Group				
At 1 July 2025	9,858	218	70	10,146
Additions	1,364	171	-	1,535
Interest expenses (Note 25)	456	19	4	479
Lease modification	(1,180)	-	-	(1,180)
Lease payments				
- Principal portion	(3,308)	(146)	(18)	(3,472)
- Interest portion	(456)	(19)	(4)	(479)
Foreign currency realignment	179	7	3	189
At 30 June 2026	6,913	250	55	7,218
At 1 July 2024	12,401	238	82	12,721
Additions	1,144	64	-	1,208
Interest expenses (Note 25)	587	15	5	607
Lease modification	(377)	-	-	(377)
Lease payments				
- Principal portion	(3,227)	(89)	(16)	(3,332)
- Interest portion	(587)	(15)	(5)	(607)
Foreign currency realignment	(83)	5	4	(74)
At 30 June 2025	9,858	218	70	10,146

The maturity analysis of lease liabilities of the Group as at 30 June 2026 are as follows:

	Group	
	2026	2025
	\$'000	\$'000
Contractual undiscounted cash flows		
- Not later than a year	4,061	3,995
- Between one and five years	3,586	7,367
- More than five years	-	2
	7,647	11,364
Less: Future interest expense	(429)	(1,218)
Present value of lease liabilities	7,218	10,146
Presented in consolidated statement of financial position		
- Non-current	3,453	6,739
- Current	3,765	3,407
	7,218	10,146

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

16. Lease liabilities (Continued)

Determination of lease terms

The Group leases office premises, office equipment and motor vehicles from third parties with only fixed payments over the lease terms. Included in the lease arrangement of the premises, there are extension options held and exercisable by the Group. In determining the lease term, management considers the likelihood of exercising the extension option. Management considers all facts and circumstances that create an economic incentive to extend the lease. The assessment on lease terms is reviewed at the end of each reporting period if there is a significant change in the Group's intentions, business plan or other circumstances unforeseen since it was first estimated. As at 30 June 2026, management is of the opinion that the Group is unlikely to exercise the extension option. Accordingly, the potential cash outflows of approximately \$15.1 million (2025: 15.1 million) in the measurement of lease liabilities was not included.

During the financial year ended 30 June 2026, one of the Group's subsidiaries (2025: two subsidiaries) had an early termination of lease rental, resulting in a lease modification of \$991,000 (2025: \$328,000) of right-of-use assets and \$1,180,000 (2025: \$377,000) of lease liabilities.

Certain office equipment of the Group was qualified for low value lease exemption and the Group also leases certain leased premises on a short-term basis (i.e. less than 12 months). The election of low-value lease exemption and short-term leases is made on lease-by-lease basis.

The Group had total cash outflows for leases including short term and low value assets leases of \$4,120,000 (2025: \$4,111,000).

As at 30 June 2026, the weighted average incremental borrowing rate applied and average interest rate implicit in the lease were 5.34% (2025: 5.17%) and 2.92% (2025: 2.92%) per annum respectively.

The Group's lease liabilities of \$305,000 (2025: \$288,000) was secured over certain office equipment and motor vehicles (Note 4).

There is no externally imposed covenant on these lease arrangements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

17. Deferred tax assets and liabilities

The following are the major deferred tax assets and liabilities recognised by the Group and movements thereon during the financial year.

Deferred tax assets/(liabilities)

	Group	
	2026	2025
	\$'000	\$'000
Deferred tax assets	523	630
Deferred tax liabilities	(61,919)	(56,914)

Deferred tax assets

	Other payables	Tax losses	Excess of tax written down value over net book value	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
Balance at 1 July 2025	153	214	31	232	630
Credited/(charged) to profit or loss	-	(10)	-	(80)	(90)
Foreign currency realignment	(12)	(2)	(3)	-	(17)
Balance at 30 June 2026	141	202	28	152	523
Balance at 1 July 2024	(21)	236	32	232	479
Credited/(charged) to profit or loss	181	(27)	-	-	154
Foreign currency realignment	(7)	5	(1)	-	(3)
Balance at 30 June 2025	153	214	31	232	630

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

17. Deferred tax assets and liabilities (Continued)

Deferred tax liabilities

	Accelerated tax depreciation on property, plant and equipment \$'000	Fair value adjustment on investment properties \$'000	Divestment of land and properties \$'000	Others \$'000	Total \$'000
Group					
Balance at 1 July 2025	(1,523)	(35,914)	(19,477)	-	(56,914)
Credited/(charged) to profit or loss	111	(2,419)	-	270	(2,038)
Foreign currency realignment	(96)	(1,550)	(1,323)	2	(2,967)
Balance at 30 June 2026	(1,508)	(39,883)	(20,800)	272	(61,919)
Balance at 1 July 2024	(2,033)	(40,915)	(20,727)	159	(63,516)
Credited/(charged) to profit or loss	412	3,424	-	(150)	3,686
Reclassification	17	-	-	(17)	-
Foreign currency realignment	81	1,577	1,250	8	2,916
Balance at 30 June 2025	(1,523)	(35,914)	(19,477)	-	(56,914)

At each reporting date, no temporary differences have been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries, therefore, no liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. Unremitted earnings totalled \$221.6 million (2025: \$193.5 million) as at 30 June 2026.

18. Share capital

	Group and Company			
	2026	2025	2026	2025
	Number of ordinary shares		\$'000	\$'000
Issued and paid up:				
At beginning of the financial year	1,463,646,772	1,463,646,772	554,599	554,599
Issuance of ordinary shares	354,032,701	-	24,478	-
At the end of the financial year	1,817,679,473	1,463,646,772	579,077	554,599

The Company has one class of ordinary shares which carry no rights to fixed income.

Paid up ordinary shares, which have no par value, carry one vote per share and has rights to dividends.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

18. Share capital (Continued)

During the financial year ended 30 June 2026, the issued share capital of the Company increased by \$24.5 million arising from:

- (i) the issuance of 81,098,962 ordinary shares pursuant to the conversion of convertible bonds. The conversion resulted in an increase in share capital of \$5,132,000, comprising \$4,752,000 representing the carrying amount of the convertible bond liability and \$380,000 transferred from the convertible bond reserve upon conversion;
- (ii) the issuance of 241,100,605 ordinary shares pursuant to the conversion of non-convertible bonds amounting to \$11,750,000 and shareholder (director) loans amounting to \$3,776,000; and
- (iii) the issuance of 31,833,134 ordinary shares amounting to \$3,820,000 pursuant to the scrip dividend scheme.

19. Treasury shares

	Group and Company			
	2026	2025	2026	2025
	Number of ordinary shares		\$'000	\$'000
At beginning of the financial year	73,185,300	76,000,300	36,398	37,798
Sale of treasury shares	(70,660,300)	-	(35,142)	-
Share-based payment	(2,525,000)	(2,815,000)	(1,256)	(1,400)
At the end of the financial year	-	73,185,300	-	36,398

The total amount paid to repurchase the shares has been deducted from shareholders' equity. The shares are held as "treasury shares".

The Company has transferred 2,525,000 (2025: 2,815,000) treasury shares to Directors as part of the performance share plan of the Company for the financial year ended 30 June 2025 and 30 June 2024 respectively.

During the financial year ended 30 June 2026, the Company sold 70,660,300 treasury shares for a gross consideration of \$8,665,000. The difference between the sale proceeds and the cost of treasury shares was recognised within equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

20. Accumulated profits/(losses) and other reserves

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Revaluation reserve ¹	8,304	8,304	-	-
Treasury shares reserve ²	(30,535)	(2,927)	(30,535)	(2,927)
Convertible bonds reserve ³	4,770	5,150	4,770	5,150
Foreign currency translation reserve ⁴	(46,507)	(99,793)	-	-
Share-based payments reserve ⁵	2,642	2,642	2,642	2,642
Accumulated profits/(losses)	113,275	124,249	(147,043)	(156,853)
	51,949	37,625	(170,166)	(151,988)

¹ Revaluation reserve

Revaluation reserve represents the difference between the carrying amount and fair value of property when an owner-occupied property becomes an investment property which will be carried at fair value. This reserve is non-distributable.

² Treasury shares reserve

The treasury share reserve represents the difference between the consideration received upon the sale of treasury shares or the transfer of treasury shares in connection with share-based payment arrangements, and the original carrying amount of those shares.

³ Convertible bonds reserve

Convertible bonds reserve represents the equity component on convertible notes issued on 23 September 2022 (see Note 15).

⁴ Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of foreign operations whose functional currencies are different from that of the Group's presentation currency. This reserve is non-distributable.

⁵ Share-based payments reserve

Share-based payments reserve represents the cumulative value of services received from employees and directors recorded in respect of the grants of equity-settled share options over the vesting period commencing from grant date of equity-settled share options and is reduced by the expiry or exercise of the share options. This reserve is non-distributable.

Dividends

During the financial year, the Company has declared a special interim one-tier tax exempt dividend of \$0.4 cents per ordinary share of the Company totalling \$6,158,000 in respect of the financial year ended 30 June 2026. Under the Company's Scrip Dividend Scheme, eligible shareholders could elect to receive new ordinary shares in lieu of cash, either wholly or partially. Accordingly, dividends amounting to approximately \$3,820,000 were satisfied through the issuance of new ordinary shares, while dividends amounting to approximately \$2,338,000 were settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

21. Revenue

Disaggregation of revenue

Operating segment

	Education		Education Facilities Rental Service		Real Estate Investment and Development		Total
	2026	2025	2026	2025	2026	2025	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Course fees	83,778	89,535	-	-	-	-	83,778 89,535
Rental income from investment properties	-	-	8,636	8,272	702	1,295	9,338 9,567
Student accommodation fees	2,486	3,061	-	-	-	-	2,486 3,061
Canteen operation	1,734	1,617	-	-	-	-	1,734 1,617
Other fees	9,234	7,719	-	-	253	211	9,487 7,930
	97,232	101,932	8,636	8,272	955	1,506	106,823 111,710

Geographical segment

	ASEAN		North Asia		South Asia		Europe		Total
	2026	2025	2026	2025	2026	2025	2026	2025	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Course fees	47,644	46,869	34,056	40,555	166	186	1,912	1,925	83,778 89,535
Rental income from investment properties	-	-	8,649	8,518	-	-	689	1,049	9,338 9,567
Student accommodation fees	-	-	2,486	3,061	-	-	-	-	2,486 3,061
Canteen operation	1,705	1,553	29	64	-	-	-	-	1,734 1,617
Other fees	8,562	6,919	640	800	-	-	285	211	9,487 7,930
	57,911	55,341	45,860	52,998	166	186	2,886	3,185	106,823 111,710

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

21. Revenue (Continued)

Disaggregation of revenue (Continued)

Geographical segment (Continued)

Course fees and related instruction costs are recognised over time and over the period of instruction. Amounts of fees received relating to future periods of instruction are presented as course fees received in advance.

The Group, as a lessor, leases its investment properties under operating leases to non-related parties. Lease payments from operating leases are recognised as income on a straight-line basis.

Student accommodation fees is recognised on a straight-line basis over the term of use.

Revenue from provision of canteen operations is recognised as and when such services are rendered.

Timing of transfer of good or service (excluding rental income from investment properties)

	2026	2025
	\$'000	\$'000
Over time	86,264	92,596
At a point in time	11,221	9,547
	<u>97,485</u>	<u>102,143</u>

Course fees received in advance

Course fees received in advance refer to course fees billed and received for the future financial years. The amount of revenue that will be recognised in future years on these contracts when those remaining performance obligations will be satisfied is analysed as follows:

	Group	
	2026	2025
	\$'000	\$'000
Course fees received in advance:		
Within one year	24,016	23,058
More than one year	3,705	4,317
	<u>27,721</u>	<u>27,375</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

22. Interest income

	Group	
	2026	2025
	\$'000	\$'000
Interest income from banks	122	161

23. Other operating income

	Group	
	2026	2025
	\$'000	\$'000
Foreign exchange gain	16,762	51,056
Government grant	72	53
Gain on disposal of non-current assets held for sale	52,296	-
Gain on disposal of property, plant and equipment	-	90
Gain on lease modification	189	49
Compensation from termination on acquisition of investment properties	966	-
Others	1,331	2,539
	71,616	53,787

24. Personnel expenses

	Group	
	2026	2025
	\$'000	\$'000
Salaries, bonuses and allowances	39,327	40,245
Contributions to defined contribution plans	6,612	6,114
Other social expenses	1,623	1,766
	47,562	48,125

Personnel expenses include directors' remuneration as shown in Note 32 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

25. Finance costs

	Group	
	2026	2025
	\$'000	\$'000
Interest expenses:		
- Bank borrowings	4,986	9,818
- Convertible bonds	4,758	4,791
- Non-convertible bonds	1,627	1,404
- Unwinding effect of discounting payables	21	20
- Lease liabilities (Note 16)	479	607
- Litigation costs	3,806	-
- Others	964	-
	<u>16,641</u>	<u>16,640</u>

26. Profit before income tax

In addition to the charges and credits disclosed elsewhere in the financial statements, the above includes the following charges:

	Group	
	2026	2025
	\$'000	\$'000
Audit fees paid to auditors:		
- Auditor of the Company	438	438
- Other auditors	395	430
Non-audit fees paid to auditors:		
- Auditor of the Company	28	31
- Other auditors	9	12
Bad trade and other receivables written off	870	756
Foreign exchange loss	26,839	26,916
Loss on disposal of investment in an associate	487	183
Loss on disposal of investment in subsidiaries	29,362	-
Loss on disposal of investment properties	141	2,073
Loss on disposal of property, plant and equipment	44	-
Loss on strike of a subsidiary	1,823	-
Marketing and advertisement expenses	4,493	5,878
Lease expenses on:		
- Short-term leases	144	149
- Low value assets	25	23
Professional fees	3,581	4,038
Property, plant and equipment written off	7	-
Property management fees	1,224	1,898
Revenue, property and land use tax	2,603	3,056
Repair and maintenance	3,380	2,864
Royalty, registration and administration fees	3,224	3,214
Transport and communication	1,584	1,671
Utilities	<u>2,908</u>	<u>3,067</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

27. Income tax expense

	Group	
	2026	2025
	\$'000	\$'000
Income tax		
Current financial year	10,166	4,446
(Over)/under provision in respect of prior years	(282)	974
Withholding tax expense	272	112
Land appreciation tax expense	847	2,688
	<u>11,003</u>	<u>8,220</u>
Deferred tax		
Current financial year	2,100	(3,975)
Under provision in respect of prior financial years	28	135
	<u>2,128</u>	<u>(3,840)</u>
Total income tax expense recognised in profit or loss	<u>13,131</u>	<u>4,380</u>

Domestic income tax in Singapore is calculated at 17% (2025: 17%) of the estimated assessable profit for the financial year. The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2025: 17%) to profit before income tax as a result of the following differences:

	Group	
	2026	2025
	\$'000	\$'000
Profit before income tax	6,779	8,738
Share of results of associates, net of tax	1,244	179
	<u>8,023</u>	<u>8,917</u>
Income tax calculated at Singapore statutory income tax rate	1,364	1,516
Tax effect of income not subject to taxation	(14,385)	(7,250)
Tax incentive	(17)	(17)
Tax effect of non-allowable expenses	23,166	6,976
Deferred tax assets not recognised for current financial year	307	327
Effect of different tax rates of overseas operations	3,564	(258)
(Over)/Under provision of income tax in respect of prior years	(282)	974
Under provision of deferred tax in respect of prior years	28	135
Utilisation of previously unrecognised deferred tax assets	(1,784)	(1,039)
Withholding tax expense	272	112
Land appreciation tax expense	847	2,688
Others	51	216
Total income tax expense recognised in profit or loss	<u>13,131</u>	<u>4,380</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

27. Income tax expense (Continued)

The Group and the Company have exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the provisions for income taxes on a group basis.

Some of the Group's People's Republic of China ("PRC") subsidiaries did not recognise any income tax liabilities on its education-related income. Management is of the opinion that such education-related income is tax exempted according to the tax practices in the PRC and their experience as education operators in the PRC. Further, there are no specific tax implementation measures applicable for such income in the PRC yet and tax liabilities cannot be reliably quantified as at year end.

The Group has exposure to income taxes in Singapore and the PRC of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain as at reporting date.

The Group and the Company recognised liabilities for expected tax issues based on estimates of additional liable taxes. Where the final tax outcome of these matters is different from the tax position by the Group and the Company, such differences will impact the income tax and deferred tax provision in the financial year in which such determination is made.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2026	2025
	\$'000	\$'000
Unutilised tax losses	33,135	32,207
Unutilised capital allowance	66	4,404
Unabsorbed investment tax allowance	106,626	101,429
Other temporary differences	63,762	64,088
	<u>203,589</u>	<u>202,128</u>

As at 30 June 2026, included within the unutilised tax losses are tax losses amounting to \$22.5 million (2025: \$22.2 million) due for expiry from 30 June 2028 to 30 June 2032 (2025: 30 June 2028 to 30 June 2032).

Subject to the agreement by relevant tax authorities, at each reporting date, the Group has unutilised tax losses, unutilised capital allowance and unabsorbed investment tax allowance totalling \$139.8 million (2025: \$138.0 million) available for offset against future profits. No deferred tax assets have been recognised for the above temporary differences due to the unpredictability of profit streams.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

28. (Loss)/Earnings per share

The calculation of the basic and diluted (loss)/earnings per share attributable to the ordinary shareholders of the Company is based on the following data:

(Loss)/Earnings

	Group	
	2026	2025
	\$'000	\$'000
(Loss)/Profit attributable to equity holders of the Company	(5,607)	7,696

Number of shares

	Group			
	2026		2025	
	Basic	Basic	Basic	Basic
Weighted average number of ordinary shares in issue ('000)	1,550,028	1,550,028	1,389,320	1,389,320

1,630,000 (2025: 1,730,000) share options granted under the existing share option plan have not been included in the calculation of diluted earnings per share because they are anti-dilutive as the weighted average exercise price is above the average market price.

The financial impact of convertible bonds was excluded from the calculation of the profit or loss attributable to ordinary shareholders (diluted) for the year ended 30 June 2026 and 30 June 2025 as their effect would have been anti-dilutive due to the potential conversion will not result in increase of loss per share (2025: decrease of earnings per share).

29. Share-based payments

Raffles Education Corporation Employees' Share Options Scheme ("RE ESOS Scheme")

Statutory and other information regarding the RE ESOS Scheme is set out below:

- (i) The Remuneration Committee may at its discretion, fix the subscription price at a discount up to 20% off market price, or a price equal to the average of the last dealt market prices for the 5 consecutive market days on which the shares of the Company were traded on the SGX-ST immediately preceding the grant of the options.
- (ii) Consideration for the grant of an option is \$1.00.
- (iii) Options can be exercised 1 year after grant for market price options and 2 years for discounted options.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

29. Share-based payments (Continued)

Raffles Education Corporation Employees' Share Options Scheme ("RE ESOS Scheme")
(Continued)

- (iv) Options granted expire after 5 years for participants not holding a salaried office or employment in the Group, and 10 years for employees of the Group.
- (v) Options granted will lapse when participant ceases to be a full-time employee with the Group, subject to certain exceptions at the discretion of the Company.
- (vi) The aggregate number of shares over which options may be granted on any date, when added to the number of shares issued and issuable in respect of all options granted under the RE ESOS Scheme, shall not exceed 15% of the issued share capital of the Company on the day preceding that date of grant.

Information in respect of the share options granted under the RE ESOS Scheme was as follows:

	2026		2025	
	Number of share options (^{'000})	Weighted average exercise price \$	Number of share options (^{'000})	Weighted average exercise price \$
Outstanding at beginning of financial year	1,730	0.148	1,780	0.148
Expired/cancelled	(100)	(0.148)	(50)	(0.148)
Outstanding at end of financial year	<u>1,630</u>		<u>1,730</u>	
Exercisable as at end of financial year	<u>1,630</u>		<u>1,730</u>	

The weighted average remaining contractual life of the share options is 2.2 years (2025: 3.2 years).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

30. Contingent liabilities

Group

- (a) Since the previous financial year, the Company and some of its subsidiaries are involved in four separate arbitrations/legal proceedings relating to commercial transactions. Although the ultimate disposition of asserted claims and proceedings cannot be predicted with certainty and the amounts involved cannot be reasonably estimated, it is the opinion of the management that the outcome of any such claims, either individually or on a combined basis, will not have a material adverse effect on the consolidated statement of financial position. During the year ended 30 June 2026, there were material developments in two cases. Management has assessed these developments and accounted for them as follows:

- (i) Raffles Assets (Singapore) Pte. Ltd. has received a claim commenced by NPS International School Pte. Ltd. ("NPS") in the previous financial year seeking a refund of the deposit of \$500,000 paid to the subsidiary pursuant to a Letter of Intent dated 29 July 2022. The subsidiary resisted the claim and has filed a counterclaim for damages to be assessed for NPS' breach of the letter of intent.

On 20 May 2026, the General Division of the High Court of Singapore delivered judgement to dismiss NPS' claim and allowing Raffles Assets' counterclaim. However, NPS has filed a Notice of Appeal against the whole of the Judgement on 16 June 2026. In view of the fact that the current outcome is favorable to the Group, no adjustment is made as of 30 June 2026.

- (ii) On 29 July 2026, the arbitral tribunal issued final awards in relation to the arbitration proceedings between Raffles K12 Sdn Bhd, a wholly-owned subsidiary of the Group, and Pembinaan Mitrajaya Sdn Bhd. Pursuant to the final awards, damages together with related interest and legal costs to date amounted to RM54.4 million were awarded in favour of Pembinaan Mitrajaya Sdn Bhd. While management intends to pursue available legal remedies to challenge the final awards, the relevant liabilities are recorded to consolidated statement of financial position.

- (b) The People's Republic of China's ("PRC") tax system can be characterised by numerous taxes and frequently changing legislation. Tax regulations are often unclear, open to wide interpretation, and in some instances, conflicting. Instances of inconsistent opinion between local, regional and national tax authorities are not unusual. Tax declarations are subject to review and investigation by a number of authorities that are enacted by law to impose significant penalties and interest charges. These factors create substantially more significant tax risks in PRC than that typically found in countries with more developed tax systems. Management believes that it has complied with all existing tax legislation.

At each reporting date, no provision for potential tax assessments for some of the Group's PRC subsidiaries has been made in the consolidated financial statements as management is of the opinion that according to the tax practices in PRC, such education related income is exempted from tax in PRC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

30. Contingent liabilities (Continued)

Company

- (c) As at 30 June 2026, the Company has given guarantees amounting to \$20.4 million (2025: \$113.8 million) to banks in respect of banking facilities granted to the subsidiaries (Note 15) and the guarantees amount represents the maximum exposure.
- (d) At each reporting date, the Company has undertaken to provide continued financial support to certain subsidiaries which are in net current liability position and/or showing shareholder's deficit.

In the opinion of the Directors, no significant actual losses are expected to arise from these contingent liabilities as at end of the financial year.

31. Commitments

- (a) Capital commitments

Capital expenditure contracted for as at each reporting date but not recognised in the financial statements are as follows:

	Group	
	2026	2025
	\$'000	\$'000
Capital commitments in respect of:		
- Property, plant and equipment	2,132	15,732
- Investment properties	-	1,528

- (b) Operating lease commitments (when the Group is a lessor)

The future minimum lease receivables under non-cancellable operating leases contracted for at each reporting date but not recognised as receivables, are as follows:

	Group	
	2026	2025
	\$'000	\$'000
Future minimum lease payments receivable:		
Within one year	5,591	7,814
Between one and five years	13,258	15,350
After five years	207	2,697
	<u>19,056</u>	<u>25,861</u>

The Group leased out investment properties to non-related parties under non-cancellable operating leases. Majority of leases are renewable on annual basis. These leases are classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties is disclosed in Note 21.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

32. Significant related party transactions

Many of the Group's and Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the financial year, in addition to those disclosed elsewhere in these financial statements, the Group entities and the Company entered into the following transactions with related parties:

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
With subsidiaries				
Dividend income	-	-	35,925	550
Interest expense	-	-	(1,192)	(2,533)
Management service fee income	-	-	242	363
Recharge of rental and utilities	-	-	(62)	(61)
With related parties				
Acquisition of a subsidiary from related party	5,305	-	-	-
Loan from a director	1,105	17,991	1,105	3,255
Interest expense reimbursed to a director	226	488	1	107
Subscription to non-convertible bonds*	-	17,750	-	17,750
Interest expense on convertible bonds*	2,138	2,157	2,138	2,157
Interest expense on non-convertible bonds*	1,247	1,283	1,247	1,283

* These related parties are mainly directors and close members of their respective families.

As at 30 June, the outstanding balances in respect of the above transactions are disclosed in Notes 10 and 14 to the financial statements.

Key management personnel remuneration

	Group	
	2026	2025
	\$'000	\$'000
Directors' fees	498	460
Salaries and other short-term employee benefits	1,718	1,777
	2,216	2,237

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly ("key management"). The above amounts for key management personnel compensation are for the directors of the Company (including directors' fees of non-executive directors).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

33. Report by segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses relating to transactions with the Group's other components. All operating segments' operating results are reviewed by the Group's Chief Executive Officer to make decisions about resources allocation to the segment and assess its performance, and for which discrete financial information is available.

The Group has four reportable segments as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different skill sets and marketing strategies.

For each of the strategic business units, the Group's Chief Executive Officer reviews internal management reports on a regular basis. The following summary describes the operations in each of the Group's reportable segments:

- Education

The Group offers students a range of degree, diploma and full-time certification programmes in design and business-oriented disciplines at post-secondary level. Students pay fees on a quarterly basis to attend courses at the Group's campuses, where they are taught in English by an overseas faculty.

The Group also participates in pre-tertiary education. This segment includes RK12, offering an American K12 curriculum, with Advanced Placement offerings in the high school, which will provide a schooling alternative to the local and expatriate communities in the region and Gelin Nursery School of Suzhou National New & Hi-tech Industrial Development Zone ("SZGL") which offers only pre-school classes in the PRC.

The Group also runs programmes within the Chinese national public school system. Colleges under this scheme collect fees once a year in advance directly from students under the Chinese government's national fees guidelines. Students are taught by a local faculty and the language of instruction is Chinese. The qualifications awarded by these colleges are recognised by the Chinese government.

- Education Facilities Rental Service

This segment refers to OUCHK which is listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited. OUCHK engages in education facilities leasing and commercial leasing for supporting facilities. OUCHK currently owns and leases out certain investment properties to colleges in Oriental University City, located at Langfang Economic and Technical Development Zone in Langfang City, Hebei Province, the PRC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

33. Report by segments (Continued)

- Real Estate Investment & Development

The Group participates in opportunistic Real Estate Investments and Development. The ownership of these properties generates a stream of stable and recurring rental income. When the opportunity arises, the Group may divest these properties.

- Corporate & Others

Includes corporate headquarter and consolidation adjustments which are not directly attributable to a particular reportable segment above.

Information regarding the results of each reportable segment is included below.

Operating results of the reportable segments are independently evaluated for performance measurement and resource allocation decisions. Segment performance is evaluated based on operation profit or loss which is similar to the accounting profit or loss as included in the internal management reports reviewed by the Group's Chief Executive Officer.

The Group accounts for inter-segment sales and transfers as if the sales or transfers were to third parties, which approximate market prices. These inter-segment transactions are eliminated on consolidation.

Segment revenue and expenses are the operating revenue and expenses reported in the Group's profit or loss that are directly attributable to a reportable segment and the relevant portion of such revenue and expenses that can be allocated on a reasonable basis to the reportable segment.

Segment assets and liabilities: Segment assets include all operating assets used by a reportable segment and consist principally of property, plant and equipment, right-of-use assets, investment properties, inventories and operating receivables, net of allowances and provisions. Segment liabilities include all operating liabilities and consist principally of trade and other payables, course fees received in advance, education facilities rental service received in advance, lease liabilities and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

33. Report by segments (Continued)

	Education \$'000	Education Facilities Rental Service \$'000	Real Estate Investment & Development \$'000	Corporate & Others \$'000	Total \$'000
2026					
Revenue from external customers	97,232	8,636	955	-	106,823
Inter-segment revenue	3,085	1,050	106	37,359	41,600
Interest income	83	16	-	23	122
Loss on disposal of property, plant and equipment, net	(26)	(18)	-	-	(44)
Net fair value (loss)/gain on investment properties	-	(651)	4,124	1,133	4,606
Loss on disposal of investment properties	-	(141)	-	-	(141)
Gain/(loss) on disposal of non-current asset held for sale	-	(489)	-	52,785	52,296
Loss on disposal of investment in an associate	-	(487)	-	-	(487)
Loss on disposal of subsidiaries	(29,362)	-	-	-	(29,362)
Finance costs	(4,662)	(2,108)	(913)	(8,958)	(16,641)
Depreciation and amortisation	(12,170)	(919)	(4,586)	(39)	(17,714)
Share of results from associates	-	(1,155)	-	(89)	(1,244)
Reportable segment (loss)/profit before income tax	(9,296)	(1,353)	(11,219)	28,647	6,779
Net (loss)/profit for the financial year	(19,566)	(3,050)	(12,043)	28,307	(6,352)
<u>Other information:</u>					
Additions to property, plant and equipment	28,119	601	-	-	28,720
Additions to right-of-use assets	1,535	-	-	-	1,535
Additions to investment properties	-	305	-	-	305
Additions to intangible assets	61	-	-	-	61
Investment in associates	-	836	-	126	962
Segment assets	367,447	223,880	226,662	13,860	831,849
Segment liabilities	(75,560)	(34,326)	(27,159)	(40,801)	(177,846)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

33. Report by segments (Continued)

	Education \$'000	Education Facilities Rental Service \$'000	Real Estate Investment & Development \$'000	Corporate & Others \$'000	Total \$'000
2025					
Revenue from external customers	101,932	8,272	1,506	-	111,710
Inter-segment revenue	4,244	1,058	(2,239)	3,156	6,219
Interest income	151	6	4	-	161
Gain on disposal of property, plant and equipment, net	1	89	-	-	90
Net fair value (loss)/gain on investment properties	756	(7,897)	1,415	68	(5,658)
Loss on disposal of investment properties, net	-	(2,093)	20	-	(2,073)
Finance costs	(1,475)	(2,421)	(910)	(11,834)	(16,640)
Depreciation and amortisation	(12,845)	(804)	(4,532)	(40)	(18,221)
Share of results from associates	(3)	(396)	-	220	(179)
Reportable segment profit/(loss) before income tax	26,334	(11,641)	(6,050)	95	8,738
Net profit/(loss) for the financial year	24,401	(13,594)	(6,523)	74	4,358
<u>Other information:</u>					
Additions to property, plant and equipment	6,696	11	3	-	6,710
Additions to right-of-use assets	1,208	-	-	-	1,208
Additions to investment properties	-	567	-	-	567
Investment in associates	-	1,568	-	212	1,780
Segment assets	380,722	218,132	219,967	82,208	901,029
Segment liabilities	(73,237)	(35,151)	(33,328)	(163,982)	(305,698)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

33. Report by segments (Continued)

Reconciliations of reportable segment assets and liabilities to the total assets and total liabilities in the consolidated statement of financial position.

	Group	
	2026	2025
	\$'000	\$'000
Assets		
Total assets for reportable segments	832,811	902,809
Unallocated assets	136,963	115,942
Consolidated total assets	969,774	1,018,751
Liabilities		
Total liabilities for reportable segments	(177,846)	(305,698)
Unallocated liabilities	(74,643)	(72,492)
Consolidated total liabilities	(252,489)	(378,190)

Geographical segments

The Group operates in five main geographical regions, namely ASEAN, North Asia, South Asia, Australasia and Europe.

Segment revenue is based on the region where the services are rendered and the region where the customers are located. Non-current assets are shown by geographical region in which the assets are located.

Non-current assets consist of property, plant and equipment, right-of-use assets, investment properties, investment in joint venture, investment in associates and intangible assets.

	ASEAN	North Asia	South Asia	Australasia	Europe	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2026						
Revenue from external customers	57,911	45,860	166	-	2,886	106,823
Non-current assets	262,209	528,655	11,100	1,125	83,718	886,807
30 June 2025						
Revenue from external customers	55,341	52,998	186	-	3,185	111,710
Non-current assets	232,600	563,717	11,144	958	80,128	888,547

Singapore and the People's Republic of China contributed revenue of \$15,212,000 and \$45,860,000 (2025: \$15,537,000 and \$52,998,000) respectively. Non-current assets in Singapore and the People's Republic of China amounted to \$71,309,000 and \$528,655,000 (2025: \$69,709,000 and \$563,717,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management

The following table sets out the financial instruments at each reporting date:

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets at amortised cost	73,537	49,408	323,131	396,325
Financial assets at FVTPL	418	-	-	-
	<u>73,955</u>	<u>49,408</u>	<u>323,131</u>	<u>396,325</u>
Financial liabilities				
Financial liabilities at amortised cost	<u>138,814</u>	<u>268,018</u>	<u>333,228</u>	<u>449,576</u>

The Group and the Company are exposed to financial risks arising in the normal course of business. The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuation.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and cost is achieved.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group have potential financial loss resulting from students defaulting on their obligations to pay course fees when due, resulting in a loss to the Group. The Group also has credit exposure arising from receivables from education facilities rental service.

The Group has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is managed through regular collection and monitoring procedures.

At each reporting date, the Group's maximum exposure to credit risk were represented by the carrying amount of the financial assets (other than FVTPL instruments) on the statements of financial position except for the financial guarantees provided by the Company for borrowings of the subsidiaries amounting to \$20.4 million (2025: \$113.8 million) as disclosed in Note 15 to the financial statements.

The financial guarantees provided by the Company for borrowings of the subsidiaries are subject to the impairment assessment of SFRS(I) 9. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

Bank balances are mainly deposits with banks and financial institutions which are regulated and with high credit-ratings assigned with investment grade rating of generally at least A-1+ by international credit rating agencies. Management determined that bank balances are subject to immaterial credit loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(a) Credit risk (Continued)

Further disclosure regarding trade and other receivables are disclosed in Note 10 to the financial statements.

(b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and the Company's exposures to interest rate risk arise primarily from their borrowings with financial institutions and amount due to a subsidiary.

The Group is exposed to cash flow interest rate risk from borrowings at floating rates. The table below shows the sensitivity analysis of interest rate risk showing the effect on profit or loss if interest rates had increased by 100 basis point (2025: 100 basis point), with all other variables held constant.

	2026 Decrease in profit \$'000	2025 Decrease in profit \$'000
<u>Interest rates increased by 100 basis point</u>		
Group		
Borrowings	(498)	(1,478)
Company		
Borrowings	-	(21)
Amount due to a subsidiary	-	(476)

A 100 basis point decrease in interest rates would have an equal but opposite effect.

(c) Foreign currency risk

The Group operates in several countries with dominant operations in Singapore, People's Republic of China, Southeast Asia, Australia and Europe. Currency risk arises within entities in the Group when transactions are denominated in foreign currencies. Exposure to foreign currency risk is monitored on an ongoing basis to ensure that the net exposure is at an acceptable level, as the Group manages its transactional exposure by matching, as far as possible, receipts and payments in each individual currency. As the entities in the Group transact substantially in their respective functional currencies, the Group's exposure to currency risk is not significant.

In relation to the Group's overseas investments in foreign operations where net assets are exposed to currency translation risk, they are not hedged as currency positions in these foreign currencies are considered to be long-term in nature. Differences arising from such translation are recorded under the foreign currency translation reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(c) Foreign currency risk (Continued)

The Group's exposures to foreign currencies such as Singapore Dollar (SGD), Chinese Renminbi ("RMB"), Malaysian Ringgit ("MYR"), Swiss Franc ("CHF") and Euro ("EUR"), Australian Dollar ("AUD"), Thai Baht ("THB"), United States Dollar ("USD") and Indian Rupee ("INR") at each reporting date were as follows:

Group	Note	SGD \$'000	RMB \$'000	MYR \$'000	CHF \$'000	EUR \$'000	AUD \$'000	THB \$'000	USD \$'000	INR \$'000	Others \$'000
2026											
Financial assets at FVTPL	11	-	-	-	-	-	418	-	-	-	-
Trade and other receivables (excluding prepayments and value added tax recoverable)											
Intra-group balances, net		2,082	11,349	1,274	706	245	204	297	91	15,540	351
Cash and bank balances	12	5,746	1,216	274	(633)	(162)	(2,217)	(54)	1,341	(4,349)	(1,162)
Restricted bank balances	12	4,177	31,926	1,600	34	512	14	641	43	35	177
Trade and other payables (excluding accruals for business, property and land taxes and deposit received from non- current assets held for sale)		-	-	-	2,239	-	-	-	-	-	-
Borrowings	15	(5,449)	(9,282)	(22,443)	(741)	(1,312)	(4)	(5,654)	(16)	(327)	(166)
Lease liabilities	16	(36,016)	(22,002)	(1,835)	(13,955)	(2,349)	-	(4,113)	-	-	(5,932)
		(4,128)	(1,282)	(1,365)	-	-	-	-	(443)	-	-
Less: net liabilities/(assets) denominated in respective entities' functional currencies'		(33,588)	11,925	(22,495)	(12,350)	(3,066)	(1,585)	(8,883)	1,016	10,899	(6,732)
Currency exposure		62,209	(30,773)	21,345	15,733	2,961	1,319	18,037	325	(9,885)	6,278
		28,621	(18,848)	(1,150)	3,383	(105)	(266)	9,154	1,341	1,014	(454)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(c) Foreign currency risk (Continued)

Group	Note	SGD \$'000	RMB \$'000	MYR \$'000	CHF \$'000	EUR \$'000	AUD \$'000	THB \$'000	USD \$'000	INR \$'000	Others \$'000
2025											
Trade and other receivables (excluding prepayments and value added tax recoverable)		2,093	8,166	906	911	362	12	676	101	16,744	341
Intra-group balances, net		14,571	28,976	(913)	(321)	(230)	(658)	-	(35,999)	(4,492)	(934)
Cash and bank balances	12	587	11,536	1,335	137	33	1	2,855	27	50	300
Restricted bank balances	12	-	-	-	2,235	-	-	-	-	-	-
Trade and other payables (excluding accruals for business, property and land taxes and deposit received from non- current assets held for sale)		(9,949)	(25,548)	(6,433)	(461)	(1,689)	(31)	(4,218)	(15)	(385)	(402)
Borrowings	15	(155,218)	(24,607)	(1,851)	(12,027)	(5,988)	-	(2,159)	-	-	(6,891)
Lease liabilities	16	(6,487)	(2,080)	(1,550)	-	-	-	-	(29)	-	-
		(154,403)	(3,557)	(8,506)	(9,526)	(7,512)	(676)	(2,846)	(35,915)	11,917	(7,586)
Less: net liabilities/assets denominated in respective entities' functional currencies'		(67,039)	(235,848)	7,780	12,813	4,805	(350)	12,114	(5)	(10,665)	7,364
Currency exposure		(221,442)	(239,405)	(726)	3,287	(2,707)	(1,026)	9,268	(35,920)	1,252	(222)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(c) Foreign currency risk (Continued)

The following analyses detail the sensitivity to a five percentage increase or decrease in the respective foreign currencies against the respective functional currencies of the entities in the Group. A five percentage point weakening in the foreign currencies against respective functional currencies would have an equal but opposite effect. The analysis assumes that all other variables, in particular interest rates, remain constant and does not take into account associated tax effects and share of non-controlling interests.

If the relevant foreign currency strengthens by 5% against the respective functional currencies of each entity of the Group, the effect to profit or loss will increase/(decrease) by:

	2026 \$'000	2025 \$'000
Group		
Singapore Dollar	1,431	(11,072)
Chinese Renminbi	(942)	(11,970)
Malaysian Ringgit	(58)	(36)
Swiss Franc	169	164
Euro	(5)	(135)
Australian Dollar	(13)	(51)
Thai Baht	458	463
United States Dollar	67	(1,796)
Indian Rupee	51	63

A five-percentage point weakening in the foreign currencies against respective functional currencies would have an equal but opposite effect.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(c) Foreign currency risk (Continued)

The Company's exposures to foreign currencies such as Chinese Renminbi ("RMB"), United States Dollar ("USD"), Australian Dollar ("AUD"), Hong Kong Dollar ("HKD"), Swiss Franc ("CHF") and Thai Baht ("THB") at each reporting date were as follows:

	Note	SGD \$'000	RMB \$'000	USD \$'000	AUD \$'000	HKD \$'000	CHF \$'000	THB \$'000	Others \$'000
Company									
2026									
Trade and other receivables (excluding prepayments)		299,130	7,674	2	2	8	3,264	9,178	372
Cash and bank balances	12	3,498	1	-	-	2	-	-	-
Trade and other payables	14	(276,330)	(20,117)	-	-	-	-	-	(765)
Borrowings	15	(36,016)	-	-	-	-	-	-	-
		(9,718)	(12,442)	2	2	10	3,264	9,178	(393)
Less: net assets denominated in functional currency		9,718	-	-	-	-	-	-	-
Currency exposure		-	(12,442)	2	2	10	3,264	9,178	(393)
2025									
Trade and other receivables (excluding prepayments)		361,336	22,147	1	2	9	3,159	9,264	311
Cash and bank balances	12	92	1	-	-	3	-	-	-
Trade and other payables	14	(89,810)	(258,666)	(37,305)	(1,402)	-	-	-	(817)
Borrowings	15	(61,576)	-	-	-	-	-	-	-
		210,042	(236,518)	(37,304)	(1,400)	12	3,159	9,264	(506)
Less: net assets denominated in functional currency		(210,042)	-	-	-	-	-	-	-
Currency exposure		-	(236,518)	(37,304)	(1,400)	12	3,159	9,264	(506)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(c) Foreign currency risk (Continued)

The following analyses detail the sensitivity to a five percentage increase or decrease in the respective foreign currencies against the Singapore Dollar. The analysis assumes that all other variables, in particular interest rates, remain constant and does not take into account associated tax effects and share of non-controlling interests.

If the relevant foreign currency strengthens by 5% against the Singapore Dollar, the effect to profit or loss will increase/(decrease) by:

	2026 \$'000	2025 \$'000
Company		
Chinese Renminbi	(622)	(11,826)
United States Dollar	-	(1,865)
Australian Dollar	-	(70)
Hong Kong Dollar	1	1
Swiss Franc	163	158
Thai Baht	459	463

A five percentage point weakening in the foreign currencies against respective functional currencies would have an equal but opposite effect.

(d) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group and the Company monitor its liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows. Funding is obtained from borrowing facilities from banks and financial institutions. The Group and the Company assessed that the Group and the Company will be able to pay its debts as and when they fall due. The details of the assessment are disclosed in Note 2 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(d) Liquidity risk (Continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted cash flows.

	Contractual undiscounted cash flows (including interest payments)			
	Within one financial year \$'000	More than one financial year \$'000	Total \$'000	Carrying amount \$'000
Group				
2026				
Trade and other payables (excluding accruals for business, property and land taxes and deposit received from non-current assets held for sale)	39,919	5,475	45,394	45,394
Borrowings	14,721	89,843	104,564	86,202
Lease liabilities	4,061	3,586	7,647	7,218
	58,701	98,904	157,605	138,814
2025				
Trade and other payables (excluding accruals for business, property and land taxes and deposit received from non-current assets held for sale)	44,202	4,929	49,131	49,131
Borrowings	123,013	127,037	250,050	208,741
Lease liabilities	3,995	7,369	11,364	10,146
	171,210	139,335	310,545	268,018
Company				
2026				
Trade and other payables	297,212	-	297,212	297,212
Borrowings	2,317	39,649	41,966	36,016
Financial guarantee contracts	20,417	-	20,417	20,417
	319,946	39,649	359,595	353,645
2025				
Trade and other payables	389,046	-	389,046	388,000
Borrowings	6,977	76,127	83,104	61,576
Financial guarantee contracts	113,817	-	113,817	113,817
	509,840	76,127	585,967	563,393

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. Financial instruments and financial risk management (Continued)

(e) Fair values

The carrying amounts of the Group's and Company's current financial assets and current financial liabilities approximate their fair values as at each reporting date due to the relatively short period of maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

35. Capital management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

The Group and the Company maintain an optimum capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets by various means such as adjusting the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts and issue more borrowings whenever necessary.

As part of the Group's and Company's capital management, the Company may purchase its own shares from the market and the timing of these purchases depends on market prices. Primarily, such actions are intended to stabilise the market price of the Company's shares and the purchased shares can be used for issuing shares under a performance share plan if the Company establishes a plan in the future. Buy and sell decisions by management are made on a specific transaction basis. The Group and the Company do not have a defined share buy-back plan.

In addition, the Company may adopt the scrip dividend scheme, issue rights issue shares, issue new ordinary shares via share placements to conserve cash resources and to pay down bank borrowings. The scrip dividend scheme also allows shareholders to reinvest in the growth of the Company.

The Group and the Company manage overall capital structure by leveraging the advantages and security afforded by a sound capital position while preserving a sustainable level of returns which also seek to meet certain capital requirements imposed by the banks. These requirements include maintaining minimum level of net tangible assets.

The Group also monitors capital based on a gearing ratio which is net debt divided by total capital. Net debt includes borrowings less cash and bank balances (including restricted bank balances). Total capital refers to equity attributable to the equity holders of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

35. Capital management (Continued)

	Group	
	2026	2025
	\$'000	\$'000
Net debt	44,804	189,645
Total capital	631,026	555,826
Net gearing ratio	7%	34%

The Group and the Company are in compliance with all externally imposed capital requirements relating to financial covenants on its borrowings for both the financial years ended 30 June 2026 and 30 June 2025.

Apart from the above, the Group's current overall strategy remains unchanged for financial years ended 30 June 2026 and 30 June 2025.

36. Properties of the Group

Location	Description	Existing use	Tenure	Unexpired lease term (years)	Site area ('000 sqm)	Gross floor area ('000 sqm)
(a) No. 28, Jinjing Road, Xiqing District, Tianjin City, the PRC	Education college	Education facilities and hostels	Leasehold	26 - 29	141	132
(b) Room 101, 201-205, 301-308 Block 5, No. 203 Tower Road, Suzhou National New and Hi-Tech Industrial Development Zone, Jiangsu Province, the PRC	Kindergarten	Kindergarten facilities	Leasehold	40	1	2
(c) Oriental University City, Langfang Economic and Development Zone, Hebei Province, the PRC [#]	Education campus city	Facilities for educational, recreational, hostels, commercial, retail and utility activities	Leasehold	23 - 28	724	316

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. Properties of the Group (Continued)

Location	Description	Existing use	Tenure	Unexpired lease term (years)	Site area ('000 sqm)	Gross floor area ('000 sqm)
(d) Oriental University City, Langfang Economic and Development Zone, Hebei Province, the PRC [#]	Education campus city	Held for sale (Note 13)	Leasehold	27	3	6
(e) Mukim of Pulai, District of Johor Bahru, State of Johor, Malaysia [#] Land held under: H.S.(D) 520221, PTD 189210	University campus development	Construction and development phase	Freehold	-	263	-
(f) Mukim of Pulai, Lot 143116 District of Johor Bahru, State of Johor, Malaysia [#]	Education college	American K12 school facilities	Freehold	-	181	77
(g) Mukim of Jeram Batu, Lot 486 & Lot 1843, District of Pontian, State of Johor, Malaysia	Education college	Education facilities	Freehold	-	35	-
(h) Lot 102-104, 106 Section 88A Kuala Lumpur, Malaysia	Education college	Education facilities	Leasehold	42 - 43	5	4
(i) Soi Bangna – Trat 37 Bangkaew Sub-district Bang Phli District Samut Prakarn Province, Thailand [#]	Education college	Education facilities	Freehold	-	45	44
(j) Kadirana North Village Dunagaha Pattu of Aluthkorale @ Katana in Gampaha District Western Province of Sri Lanka [#]	University campus/ commercial development	Vacant	Freehold	-	101	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. Properties of the Group (Continued)

Location	Description	Existing use	Tenure	Unexpired lease term (years)	Site area ('000 sqm)	Gross floor area ('000 sqm)
(k) 94 Mandurah Terrace, Mandurah, Western Australia [#]	Commercial/residential/education development	Vacant	Freehold	-	2	-
(l) Chemin des Cibles 17 1997 Haute-Nendaz Switzerland [#]	Hotel and commercial units	Hotel and commercial units	Freehold	-	6	11
(m) Route de Siviez 37, 1995 Siviez Switzerland [#]	Commercial building	Commercial use	Freehold	-	2	2
(n) Via Felice Casati, 16, Milan, Italy	Commercial building	Education facilities and office use	Freehold	-	1	3
(o) Two floors of office units at Sub-District of Gondangdia, District of Menteng, Municipality of Central Jakarta, Special Capital City of Jakarta, Indonesia	Education college	Education facilities	Leasehold	8	-	2

[#] Valuation performed in financial years 2026 and 2025 by independent professional valuation specialist, as referred to in Note 5 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

37. Events subsequent to the reporting date

Conversion of convertible bonds

Subsequent to the reporting date, bondholders converted convertible bonds with an aggregate principal amount of S\$119,770 into 1,842,614 ordinary shares of the Company at a conversion price of S\$0.065 per share. Following the conversions, the Company's issued and paid-up share capital increased from 1,817,679,473 ordinary shares to 1,819,522,087 ordinary shares.

Land reclamation compensation agreement

On 18 August 2026, the Company's 70% owned indirect subsidiary, Langfang Hezhong Education Consulting Co., Ltd. ("Hezhong") has entered into a land reclamation compensation agreement with the Langfang Economic and Technological Development Zone Management Committee in relation to the compulsory government reclamation of the Land. The compensation consideration is amounting to RMB 293.3 million (equivalent to approximate \$55.7 million) before taxes and transaction related costs. The relevant properties are recorded as property, plant and equipment with carrying amount of RMB 616.1 million (equivalent to approximate \$117.1 million) as of 30 June 2026.

38. Authorisation of financial statements

The consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company for the financial year ended 30 June 2026 were authorised for issue by the Board of Directors of the Company on 8 October 2026.

STATISTICS OF SHAREHOLDINGS

AS AT 25 SEPTEMBER 2026

ISSUED AND FULLY PAID-UP CAPITAL	1,819,522,087
NUMBER OF SHARES ISSUED AND PAID-UP SHARES (EXCLUDINGS TREASURY SHARES)	: 1,819,522,087
NUMBER / PERCENTAGE OF TREASURY SHARES HELD	: NIL
CLASS OF SHARES	: ORDINARY SHARE
VOTING RIGHTS	: ONE VOTE PER SHARE

Based on information available to the Company as at 25 September 2026, approximately 55.61% of the issued ordinary shares (excluding treasury shares) of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by SGT-ST is complied with.

Size of Shareholdings	No. of Shareholders	Percentage of Shareholders	No. of Shares Held (excluding treasury shares)	Percentage of Shares
1 - 99	796	10.89	31,550	0.00
100 - 1,000	915	12.52	515,280	0.03
1,001 - 10,000	3,094	42.34	14,871,466	0.82
10,001 - 1,000,000	2,424	33.17	174,995,395	9.62
1,000,001 & ABOVE	79	1.08	1,629,108,396	89.53
	<u>7,038</u>	<u>100.00</u>	<u>1,819,522,087</u>	<u>100.00</u>

TOP TWENTY SHAREHOLDERS AS AT 25 SEPTEMBER 2026

No.	Name	No. of Shares	Percentage
1	KGI SECURITIES (SINGAPORE) PTE. LTD	347,566,575	19.10
2	CHEW HUA SENG	258,770,605	14.22
3	CHEW HUA SENG OR DORIS CHUNG GIM LIAN	123,245,422	6.77
4	DBS NOMINEES PTE LTD	117,425,172	6.46
5	PHILLIP SECURITIES PTE LTD	104,610,168	5.75
6	SBS NOMINEES PTE LTD	88,275,598	4.85
7	HSBC (SINGAPORE) NOMINEES PTE LTD	71,020,998	3.90
8	MAYBANK SECURITIES PTE. LTD.	63,178,200	3.47
9	CITIBANK NOMINEES SINGAPORE PTE LTD	55,713,769	3.06
10	DORIS CHUNG GIM LIAN	35,177,931	1.93
11	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	29,674,722	1.63
12	OW CHIO KIAT	25,833,334	1.42
13	WATERWORTH PTE LTD	24,180,000	1.33
14	LIM AND TAN SECURITIES PTE LTD	22,801,202	1.25
15	UOB KAY HIAN PTE LTD	19,581,391	1.08
16	OCBC SECURITIES PRIVATE LTD	15,450,246	0.85
17	TEO CHIANG SONG	13,433,334	0.74
18	ONG SIEW BOK (WANG SHOUMU)	11,438,667	0.63
19	UNITED OVERSEAS BANK NOMINEES PTE LTD	9,925,943	0.55
20	TOMMIE GOH THIAM POH	9,742,916	0.54
	TOTAL	<u>1,447,046,193</u>	<u>79.53</u>

STATISTICS OF SHAREHOLDINGS

AS AT 25 SEPTEMBER 2026

Substantial Shareholders

As shown in the Register of Substantial Shareholders

Name of Shareholders	No of Shares	
	Direct Interest	Deemed Interest
Chew Hua Seng	749,262,532	35,177,931
Doris Chung Gim Lian	35,177,931	749,262,532

Notes: -

- 1) Ms Doris Chung Gim Lian is the spouse of Mr Chew Hua Seng. In this regards, Ms Doris Chung Gim Lian is deemed to have an interest in the shareholdings of Mr Chew Hua Seng and vice versa.
- 2) The figures stated under "Direct Interest" are inclusive of the 141,516,756 shares which are held jointly by Mr Chew Hua Seng and Ms Doris Chung Gim Lian.

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