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

CANCELLATION OF PROPOSED RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 275,858,734 NEW ORDINARY SHARES IN THE CAPITAL OF RAFFLES EDUCATION CORPORATION LIMITED

---

1. INTRODUCTION

The board of directors (the "**Board"**) of Raffles Education Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement dated 6 December 2018 (the "**Announcement**") in relation to the proposed renounceable and non-underwritten rights issue (the "**Rights Issue**") of up to 275,858,734 new ordinary shares in the capital of the Company (the "**Rights Shares**"), at an issue price of S$0.10 for each Rights Share (the "**Issue Price**"), on the basis of two (2) Rights Shares for every 10 existing ordinary shares in the capital of the Company (the "**Shares**") held by all shareholders of the Company (the "**Shareholders**") who are eligible to participate in the Rights Issue as at a books closure date to be determined by the Directors, fractional entitlements to be disregarded.

Unless otherwise defined herein or the context otherwise requires, all capitalised terms used herein shall bear the same meanings ascribed to them in the Announcement.

2. CANCELLATION OF THE RIGHTS ISSUE

In light of recent market conditions and the prevailing traded price of the Shares, which is currently below the Issue Price of the Rights Shares under the Rights Issue, the Board wishes to announce that it has decided not to proceed with the Rights Issue.

The Board will re-consider, taking into consideration the prevailing circumstances, other fund raising options and plans for the Group and will keep shareholders updated on any developments in this regard and make such further announcements as and when appropriate.

3. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD
RAFFLES EDUCATION CORPORATION LIMITED

Chew Hua Seng
Chairman
5 March 2019