RafflesEducation

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

For Immediate Release

RafflesEducation Posts Improved Operating Performance and Strengthened Balance Sheet in FY2026

Resilient education business model underpinned by the trusted Raffles Education brand

- Revenue remained relatively stable with positive operating profit in FY2026.

- Other operating income surged significantly to S$55.25 million, mainly due to the disposal of 51 Merchant Road.

- Other operating expenses increased in FY2026, mainly due to the S$29.36 million one-time write-off (non-cash) from the disposal of Raffles Hefei (which owns Wanbo Science and Technology Vocational College).

- The Company's standalone bank borrowings have been eliminated to zero.

- A finance cost provision of approximately S$3.81 million was recognised otherwise its finance cost would have been lower due to the substantial reduction in bank borrowings.

- The impact of a stronger Singapore dollar resulted in a net foreign exchange loss of S$10.08 million recognised in FY2026.

- Income tax increased to S$10.87 million, mainly due to the disposal of Raffles Hefei.

Fundamentally, the Group's core education business activities delivered improved performance with adjusted EBITDA rising 53% to S$29.60 million and net cash generated from operating activities improving to S$12.58 million.

Full year ended 30 June

(S$ million)	FY2025	FY2026	Change (%)
Revenue	111.71	**106.82**	(4)
Operating profit / (loss) before income tax	(15.40)	**16.86**	Not meaningful
Profit after tax	4.36	**(6.11)**	Not meaningful
Adjusted EBITDA*	19.32	**29.60**	+53
Net cash generated from operating activities	4.35	**12.58**	+189
	As at 30 Jun 2025	As at 30 Jun 2025	
Net asset value per share (S$ cents)	39.97	**34.73**	(13)

*To highlight the fundamental performance of the Group's core education business activities, this financial metric is computed based on EBITDA, finance costs, net income tax and deferred tax expense, depreciation and amortisation, net foreign exchange gain, loss/(gain) on disposal of property, plant and equipment.

Strengthened balance sheet with improved liquidity and significantly reduced borrowings

- Liquidity position improved with increased cash and bank balances of S$39.16 million as at 30 June 2026 (as compared to S$16.86 million as at 30 June 2025)

- Despite the disposal of 51 Merchant Road for S$121.3 million and the disposal of Raffles Hefei, the Group's net assets increased to S$717.52 million as at 30 June 2026 (as compared to S$640.56 million as at 30 June 2025), which are anchored by substantial freehold property for its own education business.

- The Group's borrowings reduced substantially to S$86.20 million as at 30 June 2026 (as compare to S$208.74 million as at 30 June 2025), of which S$40.70 million was attributable to its Hong Kong Stock Exchange-listed subsidiary, Oriental University City Holdings (H.K.) Ltd and net value of S$36.02 million convertible bonds (gross value $38.48m) attributed to the Company, of which convertible bond of S$32.78 million (gross value S35.03m) is held by the Company's Chairman and CEO, Mr Chew Hua Seng and these convertible bonds will be convertible into the Company's shares going forward.

Continual deleveraging and strategic asset monetisation initiatives

- In January 2026, following shareholders' approval in an EGM, the Company's Chairman and CEO, Mr Chew Hua Seng, converted approximately S$15.53 million of the Company's bonds (S$11.75 million) and loan (S$3.78 million) into ordinary shares of the Company.

- In February 2026, the Group completed the sale of 51 Merchant Road for cash proceeds of S$121.3 million.

- The disposal of Raffles Hefei is progressing as planned and is expected to generate approximately S$11.0 million in cash proceeds.

- In August 2026, the Group entered into a land reclamation compensation agreement with the PRC government for the reclamation of approximately 499 mu of land in Gu'an County, Langfang City, Hebei Province, PRC, acquired in 2008 for approximately RMB190 million. After accounting for estimated corporate income taxes and professional costs, the Group is expected to generate net cash proceeds of approximately RMB270.68 million (S$50 million).

Singapore, 28 August 2026 – Raffles Education Limited ("**RafflesEducation**" or the "**Company**", and together with its subsidiaries, the "**Group**"), a premier education group with more than 36 years of track record in Asia, has announced its financial results for the twelve-month period ending 30 June 2026 ("**FY2026**").

Over the years, the Group has built up an agile and robust business model in Asia's education industry, providing a full spectrum of education services (including K–12 programs, diploma courses, degree programs, among others) - primarily delivered through its own curriculum via a vast network of 16 educational institutions across 9 countries, Cambodia, India, Indonesia, Italy, Malaysia, Saudi Arabia, Singapore, Thailand, and the People's Republic of China.

Commenting on the results for FY2026, Chairman and CEO of RafflesEducation, Mr. Chew Hua Seng （周华盛）said, "Our decades of experience in the Asian education sector have given us the depth of expertise and institutional capabilities to navigate evolving market

conditions while maintaining a clear focus on academic quality, operational discipline and sustainable cash generation.

The progress reflected in our latest results demonstrates the strength of this foundation.

Furthermore, we have also taken decisive steps to strengthen the Group's financial position over the past few years. Through disciplined deleveraging and prudent financial management, we have significantly reduced our borrowings with the Company's standalone bank borrowings reduced to zero.

While challenges may arise along the way, our stronger financial position provides greater resilience and strategic flexibility as we navigate the evolving landscape and position the Group for its next phase of growth as a leading education platform in Asia."

On outlook, Mr. Chew added, "Our education platform in Asia remains highly scalable with low incremental capital expenditure required.

Looking ahead, our priorities are clear. We will focus on growing our premium K–12 enrolment across the region, accelerating student growth in Malaysia and Thailand, and progressing the establishment of our new K–12 school in Jakarta.

At the same time, we will continue to strengthen our existing operations and explore opportunities to leverage our established education platform and capabilities to enhance sustainable, long-term value for our stakeholders."

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This press release is to be read in conjunction with the Company's announcements released on 28 August 2026, which can be downloaded via www.sgx.com.

About Raffles Education Limited
(SGX Stock Code - NR7 / Bloomberg Code - RLS:SP / Reuters Code - RLSE.SI)

Since establishing its first college in Singapore in 1990, RafflesEducation has established itself as a premier education group, providing a full spectrum of education services through a vast network of 16 educational institutions across 9 countries in Asia Pacific and Europe: Cambodia, India, Indonesia, Italy, Malaysia, Saudi Arabia, Singapore, Thailand, and the People's Republic of China.

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 10,000.

For more information, please visit the Company's website at: https://raffles.education/

Issued on behalf of Raffles Education Limited

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