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

RESPONSES TO SGX REGCO QUERIES DATED 12 OCTOBER 2022

The Board of Directors of Raffles Education Corporation Limited ("Company") refers to queries raised by SGX RegCo in respect of the Company's submission of Annual Report for Financial Year 2022 to SGX REGCO on 3 October 2022.

The Company wishes to respond to the queries as follows:

QUESTION 1

We refer to the Company's annual report for the financial year ended 30 June 2022 ("FY2022 AR") as well as the notice of annual general meeting to be convened on 25 October 2022 ("Notice of AGM"). We note that Mr Lim How Teck, Mr He Jun and Mr Chua Chwee Koh are candidates for re-election to the Board at the upcoming annual general meeting ("AGM"). It was stated in the Notice of AGM that the information as set out in Appendix 7.4.1 of the Listing Manual could be found under "Supplemental Information on Directors Seeking Re-election" and "Board of Directors" in the Company's FY2022 AR. No such information was found in the Company's FY2022 AR. Please clarify where this information is located. If not, please provide the information relating to each candidate as set out in Appendix 7.4.1.

COMPANY RESPONSES:-

The supplemental information on Directors seeking Re-election and the Board of Directors can be found in page 14 to 16 of the Directors profiles and page 34 and page 53 of the Annual Report of the Company. The Company also set out the following information:-

Name of Directors	Appointment	Date of Initial Appointment	Last Re-Election
Mr Chew Hua Seng	Chairman and Chief Executive Officer Member of Nominating Committee	25 November 1999	30 October 2021
Mdm Lim Siew Mun	Lead Independent and Non-Executive Director Chairman of Independent Committee Member of Audit, Nominating, Remuneration and Risk Management Committees	1 July 2021	30 October 2021
Mr Lim How Teck**	Independent and Non-Executive Director Chairman of Audit and Remuneration Committees Member of Nominating Committee	6 March 2018	30 October 2020

Mr Ng Kwan Meng	Independent and Non-Executive Director Chairman of Nominating and Risk Management Committees Member of Audit and Remuneration Committees	25 February 2021	30 October 2021
Mr Joseph He Jun**	Non-Independent and Non-Executive Director Member of Remuneration and Risk Management Committees	05 November 2018	31 October 2019
BG Chua Chwee Koh**	Independent and Non-Executive Director Member of Audit, Risk Management and Independent Committees	4 March 2022	N.A.

**the Directors that seeking for Re-election to the Board for upcoming Annual General Meeting

QUESTION 2

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. Provision 2.4 of the Code states, amongst others, that the Company's board diversity policy and progress made towards implementing the board diversity policy, including objectives, should be disclosed in the annual report. There were no explanations provided in the Company's annual report on board diversity. Please clarify how the practices the Company had adopted regarding board diversity are consistent with the intent of Principle 2.

COMPANY RESPONSES:-

The Company has provided an explanation on the Board Diversity and this can be found in page 37 of the Annual Report:-

"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."

QUESTION 3

The Company's whistle-blowing policy disclosed in the FY2022 AR has not explained how it has complied with the requirements under Listing Rule 1207(18B). Please provide the required explanations.

COMPANY RESPONSES:-

The Whistle-Blowing Policy sets out procedures and rules for employees to raise responsibly, in confidence, concerns about possible improprieties in the Group, without fear of undue reprisals. Whistle-blowers may raise potential issues through contact the Chairman & CEO or Audit Committee Chairman directly.

The Chairman & CEO and Audit Committee Chairman oversees the Whistle-Blowing Policy to ensure that arrangements are in place for independent investigation, by the Company's whistle-blowing function, on matters raised and for appropriate follow up action to be taken. The identity of the whistleblower and person(s) being reported on are kept confidential.

QUESTION 4

Listing Rule 1207(10C) requires the audit committee ("AC") to comment on whether the internal audit function is independent, effective and adequately resourced. The AC has only commented on the adequacy of resources. Please also provide the AC's views on Baker Tilly Consultancy (Singapore) Pte Ltd's independence and effectiveness.

COMPANY RESPONSES:-

The AC is satisfied with the independence and effectiveness of Baker Tilly Consultancy (Singapore) Pte Ltd.

The Company has stated on page 45 of the Annual Report that -

"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 2022 …"

The Company has stated on page 48 of the Annual Report that –

"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."

QUESTION 5

In relation to Note C in the consolidated statement of cash flows, please clarify what "net non-cash changes in relation to foreign currency realignment and accrual of $1.488 million (FY2021: $0.196 million)" relates to. In what currency is the loan due to a director denominated in such that it results in foreign currency impact.

COMPANY RESPONSES:-

Net non-cash changes of $1.488 million (FY2021: $0.196 million) comprise of :

a) foreign currency realignment amounting to $0.059 million (FY2021: $0.196 million) arising from Renminbi denominated loan due to a director; and
b) accruals of director's profit sharing amounting to $1.429 million for FY2022 only.

By Order of the Board
RAFFLES EDUCATION CORPORATION LIMITED

14 October 2022