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

UPDATE ON POTENTIAL LITIGATION - SETTLEMENT

The Board of Directors (the "Board") of Raffles Education Corporation Limited ("Company") refers to the Company's announcements dated 29 July 2021, 11 August 2021 ("11 August Announcement"), 23 August 2021 and 25 August 2021. Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the 11 August Announcement.

The Company wishes to update that the Company has on 27 December 2021 paid to Affin Bank all outstanding amounts required to be paid by the Company under the terms of the Settlement. The Company is in discussions with Affin Bank on the terms of repayment of the balance outstanding debts owed to Affin Bank after 31 March 2022.

Shareholders are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in respect of their investments which may be prejudicial to their interests. In the event that shareholders wish to deal in the shares of the Company, they should seek their own professional advice and consult with their own stockbrokers.

BY ORDER OF THE BOARD
Raffles Education Corporation Limited
3 January 2022