RAFFLES EDUCATION CORPORATION LIMITED

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

RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF CONVERTIBLE BONDS AND PLACEMENT OF CONVERTIBLE BONDS

– ISSUE AND LISTING OF THE CONVERTIBLE BONDS

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1. Introduction

1.1 The board of directors (the "**Board**") of Raffles Education Corporation Limited (the "**Company**", together with its subsidiaries, the "**Group**"), refers to the announcements dated 7 June 2022, 8 June 2022, 28 July 2022, 6 August 2022, 22 August 2022, 30 August 2022 and 21 September 2022 in relation to the:

(a) renounceable underwritten rights issue of S$26,194,476 in aggregate principal amount of 6% Convertible Bonds (the "**Rights Issue Bonds**") convertible into new ordinary shares in the capital of the Company (the "**Shares**") in the denomination of S$1.00 each and multiple integral thereof, on the basis of nineteen (19) Rights Issue Bonds for every 1,000 existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded (the "**Rights Issue**"); and

(b) placement of S$17,900,000 in aggregate principal amount of 6% Convertible Bonds (the "**Placement Bonds**") convertible into Shares pursuant to a bought deal arrangement (the "**Placement**").

1.2 Unless otherwise defined herein or the context otherwise requires, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the offer information statement dated 30 August 2022 issued by the Company in relation to the Rights Issue and the Placement (the **"Offer Information Statement"**).

2. Issue and Listing of Rights Issue Bonds and Placement Bonds

2.1 Pursuant to the Rights Issue which was approximately 20.6% over-subscribed, S$26,194,476 in aggregate principal amount of Rights Issue Bonds were allotted and issued by the Company on 23 September 2022. The Rights Issue Bonds are expected to be listed and quoted on the Main Board of SGX-ST with effect from 9.00 a.m. on 27 September 2022. As the Rights Issue Bonds are issued at 85% of the principal amount of the Rights Issue Bonds at S$0.85, the gross proceeds from the Rights Issue is approximately S$22,265,305.

2.2 Pursuant to the Placement, S$17,900,000 in aggregate principal amount of Placement Bonds were allotted and issued by the Company on 23 September 2022. The Placement Bonds are expected to be listed and quoted on the Main Board of SGX-ST with effect from 9.00 a.m. on 27 September 2022.

2.3 In aggregate, the gross proceeds from the Rights Issue and the Placement are approximately S$40,165,305.

2.4 The Rights Issue Bonds and Placement Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Company. The Rights Issue Bonds and Placement Bonds shall at all times rank *pari passu* and rateably without any preference or priority among themselves, and shall rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Company from time to time outstanding.

3. Trading of Odd Lots

3.1 For the purposes of trading on the Main Board of SGX-ST, each board lot of Convertible Bonds will comprise 100 Convertible Bonds with a principal amount of S$100 and each board lot of Shares will comprise 100 Shares.

3.2 Shareholders who hold odd lots of Convertible Bonds (that is, lots other than board lots of 100 Convertible Bonds with a principal amount of S$100) or odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots on SGX-ST are able to trade odd lots of S$1.00 in principal amount of Convertible Bonds and odd lots of Shares in board lots of one (1) Share, respectively, on SGX-ST's Unit Share Market.

3.3 The Unit Share Market is a ready market for trading of odd lots of Convertible Bonds and Shares with a minimum lot size of one (1) Convertible Bond or Share, as the case may be. The market for trading of such odd lots may be illiquid. There is no assurance that Bondholders or Shareholders who hold odd lots of Convertible Bonds or Shares, as the case may be, will be able to acquire such number of Convertible Bonds or Shares, as the case may be, required to make up a board lot for trading on the Main Board of SGX-ST, or to dispose of their odd lots (whether in part or in whole) on SGX-ST's Unit Share Market.

By Order of the Board
RAFFLES EDUCATION CORPORATION LIMITED

23 September 2022

Important Notice

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire or take up, any Nil-Paid Rights or Convertible Bonds in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Nil-Paid Rights or Convertible Bonds except on the basis of the information contained in the Offer Information Statement.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America ("**United States**"), European Economic Area, the United Kingdom, Canada, Japan or Australia. This announcement is not an offer of securities for sale in the United States, European Economic Area, the United Kingdom, Canada, Japan, Australia or any other jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with any applicable state securities laws. There will be no public offering of securities of the Company in the United States.

The information contained in this announcement is not for release, publication or distribution to persons in the United States, European Economic Area, the United Kingdom, Canada, Japan or Australia and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Nil-Paid Rights and Convertible Bonds and the acquisition or purchase of Nil-Paid Rights and Convertible Bonds is subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement, the Offer Information Statement, Product Highlights Sheet, provisional allotment letters and/or application and acceptance forms for Nil-Paid Rights and Excess Rights Issue Bonds into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

An investment in the Convertible Bonds is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Company redeem or purchase the Convertible Bonds while the Convertible Bonds are listed. It is intended that holders of the Convertible Bonds may only deal in the Convertible Bonds through trading on SGX-ST.

Listing of the Convertible Bonds on SGX-ST does not guarantee a liquid market for the Convertible Bonds.

This announcement is not an offer for sale of securities into the United States or elsewhere. The Nil-Paid Rights and the Convertible Bonds have not been and will not be registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Company does not intend to register any portion of any offering in the United States or to conduct a public offering of securities in the United States.