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

PLACEMENT OF UP TO 95 MILLION NEW ORDINARY SHARES IN THE SHARE CAPITAL OF RAFFLES EDUCATION CORPORATION LIMITED
- USE OF PROCEEDS

The Board of Directors (the "**Board**") of Raffles Education Corporation Limited ("**REC**") refers to the announcements dated 28 September 2017, 6 October 2017 and 10 October 2017 made by REC in relation to the placement by REC of up to 95 million new ordinary shares in the share capital of REC (collectively, the "**Placement Shares**") at an issue price of S$0.30 for each Placement Share.

The Board wishes to announce that of the net proceeds of approximately S$28.20 million (the "**Net Proceeds**"), $10 million has been utilised to repay bank borrowings and another $1.05 million was utilised for working capital purposes.

The Company will continue to make periodic announcements on the utilisation of the balance of the Net Proceeds as and when the balance of the Net Proceeds is materially disbursed.

BY ORDER OF THE BOARD

Mr Chew Hua Seng
Chairman and CEO

17 October 2017