RAFFLES EDUCATION LIMITED

Company registration Number: 199400712N

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE HALF YEAR ENDED AND FINANCIAL YEAR ENDED 30 JUNE 2026

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note (Page 22-24)	Group					
		6 months ended 30/06/26 $'000	6 months ended 30/06/25 $'000	Change %	12 months ended 2026 $'000	12 months ended 2025 $'000	Change %
Revenue	F 2.1	50,193	55,159	-9%	106,823	111,710	-4%
Other operating income	F 2.2	53,215	(190)	NM	55,248	2,892	NM
Personnel expenses		(24,243)	(25,159)	-4%	(47,562)	(48,125)	-1%
Other operating expenses	F 2.3	(49,232)	(21,575)	128%	(67,244)	(40,596)	66%
Finance costs	F 2.4	(8,816)	(7,884)	12%	(16,641)	(16,640)	NM
Depreciation and amortisation expenses		(8,715)	(8,956)	-3%	(17,714)	(18,221)	-3%
Fair value gain/(loss) on investment properties, net	F 2.5	4,606	(5,658)	NM	4,606	(5,658)	NM
Reversal of Impairment/(Impairment loss) on investment in associates	F 2.6	584	(585)	NM	584	(585)	NM
Share of results of associates	F 2.7	(972)	(239)	307%	(1,244)	(179)	595%
Operating profit/(loss) before income tax		16,620	(15,087)	NM	16,856	(15,402)	NM
Foreign exchange gain	F 2.8	3,495	19,016	-82%	16,762	51,056	-67%
Foreign exchange loss	F 2.9	(17,480)	(5,689)	207%	(26,839)	(26,916)	NM
Profit/(loss) before income tax		2,635	(1,760)	NM	6,779	8,738	-22%
Income tax expense	F 2.10	(9,938)	(3,031)	228%	(10,867)	(8,220)	32%
Deferred tax (expense)/credit	F 2.10	(1,924)	1,791	NM	(2,026)	3,840	NM
Net profit/(loss) after tax		(9,227)	(3,000)	208%	(6,114)	4,358	NM
Other comprehensive income/(loss)							
Items that may be reclassified subsequently to profit or loss:							
Currency exchange differences arising on translating foreign operations	F 2.11	25,611	(38,007)	NM	44,784	(45,778)	NM
Total comprehensive income/(loss)		16,384	(41,007)	NM	38,670	(41,420)	NM
Net profit/(loss) attributable to:							
Equity holders of the Company		(8,705)	(23)	NM	(5,369)	7,696	NM
Non-controlling interests		(522)	(2,977)	-82%	(745)	(3,338)	-78%
Net profit/(loss) after tax		(9,227)	(3,000)	208%	(6,114)	4,358	NM
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		14,286	(34,837)	NM	34,364	(34,278)	NM
Non-controlling interests		2,098	(6,170)	NM	4,306	(7,142)	NM
Total comprehensive income/(loss)		16,384	(41,007)	NM	38,670	(41,420)	NM
Earnings/(loss) per share for earnings/(loss) for the period/year attributable to the owners of the Company during the period/year:							
Basic (cents)		(0.59)	(0.01)	NM	(0.35)	0.55	NM
Diluted (cents)		(0.59)	(0.01)	NM	(0.35)	0.55	NM

NM – Not meaningful

Condensed Interim Statements of Financial Position

UNAUDITED STATEMENTS OF FINANCIAL POSITION	Note (Page 25-29)	Group 30 Jun 2026 $'000	Group 30 Jun 2025 $'000	Company 30 Jun 2026 $'000	Company 30 Jun 2025 $'000
Non-current assets					
Property, plant and equipment	F 2.12	448,897	464,998	210	240
Right-of-use assets	F 2.13	6,425	9,113	-	-
Investment properties	F 2.14	335,481	316,440	-	-
Investment in subsidiaries		-	-	418,699	419,101
Investment in joint venture		-	-	-	-
Investment in associates	F 2.15	962	1,780	-	-
Intangible assets	F 2.16	95,042	96,216	56	65
Deferred tax assets		624	630	-	-
Other receivables	F2.17	3,740	3,187	49,534	52,000
Financial assets at fair value through profit or loss	F2.18	418	-	-	-
Restricted bank balances		2,239	2,235	-	-
		893,828	894,599	468,499	471,406
Current assets					
Inventories		49	60	-	-
Trade and other receivables	F 2.19	35,413	34,108	270,190	344,338
Cash and bank balances		39,159	16,861	3,501	96
		74,621	51,029	273,691	344,434
Non-current assets held for sale	F 2.20	1,426	73,123	-	-
		76,047	124,152	273,691	344,434
Less:					
Current liabilities					
Trade and other payables	F 2.21	49,775	54,169	297,212	388,000
Course fees received in advance	F 2.22	24,016	23,058	-	-
Education facilities rental service fees received in advance	F 2.23	1,455	338	-	-
Income tax payables	F 2.24	12,587	15,578	51	51
Borrowings	F 2.25	10,154	113,405	-	2,095
Lease liabilities	F 2.26	3,765	3,407	-	-
		101,752	209,955	297,263	390,146
Net current liabilities	F 2.27	(25,705)	(85,803)	(23,572)	(45,712)
Less:					
Non-current liabilities					
Other payables		5,475	4,929	-	-
Course fees received in advance	F 2.28	3,705	4,317	-	-
Borrowings	F 2.25	76,048	95,336	36,016	59,481
Lease liabilities	F 2.26	3,453	6,739	-	-
Deferred tax liabilities	F 2.29	61,919	56,914	-	-
		150,600	168,235	36,016	59,481
Net assets		717,523	640,561	408,911	366,213
Equity					
Share capital		579,077	554,599	579,077	554,599
Treasury shares		-	(36,398)	-	(36,398)
Accumulated profits/(losses) and other reserves		52,187	37,625	(170,166)	(151,988)
Equity attributable to equity holders of the Company		631,264	555,826	408,911	366,213
Non-controlling interests	F 2.30	86,259	84,735	-	-
Total equity		717,523	640,561	408,911	366,213

Condensed Interim Statements of Changes in Equity

GROUP	Attributable to equity holders of the Company										
	Share Capital $'000	Treasury Shares $'000	Revaluation reserve $'000	Treasury shares reserve $'000	Convertible bonds reserve $'000	Foreign currency translation reserve $'000	Share-based payment reserve $'000	Accumulated profits $'000	Total $'000	Non-controlling Interests $'000	Total Equity $'000
FY2026											
Balance at 1 Jul 2025	**554,599**	**(36,398)**	**8,304**	**(2,927)**	**5,150**	**(99,793)**	**2,642**	**124,249**	**555,826**	**84,735**	**640,561**
Total comprehensive (loss)/income	-	-	-	-	-	39,733	-	(5,369)	34,364	4,306	38,670
Issuance of ordinary shares	24,478	-	-	-	(380)	-	-	-	24,098	-	24,098
Dividends paid	-	-	-	-	-	-	-	(6,158)	(6,158)	-	(6,158)
Share-based payment	-	1,256	-	(1,131)	-	-	-	-	125	-	125
Sale of treasury shares	-	35,142	-	(26,477)	-	-	-	-	8,665	-	8,665
Acquisition of interest in existing subsidiary without change in control	-	-	-	-	-	(5)	-	791	786	(2,782)	(1,996)
Realisation of reserve upon disposal of subsidiary	-	-	-	-	-	11,735	-	-	11,735	-	11,735
Realisation of reserve upon strike off of subsidiary	-	-	-	-	-	1,823	-	-	1,823	-	1,823
Balance at 30 June 2026	**579,077**	**-**	**8,304**	**(30,535)**	**4,770**	**(46,507)**	**2,642**	**113,513**	**631,264**	**86,259**	**717,523**
FY2025											
Balance at 1 Jul 2024	**554,599**	**(37,798)**	**8,304**	**(1,652)**	**5,150**	**(57,819)**	**2,642**	**116,553**	**589,979**	**91,877**	**681,856**
Total comprehensive (loss)/income	-	-	-	-	-	(41,974)	-	7,696	(34,278)	(7,142)	(41,420)
Share-based payment	-	1,400	-	(1,275)	-	-	-	-	125	-	125
Balance at 30 June 2025	**554,599**	**(36,398)**	**8,304**	**(2,927)**	**5,150**	**(99,793)**	**2,642**	**124,249**	**555,826**	**84,735**	**640,561**

Condensed Interim Statements of Changes in Equity

COMPANY	Share Capital $'000	Treasury Shares $'000	Treasury shares reserve $'000	Convertible bonds reserve $'000	Share-based payment reserve $'000	Accumulated Losses $'000	Total $'000
<u>**FY2025**</u>							
Balance at 1 Jul 2025	**554,599**	**(36,398)**	**(2,927)**	**5,150**	**2,642**	**(156,853)**	**366,213**
Total comprehensive income	-	-	-	-	-	15,968	15,968
Issuance of ordinary shares	24,478	-	-	(380)	-	-	24,098
Dividends paid	-	-	-	-	-	(6,158)	(6,158)
Share-based payment	-	1,256	(1,131)	-	-	-	125
Sale of treasury shares	-	35,142	(26,477)	-	-	-	8,665
Balance at 30 June 2026	**579,077**	**-**	**(30,535)**	**4,770**	**2,642**	**(147,043)**	**408,911**
<u>**FY2025**</u>							
Balance at 1 Jul 2024	**554,599**	**(37,798)**	**(1,652)**	**5,150**	**2,642**	**(162,044)**	**360,897**
Total comprehensive income	-	-	-	-	-	5,191	5,191
Share-based payment	-	1,400	(1,275)	-	-	-	125
Balance at 30 June 2025	**554,599**	**(36,398)**	**(2,927)**	**5,150**	**2,642**	**(156,853)**	**366,213**

Condensed Interim Consolidated Statement of Cash Flows

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS	Note (Page 29)	12 months ended 30 Jun 2026 $'000	12 months ended 30 Jun 2025 $'000
Operating activities			
Profit before income tax		6,779	8,738
Adjustments for:			
Amortisation of intangible assets		206	212
Amortisation for right-of-use assets		3,410	3,400
(Reversal of allowances)/Loss allowance on trade and other receivable,net		(272)	958
Bad trade and other receivables written off		870	756
Depreciation for property, plant and equipment		14,098	14,609
Fair value (gain)/ loss on investment properties, net		(4,606)	5,658
Finance costs		16,641	16,640
Loss/(gain) on disposal of property, plant and equipment, net		44	(90)
Loss on disposal of investment in associates		487	183
Loss on strike off of subsidiary		1,823	-
Gain on lease modification		(189)	(49)
(Reversal of impairment loss)/Impairment loss on investment in associate		(584)	585
Gain on compensation from termination on acquisition of investment properties		(966)	-
Interest income		(122)	(161)
Loss on disposal of investment properties		141	2,073
Gain on disposal of non-current assets held for sale		(52,296)	-
Loss on disposal of subsidiary		29,362	-
Property, plant and equipment written off		7	-
Share of results of associates		1,244	179
Unrealised foreign exchange loss/(gain), net		11,494	(27,310)
Operating cash flows before working capital changes		27,571	26,381
Working capital changes:			
Inventories		10	(3)
Trade and other receivables		17	(637)
Course fees received in advance		4,510	5,023
Education facilities rental service received in advance		1,058	(158)
Trade and other payables		(6,022)	(5,112)
Cash generated from operations		27,144	25,494
Interest paid		(10,001)	(14,321)
Interest received		122	161
Income and withholding taxes paid		(4,681)	(6,985)
Net cash generated from operating activities	F 2.31	12,584	4,349
Investing activities			
Acquisition of convertible notes		(407)	-
Acquisition of investment in associate		(175)	-
Additions of intangible assets		(61)	-
Additions of investment properties		(289)	(567)
Additions of right-of-use assets		-	(1)
Advance payment for construction project		(615)	-
Acquisition of investment in subsidiary	F 2.33	(5,306)	-
Acquisition of non-controlling interests		(1,996)	
Refund for acquisition of investment properties	F 2.32	4,643	1,551
Deposit received from non-current assets held for sale		-	1,780
Payments for property, plant and equipment	F 2.33	(8,819)	(4,208)

Condensed Interim Consolidated Statement of Cash Flows (continued)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS	Note (Page 29)	12 months ended 30 Jun 2026 $'000	12 months ended 30 Jun 2025 $'000
Investing activities (continued)			
Net proceeds from disposal of non-current assets held for sale	F 2.32	29,263	-
Proceeds from disposal of investment properties		310	2,174
Proceeds from disposal of property, plant and equipment		2	771
Net proceeds from disposal of subsidiary	F 2.32	9,446	-
Refund from advance payment for construction of investment properties		-	1,604
Net cash generated from investing activities		25,996	3,104
Financing activities			
Decrease in bank balances pledged and restricted cash, net		80	125
(Repayment to)/Loan from a director, net	F 2.33	(4,134)	1,918
Proceeds from issuance of non-convertible bonds	F 2.32	3,000	21,000
Drawdown of bank borrowings	F 2.32	3,359	6,934
Dividend paid		(2,338)	-
Repayment of bank borrowings	F 2.33	(8,736)	(45,999)
Repayment of non-convertible bonds	F 2.33	(12,250)	-
Repayment of principal portion of lease liabilities	F 2.33	(3,472)	(3,332)
Repayment of interest portion of lease liabilities	F 2.33	(479)	(607)
Sale of treasury shares	F 2.32	8,665	-
Net cash used in financing activities		(16,305)	(19,961)
Net change in cash and cash equivalents		22,275	(12,508)
Cash and cash equivalents at beginning of financial year		16,861	29,369
Cash and cash equivalents at end of financial year – *Note A*	F 2.34	**39,136**	**16,861**

Note A:

Cash and cash equivalents	Note (Page 29)	12 months ended 30 Jun 2026 $'000	12 months ended 30 Jun 2025 $'000
Current			
Fixed deposits with banks		39	15
Cash and bank balances		39,120	16,846
Restricted bank balances		-	-
Non-current			
Restricted bank balances		2,239	2,235
Cash and bank balances in the statement of financial position		41,398	19,096
Less: pledged deposits and restricted bank balances		(2,262)	(2,235)
Cash and cash equivalents in the statement of cash flow	F 2.34	**39,136**	**16,861**

N. Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate Information

Raffles Education Limited (the Company) is incorporated and domiciled in the Republic of Singapore (Registration Number: 199400712N), and its registered office and principal place of business at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164.

The principal activities of the Company are those of an investment holding and provision of business and management consultancy services.

The principal activities of the subsidiaries are:
(a) provision of educational services ranging from pre-school to tertiary education;
(b) leasing of educational facilities and supporting facilities; and
(c) investing in education properties.

2 Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

Going Concern
As at 30 June 2026, the Group's and the Company's current liabilities exceeded its current assets by $25.7 million and $23.6 million respectively. These condensed interim financial statements of the Group and the Company have been prepared on a going concern basis taking into consideration the following:

1. Non-refundable Course fees and Education facilities rental service fees received in advance, amounting to $25.5 million, which over time will be recognised as revenue;

2. Positive cash flow generation from its operations based on the cash flow forecast;

3. The Group is confident that its lenders will continue to give support to the Group;

4. The Group's ability to refinance its existing borrowings when necessary with financial institutions;

5. The Group's ability to realise certain of its assets through sale/lease of its properties; and

6. The Company has the ability to tap funds from its shareholders and the capital markets.

Going Concern (continued)

Should the Group and the Company be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which may differ significantly from the amounts at which they are currently recorded in the financial statements and to provide for any future liabilities which might arise. Such adjustments have not been made to the financial statements.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

• Note 7 – Provision for income taxes in respective jurisdictions of which the taxes arose

• Note 9 & 10 – Classification between investment property & property, plant and equipment

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

• Note 10 – Determination of fair value of investment property using significant unobservable inputs

• Note 11 – Impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts

3 Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Group has four reportable segments are as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different skill sets and marketing strategies.

For each of the strategic business units, the Group's Chief Executive Officer reviews internal management reports on a regular basis. The following summary describes the operations in each of the Group's reportable segments:

Education
The Group offers a wide range of educational services ranging from pre-school to tertiary education through our subsidiaries in Asia and European Countries.

Education Facilities Rental Service
Through our HK-listed subsidiary – Oriental University City Holdings (H.K.) Limited ("OUCHK"), the Group owns and leases out certain investment properties to colleges in Oriental University City, located at Langfang Economic and Technology Development Zone, Hebei Province, the People's Republic of China.

Education Real Estate Investment & Development
The Group participates in opportunistic Education Real Estate Investments and Development. The ownership of these properties generates a stream of stable and recurring rental income. When the opportunity arises, the Group may divest these properties.

Corporate & Others
Includes corporate headquarter and consolidation adjustments which are not directly attributable to a particular reporting segment above.

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.1 Reportable Segments

	Group 6 months ended 30 Jun 2026				
	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Revenue from external customers	45,320	4,584	289	-	50,193
Inter-segment revenue	1,391	526	53	35,990	37,960
Interest income	42	15	-	23	80
Net fair value loss/(gain) on investment properties	-	(651)	4,124	1,133	4,606
Loss on disposal of property, plant and equipment, net	(26)	(18)	-	-	(44)
Loss on disposal of investment properties	-	(141)	-	-	(141)
Gain/(loss) on disposal of non-current asset held for sale	-	(10)	-	52,785	52,775
Loss on disposal of investment in associates	-	(487)	-	-	(487)
Loss on disposal of subsidiary	(29,362)	-	-	-	(29,362)
Finance cost	(4,051)	(852)	(661)	(3,252)	(8,816)
Depreciation and amortisation	(5,857)	(494)	(2,345)	(19)	(8,715)
Share of results from associates	-	(778)	-	(194)	(972)
Reportable segment profit/(loss) before income tax	(30,064)	(1,816)	(8,739)	43,254	2,635
Net profit/(loss) for the financial period	(39,659)	(2,813)	(9,669)	42,914	(9,227)
Other information:					
Additions to property, plant and equipment	24,715	2	-	-	24,717
Additions to right-of-use assets	920	-	-	-	920
Additions to investment properties	-	18	-	-	18
Additions to intangible assets	61	-	-	-	61
Investment in associates	-	837	-	125	962
Segment assets	367,447	223,880	226,662	13,860	831,849
Segment liabilities	(75,560)	(34,326)	(27,159)	(40,801)	(177,846)

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.1 Reportable Segments (continued)

	Group 6 months ended 30 Jun 2025				
	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Revenue from external customers	50,320	4,104	735	-	55,159
Inter-segment revenue	(650)	525	(2,290)	1,438	(977)
Interest income	62	1	-	-	63
Gain on disposal of property, plant and equipment, net	1	86	-	-	87
Net fair value (loss)/gain on investment properties	756	(7,897)	1,415	68	(5,658)
Loss on disposal of investment properties, net	-	(995)	20	-	(975)
Finance cost	(560)	(829)	(726)	(5,769)	(7,884)
Depreciation and amortisation	(6,290)	(393)	(2,254)	(19)	(8,956)
Share of results from associates	-	(459)	-	220	(239)
Reportable segment profit/(loss) before income tax	7,527	(11,638)	(2,843)	5,194	(1,760)
Net profit/(loss) for the financial period	5,936	(11,017)	(3,092)	5,173	(3,000)
Other information:					
Additions to property, plant and equipment	3,981	10	-	-	3,991
Additions to right-of-use assets	1,034	-	-	-	1,034
Additions to investment properties	-	162	-	-	162
Additions					
Investment in associates	-	1,568	-	212	1,780
Segment assets	380,722	218,132	219,967	82,208	901,029
Segment liabilities	(73,237)	(35,151)	(33,328)	(163,982)	(305,698)

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.1 Reportable Segments (continued)

	Group 12 months ended 30 Jun 2026				
	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Revenue from external customers	97,232	8,636	955	-	106,823
Inter-segment revenue	3,085	1,050	106	37,359	41,600
Interest income	83	16	-	23	122
Net fair value gain/(loss) on investment properties	-	(651)	4,124	1,133	4,606
Loss on disposal of property, plant and equipment, net	(26)	(18)	-	-	(44)
Loss on disposal of investment properties	-	(141)	-	-	(141)
Gain/(Loss) on disposal of non-current asset held for sale	-	(489)	-	52,785	52,296
Loss on disposal of investment in associate	-	(487)	-	-	(487)
Loss on disposal of subsidiary	(29,362)	-	-	-	(29,362)
Finance cost	(4,662)	(2,108)	(913)	(8,958)	(16,641)
Depreciation and amortisation	(12,170)	(919)	(4,586)	(39)	(17,714)
Share of results from associates	-	(1,155)	-	(89)	(1,244)
Reportable segment profit/(loss) before income tax	(9,296)	(1,353)	(11,219)	28,647	6,779
Net profit/(loss) for the financial year	(19,328)	(3,050)	(12,043)	28,307	(6,114)
Other information:					
Additions to property, plant and equipment	28,119	601	-	-	28,720
Additions to right-of-use assets	1,535	-	-	-	1,535
Additions to investment properties	-	305	-	-	305
Additions to intangible assets	61	-	-	-	61
Investment in associates	-	837	-	125	962
Segment assets	367,447	223,880	226,662	13,860	831,849
Segment liabilities	(75,560)	(34,326)	(27,159)	(40,801)	(177,846)

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.1 Reportable Segments (continued)

	Group 12 months ended 30 Jun 2025				
	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Revenue from external customers	101,932	8,272	1,506	-	111,710
Inter-segment revenue	4,244	1,058	(2,239)	3,156	6,219
Interest income	151	6	4	-	161
Net fair value gain/(loss) on investment properties	756	(7,897)	1,415	68	(5,658)
Gain on disposal of property, plant and equipment, net	1	89	-	-	90
Loss on disposal of investment properties, net	-	(2,093)	20	-	(2,073)
Finance cost	(1,475)	(2,421)	(910)	(11,834)	(16,640)
Depreciation and amortisation	(12,845)	(804)	(4,532)	(40)	(18,221)
Share of results from associates	(3)	(396)	-	220	(179)
Reportable segment profit/(loss) before income tax	26,334	(11,641)	(6,050)	95	8,738
Net profit/(loss) for the financial year	24,401	(13,594)	(6,523)	74	4,358
Other information:					
Additions to property, plant and equipment	6,696	11	3	-	6,710
Additions to right-of-use assets	1,208	-	-	-	1,208
Additions to investment properties	-	567	-	-	567
Investment in associates	-	1,568	-	212	1,780
Segment assets	380,722	218,132	219,967	82,208	901,029
Segment liabilities	(73,237)	(35,151)	(33,328)	(163,982)	(305,698)

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.2 Disaggregation of Revenue

Operating Segment	Group 6 months ended 30 Jun 2026				
	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Course fee	39,198	-	-	-	39,198
Rental income from investment properties	-	4,584	156	-	4,740
Student accommodation fee	1,071	-	-	-	1,071
Canteen operation	922	-	-	-	922
Other fees	4,129	-	133	-	4,262
Total revenue	45,320	4,584	289	-	50,193

Geographical information	ASEAN $'000	North Asia $'000	South Asia $'000	Australasia $'000	Europe $'000	Total $'000
Course fee	22,462	15,790	72	-	874	39,198
Rental income from investment properties	-	4,580	-	-	160	4,740
Student accommodation fee	-	1,071	-	-	-	1,071
Canteen operation	908	14	-	-	-	922
Other fees	3,795	302	-	-	165	4,262
Total revenue	27,165	21,757	72	-	1,199	50,193

Operating Segment	Group 6 months ended 30 Jun 2025				
	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Course fee	44,094	-	-	-	44,094
Rental income from investment properties	-	4,104	524	-	4,628
Student accommodation fee	1,524	-	-	-	1,524
Canteen operation	825	-	-	-	825
Other fees	3,877	-	211	-	4,088
Total revenue	50,320	4,104	735	-	55,159

Geographical information	ASEAN $'000	North Asia $'000	South Asia $'000	Australasia $'000	Europe $'000	Total $'000
Course fee	23,062	20,033	74	-	925	44,094
Rental income from investment properties	-	4,228	-	-	400	4,628
Student accommodation fee	-	1,524	-	-	-	1,524
Canteen operation	796	29	-	-	-	825
Other fees	3,356	521	-	-	211	4,088
Total revenue	27,214	26,335	74	-	1,536	55,159

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.2 Disaggregation of Revenue (continued)

Operating Segment — Group, 12 months ended 30 Jun 2026

	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Course fee	83,778	-	-	-	83,778
Rental income from investment properties	-	8,636	702	-	9,338
Student accommodation fee	2,486	-	-	-	2,486
Canteen operation	1,734	-	-	-	1,734
Other fees	9,234	-	253	-	9,487
Total revenue	97,232	8,636	955	-	106,823

Geographical information	ASEAN $'000	North Asia $'000	South Asia $'000	Australasia $'000	Europe $'000	Total $'000
Course fee	47,644	34,056	166	-	1,912	83,778
Rental income from investment properties	-	8,649	-	-	689	9,338
Student accommodation fee	-	2,486	-	-	-	2,486
Canteen operation	1,705	29	-	-	-	1,734
Other fees	8,562	640	-	-	285	9,487
Total revenue	57,911	45,860	166	-	2,886	106,823

Operating Segment — Group, 12 months ended 30 Jun 2025

	Education $'000	Education Facilities Rental Service $'000	Education Real Estate Investment & Development $'000	Corporate & Others $'000	Total $'000
Course fee	89,535	-	-	-	89,535
Rental income from investment properties	-	8,272	1,295	-	9,567
Student accommodation fee	3,061	-	-	-	3,061
Canteen operation	1,617	-	-	-	1,617
Other fees	7,719	-	211	-	7,930
Total revenue	101,932	8,272	1,506	-	111,710

Geographical information	ASEAN $'000	North Asia $'000	South Asia $'000	Australasia $'000	Europe $'000	Total $'000
Course fee	46,869	40,555	186	-	1,925	89,535
Rental income from investment properties	-	8,518	-	-	1,049	9,567
Student accommodation fee	-	3,061	-	-	-	3,061
Canteen operation	1,553	64	-	-	-	1,617
Other fees	6,919	800	-	-	211	7,930
Total revenue	55,341	52,998	186	-	3,185	111,710

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.3 A breakdown of sales

		Group		
		Financial year ending 30 Jun 2026 $'000	Financial year ending 30 Jun 2025 $'000	Increase/ (Decrease) %
(a)	Sales reported for first half year	56,630	56,551	NM
(b)	Profit after tax reported for first half year	3,113	7,358	-58
(c)	Sales reported for second half year	50,193	55,159	-9
(d)	Profit/Loss after tax reported for second half year	(9,227)	(3,000)	-208

5 Financial assets and financial liabilities

	Group		Company	
	30 Jun 2026 $'000	30 Jun 2025 $'000	30 Jun 2026 $'000	30 Jun 2025 $'000
Financial Assets				
Trade and other receivables (excluding prepayments & value added tax recoverable)	32,138	30,312	319,630	396,229
Cash and cash equivalents	41,398	19,096	3,501	96
Financial Liabilities				
Trade and other payables (excluding accruals for business, property and land taxes and deposit received from non-current asset held for sale)	45,394	49,131	297,212	388,000
Borrowings	86,202	208,741	36,016	61,576
Lease liabilities	7,218	10,146	-	-

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

6 Loss before taxation

	6 months ended 30 Jun 2026 $'000	6 months ended 30 Jun 2025 $'000	12 months ended 30 Jun 2026 $'000	12 months ended 30 Jun 2025 $'000
Included in Other Operating Income				
Interest income	80	63	122	161
Government grant	15	35	72	53
Reversal of loss allowance on trade and other receivables	(372)	-	272	-
Gain on disposal of property, plant and equipment	-	87	-	90
Gain on disposal of investment properties	-	20	-	20
Gain on compensation from termination on acquisition of investment property	2	-	966	-
Gain on disposal of non-current assets held for sale	52,296	-	52,296	-
Included in Other Operating Expenses				
Loss allowance on trade receivables and other receivables	-	(958)	-	(958)
Bad trade and other receivables written off	(559)	(622)	(870)	(756)
Loss on disposal of property, plant and equipment	(24)	-	(44)	-
Loss on disposal of investment properties	(141)	(995)	(141)	(2,093)
Loss on disposal of subsidiary	(29,362)	-	(29,362)	-
Lease expenses	(277)	(208)	(526)	(404)
Property, plant and equipment written off	18	-	(7)	-
Loss on strike off of a subsidiary	(1,823)	-	(1,823)	-
Loss on deemed disposal of investment in associate	(487)	-	(487)	-
Included in Personnel Expenses				
Share-based payment	(130)	(124)	(130)	(124)

ADJUSTED EBITDA	6 months ended 30 Jun 2026 $'000	6 months ended 30 Jun 2025 $'000	12months ended 30 Jun 2026 $'000	12 months ended 30 Jun 2025 $'000
Profit/(loss) after tax	(9,227)	(3,000)	(6,114)	4,358
Add/(less):				
Government grant	(15)	(35)	(72)	(53)
Finance costs	8,816	7,884	16,641	16,640
Net income tax and deferred tax expense	11,862	1,240	12,893	4,380
Depreciation and amortisation	8,715	8,956	17,714	18,221
Net foreign exchange loss/(gain)	13,985	(13,327)	10,077	(24,140)
Property, plant and equipment written off	(18)	-	7	-
Loss on disposal of subsidiary	29,362	-	29,362	-
Net loss/(gain) on disposal of property, plant and equipment	24	(87)	44	(90)
Loss on deemed disposal of investment in associate	487	-	487	-

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

6 Loss before taxation (continued)

ADJUSTED EBITDA	6 months ended 30 Jun 2026 $'000	6 months ended 30 Jun 2025 $'000	12months ended 30 Jun 2026 $'000	12 months ended 30 Jun 2025 $'000
Loss on strike off of a subsidiary	1,823	-	1,823	-
Gain on compensation from termination on acquisition of investment property	(2)	-	(966)	-
Net gain on disposal non-current assets held for sale	(52,296)	-	(52,296)	-
Adjusted EBITDA	13,516	1,631	29,600	19,316

7 Taxation

The Group calculates income tax expense for the period ended 30 Jun 2026 using tax rate that would applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended 30 Jun 2026 $'000	6 months ended 30 Jun 2025 $'000	12 months ended 30 Jun 2026 $'000	12 months ended 30 Jun 2025 $'000
Income tax expense				
Current financial period	(10,202)	(2,057)	(11,190)	(7,246)
(Under)/overprovision of income tax expense in prior financial periods	264	(974)	323	(974)
Deferred tax (expense)/credit				
Current financial period	(1,924)	1,926	(2,026)	3,975
Under provision in respect of prior financial years	-	(135)	-	(135)

8 Net asset value

	Group		Company	
	As at 30 Jun 2026 $	As at 30 Jun 2025 $	As at 30 Jun 2026 $	As at 30 Jun 2025 $
Net asset value to equity holders of the Company (million)	631.264	555.826	408.911	366.213
Net asset value per ordinary share (cents)	34.73	39.97	22.50	26.34

The calculation of net asset value per ordinary share was based on 1,817,679,473 shares (excluding treasury shares) as at 30 Jun 2026 (30 Jun 2025: 1,390,461,472).

9 Property, plant and equipment

During the year, the Group acquired assets and subsidiary amounting to $28,720,000 (30 Jun 2025: $6,710,000), disposed of subsidiary of $51,000,000 (30 Jun 2025: Nil) and foreign currency translation movement of $20,348,000 (30 Jun 2025: $8,873,000).

10 Investment Properties

	Group	
	2026 $'000	2025 $'000
Beginning of financial year	316,440	351,288
Additions	305	567
Disposal	(450)	(4,247)
Transfer to non-current assets held for sale	-	(5,025)
Transfer to property, plant and equipment, net	-	(13,408)
Fair value gain/(loss) recognised in profit or loss, net	4,606	(5,658)
Currency translation differences	14,580	(7,077)
Balance at end of financial year	335,481	316,440

Investment properties are stated at fair value, determined based on professional valuation carried out by firms of independent professional valuation specialists holding recognised and relevant professional qualifications and recent experience in the locations and categories of the properties being valued. The valuation conforms to International Valuation Standards and is based on the assets' highest and best use, which is in line with actual use.

For valuations performed by independent professional valuation specialist, the management reviews the appropriateness of the valuation methodologies and assumptions adopted including reliability of the inputs used in the valuations.

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability.

The fair value of the investment properties is considered Level 3 recurring fair value measurements.

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Valuation techniques	Key unobservable inputs	Range	Inter-relationship between key unobservable inputs and fair value measurement
Income approach	Capitalisation rate	2.9% - 8.0% per annum (2025: 2.9% - 8.0% per annum)	Increase in capitalisation rate would result in lower fair value.
	Monthly rental rate	$3.4 - $81.9 per sqm (2025: $3.2 - $89.3. per sqm)	Increase in monthly rental rate would result in higher fair value.
Direct comparison approach	Price per square metre	$107.10 - $1,116.7 per sqm (2025: $106.9 - $791.7 per sqm)	Increase in price per square metre would result in higher fair value.

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

11 Intangible assets

Group

	Goodwill on Consolidation $'000	Trademarks & licenses $'000	Development Costs $'000	Computer software $'000	Total $'000
Cost					
At 1 Jul 2025	94,753	2,335	2,935	113	100,136
Additions	-	-	61	-	61
Disposal of a subsidiary	(7,115)	-	-		(7,115)
Currency translation differences	6,103	(24)	120	(4)	6,195
At 30 Jun 2026	93,741	2,311	3,116	109	99,277

Group

	Goodwill on Consolidation $'000	Trademarks & licenses $'000	Development Costs $'000	Computer software $'000	Total $'000
Accumulated amortisation & impairment					
At 1 Jul 2025	-	898	2,920	102	3,920
Amortisation	-	191	8	7	206
Write off	-	-	-	-	-
Currency translation differences	-	(7)	119	(3)	109
At 30 Jun 2026	-	1,082	3,047	106	4,235
Carrying amount					
At 30 Jun 2026	93,741	1,229	69	3	95,042

Company

	Trademarks & licenses $'000	Computer software $'000	Total $'000
Cost			
At 1 Jul 2025 / 30 June 2026	228	51	279
Accumulated amortisation & impairment			
At 1 Jul 2025	171	43	214
Amortisation	2	7	9
At 30 Jun 2026	173	50	223
Carrying amount			
At 30 Jun 2026	55	1	56

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

11.1 Goodwill impairment

Goodwill arising from business combination are tested for impairment annually regardless of the existence of impairment indicator. No impairment was made on the goodwill as the Cash-Generating Units' (CGUs') recoverable amount (its value-in-use) is higher than the carrying amount.

The recoverable amounts of the CGUs are determined based on the higher of its value-in-use and fair value less cost of disposal.

For value-in-use calculations, the recoverable amounts are determined by applying the discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by the management covering a period of up to five years, including terminal value.

The following are the key assumptions were used in the discounted cash flow model:

- Pre-tax discount rate of 7.0% to 7.5%
- Revenue growth rate range from 5.6% to 13.8%
- Terminal growth rate of 2.0%

12 Borrowings

	Group	
	30 Jun 2026 $'000	**30 Jun 2025 $'000**
Amount repayable in one year or less, or on demand:		
Secured[1, 2]	9,728	111,920
Unsecured	426	1,485
	10,154	113,405
Amount repayable after one year:		
Secured[1,2]	40,032	35,855
Unsecured convertible bonds	36,016	38,481
Unsecured non-convertible bonds	-	21,000
	76,048	95,336
Total borrowings	86,202	208,741
RE Company	36,016	61,576
RE Group (exclude RE Company, OUCHK Group - Hong Kong GEM listed)	9,486	103,376
OUCHK Group (75% owned by RE)	40,700	43,789
Total borrowings	86,202	208,741

Details of securities

1 Property mortgage loans of $35,806,000.

2 Bank borrowings of $13,955,000 were secured by certain properties and restricted bank balances of $2,239,000.

N. Notes to the Condensed Interim Consolidated Financial Statements (continued)

13 Share Capital

	Group and Company			
	30 Jun 2026		30 Jun 2025	
	No. of Shares	Amount	No. of Shares	Amount
Issued and paid up:	'000	$'000	'000	$'000
At beginning of the financial year	1,463,646	554,599	1,463,646	554,599
Issuance of ordinary shares	354,033	24,478	-	-
At the end of the financial year	1,817,679	579,077	1,463,646	554,599

The total number of issued shares increased to 1,817,679,473 (excluding treasury shares) as at 30 June 2026 (30 June 2025: 1,390,461,472). The increase was due to:

1. Issuance of 81,098,962 new ordinary shares pursuant to conversion of right issue bonds on 3 November 2025, 20 November 2025, 1 December 2025, 8 December 2025, 15 December 2025, 22 December 2025, 26 December 2025, 6 January 2026, 13 January 2026, 19 January 2026, 28 January 2026, 2 February 2026, 9 February 2026, 16 February 2026, 7 April 2026, 27 April 2026, 25 May 2026, 15 June 2026 and 22 June 2026;

2. Sale of 70,660,300 treasury shares through KGI Securities (Singapore) Pte. Ltd to the purchaser at gross consideration of $8,665,858;

3. Transfer of 2,525,000 treasury shares to Directors as settlement of the share component of the directors' fees of its non-executive directors for the financial year ended 30 June 2025;

4. Issuance of 241,100,605 new ordinary shares pursuant to Proposed Bond Conversion and Proposed Loan Conversion (refer page 27 F2.21 and page 28 F2.25); and

5. Issuance of 31,833,134 new ordinary shares pursuant to adoption of scrip dividend scheme.

There was no treasury shares as at 30 June 2026 (30 June 2025: 73,185,300) following the 2. sale of 70,660,300 treasury shares and transfer of 2,525,000 treasury shares as mentioned above.

As at 30 June 2026, there was unexercised share option for 1,630,000 unissued ordinary shares (30 June 2025: 1,730,000) under the Raffles Education Corporation Employees' Share Options Scheme.

F. Other Information Required by Listing Rule Appendix 7.2

1 Whether the figures have been audited or reviewed and in accordance with the auditing standards or practice.

The condensed consolidated statements of financial position of Raffles Education Limited and its subsidiaries as at 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the applicable six months and twelve month period then ended and certain explanatory notes have not been audited or reviewed.

2 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the followings:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

COMMENTARY ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS AND 12 MONTHS ENDED 30 JUNE 2026

(1) Revenue

2H FY26 vs 2H FY25

Decrease in revenue for 2nd half FY2026 was mainly due to decrease in revenue recognized by Hefei Yuren Education Management Co. Ltd ("HFYR") as this subsidiary has been disposed during the year.

(2) Other operating income

Increase in operating income for 2nd half FY2026 and FY2026 was mainly due to gain on disposal of 51 Merchant Road by Raffles Assets (Singapore) Pte Ltd.

(3) Other operating expenses

Increase in other operating expenses for 2nd half FY2026 and FY2026 was mainly due to loss on disposal of a subsidiary, HFYR, of $29.4 million.

(4) Finance costs

2H FY26 vs 2H FY25

Increase in finance costs to $8.8 million for 2nd half FY2026 from $7.9 million for 2nd half FY2025 was mainly due to:

(a) Interest expenses incurred by Raffles K12 Sdn Bhd ("Raffles K12") pursuant to the Final Awards issued by the Arbitral Tribunal per announcements on 29 July and 6 August 2026;

Offset by:

(b) Decrease in interest expenses incurred by Raffles Assets (Singapore) Pte Ltd as a result of full repayment of borrowing in FY26; and

(c) Decrease in interest expenses on non-convertible bonds as a result of full repayment of non-convertible bonds and/or conversion into new shares in FY26.

(5) Fair value gain/(loss) on investment properties

Fair value gain on investment properties of $4.6 million for 2nd half FY2026 and FY2026 were mainly attributable by the revaluation of investment properties in 4 Vallees Pte Ltd and Raffles College of Design and Business (Private) Limited.

Fair value loss on investment properties of $5.6 million for 2nd half FY2025 and FY2025 was mainly attributable by the revaluation of investment properties in OUCHK and Oriental University City (Cayman) Limited ("OUCCY"). The fair value loss on investment properties was offset by increase in fair value of investment properties in Trophy Land Global Limited, Thailand ("TLG") and Raffles Iskandar Sdn Bhd.

(6) Reversal of impairment loss/(Impairment loss) on investment in associates

Reversal of impairment loss in an associate, Axtec Ltd (formerly known as Axiom Properties Limited) was recognised in 2nd half FY2026 and FY2026 mainly due to increase in its fair value less cost of disposal as at 30 June 2026. Axtec Ltd is an associate of OUCHK. Axtec Ltd is listed on Australian Securities Exchange (ASX: AXI).

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

COMMENTARY ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS AND 12 MONTHS ENDED 30 JUNE 2026 (CONTINUED)

(7) Share of results of associates

Share of results of associate for 2nd half FY2026 and FY2026 was mainly due to the loss incurred by Axtec Ltd.

(8) Foreign exchange gain

The foreign exchange gain for 2nd half FY2026 and FY2026 was mainly due during periods when Malaysia Ringgit strengthened against Singapore Dollar for financial liabilities denominated in Singapore Dollar.

(9) Foreign exchange loss

The foreign exchange loss in 2nd half FY2026 and FY2026 was mainly due to:

(a) During periods when Singapore Dollar weakened against Renminbi for financial assets denominated in Singapore Dollar; and

(b) During periods when Singapore Dollar weakened against Renminbi for financial liabilities denominated in Renminbi; and

(c) During periods when Singapore Dollar strengthened against Malaysia Ringgit for financial liabilities denominated in Singapore Dollar.

(10) Income tax & deferred tax (expense)/credit

Increase in Income tax expense and deferred tax credit/(expense) for 2nd half FY2026 and FY2026 was mainly due to:

(a) Recognition of estimated tax provision for disposal of a subsidiary, HFYR; and

(b) Recognition of deferred tax expenses arising from fair value gain on investment properties.

(11) Currency translation differences

Currency translation differences for 2nd half FY2026 of $25.6 million gain and for FY2026 of $44.8 million gain (mainly due to Chinese Renminbi strengthen against Singapore Dollar) arose from the consolidation of operations and translation of net asset values in China.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2026 AND 30 JUNE 2025)

(12) Decrease in property, plant and equipment ("PPE") to $448.9 million in FY2026 from $465.0 million in FY2025 was mainly due to:

(a) Derecognition on PPE of $51.0 million as a result of disposal of a subsidiary, Hefei Yuren Education Management Co. Ltd ("HFYR");

(b) Depreciation charge of $14.1 million during the year;

Offset by:

(c) Additions and acquisition of subsidiary amounting to $28.7 million during the year; and

(d) Favourable foreign currency translation movement of $20.3 million.

(13) Decrease in right-of-use assets to $6.4 million in FY2026 from $9.1 million in FY2025 was mainly due to:

(a) Amortisation charge of $3.4 million during the year; and

Offset by:

(b) Write off right-of-use assets of $1.0 million due to early lease termination.

(14) Increase in investment properties to $335.5 million in FY2026 from $316.4 million in FY2025 was mainly due to:

(a) Fair value gain on investment properties of $4.6 million; and

(b) Foreign currency translation movement of $14.6 million.

(15) Decrease in investment in associates to $1.0 million in FY2026 from $1.8 million in FY2025 was mainly due:

(a) Share of losses of $1.2 million by Axtec Ltd, an associate of Oriental University Holdings (H.K.) Limited ("OUCHK");

(b) Loss on disposal of $0.5 million in Axtex Ltd;

Offset by:

(c) Additional investment of $0.2 million in Axtec Ltd; and

(d) Impairment loss of $0.6 million in Axtec Ltd.

(16) Decrease in intangible assets to $95.0 million in FY2026 from $96.2 million in FY2025 was mainly due to:

(a) Derecognition on goodwill of $7.1 million as result of disposal of a subsidiary, HFYR; and

Offset by:

(b) Foreign currency translation movement of $6.1 million.

(17) Non-current other receivables balances were mainly in relation of loan to an employee and prepayment for construction works.

Increase in non-current other receivables to $3.7 million in FY2026 from $3.2 million in FY2025 was mainly due to increase in prepayment for construction works.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2026 AND 30 JUNE 2025) (continued)

(18) Financial assets at fair value through profit or loss in FY2026 was subscription of convertible notes of Axtec Ltd by OUCHK.

(19) Current trade and other receivables breakdown as follows:

	30/06/26 $'000	30/06/25 $'000
Current trade receivables:		
Third parties, (net)	5,027	5,543
Current other receivables:		
Third parties [(a)]	7,745	3,949
Prepayments [(b)]	3,870	4,668
Deposits	2,135	2,438
Joint ventures and associates [(c)]	15,786	16,926
Tax recoverable [(d)]	679	447
Others	171	137
	30,386	28,565
Total current trade and other receivables	35,413	34,108

(a) Increase in amount owing from third parties was mainly due to balance consideration of RMB37.0 million (approximately $7.0 million) to be received for the disposal of subsidiary, HFYR.

The increase in amount owing from third parties was offset with the termination payment of RMB25.3 million (approximately $4.6 million) of OUCHK's acquisition of investment properties in Mongolia that was received during the year.

(b) Decrease in prepayments was mainly due to write off prepayment of construction works during the year.

(c) Decrease in amount due from joint ventures and associates was mainly due to foreign currency translation movement of $1.6 million.

(d) Increase in tax recoverable was mainly due to overpayment of estimated income tax.

(20) Decrease in non-current assets held for sale to $1.4 million in FY2026 from $73.1 million in FY2025 was due to the completion of sale of property in Langfang by OUCHK and completion of sale of property at 51 Merchant Road by Raffles Assets (Singapore) Pte. Ltd.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2026 AND 30 JUNE 2025) (continued)

(20) Current trade and other payables breakdown as follows:

	30/06/26 $'000	30/06/25 $'000
Current trade payables:		
Third parties	1,837	2,219
Current other payables:		
Other accruals [(a)]	8,952	13,370
Accruals for property and land use tax	4,935	4,676
Accruals for business tax	3,971	3,511
Accruals for capital expenditure [(b)]	3,904	5,960
Amount due to a Director [(c)]	480	7,688
Deposit received from non-current asset held for sale [(d)]	950	1,780
Other payables [(e)]	24,746	14,965
	47,938	51,950
Total current trade and other payables	49,775	54,169

(a) Decrease in other accruals to $9.0 million in FY2026 from $13.4 million in FY2025 was mainly due to derecognition of other accruals arose from disposal of a subsidiary, HFYR and payment for accrued operating expenses. The decrease in other accruals was offset by the increase in the commission fee payable to agents for enrolment of new students.

(b) Decrease in accruals for capital expenditure to $3.9 million in FY2026 from $6.0 million in FY2025 was mainly due to derecognition of accruals for capital expenditure arose from disposal of a subsidiary, HFYR. The decrease in accruals for capital expenditure was offset by the increase in construction expenses of new school buildings.

(c) Decrease in amount due to a Director was mainly due to repayments made and conversion into new shares during the year.

(d) Decrease in deposit received from non-current assets held for sale to $1.0 million in FY2026 from $1.8 million was mainly due to completion of sale of property in Langfang by OUCHK.

(e) Increase in other payables to $24.7 million in FY2026 from $15.0 million was mainly due to construction costs incurred by Raffles K12 Sdn Bhd.

(21) Increase in course fees received in advance to $24.0 million in FY2026 from $23.1 million in FY2025 was mainly due to annual fee collections annual collections from students in Raffles K12 Sdn Bhd. This deferred income will be recognised as revenue in FY2026.

(22) Increase in education facilities rental service fees received in advance to $1.5 million in FY2026 from $0.3 million in FY2025 was mainly due to collections of education facilities rental fees from third parties by OUCHK. This deferred income will be recognised as revenue in FY2027.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2026 AND 30 JUNE 2025) (continued)

(23) Decrease in income tax payable to $12.6 million in FY2026 from $15.6 million in FY2025 was mainly due:

(a) Derecognition on income tax payable of $10.4 million arose from disposal of a subsidiary, HFYR;

(b) Payment of income tax of RMB15.0 million (approximately $2.7 million) on disposal of land owned by a subsidiary, HFYR which was disposed during the year; and

Offset by:

(c) Recognition of estimated tax provision for disposal of a subsidiary, HFYR.

(24) Decrease in total borrowings to $86.2 million in FY2026 from $208.7 million in FY2025 was mainly due to:

(a) Repayment of borrowings of $102.4 million during the year;

(b) Repayment of non-convertible bonds of $12.2 million;

(c) Non-convertible bonds of $11.8 million has been converted into new shares; and

Offset by:

(d) Issuance of non-convertible bonds of $3.0 million.

The Group's net gearing ratio decreased to 7% in FY2026 from 34% in FY2025 was calculated by net borrowing divided by equity.

(25) Decrease in lease liabilities to $7.2 million in FY2026 from $10.1 million in FY2025 was mainly due to lease repayments during the year.

(26) Net current liabilities as at 30 June 2026 was mainly due to:

(a) Construction costs and expenses incurred by Raffles K12 Sdn Bhd of S$17.2 million;

(b) Income tax payable on disposal of subsidiary, HFYR; and

(c) Non-refundable course fees and education facilities rental service fees received in advance, amounting to $25.5 million, which will be recognised as revenue in FY26.

The Group's current ratio increased to 0.8 in FY2026 from 0.6 in FY2025 was calculated by current assets divided by current liabilities.

(27) Course fee received in advance for FY2026 is in relation of course fee collections from students. This deferred income will be recognised as revenue over time.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2026 AND 30 JUNE 2025) (continued)

(28) Deferred tax liabilities breakdown for FY2026 as follows:

	Accelerated tax depreciation on PPE $'000	Fair value adjustment on investment properties $'000	Divestment of land and properties $'000	Others $'000	Total $'000
Balance at 1 July 2025	1,523	35,914	19,477	-	56,914
(Credited)/charged to profit or loss	(111)	2,419	-	(270)	2,038
Foreign currency realignment	96	1,550	1,323	(2)	2,967
Balance at 30 June 2026	1,508	39,883	20,800	(272)	61,919

(29) Non-controlling interests for both FY2026 and FY2025 represent mainly the non- controlling shareholders' 25% equity interests in Oriental University Holdings (H.K.) Limited.

COMMENTARY ON THE GROUP STATEMENT OF CASHFLOWS

(30) Net cash from operating activities amounted to $12.6 million.

(31) Major contributors of cash inflows were:

(a) Refund for acquisition of investment properties of $4.6 million;

(b) Net proceeds from disposal of non-current assets held for sale of $29.3 million;

(c) Drawdown of bank borrowings of $3.4 million;

(d) Proceeds from issuance of non-convertible bonds of $3.0 million;

(e) Net proceeds from disposal of subsidiary of 9.4 million; and

(f) Sale of treasury shares of $8.7 million.

(32) Major cash outflows were for:

(a) Payments for property, plant & equipment of $8.8 million;

(b) Repayment of bank borrowings of $8.7 million;

(c) Repayment of non-convertible bonds of $12.2 million;

(d) Repayment of loan to a director of $4.1 million;

(e) Repayment of lease liabilities of $3.9 million; and

(f) Acquisition of a subsidiary of $5.3 million.

(33) The Group's cash position was $39.1 million at the end of FY2026 (FY2025: $16.9 million).

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast was made. The Group's operations are generally in line as stated in F 4 of the Group's results announcement for the financial period ended 31 December 2025.

4 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The economic and geo-political uncertainty will affect our recruitment of foreign students.

The challenging global education landscape, with increasing competition and increasing restrictive policies in the countries that we operate in will continue to affect the Group.

Increasing currency volatility will continue to affect the Group.

The Group continues to streamline and restructure its operations for better cost management.

5 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of dividend	Special interim dividend
Dividend type	Cash with option to issue new share at $0.12 per Scrip Dividend Scheme
Dividend rate	$0.004 per ordinary share
Tax rate	Tax exempt under one tier system

Pursuant to the Whitewash waivers announced on 30 Oct 2025 and EGM held on 23 January 2026, the shareholders of the Company approved the Proposed Special Dividend and the CHSCP Scrip Dividend. The Company declared the Proposed Special Dividend of S$0.004 per Share on 27 February and applicable Scrip Dividend Scheme issue price per Share of $0.12 on 9 March 2026. Paid on 28 April 2026.

The Company has also announced the Proposed Special Interim Dividend of S$0.003 per Share on 11 May 2026, which is subject to approval from shareholders.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable

Paid on 28 April 2026.

(d) Books closure date

After market closed on 9 March 2026.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

6 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

Not applicable.

7 If the Company has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the SGX-ST Listing Manual. If no IPT mandate has been obtained, a statement to that effect

Not applicable as the Group does not have in place a general mandate for interested person transactions.

8 Negative assurance confirmation pursuant to Rule 705(5) of the Listing Manual. (Not required for announcement of full year results)

Not applicable.

9 Confirmation that the company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual

The Board confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

10 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable.

F. Other Information Required by Listing Rule Appendix 7.2 (continued)

11 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Doris Chung Gim Lian	57	Spouse of Mr. Chew Hua Seng, Chairman and CEO of Raffles Education Limited ("RE")	Director of Operations since 1st September 2018	Nil
Chew Han Wei	36	Son of Mr. Chew Hua Seng, Chairman and CEO of RE	Vice President (Europe & India Operations) since 1st Dec 2017	Nil
Chew Han Qiang	33	Son of Mr. Chew Hua Seng, Chairman and CEO of RE	Vice President (Thailand) since 1st Nov 2019	Nil
Chew Xuan Wei	34	Daughter of Mr. Chew Hua Seng, Chairman and CEO of RE	Senior Manager Operations (Indonesia) since 28th Jan 2025	Nil
Chew Han Qing	26	Son of Mr. Chew Hua Seng, Chairman and CEO of RE	Vice President (Malaysia) since 1st February 2026	Assistant Vice President (Malaysia) since 3rd Feb 2025

G. Subsequent Event

The Company's 70% owned indirect subsidiary, Langfang Hezhong Education Consulting Co., Ltd. ("Hezhong") has on 18 August 2026 entered into a land reclamation compensation agreement with the Langfang Economic and Technological Development Zone Management Committee in relation to the compulsory government reclamation of the Land. The Compensation Consideration of RMB 293.3million (S$54million) is to be collected in 2 tranches by end of 2026. Net cash proceeds after related income taxes and expenses are estimated at RMB 270.7million (S$50million) of which the Group's 70% share is estimated at RMB 174.2m (S$31million).

BY ORDER OF THE BOARD

Chew Hua Seng
Chairman
28 August 2026