

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE HALF YEAR ENDED AND FINANCIAL YEAR ENDED 30 JUNE 2025

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

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note (Page 22-25)	Group					
		6 months ended 30/06/25 \$'000	6 months ended 30/06/24 \$'000	Change %	12 months ended 2025 \$'000	12 months ended 2024 \$'000	Change %
Revenue		55,159	55,720	-1%	111,710	112,472	-1%
Other operating income	F 2.1	(190)	2,062	-109%	2,892	3,494	-17%
Personnel expenses	F 2.2	(25,159)	(21,638)	16%	(48,125)	(42,332)	14%
Other operating expenses	F 2.3	(21,575)	(19,732)	9%	(40,596)	(37,064)	10%
Finance costs	F 2.4	(7,884)	(9,852)	-20%	(16,640)	(20,293)	-18%
Depreciation and amortisation expenses		(8,956)	(9,148)	-2%	(18,221)	(18,016)	1%
Fair value loss on investment properties, net	F 2.5	(5,658)	(14,518)	-61%	(5,658)	(14,518)	-61%
Impairment loss on investment in associates	F 2.6	(585)	-	NM	(585)	-	NM
Share of results of associates	F 2.7	(239)	(689)	-65%	(179)	(848)	-79%
Operating loss before income tax		(15,087)	(17,795)	-15%	(15,402)	(17,105)	-10%
Foreign exchange gain	F 2.8	19,016	3,239	487%	51,056	13,831	269%
Foreign exchange loss	F 2.9	(5,689)	(9,989)	-43%	(26,916)	(19,288)	40%
Profit/(loss) before income tax		(1,760)	(24,545)	-93%	8,738	(22,562)	-139%
Income tax expense	F 2.10	(3,031)	(2,724)	11%	(8,220)	(3,237)	154%
Deferred tax credit	F 2.10	1,791	1,794	NM	3,840	1,805	113%
Net (loss)/profit after tax		(3,000)	(25,475)	-88%	4,358	(23,994)	-118%
Other comprehensive loss							
Items that may be reclassified subsequently to profit or loss:							
Currency exchange differences arising on translating foreign operations	F 2.11	(38,007)	13,244	-387%	(45,778)	9,638	-575%
Total comprehensive loss		(41,007)	(12,231)	235%	(41,420)	(14,356)	189%
Net loss attributable to:							
Equity holders of the Company		(23)	(21,365)	-100%	7,696	(19,261)	-140%
Non-controlling interests		(2,977)	(4,110)	-28%	(3,338)	(4,733)	-29%
Net (loss)/ profit after tax		(3,000)	(25,475)	-88%	4,358	(23,994)	-118%
Total comprehensive loss attributable to:							
Equity holders of the Company		(34,837)	(8,792)	296%	(34,278)	(9,963)	244%
Non-controlling interests		(6,170)	(3,439)	79%	(7,142)	(4,393)	63%
Total comprehensive loss		(41,007)	(12,231)	235%	(41,420)	(14,356)	189%
Earnings/(loss) per share for earnings/(loss) for the period/year attributable to the owners of the Company during the period/year:							
Basic (cents)		-	(1.54)	-100%	0.55	(1.39)	-140%
Diluted (cents)		-	(1.54)	-100%	0.55	(1.39)	-140%

NM – Not meaningful

Condensed Interim Statements of Financial Position

UNAUDITED STATEMENTS OF FINANCIAL POSITION	Note (Page 26-29)	Group		Company	
		30 Jun 2025 \$'000	30 Jun 2024 \$'000	30 Jun 2025 \$'000	30 Jun 2024 \$'000
Non-current assets					
Property, plant and equipment	F 2.12	464,998	468,799	240	272
Right-of-use assets	F 2.13	9,113	11,738	-	-
Investment properties	F 2.14	316,440	351,288	-	-
Investment in subsidiaries		-	-	419,101	419,375
Investment in joint venture		-	-	-	-
Investment in associates	F 2.15	1,780	2,499	-	-
Intangible assets	F 2.16	96,216	102,086	65	74
Deferred tax assets		630	479	-	-
Other receivables	F 2.17	3,187	8,400	52,000	58,901
Restricted bank balances		2,235	2,115	-	-
		894,599	947,404	471,406	478,622
Current assets					
Inventories		60	57	-	-
Trade and other receivables	F 2.18	34,108	33,831	344,229	365,300
Cash and bank balances		16,861	29,686	96	143
		51,029	63,574	344,325	365,443
Non-current assets held for sale	F 2.19	73,123	89,104	-	-
		124,152	152,678	344,325	365,443
Less:					
Current liabilities					
Trade and other payables	F 2.20	54,169	74,430	388,182	432,656
Course fees received in advance	F 2.21	23,058	21,805	-	-
Education facilities rental service fees received in advance	F 2.22	338	522	-	-
Income tax payables		15,578	14,931	51	51
Borrowings	F 2.23	113,405	54,432	2,095	14,135
Lease liabilities	F 2.24	3,407	3,339	-	-
		209,955	169,459	390,328	446,842
Net current liabilities	F 2.25	(85,803)	(16,781)	(46,003)	(81,399)
Less:					
Non-current liabilities					
Other payables	F 2.20	4,929	5,030	-	-
Course fees received in advance	F 2.26	4,317	-	-	-
Borrowings	F 2.23	95,336	170,839	59,481	36,326
Lease liabilities	F 2.24	6,739	9,382	-	-
Deferred tax liabilities	F 2.27	56,914	63,516	-	-
		168,235	248,767	59,481	36,326
Net assets		640,561	681,856	365,922	360,897
Equity					
Share capital		554,599	554,599	554,599	554,599
Treasury shares		(36,398)	(37,798)	(36,398)	(37,798)
Accumulated profits/(losses) and other reserves		37,625	73,178	(152,279)	(155,904)
Equity attributable to equity holders of the Company		555,826	589,979	365,922	360,897
Non-controlling interests	F 2.28	84,735	91,877	-	-
Total equity		640,561	681,856	365,922	360,897

Condensed Interim Statements of Changes in Equity

GROUP	Attributable to equity holders of the Company									Non-controlling Interests	Total Equity
	Share Capital	Treasury Shares	Revaluation reserve	Treasury shares reserve	Convertible bonds reserve	Foreign currency translation reserve	Share-based payment reserve	Accumulated profits	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
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
FY2024											
Balance at 1 Jul 2023	554,337	(38,817)	8,304	(758)	5,150	(67,117)	2,642	136,222	599,963	95,862	695,825
Total comprehensive income/(loss)	-	-	-	-	-	9,298	-	(19,261)	(9,963)	(4,393)	(14,356)
Dilution of interest in existing subsidiary without loss of control	-	-	-	-	-	-	-	(408)	(408)	408	-
Share-based payment	-	1,019	-	(894)	-	-	-	-	125	-	125
Issuance of ordinary shares	262	-	-	-	-	-	-	-	262	-	262
Balance at 30 June 2024	554,599	(37,798)	8,304	(1,652)	5,150	(57,819)	2,642	116,553	589,979	91,877	681,856

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 2024	554,599	(37,798)	(1,652)	5,150	2,642	(162,044)	360,897
Total comprehensive income	-	-	-	-	-	4,900	4,900
Share-based payment	-	1,400	(1,275)	-	-	-	125
Balance at 30 June 2025	554,599	(36,398)	(2,927)	5,150	2,642	(157,144)	365,922
<u>FY2024</u>							
Balance at 1 Jul 2023	554,337	(38,817)	(758)	5,150	2,642	(154,349)	368,205
Total comprehensive loss	-	-	-	-	-	(7,695)	(7,695)
Share-based payment	-	1,019	(894)	-	-	-	125
Issuance of ordinary shares	262	-	-	-	-	-	262
Balance at 30 June 2024	554,599	(37,798)	(1,652)	5,150	2,642	(162,044)	360,897

Condensed Interim Consolidated Statement of Cash Flows

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS	Note (Page 30)	12 months ended 30 Jun 2025 \$'000	12 months ended 30 Jun 2024 \$'000
Operating activities			
Profit/(loss) before income tax		8,738	(22,562)
Adjustments for:			
Amortisation of intangible assets		212	218
Amortisation for right-of-use assets		3,401	3,290
Bad trade and other receivables written off		756	226
Depreciation for property, plant and equipment		14,609	14,508
Fair value loss on investment properties, net		5,658	14,518
Finance costs		16,640	20,293
Gain on disposal of property, plant and equipment, net		(90)	(14)
Loss on disposal of investment in associates		183	-
Gain on lease modification		(49)	(4)
Impairment loss on investment in associate		585	-
Interest income		(161)	(2,420)
Loss allowance on trade receivables and other receivables		958	176
Loss on disposal of investment properties		2,073	-
Loss on disposal of right-of-use assets, net		-	4
Property, plant and equipment written off		-	9
Share of results of associates		179	848
Unrealised foreign exchange (gain)/loss, net		(27,311)	4,600
Operating cash flows before working capital changes		26,381	33,690
Working capital changes:			
Inventories		(3)	4
Trade and other receivables		(637)	(573)
Course fees received in advance		5,023	635
Education facilities rental service received in advance		(158)	(988)
Trade and other payables		(5,112)	2,922
Cash generated from operations		25,494	35,690
Interest paid		(14,316)	(14,689)
Interest received		161	2,420
Income and withholding taxes paid		(6,985)	(4,025)
Net cash generated from operating activities	F 2.29	4,354	19,396
Investing activities			
Additions for intangible assets		-	(21)
Additions of investment properties		(567)	(1,569)
Additions of right-of-use assets		(1)	(7)
Advance payment for construction project		-	(166)
Refund/(Advance payment) for acquisition of investment properties	F 2.30	1,551	(1,807)
Consideration paid for acquisition of subsidiary		-	(1,146)
Deposit received from non-current assets held for sale	F 2.30	1,780	20,722
Payments for property, plant and equipment	F 2.31	(4,208)	(13,502)
Proceeds from disposal of property, plant and equipment		771	56
Proceeds from disposal of investment properties	F 2.30	2,174	-
Proceeds from disposal of right-of-use assets		-	90
Refund from advance payment for construction of investment properties	F 2.30	1,604	8,374
Net cash generated from investing activities		3,104	11,024

Condensed Interim Consolidated Statement of Cash Flows (continued)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS	Note (Page 30)	12 months ended 30 Jun 2025 \$'000	12 months ended 30 Jun 2024 \$'000
Financing activities			
Loan from a director, net	F2.30	1,918	6,011
Decrease in bank balances pledged and restricted cash, net		125	32,099
Repayment of advance from third party		-	(4,804)
Proceeds from issuance of non-convertible bonds	F 2.30	21,000	-
Drawdown of bank borrowings	F 2.30	6,934	9,768
Repayment of bank borrowings	F 2.31	(45,999)	(64,588)
Repayment of principal portion of lease liabilities	F 2.31	(3,404)	(3,033)
Repayment of interest portion of lease liabilities	F 2.31	(540)	(710)
Net cash used in financing activities		(19,966)	(25,257)
Net change in cash and cash equivalents		(12,508)	5,163
Cash and cash equivalents at beginning of financial year		29,369	24,206
Cash and cash equivalents at end of financial year – Note A	F 2.32	16,861	29,369

Note A:

Cash and cash equivalents	Note (Page 30)	12 months ended 30 Jun 2025 \$'000	12 months ended 30 Jun 2024 \$'000
<u>Current</u>			
Fixed deposits with banks		15	14
Cash and bank balances		16,846	29,355
Restricted bank balances		-	317
<u>Non-current</u>			
Restricted bank balances		2,235	2,115
Cash and bank balances in the statement of financial position		19,096	31,801
Less: pledged deposits and restricted bank balances		(2,235)	(2,432)
Cash and cash equivalents in the statement of cash flow	F 2.32	16,861	29,369

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 2025 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 2024.

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 2025, the Group's and the Company's current liabilities exceeded its current assets by \$85.8 million and \$46.0 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 \$23.4 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. The proposed sale process of the Group's property located at 51 Merchant Road is on-going;
6. The Company announced a proposed issue of unlisted and non-convertible, 5-year 10.5% unsecured bonds ("Bonds") of up to an aggregate principal amount of \$10,000,000 on 13 June 2025. Certain subscribers had subscribed for \$2,000,000 of the Bonds till date; and
7. The Company has the ability to tap funds from its shareholders and the capital markets.

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

Going Concern (continued)

With the above mitigating factors, the net current liabilities position will not likely pose material uncertainty on the ability of the Group and of the Company as a going concern.

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 2024.

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.

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

4 Segment and revenue information

The Group has four reportable segments 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 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
Net fair value gain/(loss) on investment properties	756	(7,897)	1,415	68	(5,658)
Gain on disposal of property, plant and equipment	1	86	-	-	87
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)
<u>Other information:</u>					
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
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)	(305,968)

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

4.1 Reportable Segments (continued)

Group 6 months ended 30 Jun 2024					
	Education \$'000	Education Facilities Rental Service \$'000	Education Real Estate Investment & Development \$'000	Corporate & Others \$'000	Total \$'000
Revenue from external customers	50,471	4,263	986	-	55,720
Inter-segment revenue	4,473	517	(390)	1,884	6,484
Interest income	2	1	1,291	1	1,295
Gain on disposal of property, plant and equipment, net	14	-	-	-	14
Net fair value (loss)/gain on investment properties	-	(17,099)	826	1,755	(14,518)
Finance cost	(1,609)	(1,401)	(423)	(6,419)	(9,852)
Depreciation and amortisation	(6,388)	(403)	(2,336)	(21)	(9,148)
Share of results from associates	(7)	(682)	-	-	(689)
Reportable segment profit/ (loss) before income tax	9,230	(18,460)	(1,890)	(13,425)	(24,545)
Net profit/(loss) for the financial period	7,553	(16,638)	(2,477)	(13,913)	(25,475)
<u>Other information:</u>					
Additions to property, plant and equipment	2,240	10	79	1	2,330
Additions to right-of-use assets	2,342	-	-	-	2,342
Additions to investment properties	-	670	-	-	670
Additions to intangible assets	21	-	-	(3)	18
Investment in associates	196	2,303	-	-	2,499
Segment assets	372,183	268,062	227,335	95,637	963,217
Segment liabilities	(32,303)	(67,229)	(81,085)	(159,162)	(339,779)

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	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
<u>Other information:</u>					
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)	(305,968)

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

4.1 Reportable Segments (continued)

Group 12 months ended 30 Jun 2024					
	Education \$'000	Education Facilities Rental Service \$'000	Education Real Estate Investment & Development \$'000	Corporate & Others \$'000	Total \$'000
Revenue from external customers	102,128	8,763	1,581	-	112,472
Inter-segment revenue	4,700	1,046	412	4,093	10,251
Interest income	216	3	2,200	1	2,420
Gain on disposal of property, plant and equipment, net	14	-	-	-	14
Net fair value (loss)/gain on investment properties	-	(17,099)	826	1,755	(14,518)
Finance cost	(3,634)	(2,925)	(842)	(12,892)	(20,293)
Depreciation and amortisation	(12,506)	(821)	(4,647)	(42)	(18,016)
Share of results from associates	(25)	(823)	-	-	(848)
Reportable segment profit/(loss) before income tax	21,204	(18,811)	(4,493)	(20,462)	(22,562)
Net profit/(loss) for the financial year	19,090	(17,089)	(4,946)	(21,049)	(23,994)
<u>Other information:</u>					
Additions to property, plant and equipment	6,096	22	163	303	6,584
Additions to right-of-use assets	2,584	-	-	-	2,584
Additions to investment properties	-	1,569	-	-	1,569
Additions to intangible assets	21	-	-	-	21
Investment in associates	196	2,303	-	-	2,499
Segment assets	372,183	268,062	227,335	95,637	963,217
Segment liabilities	(32,303)	(67,229)	(81,085)	(159,162)	(339,779)

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

4.2 Disaggregation of Revenue

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

Operating Segment

Group
6 months ended 30 Jun 2024

	Education \$'000	Education Facilities Rental Service \$'000	Education Real Estate Investment & Development \$'000	Corporate & Others \$'000	Total \$'000
Course fee	45,120	-	-	-	45,120
Rental income from investment properties	-	4,263	986	-	5,249
Student accommodation fee	1,600	-	-	-	1,600
Canteen operation	626	-	-	-	626
Other fees	3,125	-	-	-	3,125
Total revenue	50,471	4,263	986	-	55,720

Geographical information	ASEAN \$'000	North Asia \$'000	South Asia \$'000	Australasia \$'000	Europe \$'000	Total \$'000
Course fee	19,604	24,832	210	-	474	45,120
Rental income from investment properties	-	4,376	-	-	873	5,249
Student accommodation fee	-	1,600	-	-	-	1,600
Canteen operation	575	51	-	-	-	626
Other fees	2,654	471	-	-	-	3,125
Total revenue	22,833	31,330	210	-	1,347	55,720

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

4.2 Disaggregation of Revenue (continued)

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

Operating Segment

Group
12 months ended 30 Jun 2024

	Education \$'000	Education Facilities Rental Service \$'000	Education Real Estate Investment & Development \$'000	Corporate & Others \$'000	Total \$'000
Course fee	91,829	-	-	-	91,829
Rental income from investment properties	-	8,763	1,581	-	10,344
Student accommodation fee	3,183	-	-	-	3,183
Canteen operation	1,197	-	-	-	1,197
Other fees	5,919	-	-	-	5,919
Total revenue	102,128	8,763	1,581	-	112,472

Geographical information	ASEAN \$'000	North Asia \$'000	South Asia \$'000	Australasia \$'000	Europe \$'000	Total \$'000
Course fee	40,747	48,910	421	-	1,751	91,829
Rental income from investment properties	-	8,985	-	-	1,359	10,344
Student accommodation fee	-	3,183	-	-	-	3,183
Canteen operation	1,089	108	-	-	-	1,197
Other fees	4,934	985	-	-	-	5,919
Total revenue	46,770	62,171	421	-	3,110	112,472

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

4.3 A breakdown of sales

	Group		Increase/ (Decrease)
	Financial year ending 30 Jun 2025 \$'000	Financial year ending 30 Jun 2024 \$'000	%
(a) Sales reported for first half year	56,551	56,752	NM
(b) Profit after tax reported for first half year	7,358	1,481	397
(c) Sales reported for second half year	55,159	55,720	-1
(d) Loss after tax reported for second half year	(3,000)	(25,475)	-88

5 Financial assets and financial liabilities

	Group		Company	
	30 Jun 2025 \$'000	30 Jun 2024 \$'000	30 Jun 2025 \$'000	30 Jun 2024 \$'000
<u>Financial Assets</u>				
Trade and other receivables (excluding prepayments & value added tax recoverable)	32,120	35,298	396,120	424,167
Cash and cash equivalents	19,096	31,801	96	143
<u>Financial Liabilities</u>				
Trade and other payables (excluding accruals for business, property and land taxes and deposit received from non-current asset held for sale)	49,131	51,139	388,182	432,656
Borrowings	208,741	225,271	61,576	50,461
Lease liabilities	10,146	12,721	-	-

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

6 Loss before taxation

	6 months ended 30 Jun 2025 \$'000	6 months ended 30 Jun 2024 \$'000	12 months ended 30 Jun 2025 \$'000	12 months ended 30 Jun 2024 \$'000
<u>Included in Other Operating Income</u>				
Interest income	63	1,295	161	2,420
Government grant	35	51	53	89
Gain on disposal of property, plant and equipment	87	16	90	16
Gain on disposal of investment properties	20	-	20	-
<u>Included in Other Operating Expenses</u>				
Loss allowance on trade receivables and other receivables	(958)	(176)	(958)	(176)
Bad trade and other receivables written off	(622)	(214)	(756)	(226)
Loss on disposal of property, plant and equipment	-	(2)	-	(2)
Loss on disposal of right-of-use assets	-	(1)	-	(4)
Loss on disposal of investment properties	(995)	-	(2,093)	-
Lease expenses	(208)	(220)	(404)	(569)
Property, plant and equipment written off	-	-	-	(9)
<u>Included in Personnel Expenses</u>				
Share-based payment	(124)	(125)	(124)	(125)

ADJUSTED EBITDA	6 months ended 30 Jun 2025 \$'000	6 months ended 30 Jun 2024 \$'000	12 months ended 30 Jun 2025 \$'000	12 months ended 30 Jun 2024 \$'000
Loss after tax	(3,000)	(25,475)	4,358	(23,994)
<u>Add/(less):</u>				
Government grant	(35)	(51)	(53)	(89)
Finance costs	7,884	9,852	16,640	20,293
Net income tax and deferred tax expense	1,240	930	4,380	1,432
Depreciation and amortisation	8,956	9,148	18,221	18,016
Net foreign exchange loss/(gain)	(13,327)	6,750	(24,140)	5,457
Property, plant and equipment written off	-	-	-	9
Net gain on disposal of property, plant and equipment	(87)	(14)	(90)	(14)
Adjusted EBITDA	1,631	1,140	19,316	21,110

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

7 Taxation

The Group calculates income tax expense for the period ended 30 Jun 2025 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 2025 \$'000	6 months ended 30 Jun 2024 \$'000	12 months ended 30 Jun 2025 \$'000	12 months ended 30 Jun 2024 \$'000
<u>Income tax expense</u>				
Current financial period	(2,460)	(2,853)	(7,649)	(3,485)
(Under)/overprovision of income tax expense in prior financial periods	(571)	129	(571)	248
<u>Deferred tax (expense)/credit</u>				
Current financial period	1,926	1,794	3,975	1,805
Under provision in respect of prior financial years	(135)	-	(135)	(135)

8 Net asset value

	Group		Company	
	As at 30 Jun 2025 \$	As at 30 Jun 2024 \$	As at 30 Jun 2025 \$	As at 30 Jun 2024 \$
Net asset value to equity holders of the Company (million)	555.826	589.979	365.922	360.897
Net asset value per ordinary share (cents)	39.97	42.52	26.32	26.01

The calculation of net asset value per ordinary share was based on 1,390,461,472 shares (excluding treasury shares) as at 30 Jun 2024 (30 Jun 2024: 1,387,646,472).

9 Property, plant and equipment

During the year, the Group acquired assets amounting to \$6,710,000 (30 Jun 2024: \$6,584,000) and foreign currency translation movement of \$8,872,000 (30 Jun 2023: \$1,407,000).

10 Investment Properties

	Group	
	2025 \$'000	2024 \$'000
Beginning of financial year	351,288	381,908
Additions	567	1,569
Disposal	(4,247)	-
Transfer to non-current assets held for sale	(5,025)	(20,722)
Transfer to property, plant and equipment, net	(13,408)	-
Fair value loss recognised in profit or loss, net	(5,658)	(14,518)
Currency translation differences	(7,077)	3,051
Balance at end of financial year	316,440	351,288

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

10 Investment Properties (continued)

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 (2024: 3.4% - 8.0% per annum)	Increase in capitalisation rate would result in lower fair value.
	Monthly rental rate	\$3.2 - \$89.3 per sqm (2024: \$3.3 - \$70.5 per sqm)	Increase in monthly rental rate would result in higher fair value.
Direct comparison approach	Price per square metre	\$106.9 - \$791.7 per sqm (2024: \$111.3 - \$1,203.6 per sqm)	Increase in price per square metre would result in higher fair value.

11 Intangible assets

Group	Goodwill on Consolidation \$'000	Trademarks & licenses \$'000	Development Costs \$'000	Computer software \$'000	Total \$'000
Cost					
At 1 Jul 2024	100,450	2,281	2,826	133	105,690
Written off	-	-	-	(18)	(18)
Currency translation differences	(5,697)	54	109	(2)	(5,536)
At 30 Jun 2025	94,753	2,335	2,935	113	100,136

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

11 Intangible assets (continued)

Group

	Goodwill on Consolidation \$'000	Trademarks & licenses \$'000	Development Costs \$'000	Computer software \$'000	Total \$'000
Accumulated amortisation & impairment					
At 1 Jul 2024	-	695	2,804	105	3,604
Amortisation	-	187	8	17	212
Write off	-	-	-	(18)	(18)
Currency translation differences	-	16	108	(2)	122
At 30 Jun 2025	-	898	2,920	102	3,920
Carrying amount at 30 Jun 2025	94,753	1,437	15	11	96,216

Company

	Trademarks & licenses \$'000	Computer software \$'000	Total \$'000
Cost			
At 1 Jul 2024 / 30 June 2025	228	51	279
Accumulated amortisation & impairment			
At 1 Jul 2024	170	35	205
Amortisation	1	8	9
At 30 Jun 2025	171	43	214
Carrying amount at 30 Jun 2025	57	8	65

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 9.1% to 13.5%
- Terminal growth rate range from 2.0% to 3.4%

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

12 Borrowings

	Group	
	30 Jun 2025 \$'000	30 Jun 2024 \$'000
<u>Amount repayable in one year or less, or on demand:</u>		
Secured ^{1, 2, 3}	111,920	54,217
Unsecured	1,485	215
	113,405	54,432
<u>Amount repayable after one year:</u>		
Secured ^{1, 2, 3}	35,855	134,513
Unsecured convertible bonds	38,481	36,308
Unsecured non-convertible bonds	21,000	-
Unsecured	-	18
	95,336	170,839
Total borrowings	208,741	225,271
RE Company	61,576	50,461
RE Group (exclude RE Company, OUCHK Group - Hong Kong GEM listed)	103,376	119,824
OUCHK Group (75% owned by RE)	43,789	54,986
Total borrowings	208,741	225,271

Details of securities

- 1 Property mortgage loans of \$133,155,000.
- 2 Bank borrowings of \$14,620,000 were secured by certain properties and restricted bank balances of \$2,235,000.
- 3 Bank borrowing of \$2,076,000 was secured on shares of a subsidiary and a director's personal guarantee.

13 Share Capital

	Group and Company			
	30 Jun 2025		30 Jun 2024	
	No. of Shares '000	Amount \$'000	No. of Shares '000	Amount \$'000
<u>Issued and paid up:</u>				
At beginning of the financial year	1,463,646	554,599	1,458,446	554,337
Issuance of ordinary shares	-	-	5,200	262
At the end of the financial year	1,463,646	554,599	1,463,646	554,599

The total number of issued shares increased to 1,390,461,472 (excluding treasury shares) as at 30 June 2025 (30 June 2024: 1,387,646,472). The increase was due to transfer of 2,815,000 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 2024.

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

13 Share Capital (continued)

There was a decrease to 73,185,300 treasury shares as at 30 June 2025 (30 June 2024: 76,000,300) following the transfer of 2,815,000 treasury shares as mentioned above.

As at 30 June 2025, there was unexercised share option for 1,780,000 unissued ordinary shares (30 June 2024: 1,780,000) 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 2025 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.**

COMMENTARY ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS AND 12 MONTHS ENDED 30 JUNE 2025

(1) Other operating income

2H FY25 vs 2H FY24

Decrease in other operating income to \$(0.2) million for 2nd half FY2025 from \$2.1 million for 2nd half FY2024 was mainly due to:

- (a) Decrease in interest income received from matured fixed deposits pledged with bank; and**
- (b) Reversal of compensation for termination of RMB4.2 million (approximately \$0.8 million) on acquisition of investment properties in Mongolia by Oriental University Holdings (H.K.) Limited ("OUCHK") from Misheel Lifestyle LLC in 2H FY25, which was previously recognized in 1H FY25.**

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 2025 (CONTINUED)

FY25 vs FY24

Decrease in other operating income to \$2.9 million for FY2025 from \$3.5 million for FY2024 was mainly due to:

- (a) Decrease in interest income received from matured fixed deposits pledged with a bank;
- (b) Amount received from Dennis Lui pursuant to a court order in a Suit against Shantanu and Dennis in FY2024; and

Offset by:

- (c) Deposits received of USD1.5 million (approximately \$2.1 million) for the Group's sale of shares in associate have been forfeited by the buyer upon cancellation of the sales and purchase agreement (refer F 2.20d below).

(2) Personnel expenses

Increase in personnel expenses for 2nd half FY2025 and FY2025 was due to increase in staff headcount and increase in average staff salary.

(3) Other operating expenses

2H FY25 vs 2H FY24

Increase in other operating expenses to \$21.6 million for 2nd half FY2025 from \$19.7 million for 2nd half FY2024 was mainly due to:

- (a) Loss on disposal of investment properties by OUCHK;
- (b) Increase in camp expenses as a result of increase in participants;
- (c) Increase in provision on doubtful debts in 2nd half FY2025; and

Offset by:

- (d) Decrease in professional fees in 2nd half FY2025.

FY25 vs FY24

Increase in other operating expenses to \$40.6 million for FY2025 from \$37.0 million for FY2024 was mainly due to:

- (a) Loss on disposal of investment properties by OUCHK;
- (b) Increase in camp expenses as a result of increase in participants;
- (c) Increase in provision on doubtful debts; and

Offset by:

- (d) Decrease in professional fees.

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 2025 (CONTINUED)

(4) Finance costs

Decrease in finance costs for 2nd half FY2025 and FY2025 was mainly due to:

- (a) Decrease in interest expenses incurred by Raffles K12 Sdn Bhd ("RK12") and Raffles Iskandar Sdn Bhd ("RU") as a result of repayments of borrowings; and
- (b) Decrease in interest expenses incurred by Raffles Assets (Singapore) Pte Ltd ("RA") as a result of decrease in borrowing rate which arose due to decrease in SORA rate.

(5) Fair value loss on investment properties

Fair value loss on investment properties of \$5.6 million for 2nd half FY2025 and FY2025 were 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 RU.

Fair value loss on investment properties of \$14.5 million for 2nd half FY2024 and FY2024 were mainly attributable by the revaluation of investment properties in OUCHK. The fair value loss on investment properties was offset by increase in fair value of investment properties in TLG and Raffles College of Design and Business (Private) Limited, Sri Lanka ("RUSL").

(6) Impairment of investment in associates

Impairment loss in an associate, Axiom Properties Limited ("Axiom"), of \$0.6 million was recognised in 2nd half FY2025 and FY2025 mainly due to decrease in its fair value less cost of disposal as at 30 June 2025.

(7) Share of results of associates

The share of results of associate for 2nd half FY2025 and FY2025 was mainly due to the loss incurred by Axiom, an associate of OUCHK in FY2025. Axiom is listed on Australian Securities Exchange (ASX: AXI). The decrease in share of results of associate is offset by profit generated by an associate.

(8) Foreign exchange gain

The foreign exchange gain for 2nd half FY2025 and FY2025 was mainly due:

- (a) During periods when Singapore Dollar strengthened against Renminbi and United States Dollar for financial liabilities denominated in Renminbi and United States Dollar; and
- (b) During periods when Malaysia Ringgit strengthened against Singapore Dollar for financial liabilities denominated in Singapore Dollar.

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 2025 (CONTINUED)

(9) Foreign exchange loss

The foreign exchange loss in 2nd half FY2025 and FY2025 were mainly due to:

- (a) During periods when Singapore Dollar strengthened against Renminbi for financial assets denominated in Renminbi;
- (b) During periods when Singapore Dollar weakened against Renminbi and United States Dollar for financial liabilities denominated in Renminbi and United States Dollar; and
- (c) During periods when Singapore Dollar strengthened against Malaysia Ringgit for financial liabilities denominated in Singapore Dollar.

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

Income tax expense and deferred tax credit/(expense) for 2nd half FY2025 was mainly due to:

- (a) Underprovision of income tax expenses on disposal of land owned by Wanbo Institute of Science & Technology ("Wanbo")'s land to Hefei City Authority of the People's Republic of China;
- (b) Recognition of estimated tax provision in a few subsidiaries; and

Offset by:

- (c) Reversal of deferred tax liabilities arising from sale of investment properties and fair value loss on investment properties.

Income tax expenses and deferred tax credit/(expense) for FY2025 was mainly due to:

- (a) Recognition of income tax expenses and land appreciation tax arising from completion of sale of properties;
- (b) Underprovision of income tax expenses on disposal of the land owned by Wanbo's land and buildings to Hefei City Authority; and

Offset by:

- (c) Reversal of deferred tax liabilities arising from sale of investment properties and fair value loss on investment properties.

(11) Currency translation differences

Currency translation differences for 2nd half FY2025 of \$38.0 million loss and for FY2025 of \$45.8 million loss (mainly due to Chinese Renminbi weaken 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 2025 AND 30 JUNE 2024)

(12) Decrease in property, plant and equipment (“PPE”) to \$465.0 million in FY2025 from \$468.8 million in FY2024 was mainly due to:

- (a) Depreciation charge for PPE amounting to \$14.6 million;
- (b) Foreign currency translation movement of \$8.9 million;

Offset by:

- (c) Reclassification of investment properties of \$13.4 million to property, plant and equipment due to future use as owner-occupied property (refer F 2.14 below); and
- (d) Additions of \$6.7 million.

(13) Decrease in right-of-use assets (“ROU”) to \$9.1 million in FY2025 from \$11.7 million in FY2024 was mainly due to:

- (a) Amortisation charge for ROU amounting to \$3.4 million; and

Offset by:

- (b) Additions of \$1.2 million.

(14) Decrease in investment properties to \$316.4 million in FY2025 from \$351.3 million in FY2024 was mainly due to:

- (a) Reclassification of investment properties of \$13.4 million to property, plant and equipment due to future use as owner-occupied property (refer F 2.12 above);
- (b) Reclassification of investment properties by OUCHK and OUCCY of a total \$5.0 million as non-current asset held for sale (refer F 2.19 below);
- (c) Disposal of investment properties by OUCHK and OUCCY of \$4.2 million;
- (d) Fair value loss on investment properties of \$5.7 million; and
- (e) Foreign currency translation movement of \$7.1 million.

(15) Decrease in investment in associates to \$1.8 million in FY2025 from \$2.5 million in FY2024 is mainly due to:

- (a) Share of losses of \$0.4 million and impairment loss of \$0.6 million by Axiom, an associate of OUCHK in FY2025;
- (b) Disposal of an associate of \$0.2 million in FY2025;

Offset by:

- (c) Share of profit of \$0.2 million by an associate; and
- (d) Foreign currency translation movement by Axiom of \$0.2 million.

(16) Decrease in intangible assets to \$96.2 million in FY2025 from \$102.1 million in FY2024 was mainly due to foreign currency translation movement of \$5.7 million.

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

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2025 AND 30 JUNE 2024) (continued)

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

Decrease in non-current other receivables to \$3.2 million in FY2025 from \$8.4 million in FY2024 was mainly due to termination of OUCHK's acquisition of investment properties in Mongolia from Misheel Lifestyle LLC (refer F 2.18a below) and refund of prepayment for renovation of investment properties by OUCHK.

- (18) Current trade and other receivables breakdown as follows:

	30/06/25 \$'000	30/06/24 \$'000
Current trade receivables:		
Third parties, (net)	5,543	5,396
Current other receivables:		
Third parties ^(a)	3,949	947
Prepayments	4,668	5,147
Deposits ^(b)	2,438	3,386
Joint ventures and associates ^(c)	16,926	18,661
Tax recoverable ^(d)	447	73
Others	137	221
	28,565	28,435
Total current trade and other receivables	34,108	33,831

- (a) Increase in amount owing from third parties was mainly due termination payment of RMB33.7 million (approximately \$6.0 million) of OUCHK's acquisition of investment properties in Mongolia (refer F 2.17 above) of which RMB8.4 million (approximately \$1.5 million) was received in FY2025. The increase in terminated payment was reduced by loss allowance of \$0.4 million.
- (b) Decrease in deposits is mainly due to expense off deposit for consultancy service in OUCCY.
- (c) Decrease in amount due from joint ventures and associates were mainly due to foreign currency translation movement of \$1.8 million.
- (d) Increase in tax recoverable was mainly due to overpayment of estimated income tax in RU.
- (19) Decrease in non-current assets held for sale to \$73.1 million in FY2025 from \$89.1 million in FY2024 was mainly due to the completion of sale of property in Langfang by OUCHK (refer F 2.20c below). The decrease was offset by reclassification of investment properties by OUCHK and OUCCY of a total \$5.0 million as non-current asset held for sale (refer F 2.14 above).

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

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2025 AND 30 JUNE 2024) (continued)

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

	30/06/25 \$'000	30/06/24 \$'000
Current trade payables:		
Third parties	2,219	2,546
Current other payables:		
Other accruals ^(a)	13,370	14,347
Accruals for property and land use tax	4,676	4,714
Accruals for business tax	3,511	2,770
Accruals for capital expenditure ^(b)	5,960	1,834
Amount due to a Director	7,688	6,011
Deposit received from non-current asset held for sale ^(c)	1,780	20,837
Other payables ^(d)	14,965	21,371
	51,950	71,884
Total current trade and other payables	54,169	74,430

(a) Decrease in other accruals to \$13.4 million in FY2025 from \$14.3 million in FY2024 was mainly due to payments made to students' admission expenses.

(b) Increase in accruals for capital expenditure to \$6.0 million in FY2025 from \$1.8 million in FY2024 was mainly due to construction of student dormitories and construction of new school buildings.

(c) The deposit received from non-current assets held for sale of RMB10.0 million (\$1.8 million) in FY2025 was in relation to proposed sale of properties by OUCHK and OUCCY.

The deposit received from non-current assets held for sale of RMB110.0 million (approximately \$20.8 million) in FY2024 was in relation to sale of property by OUCHK. This sale was completed in FY2025 (refer F 2.19 above).

(d) Decrease in other payables is mainly due to:

- i. Decrease in student scholarship and bursary received by Wanbo as Wanbo has returned the over-allocated student scholarship to the government and disbursed student scholarship and bursary to the students; and
- ii. Deposits received for the Group's sale of shares in associate have been forfeited by the buyer upon cancellation of the sales and purchase agreement (refer F 2.1b above).

(21) Increase in course fees received in advance to \$23.1 million in FY2025 from \$21.8 million in FY2024 was mainly due to an increase in annual fee collections from students in RK12. This deferred income will be recognised as revenue in the next financial quarters in FY2026.

(22) Decrease in education facilities rental service fees received in advance to \$0.3 million in FY2025 from \$0.5 million in FY2024 was mainly due to decrease in collections of education facilities rental fees from third parties in OUCHK and OUCCY. This deferred income will be recognised as revenue over the next twelve months.

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

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 30 JUNE 2025 AND 30 JUNE 2024) (continued)

(23) Decrease in total borrowings to \$208.7 million in FY2025 from \$225.3 million in FY2024 was mainly due to:

(a) Repayment of borrowings of \$46.0 million; and

Offset by:

(b) Issuance of non-convertible bonds of \$21.0 million; and

(c) Drawdown of bank borrowings of \$6.9 million.

The Group's net gearing ratio increased to 34% in FY2025 from 33% in FY2024 was calculated by net borrowing divided by equity.

(24) Decrease in lease liabilities to \$10.1 million in FY2025 from \$12.7 million in FY2024 was mainly due to lease repayments during the year.

(25) Net current liabilities as at 30 June 2025 was mainly due to a mortgage of \$93.6 million by Raffles Assets (Singapore) Pte Ltd ("RA") being classified as current borrowings as this mortgage matures in December 2025, in line with the proposed sale of its property located at 51 Merchant Road. The lender has indicated that they will extend the maturity in line with this on-going proposed sale.

The Group's current ratio decreased to 0.6 in FY2025 from 0.9 in FY2024 was calculated by current assets divided by current liabilities.

(26) Course fee received in advance for FY2025 is in relation of course fee collections from students. This deferred income will be recognised as revenue over time.

(27) Deferred tax liabilities breakdown for FY2025 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 2024	2,033	40,915	20,727	(159)	63,516
Reclassification	(17)	-	-	17	-
(Credited)/charged to profit or loss	(411)	(3,424)	-	150	(3,685)
Foreign currency realignment	(82)	(1,577)	(1,250)	(8)	(2,917)
Balance at 30 June 2025	1,523	35,914	19,477	-	56,914

(28) Non-controlling interests as at 30 June 2025 represent mainly the non-controlling shareholders' equity interests in Oriental University Holdings (H.K.) Limited.

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

COMMENTARY ON THE GROUP STATEMENT OF CASHFLOWS

(29) Net cash from operating activities amounted to \$4.4 million.

(30) Major contributors of cash inflows were:

- (a) Refund for acquisition of investment properties of \$1.6 million;
- (b) Deposit received from non-current assets held for sale of \$1.8 million;
- (c) Proceeds from disposal of investment properties of \$2.2 million;
- (d) Drawdown of bank borrowings of \$6.9 million;
- (e) Loan from a director \$1.9 million;
- (f) Proceeds from issuance of non-convertible bonds of \$21.0 million; and
- (g) Refund from advance payment for construction of investment properties of \$1.6 million.

(31) Major cash outflows were for:

- (a) Payments for property, plant & equipment of \$4.2 million;
- (b) Repayment of bank borrowings of \$46.0 million; and
- (c) Repayment of lease liabilities of \$3.9 million.

(32) The Group's cash position was \$16.9 million at the end of FY2025 (FY2024: \$29.4 million).

OTHER DISCLOSURE

The amounts due to the Group by 4 Valleys Pte Ltd ("4 Valleys") (other than the OUCHK) amounted to CHF 1,934,859 as at 30 June 2025 (approximately \$3,088,228 million based on an exchange rate CHF1.00:S\$1.59610). These amounts represent amounts due to the Group of CHF 2,262,027 (other than the OUCHK) owing by 4 Valleys, which were netted against amounts due from the Group of CHF 327,168 (other than OUCHK) to 4 Valleys.

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 2024.

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 including tariffs imposed by USA and retaliatory tariffs by the respective countries, will influence 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.

Prevailing interest rate environment continue to influence our cost of borrowing and increasing currency volatility will continue to affect the Group.

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

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

5 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(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

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the 12 months ended 30 June 2025 in order to preserve the Group's working capital.

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.

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	56	Spouse of Mr. Chew Hua Seng, Chairman and CEO of Raffles Education Limited ("RE")	Director of Operations since 1 st September 2018	Nil
Chew Han Wei	35	Son of Mr. Chew Hua Seng, Chairman and CEO of RE	Vice President (Europe & India Operations) since 1 st Dec 2017	Nil
Chew Han Qiang	32	Son of Mr. Chew Hua Seng, Chairman and CEO of RE	Vice President (Thailand) since 1 st Nov 2019	Nil
Chew Xuan Wei	33	Daughter of Mr. Chew Hua Seng, Chairman and CEO of RE	Senior Manager Operations (Indonesia) since 28 th Jan 2025	Nil
Chew Han Qing	25	Son of Mr. Chew Hua Seng, Chairman and CEO of RE	Assistant Vice President (Malaysia) since 3 rd Feb 2025	Nil

BY ORDER OF THE BOARD

Chew Hua Seng
Chairman
25 August 2025