

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2025

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

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note (Page 17-19)	Group		Change %
		First half ended 31 Dec 2025 \$'000	First half ended 31 Dec 2024 \$'000	
Revenue		56,630	56,551	NM
Other operating income	F 2.1	2,033	3,082	-34%
Personnel expenses		(23,319)	(22,966)	2%
Other operating expenses	F 2.2	(18,012)	(19,021)	-5%
Finance costs	F 2.3	(7,825)	(8,756)	-11%
Depreciation and amortisation expenses		(8,999)	(9,265)	-3%
Share of results of associates	F 2.4	(272)	60	-553%
Operating profit/(loss) before income tax		236	(315)	-175%
Foreign exchange gain	F 2.5	13,267	32,040	-59%
Foreign exchange loss	F 2.6	(9,359)	(21,227)	-56%
Profit before income tax		4,144	10,498	-61%
Income tax expense	F 2.7	(929)	(5,189)	-82%
Deferred tax (expense)/credit	F 2.7	(102)	2,049	-105%
Profit after tax		3,113	7,358	-58%
Other comprehensive income/(loss) Items that may be reclassified subsequently to profit or loss:				
Currency exchange differences arising on translating foreign operations	F 2.8	19,173	(7,771)	-347%
Total comprehensive income/(loss)		22,286	(413)	NM
Attributable to:				
Equity holders of the Company		3,336	7,719	-57%
Non-controlling interests		(223)	(361)	-38%
Net income		3,113	7,358	-58%
Attributable to:				
Equity holders of the Company		20,078	559	NM
Non-controlling interests		2,208	(972)	-327%
Total comprehensive income/(loss)		22,286	(413)	NM
Earnings per share for profit for the period attributable to the owners of the Company during the period:				
Basic (cents)		0.24	0.56	-57%
Diluted (cents)		0.24	0.56	-48%

Condensed Interim Statements of Financial Position

UNAUDITED STATEMENTS OF FINANCIAL POSITION	Note (Page 20 - 22)	Group		Company	
		31 Dec 2025 \$'000	30 June 2025 \$'000	31 Dec 2025 \$'000	30 June 2025 \$'000
Non-current assets					
Property, plant and equipment		478,099	464,998	225	240
Right-of-use assets	F 2.9	8,155	9,113	-	-
Investment properties		325,810	316,440	-	-
Investment in subsidiaries		-	-	419,190	419,101
Investment in joint venture		-	-	-	-
Investment in associates		1,796	1,780	-	-
Intangible assets		98,894	96,216	61	65
Deferred tax assets		635	630	-	-
Other receivables	F 2.10	2,968	3,187	49,608	52,000
Other financial asset	F 2.11	402	-	-	-
Restricted bank balances		2,281	2,235	-	-
		919,040	894,599	469,084	471,406
Current assets					
Inventories		66	60	-	-
Trade and other receivables	F 2.12	33,791	34,108	345,285	344,338
Cash and bank balances		35,202	16,861	51	96
		69,059	51,029	345,336	344,434
Non-current assets held for sale	F 2.13	69,656	73,123	-	-
		138,715	124,152	345,336	344,434
Less:					
Current liabilities					
Trade and other payables	F 2.14	49,389	54,169	391,822	388,000
Course fees received in advance	F 2.15	38,903	23,058	-	-
Education facilities rental service fees received in advance	F 2.16	2,915	338	-	-
Income tax payable	F 2.17	13,227	15,578	51	51
Borrowings	F 2.18	104,312	113,405	1,078	2,095
Lease liabilities	F 2.19	2,397	3,407	-	-
		211,143	209,955	392,951	390,146
Net current liabilities	F 2.20	(72,428)	(85,803)	(47,615)	(45,712)
Less:					
Non-current liabilities					
Other payables	F 2.21	5,203	4,929	-	-
Course fees received in advance		4,442	4,317	-	-
Borrowings	F 2.18	102,017	95,336	59,844	59,481
Lease liabilities	F 2.19	6,767	6,739	-	-
Deferred tax liabilities	F 2.22	58,535	56,914	-	-
		176,964	168,235	59,844	59,481
Net assets		669,648	640,561	361,625	366,213
Equity					
Share capital		558,724	554,599	558,724	554,599
Treasury shares		(23,467)	(36,398)	(23,467)	(36,398)
Accumulated profits/(losses) and other reserves		47,448	37,625	(173,632)	(151,988)
Equity attributable to equity holders of the Company		582,705	555,826	361,625	366,213
Non-controlling interests	F 2.23	86,943	84,735	-	-
Total equity		669,648	640,561	361,625	366,213

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	Share-based payments	Accumulated profits	Total			
						currency translation reserve						
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'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 income	-	-	-	-	-	16,742	-	3,336	20,078		2,208	22,286
Issuance of ordinary shares	4,125	-	-	-	(318)	-	-	-	3,807		-	3,807
Sale of treasury shares	-	12,931	-	(9,937)	-	-	-	-	2,994		-	2,994
Balance at 31 Dec 2025	558,724	(23,467)	8,304	(12,864)	4,832	(83,051)	2,642	127,585	582,705		86,943	669,648
FY2025												
Balance at 1 Jul 2025	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	-	-	-	-	-	(7,160)	-	7,719	559		(972)	(413)
Share-based payment	-	1,400	-	(1,277)	-	-	-	-	123		-	123
Balance at 31 Dec 2024	554,599	(36,398)	8,304	(2,929)	5,150	(64,979)	2,642	124,272	590,661		90,905	681,566

COMPANY	Share capital	Treasury shares	Treasury shares reserve	Convertible bonds reserve	Share-based payment reserve	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	FY2026						
Balance at 1 Jul 2025	554,599	(36,398)	(2,927)	5,150	2,642	(156,853)	366,213
Total comprehensive loss	-	-	-	-	-	(11,389)	(11,389)
Issuance of ordinary shares	4,125	-	-	(318)	-	-	3,807
Sale of treasury shares	-	12,931	(9,937)	-	-	-	2,994
Balance at 31 Dec 2025	558,724	(23,467)	(12,864)	4,832	2,642	(168,242)	361,625
FY2025							
Balance at 1 Jul 2025	554,599	(37,798)	(1,652)	5,150	2,642	(162,044)	360,897
Total comprehensive loss	-	-	-	-	-	(2,044)	(2,044)
Share-based payment	-	1,400	(1,277)	-	-	-	123
Balance at 31 Dec 2024	554,599	(36,398)	(2,929)	5,150	2,642	(164,088)	358,976

Condensed Interim Consolidated Statement of Cash Flows

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS	Note (Page 23)	First half ended 31 Dec 2025 \$'000	First half ended 31 Dec 2024 \$'000
Operating activities			
Profit before income tax		4,144	10,498
Adjustments for:			
Depreciation for property, plant and equipment		7,206	7,430
Amortisation for right-of-use assets		1,688	1,724
Reversal of loss allowance on trade and other receivables		(644)	(51)
Amortisation of intangible assets		105	111
Bad trade receivables written off		311	134
Finance costs		7,825	8,756
Interest income		(42)	(98)
Loss/(gain) on disposal of property, plant and equipment		20	(3)
Property, plant and equipment written off		25	-
Loss on disposal of non-current asset held for sale		479	1,098
Gain on compensation from termination on acquisition of investment properties		(964)	(768)
Share of results of associates		272	(60)
Unrealised foreign exchange gain, net		(3,365)	(13,547)
Operating cash flows before working capital changes		17,060	15,224
Working capital changes:			
Inventories		(6)	(4)
Trade and other receivables		(2,209)	(1,268)
Course fees received in advance		14,814	20,505
Education facilities rental service received in advance		2,513	732
Trade and other payables		(67)	(5,487)
Cash generated from operations		32,105	29,702
Interest paid		(5,942)	(7,867)
Interest received		42	98
Income and withholding taxes paid		(3,676)	(4,909)
Net cash generated from operating activities	F 2.24	22,529	17,024
Investing activities			
Acquisition of investment in associate		(175)	-
Additions of investment properties		(286)	(405)
Additions of right-of-use assets		-	(1)
Advance receipts from disposal of non-current assets held for sale		-	3,608
Payments for property, plant and equipment	F 2.26	(6,957)	(2,203)
Proceeds from disposal of non-current asset held for sale	F 2.25	2,165	-
Proceeds from disposal of property, plant and equipment		1	3
Refund from advance payment of investment properties	F 2.25	3,648	1,606
Net cash (used in)/generated from investing activities		(1,604)	2,608

Condensed Interim Consolidated Statement of Cash Flows (continued)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS	Note (Page 23)	First half ended 31 Dec 2025 \$'000	First half ended 31 Dec 2024 \$'000
Financing activities			
(Increase)/decrease in bank balances pledged and restricted cash, net		(86)	312
Proceeds from issuance of non-convertible bonds	F 2.25	3,000	16,250
Repayment of loan to a director, net	F 2.26	(2,768)	(1,015)
Drawdown of bank borrowings	F 2.25	1,328	3,259
Repayment of bank borrowings	F 2.26	(5,154)	(33,918)
Repayment of principal portion of lease liabilities	F 2.26	(1,716)	(1,752)
Repayment of interest portion of lease liabilities	F 2.26	(270)	(73)
Sale of treasury shares	F 2.25	2,994	-
Net cash used in financing activities		(2,672)	(16,937)
Net change in cash and cash equivalents		18,253	2,695
Cash and cash equivalents at beginning of financial period		16,861	29,369
Cash and cash equivalents at end of financial period – Note A	F 2.27	35,114	32,064

Note A:

	Note (Page 23)	First half ended 31 Dec 2025 \$'000	First half ended 31 Dec 2024 \$'000
Cash and cash equivalents			
<u>Current</u>			
Fixed deposits with banks		16	15
Cash and bank balances		35,098	32,049
Restricted bank balances		88	-
<u>Non-current</u>			
Restricted bank balances		2,281	2,115
Cash and bank balances in the statement of financial position		37,483	34,179
Less: pledged deposits and restricted bank balances		(2,369)	(2,115)
Cash and cash equivalents in the statement of cash flow	F 2.27	35,114	32,064

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 half year ended 31 December 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 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 31 December 2025, the Group's and the Company's current liabilities exceeded its current assets by \$72.4 million and \$47.6 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 \$41.8 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 or extend the maturity date of 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 sale process of the Group's property located at 51 Merchant Road is on-going. This has been approved during Extraordinary General Meeting ("EGM") held on 3 February 2026 and pending completion on 27 February 2026;
6. The Company announced a proposed issue of unlisted, non-convertible, 5-year 10.5% unsecured bonds ("Bonds") of up to an aggregate principal amount of \$10.0 million on 13 June 2025. Certain subscribers had subscribed for \$4,000,000 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)

2 Basis of Preparation (continued)

Going Concern (continued)

On 30 October 2025, the Company announced the Proposed Bond Conversion and Proposed Loan Conversion for the Company shall have the right to convert the outstanding principal amount of Bonds of \$11,750,000 held by Mr Chew into new shares (refer to page 16 N2 item 4) and the Company and Tonghui shall have a joint right to convert the outstanding principal amount of the Loan of RMB21,218,183 (approximately S\$3,776,879) into new Shares (refer to page 21 F14(c)). These have been approved during EGM held on 23 January 2026 and in the process of being converted.

On 26 November 2025, the Company announced the Proposed Disposal of the Entire Equity Interest in Hefei Yuren Education Management Co. Ltd for a total consideration of RMB 426,444,157 (approximately S\$76 million). This has been approved during EGM held on 3 February 2026 and pending completion.

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 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:

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

- **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 are not affected significantly by seasonal or cyclical factors during the financial period.

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				
	First half ended 31 Dec 2025				
	Education	Education Facilities Rental Service	Education Real Estate Investment & Development	Corporate & Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from external customers	51,912	4,052	666	-	56,630
Inter-segment revenue	1,694	524	53	1,369	3,640
Interest income	41	1	-	-	42
Loss on disposal of non-current asset held for sale	-	(479)	-	-	(479)
Finance cost	(611)	(1,256)	(252)	(5,706)	(7,825)
Depreciation and amortisation	(6,313)	(425)	(2,241)	(20)	(8,999)
Share of results from associates	-	(377)	-	105	(272)
Reportable segment profit/(loss) before income tax	20,768	463	(2,480)	(14,607)	4,144
Net profit/(loss) for the financial period	20,331	(237)	(2,374)	(14,607)	3,113
<u>Other information:</u>					
Additions to property, plant and equipment	3,404	599	-	-	4,003
Additions to investment properties	-	287	-	-	287
Additions to right-of-use assets	615	-	-	-	615
Investment in associates	-	1,478	-	318	1,796
Segment assets	394,542	219,678	222,999	81,728	918,947
Segment liabilities	(85,681)	(34,674)	(33,304)	(162,686)	(316,345)

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

4.1 Reportable Segments (continued)

	Group				Total \$'000
	First half ended 31 Dec 2024				
	Education \$'000	Education Facilities Rental Service \$'000	Education Real Estate Investment & Development \$'000	Corporate & Others \$'000	
Revenue from external customers	51,612	4,168	771	-	56,551
Inter-segment revenue	4,894	533	51	1,718	7,196
Interest income	89	5	4	-	98
Gain on disposal of property, plant and equipment	-	3	-	-	3
Loss on disposal of non-current asset held for sale	-	(1,098)	-	-	(1,098)
Finance cost	(915)	(1,592)	(184)	(6,065)	(8,756)
Depreciation and amortisation	(6,555)	(411)	(2,278)	(21)	(9,265)
Share of results from associates	(3)	63	-	-	60
Reportable segment profit/(loss) before income tax	18,807	(3)	(3,207)	(5,099)	10,498
Net profit/(loss) for the financial period	18,465	(2,577)	(3,431)	(5,099)	7,358
<u>Other information:</u>					
Additions to property, plant and equipment	2,715	1	3	-	2,719
Additions to investment properties	-	405	-	-	405
Additions to right-of-use assets	174	-	-	-	174
Investment in associates	373	5,271	-	-	5,644
Segment assets	390,398	244,990	224,378	82,933	942,699
Segment liabilities	(87,512)	(31,241)	(47,905)	(157,293)	(323,951)

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

4.2 Disaggregation of Revenue

Operating Segment	Group				
	First half ended 31 Dec 2025				
		Education	Real Estate	Corporate	
	Education	Facilities Rental	Investment &	&	Total
	Service	Development	Others		
	\$'000	\$'000	\$'000	\$'000	\$'000
Course fee	44,580	-	-	-	44,580
Rental income from investment properties	-	4,052	546	-	4,598
Student accommodation fee	1,415	-	-	-	1,415
Canteen operation	812	-	-	-	812
Other fees	5,105	-	120	-	5,225
Total revenue	51,912	4,052	666	-	56,630
Geographical information	ASEAN	North Asia	South Asia	Europe	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Course fee	25,182	18,266	94	1,038	44,580
Rental income from investment properties	-	4,069	-	529	4,598
Student accommodation fee	-	1,415	-	-	1,415
Canteen operation	797	15	-	-	812
Other fees	4,767	338	-	120	5,225
Total revenue	30,746	24,103	94	1,687	56,630
Operating Segment	Group				
	First half ended 31 Dec 2024				
	Education	Real Estate	Corporate		
	Facilities Rental	Investment &	&	Total	
	Service	Development	Others		
	\$'000	\$'000	\$'000	\$'000	\$'000
Course fee	45,441	-	-	-	45,441
Rental income from investment properties	-	4,168	771	-	4,939
Student accommodation fee	1,537	-	-	-	1,537
Canteen operation	792	-	-	-	792
Other fees	3,842	-	-	-	3,842
Total revenue	51,612	4,168	771	-	56,551
Geographical information	ASEAN	North Asia	South Asia	Europe	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Course fee	23,807	20,522	112	1,000	45,441
Rental income from investment properties	-	4,290	-	649	4,939
Student accommodation fee	-	1,537	-	-	1,537
Canteen operation	757	35	-	-	792
Other fees	3,563	279	-	-	3,842
Total revenue	28,127	26,663	112	1,649	56,551

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

5 Financial assets and financial liabilities

	Group		Company	
	31 Dec 2025 \$'000	30 Jun 2025 \$'000	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<u>Financial Assets</u>				
Trade and other receivables (excluding prepayments & value added tax recoverable)	27,915	30,312	394,841	396,229
Cash and cash equivalents	37,483	19,096	51	96
<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)	45,191	49,131	391,822	388,000
Borrowings	206,329	208,741	60,922	61,576
Lease liabilities	9,164	10,146	-	-

6 Profit before taxation

	First half ended 31 Dec 2025 \$'000	First half ended 31 Dec 2024 \$'000
<u>Included in Other Operating Income</u>		
Interest income	42	98
Government grant	57	18
Gain on disposal of property, plant and equipment	-	3
Reversal of loss allowance on trade and other receivables	644	51
<u>Included in Other Operating Expenses</u>		
Trade receivables written off	(311)	(134)
Lease expenses	(249)	(196)
Loss on disposal of non-current asset held for sale	(479)	(1,098)
Property, plant and equipment written off	(25)	-
Gain on disposal of property, plant and equipment	(20)	-

ADJUSTED EBITDA	First half ended 31 Dec 2025 \$'000	First half ended 31 Dec 2024 \$'000
Profit after tax	3,113	7,358
<u>Add/(less):</u>		
Government grant	(57)	(18)
Finance costs	7,825	8,756
Net income tax and deferred tax expense	1,031	3,140
Depreciation and amortisation	8,999	9,265
Net foreign exchange gain	(3,908)	(10,813)
Loss/(gain) on disposal of property, plant and equipment	20	(3)
Adjusted EBITDA	17,023	17,685

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

7 Taxation

The Group calculates income tax expense for the period ended 31 December 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:

	First half ended 31 Dec 2025 \$'000	First half ended 31 Dec 2024 \$'000
<u>Income tax expense</u>		
Current financial period	(988)	(5,189)
Overprovision of income tax expense in prior financial periods	59	-
<u>Deferred tax (expense)/credit</u>		
Current financial period	(102)	2,049

8 Net asset value

	Group		Company	
	As at 31 Dec 2025 \$	As at 30 Jun 2025 \$	As at 31 Dec 2025 \$	As at 30 Jun 2025 \$
Net asset value to equity holders of the Company (million)	582,705	555.826	361,625	366.213
Net asset value per ordinary share (cents)	39.33	39.97	24.41	26.34

The calculation of net asset value per ordinary share was based on 1,481,673,168 shares (excluding treasury shares) as at 31 Dec 2025 (30 Jun 2025: 1,390,461,472).

9 Property, plant and equipment

During the period, the Group acquired assets amounting to \$4,003,000 (31 Dec 2024: \$2,719,000).

10 Investment Properties

	Group	
	31 Dec 2025 \$'000	30 Jun 2025 \$'000
Beginning of financial period/year	316,440	351,288
Additions	287	567
Fair value loss recognised in profit or loss, net	-	(5,658)
Disposal of investment properties	-	(4,247)
Transfer to property, plant and equipment, net	-	(13,408)
Transfer to non-current assets held for sale	-	(5,025)
Foreign currency realignment	9,083	(7,077)
Balance at end of financial period/year	325,810	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.

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

10 Investment Properties (continued)

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	\$3.2 - \$89.3 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	\$106.9 - \$791.7 per sqm (2025: \$106.9 - \$791.7 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 2025	94,753	2,335	2,935	113	100,136
Currency translation differences	2,725	101	129	(2)	2,953
At 31 Dec 2025	97,478	2,436	3,064	111	103,089

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 2025	-	898	2,920	102	3,920
Amortisation	-	97	4	4	105
Currency translation differences	-	42	130	(2)	170
At 31 Dec 2025	-	1,037	3,054	104	4,195
Carrying amount					
At 31 Dec 2025	97,478	1,399	10	7	98,894
Company					
			Trademarks & licenses \$'000	Computer software \$'000	Total \$'000
Cost					
At 1 Jul 2025 and 31 Dec 2025			228	51	279
Accumulated amortisation & impairment					
At 1 Jul 2025			171	43	214
Amortisation			1	3	4
At 31 Dec 2025			172	46	218
Carrying amount					
At 31 Dec 2025			56	5	61

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	
	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<u>Amount repayable in one year or less, or on demand:</u>		
Secured ^{1,2,3}	102,804	111,920
Unsecured	1,508	1,485
	104,312	113,405
<u>Amount repayable after one year:</u>		
Secured ^{1,2,3}	42,173	35,855
Unsecured convertible bonds	35,844	38,481
Unsecured non-convertible bonds ⁴	24,000	21,000
	102,017	95,336
Total borrowings	206,329	208,741
RE Company	60,922	61,576
RE Group (exclude RE Company, OUCHK Group, Hong Kong GEM listed)	103,940	103,376
OUCHK Group (75% owned by RE)	41,467	43,789
Total borrowings	206,329	208,741

Details of securities

1. Property mortgage loans of \$128,977,000.
2. Bank borrowings of \$14,923,000 were secured by certain properties in Switzerland and restricted bank balances of \$2,281,000.
3. Bank borrowing of \$1,078,000 was secured on shares of a subsidiary and a director's personal guarantee.
4. Included unsecured non-convertible bonds of \$11,750,000 held by Mr Chew which the Company has the right to convert the outstanding principal amount into new shares (refer to page 7 N2).

13 Share Capital

	Group and Company			
	31 Dec 2025		30 Jun 2025	
	No. of Shares '000	Amount \$'000	No. of Shares '000	Amount \$'000
<u>Issued and paid up:</u>				
At beginning and end of financial period/year	1,463,646	554,599	1,463,646	554,599
Issuance of ordinary shares	65,212	4,125	-	-
At the end of the financial year	1,528,858	558,724	1,463,646	554,599

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

13 Share Capital (continued)

The total number of issued shares was 1,481,673,168 (excluding treasury shares) as at 31 December 2025 (30 June 2025: 1,390,461,472). The increase was due to:

1. Issuance of 65,211,696 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, and 26 December 2025; and
2. Sale of 26,000,000 treasury shares through KGI Securities (Singapore) Pte. Ltd to the purchaser at gross consideration of \$2,994,000.

There was a decrease to 47,185,300 treasury shares as at 31 December 2025 (30 June 2025: 73,185,300) following the sale of 26,000,000 treasury shares as mentioned above.

As at 31 December 2025, there was unexercised share option for 1,630,000 unissued ordinary shares (30 June 2025: 1,730,000) under the Raffles Education Limited Employees' Share Option 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 31 December 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 6-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 HALF YEAR ENDED 31 DECEMBER 2025

(1) Other operating income

Decrease in other operating income to \$2.0 million for 1st half FY2026 from \$3.1 million for 1st half FY2025 was mainly due to:

- (a) Deposits received of USD1.5 million (approximately \$2.1 million) for the Group's sale of shares in associate had been forfeited by the buyer upon cancellation of the sales and purchase agreement in 1st half FY2025; and

Offset by:

- (b) Reversal of loss allowance on trade and other receivables.

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

COMMENTARY ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

(2) Other operating expenses

Decrease in other operating expenses to \$18.0 million in 1st half FY2026 from \$19.0 million in 1st half FY2025 was mainly due to decrease in loss on disposal of non-current asset held for sale.

(3) Finance costs

Decrease in finance costs to \$7.8 million for 1st half FY2026 from \$8.8 million for 1st half FY2025 were mainly due to:

- (a) Decrease in interest expenses incurred by Raffles Assets (Singapore) Pte Ltd as a result decrease in average borrowing rate to 3.8% in 1st half FY2026 from 5.8% in 1st half FY2025 due to decrease in SORA rate;
- (b) Decrease in interest expenses incurred by Raffles K12 Sdn Bhd as a result of repayments of borrowings to Affin Bank; and

Offset by:

- (c) Increase in interest expenses on non-convertible bonds due to additional \$7.8 million new issuance of non-convertible bonds by the Company.

(4) Share of results of associates

Decrease in share of results of associate to (\$0.3) million for 1st half FY2026 from \$0.1 million for 1st half FY2025 was mainly due to the loss incurred by Axtec Ltd (formerly known as Axiom Properties Limited), an associate of Oriental University Holdings (H.K.) Limited ("OUCHK") in 1st half FY2026. Axtec Ltd is listed on Australian Securities Exchange (ASX: AXI).

(5) Foreign exchange gain

The foreign exchange gain in 1st half FY2026 were mainly due:

- (a) During periods when Thai Baht strengthened against Singapore Dollar for financial liabilities denominated in Singapore Dollar.
- (b) During periods when Malaysia Ringgit strengthened against Singapore Dollar for financial liabilities denominated in Singapore Dollar.

(6) Foreign exchange loss

The foreign exchange loss in 1st half FY2026 were mainly due during periods when Singapore Dollar weakened against Renminbi for financial liabilities denominated in Renminbi.

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

COMMENTARY ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

(7) Income tax & deferred tax credit

Decrease in income tax and deferred tax expense to \$1.0 million for 1st half FY2026 from \$3.1 million for 1st half FY2025 was mainly due to recognition of higher income tax expense and land appreciation tax by OUCHK arising from the disposal of certain property in 1st half FY2025 compared to lower income tax expense and land appreciation tax by OUCHK arising from the disposal of certain property in 1st half FY2026.

(8) Currency translation differences

Currency translation differences for 1st half FY2026 of \$19.2 million gain (mainly due to Chinese Renminbi strengthen against Singapore Dollar) arose from the consolidation of foreign operations in China with net assets denominated in Chinese Renminbi.

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

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 31 DECEMBER 2025 AND 30 JUNE 2025)

- (9) Decrease in right-of-use assets (“ROU”) to \$8.2 million in 1st half FY2026 from \$9.1 million in FY2025 was mainly due to amortisation charge for ROU amounting to \$1.7 million.
- (10) Non-current other receivables balances were in relation of loan to an employee and prepayment for construction works.
- (11) Other financial asset in 1st half FY2026 was subscription of convertible notes of Axtec Ltd (formerly known as Axiom Properties Limited) by Oriental University Holdings (H.K.) Limited (“OUCHK”).
- (12) Current trade and other receivables breakdown as follows:

	31/12/25 \$'000	30/06/25 \$'000
Current trade receivables:		
Third parties, (net)	5,934	5,543
Current other receivables:		
Third parties ^(a)	2,212	3,949
Prepayments ^(b)	6,347	4,668
Deposits	2,415	2,438
Joint ventures and associates	16,218	16,926
Tax recoverable	529	447
Others	136	137
	27,857	28,565
Total current trade and other receivables	33,791	34,108

- (a) Decrease in amount owing from third parties mainly due to compensation of RMB20.1 million (approximately \$3.6 million) from termination by a third party for an acquisition of investment properties in Mongolia was received in 1st half FY2026. The decrease in terminated payment was offset by reversal of loss allowance of \$0.4 million and gain on compensation from termination on acquisition of investment properties \$0.9 million.
- (b) Increase in prepayment was mainly due to prepaid management fee by Tianjin University of Commerce Boustead College to joint venture university which will be expensed off in the next 2 financial quarters in FY2026.

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

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 31 DECEMBER 2025 AND 30 JUNE 2025) (CONTINUED)

(13) Decrease in non-current assets held for sale to \$69.7 million in 1st half FY2026 from \$73.1 million in FY2025 was due to completion of sale of property in Langfang by OUCHK.

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

	31/12/25 \$'000	30/06/25 \$'000
Current trade payables:		
Third parties	3,071	2,219
Current other payables:		
Other accruals ^(a)	14,461	13,370
Accruals for property and land use tax	4,777	4,676
Accruals for business tax	3,709	3,511
Accruals for capital expenditure ^(b)	3,157	5,960
Amount due to a Director ^(c)	5,092	7,688
Deposit received from non-current assets held for sale ^(d)	915	1,780
Other payables	14,207	14,965
	46,318	51,950
Total current trade and other payables	49,389	54,169

(a) Increase in other accruals was mainly due to increase in the commission fees payable to agents for enrolment of new students.

(b) Decrease in accruals for capital expenditure was mainly due to payment to a contractor.

(c) Included in 31 December 2025 Amount due to a Director, was loan principal of RMB21,218,183 (approximately S\$3,882,206) which the Company and Tonghui have a joint right to convert into new shares (refer to page 7 N2).

(d) Decrease in deposit received from non-current assets held for sale to \$0.9 million from \$1.8 million was mainly due to completion of sale of property in Langfang by OUCHK.

(15) Increase in course fees received in advance to \$38.9 million in 1st half FY2026 from \$23.1 million in FY2025 was mainly due to annual fee collections from students in Tianjin University of Commerce Boustead College. This deferred income will be recognised as revenue over the next 2 financial quarters in FY2026.

(16) Increase in education facilities rental service fees received in advance to \$3.4 million in 1st half FY2026 from \$0.3 million in FY2025 was mainly due to collections of education facilities rental fees from third parties in OUCHK. This deferred income will be recognised as revenue over the next 2 financial quarters in FY2026.

(17) Decrease in income tax payable was mainly due to payment of income tax on disposal of land owned by Wanbo Institute of Science & Technology.

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

COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 31 DECEMBER 2025 AND 30 JUNE 2025) (CONTINUED)

(18) Decrease in total borrowings to \$206.3 million in 1st half FY2026 from \$208.7 million in FY2025 was mainly due to:

(a) Repayment of borrowings of \$5.2 million; and

Offset by:

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

The Group's net gearing ratio decreased to 29% in 1st half FY2026 from 34% in FY2025 was calculated by net borrowing divided by equity.

(19) Decrease in lease liabilities to \$9.2 million in 1st half FY2026 from \$10.1 million in 1st half FY2025 was mainly due to lease repayments and offset with new lease during the period.

(20) Net current liabilities as at 31 Dec 2025 was mainly due to a mortgage of \$93.6 million by Raffles Assets (Singapore) Pte Ltd being classified as current borrowings as this mortgage matures in January 2026, in line with the proposed sale of its property located at 51 Merchant Road. The lender has extended the maturity in line with this on-going proposed sale which had been approved during the EGM held on 3 February 2026 and pending for completion.

The Group's current ratio increased to 0.7 in 1st half FY2026 from 0.6 in FY2025 was calculated by current assets divided by current liabilities.

(21) Increase in non-current other payables to \$5.2 million in 1st half FY2026 from \$4.9 million in 1st half FY2025 was mainly due to increase in refundable deposit from students.

(22) Deferred tax liabilities breakdown for 1st half FY2026 as follows:

	Accelerated tax depreciation on PPE \$'000	Fair value adjustment on investment properties \$'000	Divestment of land and properties \$'000	Total \$'000
Balance at 1 Jul 2025	1,523	35,914	19,477	56,914
(Credited)/Charged to profit or loss	(48)	150	-	102
Foreign currency realignment	42	934	543	1,519
Balance at 31 Dec 2025	1,517	36,998	20,020	58,535

(23) Non-controlling interests for both 1st half FY2026 and FY2025 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

(24) Net cash from operating activities amounted to \$22.5 million.

(25) Major contributors of cash inflows were:

- (a) Refund from advance payment of investment properties of \$3.6 million;
- (b) Proceeds from issuance of non-convertible bonds of \$3.0 million;
- (c) Sale of treasury shares of \$3.0 million;
- (d) Drawdown of bank borrowings of \$1.3 million; and
- (e) Proceeds from disposal of non-current asset held for sale of \$2.2 million.

(26) Major cash outflows were for:

- (a) Repayment of bank borrowings of \$5.2 million;
- (b) Payments for property, plant and equipment of \$7.0 million;
- (c) Repayment of lease liabilities of \$2.0 million; and
- (d) Repayment of loan to a director of \$2.8 million.

(27) The Group's cash position was \$35.1 million at the end of 1st half FY2026 (1st half FY2025: \$32.1 million).

OTHER DISCLOSURE

The amounts due to the Group by 4 Vallees Pte Ltd ("4 Vallees") (other than the OUCHK) amounted to CHF329,817 as at 31 December 2025 (approximately \$537,305 based on an exchange rate CHF1.00:S\$1.62910). These amounts represent amounts due to the Group of CHF 667,488 (other than the OUCHK) owing by 4 Vallees, which were netted against amounts due from the Group of CHF 337,671 (other than OUCHK) to 4 Vallees.

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 item F 4 of the Group's results announcement for the financial year ended 30 June 2025.

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

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?

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/recommended, a statement to that effect and the reason(s) for the decision

No ordinary dividend has been declared or recommended for the first half year ended 31 December 2025 in order to preserve the Group's working capital.

On 23 January 2026 EGM, the shareholders of the Company approved the Proposed Special Dividend and the CHSCP Scrip Dividend. The Company will declare the Proposed Special Dividend of S\$0.004 per Share in due course.

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)

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the financial results for half year ended 31 December 2025 to be false or misleading in any material aspect. A statement signed by two directors is on record.

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

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 Subsequent Events

On 30 October 2025, the Company announced the Proposed Bond Conversion and Proposed Loan Conversion for the Company shall have the right to convert the outstanding principal amount of Bonds of \$11,750,000 held by Mr Chew into new shares (refer to page 16 N2 item 4) and the Company and Tonghui shall have a joint right to convert the outstanding principal amount of the Loan of RMB21,218,183 (approximately S\$3,776,879) into new Shares (refer to page 21 F14(c)). These have been approved during EGM held on 23 January 2026 and in the process of being converted.

On 26 November 2025, the Company announced the Proposed Disposal of the Entire Equity Interest in Hefei Yuren Education Management Co. Ltd for a total consideration of RMB 426,444,157 (approximately S\$76 million). This has been approved during EGM held on 3 February 2026 and pending completion.

On 29 January 2026, the Company had announced that the Company's subsidiary, Langfang Hezhong Education Consulting Co., Ltd. (formerly known as Langfang Hezhong Real Estate Development Co., Ltd.) has received a notice of the Proposed Government Acquisition of the land with an area of approximately 499 mu. The Group has not received any further details from the Langfang Planning Bureau and is therefore unable at this time to assess and disclose the impact of the Proposed Government Acquisition on the Group. Kindly refer to the said announcement.

The sale process of the Group's property located at 51 Merchant Road is on-going. This has been approved during Extraordinary General Meeting ("EGM") held on 3 February 2026 and pending completion on 27 February 2026.

BY ORDER OF THE BOARD

Chew Hua Seng
Chairman
13 February 2026