RafflesEducation

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

For Immediate Release

RafflesEducation Expects to Receive Approximately RMB270.68 Million (S$50 Million) in Net Cash Proceeds from Compulsory Acquisition of Land by the PRC Government

- **As announced on 30 January 2026, the Group received a notification from the relevant authorities to implement the reclamation of its land located on both sides of Li Siguang Road, Gu'an County, Langfang City, Hebei Province, the People's Republic of China ("PRC") with an area of approximately 499 mu (the "Land") for urban planning needs of Langfang Development Zone.**

- **Designated for educational and scientific purpose, the Land was acquired by the Group in 2008 for approximately RMB 190 million, and has appreciated in value over the years.**

- **After taking into account the estimated corporate income taxes and professional costs, the net cash proceeds from the Compensation Agreement are estimated at RMB270.68 million.**

- **The net cash proceeds are expected to materially strengthen the Group's net cash position and represent a meaningful portion of the Company's market capitalisation of approximately S$206 million market capitalisation as at 17 August 2026.**

Singapore, 18 August 2026 – Raffles Education Limited ("**RafflesEducation**" or the "**Company**", and together with its subsidiaries, the "**Group**"), a premier education group with 36 years of track record in Asia, wishes to announce that, following its announcement on 30 January 2026, the Group has entered into a land reclamation compensation agreement (the "Compensation Agreement") with the Langfang Economic and Technological Development Zone Management Committee ("LDZMC") in relation to the compulsory government reclamation of the Land for a total lump sum compensation of approximately RMB293 million (S$54 million).

Notably, under the Compensation Agreement, the Group is eligible for tax exemption incentive, where the proposed government reclamation under the government acquisition initiative entails exemption of land appreciation tax, value added tax and tax surcharge, which in an ordinary market transaction would have amounted to approximately RMB 92.30 million.

The total lump sum compensation of approximately RMB293 million will be payable to the Group in two tranches:

1. Phase 1 (RMB 150,000,000): Payable within one week after the transfer of approximately 306.46 mu of educational land (located south of Baijuyi Road, east of Xinglin Road, north of Li Siguang Road and west of Tianyou Road) and the compensation consideration has been received in the PRC's state treasury.

2. Phase 2 (RMB 143,262,900): Payable by the end of 2026 upon the complete handover of all land parcels and completion of cancellation/handover registrations.

The Land is restricted to educational and scientific use. Adverse changes in regulations and education policies over the years have hindered the development of the Land as an educational hub. The Land has not been developed into an income generating asset. While remaining idle, the book value of the Land would continue to incur depreciation charges of approximately RMB22.11 million per year.

Given the restricted land use designation, the Land is difficult to market to commercial property developers and investors. The current market conditions in China, coupled with adverse structural changes in the education industry, limit buying interest from education institutions as well.

Chairman and CEO of RafflesEducation, Mr. Chew Hua Seng （周华盛）said,
"This represents a pragmatic and value-accretive outcome for the Group, particularly against the backdrop of the challenging property market conditions in China.

We acquired the Land approximately 18 years ago and the value of the Land has appreciated over the long term, as reflected through our annual mark-to-market assessments.

While the book value of the Land is higher than the agreed sale price, it is important to recognise that even if sold at book value, the sale would have to take into consideration all the applicable taxes and transaction costs, as well as the availability of a credible buyer with the financial means, and ability to complete the transaction on acceptable terms.

Given the prevailing conditions in China's property market, we view the agreed sale price of RMB293 million as a positive outcome for the Group, providing greater certainty over the timely receipt of cash proceeds and further strengthening our net cash position."

-END-

This press release is to be read in conjunction with the Company's announcements released on 18 August 2026, which can be downloaded via www.sgx.com.

About Raffles Education Limited
(SGX Stock Code - NR7 / Bloomberg Code - RLS:SP / Reuters Code - RLSE.SI)

Since establishing its first college in Singapore in 1990, RafflesEducation has established itself as a premier education group, providing a full spectrum of education services through a vast network of educational institutions across 9 countries in Asia Pacific and Europe: Cambodia, India, Indonesia, Italy, Malaysia, Saudi Arabia, Singapore, Thailand, and the People's Republic of China.

The Group, through its Hong Kong Stock Exchange listed subsidiary, Oriental University City Holdings (H.K.) Ltd., leases education facilities to 8 educational institutions, offering a wide variety of vocational and technical courses.

For more information, please visit the Company's website at: https://raffles.education/

RafflesEducation

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

Issued on behalf of Raffles Education Limited by 8PR.

Media & Investor Contacts:
Mr. Alex Tan
Mobile: +65 9451 5252
Email: alex.tan@8prasia.com