

RAFFLES EDUCATION CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No: 199400712N)

(the "**Company**")

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES RESULTS OF RIGHTS ISSUE

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Offer Information Statement dated 1 October 2012.

1. RESULTS OF RIGHTS ISSUE

1.1 Level of Subscription

The Board of Directors of the Company wishes to announce that, based on the total issued share capital of the Company of 854,469,361 Shares as at the Rights Issue Books Closure Date, 170,893,872 Rights Shares were available for subscription under the Rights Issue and as at the close of the Rights Issue on 16 October 2012, valid acceptances and excess applications for a total of 760,003,429 Rights Shares were received. This represents approximately 444.72% of the total number of Rights Shares that were available for subscription under the Rights Issue.

Details of the valid acceptances and excess applications for Rights Shares received are as follows:

- (a) valid acceptances were received for a total of 160,334,201 Rights Shares, representing approximately 93.82% of the total number of Rights Shares available for subscription under the Rights Issue; and
- (b) excess applications were received for a total of 599,669,228 Rights Shares, representing approximately 350.90% of the total number of Rights Shares available under the Rights Issue ("**Excess Applications**").

The provisional allotments of 10,559,671 Rights Shares which were not accepted by Entitled Shareholders and/or Purchasers under the Rights Issue are sufficient for and will be allotted to satisfy the applications for Excess Rights Shares in full. In such allotment, preference will be given to Shareholders for rounding of odd lots and directors and Substantial Shareholders will rank last in priority.

1.2 Allotment of Rights Shares

CDP will send to Entitled Depositors with valid acceptances and successful applications for excess Rights Shares by ordinary post, at their own risk, to their mailing addresses as maintained with CDP, a notification of the number of Rights Shares that have been credited to their respective Securities Accounts, on or about 24 October 2012.

2. REFUND FOR INVALID OR UNSUCCESSFUL ACCEPTANCES AND EXCESS APPLICATIONS

When any of the acceptances of and/or any of the excess applications for Rights Shares is invalid or in the case of applications for excess Rights Shares, if a Shareholder applies for excess Rights Shares but no excess Rights Shares are allotted to that Shareholder, or if the number of excess Rights Shares allotted to that Shareholder is less than the number applied for, the amount paid on application, or the surplus application monies, as the case may be, will be refunded to the relevant Shareholder by CDP on behalf of the Company without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one or a combination of the following:

- (a) by crediting the relevant Shareholder's bank account with the relevant Participating Bank at the Shareholder's own risk if the Shareholder applied by way of Electronic Application through an ATM, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder; and/or
- (b) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at the relevant Shareholder's own risk to the Shareholder's mailing address as maintained with CDP or the Company, as the case may be.

3. IRREVOCABLE UNDERTAKING

Pursuant to the Irrevocable Undertaking given by Mr Chew Hua Seng and his associate (collectively, the "**Undertaking Shareholders**"), the Undertaking Shareholders accepted their entitlement of 59,312,150 Rights Shares under the Rights Issue.

4. LISTING OF THE RIGHTS SHARES

The Company expects that 170,893,872 Rights Shares will be allotted and issued pursuant to the Rights Issue on or about 23 October 2012.

The Company further expects that the Rights Shares will be listed and quoted on the Official List of the SGX-ST with effect from 9.00 a.m. on or about 24 October 2012.

The Company will in due course release an announcement to advise the Shareholders on the dates for the listing of, and quotation for, the Rights Shares on the Official List of the SGX-ST.

The Company wishes to take this opportunity to thank Shareholders for their support in ensuring the successful completion of the Rights Issue.

BY ORDER OF THE BOARD
RAFFLES EDUCATION CORPORATION LIMITED
Chew Hua Seng
Chairman
22 October 2012