

RAFFLES EDUCATION CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(UEN/Company Registration No. 199400712N)

- (A) **INCREASE IN MEDIUM TERM NOTE PROGRAMME LIMIT FROM S\$300,000,000 TO S\$500,000,000**
- (B) **AMENDMENT TO THE TRUST DEED DATED 22 FEBRUARY 2012**
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Raffles Education Corporation Limited (the “**Issuer**”) had on 22 February 2012 established a Medium Term Note Programme (the “**Programme**”) pursuant to which the Issuer may issue notes (the “**Notes**”) from time to time. The Programme was arranged by The Hongkong and Shanghai Banking Corporation Limited and United Overseas Bank Limited.

The Board of Directors of the Issuer is pleased to announce that the maximum aggregate principal amount of notes which may be issued under the Programme has been increased from S\$300,000,000 to S\$500,000,000 with effect from 20 March 2015.

The net proceeds arising from the issue of Notes under the Programme (after deducting issue expenses) will be used for the financing of general corporate funding requirements or investments of the Issuer (including refinancing of existing borrowings), working capital, capital expenditure and other general funding requirements.

The Notes and Coupons of all series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

In addition, the Issuer has also entered into a Supplemental Trust Deed dated 20 March 2015 (the “**Supplemental Trust Deed**”) with British and Malayan Trustees Limited, as trustee (the “**Trustee**”), which is supplemental to the Trust Deed dated 22 February 2012 (the “**Trust Deed**”) made between the same parties. The Trust Deed was supplemented to, among other things:

- (1) delete Condition 3(a)(ii) in its entirety and to substitute a new Condition 3(a)(ii) permitting the Issuer and its Principal Subsidiaries (as defined in the Trust Deed) to create or have outstanding security over any asset (or, if the asset is shares in a company, where the assets held by that company are) renovated, refurbished and/or developed by the Issuer or any of its Principal Subsidiaries after the date of the Trust Deed for the purpose(s) of financing or refinancing the renovation, refurbishment and/or development of that asset (or, if that asset is shares in a company, of the assets held by that company) and securing an amount not exceeding the cost of that acquisition, renovation, refurbishment and/or development;
- (2) delete Condition 3(a)(v) in its entirety and to substitute a new Condition 3(a)(v) permitting the Issuer and its Principal Subsidiaries to create or have outstanding security created by a Principal Subsidiary over any asset before it became a Principal Subsidiary, provided that in the event that the indebtedness secured by such security is to be increased, the aggregate amount secured by such security shall not exceed 70 per cent. of the current market value of such asset at the time of such increase (as shown in the most recent valuation report prepared by an independent professional valuer and delivered by the Issuer to the Trustee, and as confirmed by the Issuer in a

certificate signed by two Directors or a Director and an authorised signatory of the Issuer and delivered by the Issuer to the Trustee along with the valuation report), and any security over such asset created for the sole purpose of refinancing the indebtedness secured by such security, provided that the aggregate amount secured by any such security shall not exceed the higher of (1) the amount secured by such security at the time of such refinancing and (2) 70 per cent. of the current market value of such asset at the time of the creation of such security (as shown in the most recent valuation report prepared by an independent professional valuer and delivered by the Issuer to the Trustee, and as confirmed by the Issuer in a certificate signed by two Directors or a Director and an authorised signatory of the Issuer to and delivered by the Issuer to the Trustee along with the valuation report); and

- (3) delete Condition 4 in its entirety and to substitute a new Condition 4 with the updated provisions for the calculation of the rate of interest in respect of Notes.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and the listing and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of any Notes on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, its subsidiaries (if any), its associated companies (if any), the Programme or such Notes.

ON BEHALF OF THE BOARD

Chew Hua Seng
Chairman & CEO

20 March 2015