

Raffles Education

RAFFLES EDUCATION CORPORATION LIMITED

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Raffles Education Corporation Limited will be held on 24 October 2016 at 2.00 p.m. at Cinnamon Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031 to transact the following businesses:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2016 together with the Auditor's Report thereon. **[Resolution 1]**
- To re-elect the following Directors retiring pursuant to the Company's Constitution:-
(a) Mr Henry Tan Song Kok {retiring pursuant to Article 91} **[Resolution 2]**
(b) Dr Tan Chin Nam {retiring pursuant to Article 91} **[Resolution 3]**

Notes:

Mr Henry Tan Song Kok is the lead independent Director and upon re-election, will continue to serve as the Chairman of the Audit Committee.

Dr Tan Chin Nam is an independent Director and upon re-election, will continue to serve as the Chairman of the Nomination Committee and a member of the Remuneration and Risk Management Committees.

Please refer to section on "Board of Directors" in the Annual Report for key information on Mr Henry Tan Song Kok and Dr Tan Chin Nam.

- To approve the proposed Directors' fees of S\$265,000/- for the financial year ended 30 June 2016. [2015: S\$265,000/-] **[Resolution 4]**
- To re-appoint Messrs BDO LLP as Auditor of the Company and to authorise the Directors to fix their remuneration. **[Resolution 5]**
- To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions with or without any modifications:-

- Authority for Directors to issue shares and to make or grant instruments pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore
THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "Companies Act"), authority be and is hereby given to the Directors of the Company to:
(a) issue and allot new shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and with such rights and restrictions as they may think fit to impose and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares of any Instrument made or granted by the Directors while this Resolution was in force, provided that:
(i) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a *pro-rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (ii) below);
(ii) subject to such other manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST"), for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued shares shall be based on the number of issued shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for:
(A) any new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
(B) any subsequent bonus issue, consolidation or sub-division of shares;
(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution for the time being of the Company; and
(iv) such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. **[Resolution 6]**
[See Explanatory Note (i)]

- Authority for Directors to grant options and awards, and to allot and issue shares pursuant to the Raffles Education Corporation Employees' Share Option Scheme (Year 2011) and the Raffles Education Corporation Performance Share Plan

THAT the Directors of the Company be and are hereby authorised to:

- offer and grant options and awards to non-executive directors and employees who are eligible to participate in the Raffles Education Corporation Employees' Share Option Scheme (Year 2011) (the "Scheme") and Raffles Education Corporation Performance Share Plan (the "Share Plan") in accordance with the Scheme and the Share Plan (as the case may be); and
- allot and issue from time to time such number of fully paid shares in the capital of the Company as may be required to be issued pursuant to exercise of such options or vesting of such awards in accordance with the terms and conditions of the Scheme and the Share Plan,
provided always that the aggregate number of shares to be allotted and issued pursuant to the Scheme and the Share Plan shall not exceed fifteen per cent (15%) of the total number of issued shares (excluding treasury shares) from time to time and subject to such lower limits as the terms of the Scheme and the Share Plan may impose. **[Resolution 7]**
[See Explanatory Note (ii)]

- Renewal of the Share Purchase Mandate

THAT

- for the purposes of the Companies Act, the exercise by the Directors of the Company of all powers of the Company to purchase or otherwise acquire issued ordinary shares fully paid in the capital of the Company not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- market purchase(s) (each a "Market Purchase") on the SGX-ST; and/or
- off-market purchase(s) (each an "Off-Market Purchase") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

- unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

- the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
- the date on which the purchases or acquisitions of shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earlier.

In this Resolution:

"Maximum Limit" means that number of shares representing ten per cent (10%) of the total number of issued shares (excluding treasury shares) as at the date of the passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as hereinafter defined), in which event the total number of shares shall be taken to be the number of the shares as altered (excluding any treasury shares that may be held by the Company from time to time);

"Relevant Period" means the period commencing from the date of the passing of this Resolution and expiring on the date the next Annual General Meeting of the Company is held or is required by law to be held, whichever is the earlier; and

"Maximum Price", in relation to a share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- in the case of a Market Purchase, 105 per cent (105%) of the Average Closing Price; and
- in the case of an Off-Market Purchase pursuant to an equal access scheme, 120 per cent (120%) of the Average Closing Price,
where:

(1) "Average Closing Price" means the average of the closing market price of a share over the last five (5) Market Days (a "Market Day" being a day on which the SGX-ST is open for trading in securities), on which transactions in the shares were recorded, before the day on which the purchase or acquisition of shares was made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

(2) "day of the making of the offer" means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(c) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

[See Explanatory Note (iii)]

[Resolution 8]

BY ORDER OF THE BOARD

Keloth Raj Kumar (Mr)
Company Secretary

8 October 2016

Note:

A Shareholder is entitled to appoint a proxy to attend and vote in his place. A proxy need not be a Shareholder of the Company. Shareholders wishing to vote by proxy at the meeting may use the proxy form enclosed. The completed proxy form must be lodged at the Registered Office of the Company at 51 Merchant Road, Raffles Education Square, Singapore 058283 not less than 48 hours before the time appointed for the Meeting.

EXPLANATORY NOTES ON SPECIAL BUSINESS TO BE TRANSACTED:

- The proposed Resolution 6, if passed, will empower the Directors of the Company from the date of the passing of the Resolution to the earlier of the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held, to allot and issue shares and to grant instruments (such as warrants, debentures or other securities) convertible into shares, and to issue shares in pursuance of such instruments, unless such authority is earlier revoked or varied by the shareholders of the Company at a general meeting.

The aggregate number of shares which the Directors may issue (including shares to be issued pursuant to convertibles) under this Resolution shall not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares). For issue of shares other than on a *pro-rata* basis, the aggregate number of shares to be issued (including shares to be issued pursuant to convertibles) shall not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares).

- The proposed Resolution 7, if passed, will empower the Directors of the Company from the date of the passing of the Resolution until the earlier of the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held, to grant options and awards to eligible non-executive directors and employees of the Company under the Scheme and the Share Plan and to allot and issue shares from time to time pursuant to the exercise of the options under the Scheme or the vesting of the awards under the Share Plan, provided always that the aggregate number of shares to be allotted and issued pursuant to the Scheme and the Share Plan shall not exceed fifteen per cent (15%) of the total number of issued shares (excluding treasury shares) from time to time and subject to such lower limits as the terms of the Scheme and the Share Plan may impose, unless such authority is earlier revoked or varied by the shareholders of the Company at a general meeting.

- The proposed Resolution 8, if passed, will empower the Directors of the Company from the date of the passing of the Resolution until the earlier of the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held, to purchase or otherwise acquire, by way of Market Purchases or Off-Market Purchases, up to ten per cent (10%) of the total number of issued shares (excluding treasury shares) as at the date of passing of the Resolution on the terms of the Share Purchase Mandate as set out in the letter to shareholders dated 8 October 2016 accompanying this Notice of Annual General Meeting (the "Letter"), unless such authority is earlier revoked or varied by the shareholders of the Company at a general meeting.

The Company intends to use internal sources of funds or borrowings or a combination of both to finance the Company's purchase or acquisition of the shares pursuant to the Share Purchase Mandate. The amount of financing required for the Company to purchase or acquire its shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice of Annual General Meeting as these will depend on, *inter alia*, the aggregate number of shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such shares, the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the shares purchased or acquired are cancelled or held as treasury shares. For illustrative purposes only, the financial effects of an assumed purchase or acquisition of 24,739,423 shares, at a purchase price equivalent to the Maximum Price per share, in the case of a Market Purchase and an Off-Market Purchase respectively, based on the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2016 and certain assumptions, are set out in paragraph 2.8 of the Letter.