

**CIRCULAR DATED 2 NOVEMBER 2017**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt as to the contents herein or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Raffles Education Corporation Limited, please forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited takes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

# **RafflesEducation**

## **RAFFLES EDUCATION CORPORATION LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199400712N)

### **CIRCULAR TO SHAREHOLDERS**

#### **IN RELATION TO**

**THE REQUISITION FOR A MEETING OF THE SHAREHOLDERS PURSUANT TO SECTION 176 OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE, FOR THE FOLLOWING RESOLUTIONS:**

- (1) THAT THE IDENTITIES OF THE PLACERS AND THE NUMBER OF PLACEMENT SHARES PLACED TO EACH OF THEM IN CONNECTION WITH THE PLACEMENT SHARES ALLOTTED AND ISSUED ON 10 OCTOBER 2017 AT AN ISSUE PRICE OF S\$0.30 FOR EACH PLACEMENT SHARE BE DISCLOSED;**
- (2) THAT MR. CHEW HUA SENG BE REMOVED FROM HIS OFFICE AS CHAIRMAN AND DIRECTOR OF THE COMPANY (INCLUDING THE TERMINATION OF HIS EMPLOYMENT WITH THE COMPANY) WITH EFFECT FROM THE DATE OF THE EXTRAORDINARY GENERAL MEETING AND THAT THE COMPANY TAKE ALL NECESSARY STEPS TO REMOVE MR. CHEW HUA SENG FROM ANY AND ALL HIS OTHER APPOINTMENTS (WHETHER AS DIRECTOR, CORPORATE REPRESENTATIVE OR OTHERWISE) WITH THE COMPANY, ITS SUBSIDIARIES AND ASSOCIATED COMPANIES; AND**
- (3) THAT ONE OF THE INDEPENDENT DIRECTORS OF THE COMPANY BE APPOINTED AS NON-EXECUTIVE CHAIRMAN OR IF NONE OF THE PRESENT INDEPENDENT DIRECTORS ARE WILLING TO ACCEPT SUCH APPOINTMENT, TO DIRECT THE BOARD OF DIRECTORS TO SEARCH FOR AND RECOMMEND A SUITABLE CANDIDATE TO ASSUME THE ROLE OF NON-EXECUTIVE CHAIRMAN.**

#### **IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form	:	27 November 2017, at 9.30 a.m.
Date and time of Extraordinary General Meeting	:	29 November 2017, at 9.30 a.m.
Place of Extraordinary General Meeting	:	Cinnamon Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless otherwise stated:

<b>“Board”</b>	:	The Board of Directors of the Company as at the Latest Practicable Date
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Chairman”</b>	:	The chairman of the Board
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
<b>“Company”</b>	:	Raffles Education Corporation Limited
<b>“Directors”</b>	:	The directors of the Company as at the Latest Practicable Date
<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be held on 29 November 2017 at 9.30 a.m. at Cinnamon Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031, notice of which is set out on pages 9 to 10 of this Circular
<b>“Independent Directors”</b>	:	The independent directors of the Company as at the Latest Practicable Date
<b>“Latest Practicable Date”</b>	:	30 October 2017, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST and its relevant rules, as may be amended or modified from time to time
<b>“Mr. Chew Hua Seng”</b>	:	Mr. Chew Hua Seng, the Chairman and Chief Executive Officer of the Company as at the Latest Practicable Date
<b>“Notice of EGM”</b>	:	The notice of EGM as set out on pages 9 to 10 of this Circular
<b>“Placees”</b>	:	The placees of the Placement Shares
<b>“Placement”</b>	:	The placement of 95 million Shares at an issue price of S\$0.30 for each Placement Share, as described in paragraph 2.2.1 of the Letter to Shareholders in this Circular
<b>“Placement Agent”</b>	:	The placement agent appointed in connection with the Placement, being RHB Securities Singapore Pte. Ltd.
<b>“Placement Announcement”</b>	:	The announcement made by the Company on 28 September 2017 in relation to the Placement
<b>“Placement Shares”</b>	:	95 million new Shares allotted and issued in connection with the Placement
<b>“Proposed Resolutions”</b>	:	Resolution 1, Resolution 2 and Resolution 3, collectively, as set out in paragraph 2.1 of the Letter to Shareholders in this Circular

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## DEFINITIONS

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“ <b>Requisition Notice</b> ”	:	The notice of requisition dated 12 October 2017 received by the Company from the Requisitioning Members, as set out in paragraph 2.1 of the Letter to Shareholders in this Circular
“ <b>Requisitioning Members</b> ”	:	Mr. Oei Hong Leong and Oei Hong Leong Art Museum Limited
“ <b>Resolution 1</b> ”	:	Resolution 1, as set out in paragraph 2.1.1 of the Letter to Shareholders in this Circular
“ <b>Resolution 2</b> ”	:	Resolution 2, as set out in paragraph 2.1.2 of the Letter to Shareholders in this Circular
“ <b>Resolution 3</b> ”	:	Resolution 3, as set out in paragraph 2.1.3 of the Letter to Shareholders in this Circular
“ <b>SGX-ST</b> ”	:	Singapore Exchange Securities Trading Limited
“ <b>Shareholders</b> ”	:	Registered holders of Shares in the register of members, except that where the registered holder is CDP, the term “ <b>Shareholders</b> ” shall, in relation to such Shares and where the context admits, mean the Depositors whose securities accounts maintained with CDP are credited with Shares
“ <b>Shares</b> ”	:	Ordinary shares in the capital of the Company
“ <b>S\$</b> ”	:	Singapore dollars
“ <b>%</b> ” or “ <b>per cent.</b> ”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

The term “**subsidiaries**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act, the Listing Manual or any statutory modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

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## LETTER TO SHAREHOLDERS

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### RAFFLES EDUCATION CORPORATION LIMITED

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

#### Directors:

Mr. Chew Hua Seng (Chairman and Chief Executive Officer)  
Mr. Henry Tan Song Kok (Lead Independent Director)  
Mr. Lim Tien Lock, Christopher (Independent Director)  
Dr. Tan Chin Nam (Independent Director)  
Mr. Teo Cheng Lok John (Independent Director)  
Mr. Chew Kok Chor (Executive Director and Deputy Chief Executive Officer)

#### Registered Office:

51 Merchant Road  
Raffles Education Square  
Singapore 058283

2 November 2017

To: The Shareholders of Raffles Education Corporation Limited

Dear Sir/Madam

#### 1. INTRODUCTION

- 1.1 EGM.** The Directors are convening an extraordinary general meeting to be held on 29 November 2017 to consider the proposed resolutions contained in the letter dated 12 October 2017 from Mr. Oei Hong Leong and Oei Hong Leong Art Museum Limited (collectively, the “**Requisitioning Members**”), details of which are set out in paragraph 2 of this Circular.
- 1.2 Circular.** The purpose of this Circular is to provide Shareholders with information relating to the resolutions to be tabled at the EGM.
- 1.3 SGX-ST.** The SGX-ST has not independently verified the contents of this Circular. SGX-ST does not assume any responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

#### 2. THE REQUISITION BY THE REQUISITIONING MEMBERS

- 2.1 The Requisition.** As announced on 12 October 2017, the Company received a letter from the Requisitioning Members requisitioning, pursuant to Section 176 of the Companies Act, the Directors to convene the EGM to consider the resolutions set out below (the “**Requisition Notice**”) which are reproduced in their entirety from the Requisition Notice:

- 2.1.1** “*Resolution 1: Disclose the identities of the placees and the number of shares placed to each of them in connection with the placement of 95 million new shares in the Company (the “**Placement Shares**”) that were issued and allotted on 10 October 2017 at an issue price of S\$0.30 for each Placement Share.*” (“**Resolution 1**”);
- 2.1.2** “*Resolution 2: Removal of Mr. Chew Hua Seng as Chairman and Director of the Company (including terminating his employment with the Company) with effect from the date of the EGM and to take all steps necessary to remove him from any and all his other appointments (whether as director, corporate representative or otherwise) with the Company, its related and/or associated companies including all of its subsidiaries.*” (“**Resolution 2**”); and
- 2.1.3** “*Resolution 3: Appoint one of the independent directors of the Company as a non-executive Chairman or if none of the present independent directors are willing to accept the appointment, to direct that the Board search for and recommend a suitable candidate to assume the role of non-executive Chairman*” (“**Resolution 3**”),

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## LETTER TO SHAREHOLDERS

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(collectively, the “**Proposed Resolutions**”). No reasons were given in the Requisition Notice for the Proposed Resolutions.

### 2.2 Chronology of Events

A brief chronology of events leading up to the date of the Requisition Notice is set out below:

**2.2.1** On 28 September 2017, the Company announced a placement of up to 95 million new Shares (the “**Placement Shares**”) at an issue price of S\$0.30 for each Placement Share (the “**Placement**”, and such announcement, the “**Placement Announcement**”). The placees of the Placement Shares (the “**Placees**”) were found by the Placement Agent at its sole discretion without any input, direction or restriction from the Company.

**2.2.2** On 12 October 2017, the Company received the Requisition Notice and made an announcement in relation thereto.

### 2.3 Independent Board Committee

The Directors resolved that the deliberation of, and the carrying out of all acts and things in connection with Resolution 2 and Resolution 3 be delegated to a committee comprising the Independent Directors.

## 3. RESOLUTION 1

### 3.1 Purpose of Resolution 1

The Requisitioning Members are proposing Resolution 1 to compel the Company to disclose the identities of the Placees and the number of Placement Shares placed to each of them.

The Directors would like Shareholders to note the following relevant information in their decision in respect of Resolution 1.

### 3.2 Relevant Rules under the Listing Manual

**3.2.1** Under Rule 810(1) of the Listing Manual, an issuer which intends to issue shares for cash must announce the issue promptly stating the terms of issue and the purpose of the issue, including:

- (i) the identity of the placement agent;
- (ii) the amount of proceeds proposed to be raised from the issue; and
- (iii) the intended use of such proceeds on a percentage allocation basis.

**3.2.2** The Company has complied with the requirements of Rule 810(1) of the Listing Manual by announcing the following in its Placement Announcement:

- (i) RHB Securities Singapore Pte. Ltd. is the Placement Agent;
- (ii) the gross proceeds of the Placement are estimated to be up to S\$28.5 million; and
- (iii) the Company intends to use the net proceeds from the Placement of up to S\$28.2 million (after deducting estimated expenses relating to the Placement) for repayment of loans and borrowings (70% to 80%) and general working capital purposes (20% to 30%). Pending the deployment of net proceeds from the Placement, the net proceeds may be deposited with banks and/or financial institutions as the Directors may deem appropriate in the interests of the Company and its subsidiaries.

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## LETTER TO SHAREHOLDERS

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**3.2.3** Under Rule 810(2) of the Listing Manual, where a placement agent is appointed but is subject to any restrictions and directions imposed by the issuer regarding the identities of and/or the allocation to the placees, the issuer must also include in its announcement:

- (i) the identities of the placees and the number of shares placed to each of them;
- (ii) details on how the placees were identified and the rationale for placing to them; and
- (iii) the restrictions and/or directions imposed on the placement agent by the issuer regarding the identities of and/or the allocation to the placees, where applicable.

**3.2.4** The Company confirms that the Placement Agent is not subject to any restrictions and directions imposed by the Company regarding the identities of and/or the allocation to the Placees, and accordingly Rule 810(2) of the Listing Manual does not apply.

### **4. RESOLUTION 2 AND RESOLUTION 3**

#### **4.1 Purpose of Resolution 2 and Resolution 3**

The Requisitioning Members are proposing:

**4.1.1** Resolution 2 to procure the removal of Mr. Chew Hua Seng as Chairman and Director of the Company (including terminating his employment with the Company) with effect from the date of the EGM and to take all steps necessary to remove him from any and all his other appointments (whether as director, corporate representative or otherwise) with the Company, its related and/or associated companies including all of its subsidiaries; and

**4.1.2** Resolution 3 to appoint one of the Independent Directors as a non-executive Chairman or if none of the present Independent Directors are willing to accept the appointment, to direct that the Board search for and recommend a suitable candidate to assume the role of non-executive Chairman.

### **5. EXTRAORDINARY GENERAL MEETING**

The EGM will be held on 29 November 2017 at 9.30 a.m. at Cinnamon Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031 for the purposes of considering and, if thought fit, passing with or without any modifications, the ordinary resolutions set out in the Notice of EGM.

### **6. ACTION TO BE TAKEN BY SHAREHOLDERS**

**6.1** If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached proxy form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the Company's registered office at 51 Merchant Road, Raffles Education Square, Singapore 058283, not less than 48 hours before the time fixed for the EGM.

**6.2** The completion and return of a proxy form by a Shareholder does not preclude him from attending and voting in person at the EGM if he wishes to do so. A depositor shall not be regarded as a member entitled to attend, speak and vote at the EGM unless his name appears in the Depository Register 72 hours before the time appointed for holding the EGM.

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## LETTER TO SHAREHOLDERS

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### 7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular (save for the information and documents provided to the Company by the Requisitioning Members) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Resolutions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular (save for the information and documents provided to the Company by the Requisitioning Members) misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### 8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to and including the date of the EGM:

- (i) the Requisition Notice; and
- (ii) the Constitution of the Company.

Yours faithfully  
For and on behalf of the Board of Directors of  
Raffles Education Corporation Limited

Mr. Henry Tan Song Kok  
Lead Independent Director



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### RAFFLES EDUCATION CORPORATION LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199400712N)

#### NOTICE OF EXTRAORDINARY GENERAL MEETING

Pursuant to the requisition notice dated 12 October 2017 received by Raffles Education Corporation Limited (the “**Company**”) from Mr. Oei Hong Leong and Oei Hong Leong Art Museum Limited and in accordance with Section 176 of the Companies Act (Chapter 50 of Singapore), **NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**EGM**”) of the Company will be held at Cinnamon Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031 on 29 November 2017 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions as ordinary resolutions:

#### **Resolution 1**

That the identities of the placees and the number of shares placed to each of them in connection with the placement of 95 million new shares in the capital of the Company (the “**Placement Shares**”) allotted and issued on 10 October 2017 at an issue price of S\$0.30 for each Placement Share be disclosed.

#### **Resolution 2**

That Mr. Chew Hua Seng be removed from his office as chairman of the board of directors of the Company (“**Chairman**”) and director of the Company (including the termination of his employment with the Company) with effect from the date of the EGM and that the Company take all necessary steps to remove Mr. Chew Hua Seng from any and all his other appointments (whether as director, corporate representative or otherwise) with the Company, its subsidiaries and associated companies.

#### **Resolution 3**

That one of the independent directors of the Company be appointed as non-executive Chairman or if none of the present independent directors are willing to accept such appointment, to direct the board of directors of the Company to search for and recommend a suitable candidate to assume the role of non-executive Chairman.

By Order of the Board

Mr. Keloth Raj Kumar  
Company Secretary  
Raffles Education Corporation Limited  
2 November 2017

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

1. A member of the Company entitled to attend and vote at the EGM, and who is not a Relevant Intermediary (as defined below), is entitled to appoint one proxy or two proxies to attend and vote in his place. A member of the Company who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote in his place, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. A proxy need not be a member of the Company.

“**Relevant Intermediary**” has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

2. The instrument appointing a proxy or proxies must be deposited at 51 Merchant Road, Raffles Education Square, Singapore 058283 not less than 48 hours before the time of the EGM.

### Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the “**Purposes**”), and (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.