

RafflesEducation

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

RESPONSE TO QUERY BY SGX-ST ON RAFFLES EDUCATION CORPORATION LIMITED'S ANNOUNCEMENT DATED 20TH OCTOBER 2017

SGX-ST Query

In Raffles Education Corporation Limited's (the "Company") announcement dated 20 October 2017, it was disclosed that "in relation to the use of proceeds from the Placement, the Board wishes to announce that of the balance of \$17.15 million, \$10.35 million has been utilised to repay bank borrowings and \$1.77 million utilised for working capital purposes". Please provide a breakdown with specific details on the use of proceeds for working capital.

Company's Response

Details for the use of proceeds for working capital are as follows:

	S\$ million
Interest expenses on borrowings	0.31
Operating expenses in Australia and Singapore	0.13
Operating expenses in Italy and Switzerland	1.33
Total	1.77

On behalf of the Board

Chew Hua Seng
Chairman and Chief Executive Officer

23 October 2017