TMC EDUCATION CORPORATION LTD.
Company Registration No. 198102945K
(Incorporated in the Republic of Singapore)

LOAN AGREEMENT BETWEEN TMC EDUCATION CORPORATION LTD. AND D8 MANAGEMENT PTE. LTD.

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1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of TMC Education Corporation Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 19 October 2015 entered into a loan agreement (the "**Loan Agreement**") with D8 Management Pte. Ltd. (the "**Lender**"), for the provision of a secured loan to the Company with an aggregate sum of S$2,000,000 (the "**Loan**").

2. DETAILS OF THE LOAN

2.1. Lender

The shareholders of the Lender include Chin Swee Siew, Chin Mui Hiong and Chin Mei Yang (the "**Shareholders**"). The Shareholders are nephews of Dr. Chin Kon Yuen ("**Dr. Chin**").

Dr. Chin is the Chairman of the Board and is a 'controlling shareholder' of the Company as defined under the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Catalist Rules**"), by virtue of his shareholding interest of 62.91% of the ordinary shares in the share capital of the Company.

However, the Lender is not an 'interested person' as defined under Rule 904(4) of the Catalist Rules, due to the following:

(a) the Lender is not a controlling shareholder of the Company; and

(b) the Lender is not an associate of any Director, the Chief Executive Officer, or controlling shareholder of the Company as defined under the Catalist Rules, due to the following:

(i) the Lender is not the trustee of any trust of which a Director, the Chief Executive Officer, or a controlling shareholder of the Company (or an immediate family member of such Director, Chief Executive Officer, or controlling shareholder of the Company) is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(ii) the Lender is not a company in which a Director, the Chief Executive Officer, or a controlling shareholder of the Company and the immediate family of such Director, Chief Executive Officer, or controlling shareholder of the Company together (directly or indirectly) have an interest of 30% or more.

Accordingly, the Loan does not constitute an 'interested person transaction' as defined under Chapter 9 of the Catalist Rules.Therefore, the requirements for an announcement and/or shareholders' approval pertaining to interested person transactions are not applicable to the Loan.

2.2. Term

The Loan shall be repaid, together with the final interest payment, via a single lump sum payment made via telegraphic transfer by the Company within twelve (12) months. The full

amount of the Loan was made available to the Company on 29 October 2015 ("**Disbursement Date**").

2.3. **Interest**

The interest payable on the Loan is eight percent (8%) per annum, calculated on the basis of a 365 day year, and payable in at the end of each succeeding month, starting with the month subsequent to the month of the Disbursement Date.

In the event of early repayment of the Loan by the Company, the interest payable shall be calculated on a pro-rated basis, up to the date of such repayment ("**Repayment Date**"), and shall be paid by the Company to the Lender together with the Loan on the Repayment Date.

2.4. **Security**

In connection with the Loan, the Company has agreed to grant a charge over its property ("**Property**") in favour of the Lender, particulars of which are provided below:

111 North Bridge Road
Units #06-09 to #06-11 Peninsula Plaza
Singapore 179098
(171 sq metre)
(Three (3) Units that form <u>part</u> of Strata Title- Certificate of Title:
Volume 208 Folio 93; Lot No: TS10-U981K)

The Company is in the process of subdividing the Strata Title of the Property into individual lots (each a "**Unit**"). This process is expected to be complete sometime in the first quarter of year 2016.

The Company has undertaken to the Lender to grant and duly register a charge over the three (3) Units specified above in favour of the Lender, as soon as reasonably practicable after the completion of the subdivision of the Strata Title of the Property into individual Units.

2.5. **Purpose**

The Loan will be used by the Company to meet its working capital requirements, in such proportion and manner as the Board shall decide at its sole discretion.

3. APPROVAL BY THE BOARD

The Board and Audit Committee of the Company have reviewed the Loan Agreement and are satisfied on its terms and conditions, and are of the view that the Loan Agreement is not prejudicial to the interests of the Company and its minority shareholders.

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for the aforesaid, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Loan Agreement, save through their respective shareholdings in the Company (if any).

5. DOCUMENT AVAILABLE FOR INSPECTION

The Loan Agreement is available for inspection during normal business hours at the Company's registered office for three (3) months from the date of this announcement.

6. UPDATES

The Company will provide further updates where necessary.

BY ORDER OF THE BOARD
Ms Yeow Cheng Khim
Chief Executive Officer
30 October 2015

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.