GLOBAL DRAGON LIMITED
(formerly known as TMC Education Corporation Ltd.)
Company Registration No.: 198102945K
(Incorporated in the Republic of Singapore)

USE OF NET PROCEEDS OF RIGHTS ISSUE

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*The Board of Directors (the "**Board**") of Global Dragon Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the offer information statement dated 4 April 2018 (the "**Offer Information Statement**") relating to the Rights Issue. Unless otherwise defined herein, all capitalised terms used herein shall bear the meanings as ascribed to them in the Offer Information Statement.*

The Board wishes to provide the following update on the use of the net proceeds from the Rights Issue (the "**Net Proceeds**").

The Company has reallocated approximately S$8.00 million of the Net Proceeds initially allocated for the general working capital purposes to be utilised for changing the core business of the Company and expansion/growth of the New Business (the "**Reallocations**").

After a review of the Group's cash flow requirements, the Board is of the view that the Reallocations would be in the best interests of the Company and its shareholders as this will help to strengthen the Group's new business expansion/growth.

As at the date of this announcement, the utilisation of Net Proceeds is set out as follows:

Use of Net Proceeds	**Allocation of Net Proceeds (As Disclosed in the Offer Information Statement) (S$'million)**	**Amount Re-allocated (S$'million)**	**Revised Allocation of Net Proceeds (S$'million)**	**Amount Utilised as at 1 June 2018 (S$'million)**	**Amount Unutilised as at 1 June 2018 (S$'million)**
For changing the core business of the Company and expansion/growth of the New Business	13.63	8.00	21.63	8.17[(1)]	13.46
General working capital purposes	10.50	(8.00)	2.50	1.29[(2)]	1.21
Total	**24.13**	**-**	**24.13**	**9.46**	**14.67**

Notes: -

(1) The amount utilised is to fund the acquisitions of Jalan Demak property and Katong Omega Apartments, which were disclosed in the announcements dated 26 March 2018, 6 April 2018 and 15 May 2018.

(2) The amount utilised for general working capital requirements comprised mainly payments for operating expenses, professional fees and loan interests.

Subsequent to the aforementioned, as at the date of this announcement, the Company has a remaining available balance of S$14.67 million from the Net Proceeds.

The Company will continue to make periodic announcements on the utilisation of the balance of the Net Proceeds as and when such proceeds are materially deployed, and provide a status report on such use of the Net Proceeds in its annual report.

BY ORDER OF THE BOARD

Koh Kian Soo
Executive Chairman
1 June 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "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.

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