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

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(1) PROPOSED CHANGE OF NAME OF THE COMPANY;
(2) PROPOSED CHANGE OF CORE BUSINESS OF THE COMPANY;
(3) PROPOSED CHANGE OF AUDITORS OF THE COMPANY; AND
(4) PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 502,193,031 NEW ORDINARY SHARES IN THE COMPANY

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1. INTRODUCTION

1.1. The board of directors (the "**Board**" or "**Directors**") of TMC Education Corporation Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company intends to:

(a) change the name of the Company from "**TMC Education Corporation Ltd.**" to "**Global Dragon Limited**" ("**Proposed Change of Name**") and to adopt the Chinese name "**騰龍國際集團**" for identification purpose;

(b) change the Company's core business from that of providing quality and value-added educational courses and services to local and international students and property investments to that of property development and property investment ("**Proposed Change of Core Business**");

(c) change the Company's auditors from Foo Kon Tan LLP to Ernst & Young LLP ("**Proposed Change of Auditors**"); and

(d) undertake a renounceable non-underwritten rights issue of up to 502,193,031 new ordinary shares in the capital of the Company (the "**Rights Shares**"), at a rights issue price of S$0.0675 for each Rights Share on the basis of three (3) Rights Shares for every one (1) ordinary share in the capital of the Company ("**Shares**") held by each Shareholder as at the books closure date to be determined ("**Books Closure Date**"), fractional entitlements to be disregarded (the "**Proposed Rights Issue**").

1.2. The circular ("**Circular**") containing, *inter alia*, details of the Proposed Change of Name, Proposed Change of Core Business, Proposed Change of Auditors and the Proposed Rights Issue and the notice of the extraordinary general meeting to be convened in respect thereto ("**EGM**") will be despatched to shareholders of the Company ("**Shareholders**") in due course.

2. PROPOSED CHANGE OF NAME

2.1. The Board is proposing that the name of the Company be changed from "**TMC Education Corporation Ltd.**" to "**Global Dragon Limited**" and the adoption of the Chinese name "**騰龍國際集團**" for identification purpose.

2.2. With the Proposed Change of Core Business as set out in Section 3 of this announcement, the Board believes that the Proposed Change of Name will be beneficial to the Company, as it better reflects the profile and business of the Company going forward.

2.3. An application was made to the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") to reserve the name "**Global Dragon Limited**". The application has been approved on 8 February 2018 and the name has been reserved for a period of 120 days from the date of the application until 8 June 2018.

2.4. The approval of Shareholders for the Proposed Change of Name will be sought at the EGM of the Company to be convened.

2.5. Upon receipt of Shareholders' approval for the Proposed Change of Name, the Company shall adopt "**Global Dragon Limited**" as its new name with effect from the registration of such name with ACRA, and the name "**Global Dragon Limited**" shall replace all references to "**TMC Education Corporation Ltd.**" wherever it appears in the Company's Constitution. Apart from the substitution of the Company's name as aforesaid, there will be no other amendments made to the Company's Constitution.

2.6. The Company will make an announcement once the name "**Global Dragon Limited**" takes effect.

2.7. The Shareholders should note that notwithstanding the Proposed Change of Name, the Company will not recall any existing share certificates of the Company from Shareholders and such share certificates will continue to be *prima facie* evidence of legal title. No further action is required on the part of Shareholders in respect of their existing share certificates.

3. PROPOSED CHANGE OF CORE BUSINESS

3.1. The existing core business of the Group comprises the provision of quality and value-added educational courses and services to local and international students and property investments.

3.2. The Company had announced on 14 December 2017 that it had entered into a sale and purchase agreement with Advanced Investment Holdings Pte Ltd ("**Advanced Investment**"), Dr Chin Kon Yuen, Yeow Cheng Khim, Lee Chin Weng and TMC Academy Pte Ltd ("**TMC Academy**") for the sale by the Company of its entire 100% shareholding in TMC Academy to Advanced Investment ("**Disposal**").

3.3. In the Company's circular to Shareholders dated 15 January 2018, the Company had disclosed that upon completion of the Disposal, TMC Academy will cease to be a subsidiary of the Company. The Company further explained that as TMC Academy was the operating entity of the Company's education business segment, the Company will cease to operate its education business, which is the existing core business of the Group.

3.4. The Disposal was completed on 14 February 2018. The Company is in the process of striking off all of the Company's education business related subsidiaries and associated companies ("**Striking Off**").

3.5. Following the Disposal and the Striking Off, the Company intends to change its core business to that of property development and property investment ("**Proposed New Business**"), which is subject to Shareholders' approval to be obtained at the EGM to be convened. The Proposed New Business is an extension of the Group's existing core business of property investments.

3.6. Further details of this Proposed Change of Core Business will be provided in the Circular to Shareholders.

4. PROPOSED CHANGE OF AUDITORS

4.1. The Company's existing auditors, Foo Kon Tan LLP ("**FKT**"), have been auditors of the Company since the Financial Year ended 30 June 2013. Due to commercial considerations and in conjunction with the Company's change of core business, the Board and Audit Committee have decided to appoint Ernst & Young LLP ("**EY**") as the new auditors of the Company. In this regard, FKT had informed the Company that it had applied to ACRA to seek its consent for resignation as auditors.

4.2. Pursuant to Section 205AB(5) of the Companies Act, the resignation of FKT will take effect upon the later of (a) the day (if any) specified for the purpose in the notice of resignation of FKT; (b) the day on which ACRA notifies FKT and the Company of ACRA's consent to the resignation; or (c) the day (if any) fixed by ACRA. Subject to the receipt of ACRA's consent to FKT's resignation, the appointment of EY as auditors will be effective upon the approval of the Shareholders at the EGM for the Proposed Change of Auditors and EY will hold office until the conclusion of the next Annual General Meeting.

5. PROPOSED RIGHTS ISSUE

Terms of the Proposed Rights Issue

5.1. The Company intends to undertake the Proposed Rights Issue to be made on a renounceable non-underwritten basis of three (3) Rights Shares for every one (1) Share held by Eligible Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. Based on the issued share capital of the Company of 167,397,677 Shares as of the date of this announcement, the Company is proposing to issue up to 502,193,031 Rights Shares in the share capital of the Company.

5.2. The Rights Shares will be issued at S$0.0675 for each Rights Share (the "**Rights Issue Price**").

5.3. The Rights Issue Price of S$0.0675 represents:

(a) a discount of approximately 31% to the volume-weighted average price of S$0.0980 per Share for trades done on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 12 February 2018 being the last market day on which the Shares were traded on the SGX-ST prior to the release of the announcement; and

(b) a discount of approximately 31% to the theoretical ex-rights price of S$0.0675 per Share, calculated based on the closing market price of S$0.0980 per Share for trades done on the SGX-ST on 21 February 2018.

5.4. The Rights Shares are payable in full upon acceptance and will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls on or before the date of issue of the Rights Shares.

5.5. The terms and conditions of the Proposed Rights Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Proposed Rights Issue will be contained in the offer information statement ("**Offer Information Statement**") to be lodged with the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore ("**Authority**") and to be despatched by the Company to Eligible Shareholders in due course.

Rationale For The Rights Issue and Use Of Proceeds

5.6. The Company is undertaking the Proposed Rights Issue to finance the Proposed New Business and to strengthen the financial position of the Group. The Proposed Rights Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company. The Net Proceeds (as defined herein) arising from the allotment and issuance of the Rights Shares will be used towards changing the core business of the Company, expanding/growing the Proposed New Business of the Company, and general working capital.

5.7. There is no minimum amount to be raised from the Proposed Rights Issue. For the purposes of Rule 814(1)(e) of the Catalist Rules, (i) the Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements and the Proposed Rights Issue is being undertaken for the reason stated in the previous paragraph, and (ii) consequently, they are of the opinion

that, after taking into consideration the present bank facilities and the Net Proceeds of the Proposed Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.

5.8. Assuming that the Proposed Rights Issue is fully subscribed by all Shareholders (i.e. the Maximum Subscription Scenario), based on the Existing Share Capital, up to 502,193,031 Rights Shares may be issued pursuant to the Proposed Rights Issue.

5.9. Assuming that none of the Shareholders other than Undertaking Shareholder (as defined in Section 5.16) subscribes fully for its entitlements to the Rights Shares pursuant to the Irrevocable Undertakings (i.e. the Minimum Subscription Scenario), up to 266,406,660 Rights Shares may be issued pursuant to the Proposed Rights Issue.

5.10. In the event of the Maximum Subscription Scenario, the Proposed Rights Issue, based on the Existing Share Capital and the Rights Issue Price will raise approximately S$33.90 million and the estimated net proceeds, after deducting estimated costs and expenses of S$0.10 million relating to the Proposed Rights Issue ("**Net Proceeds**"), is approximately S$33.80 million.

5.11. In the event of the Minimum Subscription Scenario, the Proposed Rights Issue, based on the Existing Share Capital and the Rights Issue Price will raise approximately S$17.98 million and the estimated Net Proceeds, after deducting estimated costs and expenses of S$0.10 million relating to the Proposed Rights Issue, is approximately S$17.88 million.

5.12. The Company intends to use the Net Proceeds as set out below, based on two different assumptions: (1) Maximum Subscription Scenario and (2) Minimum Subscription Scenario:

	Maximum Subscription Scenario		**Minimum Subscription Scenario**	
Use of Net Proceeds	**Amount (S$ million)**	**Percentage of Net Proceeds (%)**	**Amount (S$ million)**	**Percentage of Net Proceeds (%)**
For changing the core business of the Company and expansion/growth of the Proposed New Business	23.66	70	7.15	40
General working capital purposes	10.14	30	10.73	60
Total	33.80	100	17.88	100

5.13. Pending the deployment of the Net Proceeds raised from the Proposed Rights Issue, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, as the Directors may deem appropriate in the interests of the Company.

5.14. The Company will make periodic announcements on the use of the proceeds from the Proposed Rights Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Proposed Rights Issue and where such proceeds have been used for working capital, a breakdown with specific details on how the proceeds have been applied from the Proposed Rights Issue in the interim and full year financial statements issued pursuant to Rule 705 of the Catalist Rules and in the annual report(s) of the Company, until such time the proceeds have been fully utilised. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

Irrevocable Undertakings

5.15. As at the date of this announcement, the Company's controlling shareholder, JK Global Assets Pte Ltd, has a direct interest in 88,802,220 Shares, equivalent to 53.05% of the Existing Share Capital of the Company.

5.16. To demonstrate its commitment to the Company and its support for the Proposed Rights Issue, JK Global Assets Pte Ltd (the "**Undertaking Shareholder**"), had by the Letter of Undertakings dated 26 February 2018, irrevocably undertaken, *inter alia*, to:

(a) vote in favour of the resolutions relating to the Proposed Rights Issue;

(b) subscribe and/or procure the subscription and payment for the whole of its entitlement under the Proposed Rights Issue of 266,406,660 Rights Shares at the Rights Issue Price; and

(c) ensure that none of the 88,802,220 Shares that it owns or controls as at the date of the Letter of Undertakings are disposed of during the period between the date of the Letter of Undertakings and the date of issue of the Rights Shares.

5.17. The Irrevocable Undertakings are subject to:

(a) approval for the Proposed Rights Issue being obtained at the EGM;

(b) the lodgment of the Offer Information Statement relating to the Proposed Rights Issue, with the SGX-ST acting as agent on behalf of the Authority; and

(c) the listing and quotation notice for, among others, the Rights Shares being obtained from the SGX-ST and not withdrawn or revoked on or prior to the completion of the Proposed Rights Issue, and if such approval is subject to conditions, such conditions being acceptable to the Company.

5.18. In view of the Irrevocable Undertakings provided, the Company and the amount to be raised from the Proposed Rights Issue under the Minimum Subscription Scenario, the Company has decided to proceed with the Proposed Rights Issue on a non-underwritten basis.

Applications and Approvals

5.19. The Proposed Rights Issue, is subject to the following conditions, among others:

(a) approval of the Shareholders for the Proposed Rights Issue and the allotment and issue of the Rights Shares at the EGM;

(b) the receipt of the listing and quotation notice of the SGX-ST for the dealing in, listing of and quotation of the Rights Shares on the SGX-ST, and such approval not having been withdrawn or revoked on or prior to the closing date of the offer of the Rights Shares under the Proposed Rights Issue;

(c) the lodgment of the Offer Information Statement relating to the Proposed Rights Issue, with the SGX-ST acting as agent on behalf of the Authority; and

(d) all other necessary consents, approvals and waivers required from any person, government whether Singapore or foreign, any department, ministry or agency of any government, financial institution and any other governmental, regulatory, administrative, fiscal, monetary or judicial body and all agreements applicable to the Company, its subsidiaries or associated company and/or applicable laws, rules and regulations for the Proposed Rights Issue and are necessary to implement the transactions contemplated pursuant to the Proposed Rights Issue having been

obtained either unconditionally or on conditions satisfactory to the Company acting in the best interests of the Shareholders and not having been withdrawn or revoked.

5.20. The Company has yet to make an application for the admission to and the listing and quotation of the Rights Shares on Catalist. SAC Capital Private Limited will be making an application on behalf of the Company to obtain the approval of the SGX-ST for the admission to and the listing and quotation of the Rights Shares.

Eligibility To Participate In The Proposed Rights Issue

5.21. **Eligible Depositors**

Shareholders whose securities accounts with The Central Depository (Pte) Limited ("**CDP**") are credited with Shares as at the Books Closure Date ("**Depositors**") will be provisionally allotted Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at the Books Closure Date. To be "Eligible Depositors", Depositors must have registered addresses in Singapore with CDP as at the Books Closure Date, or if they have registered addresses outside Singapore, must provide CDP (at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589) with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares entitlements.

5.22. **Eligible Scripholders**

Shareholders whose share certificates are not deposited with CDP and whose Shares are not registered in the name of CDP ("**Scripholders**") will have to submit duly completed and stamped transfers (in respect of Shares not registered in the name of CDP), together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Books Closure Date by the Company (at 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962), in order to be registered to determine the transferee's provisional allotments of Rights Shares entitlements.

To be "Eligible Scripholders", Scripholders must have registered addresses in Singapore with the Company as at the Books Closure Date, or if they have registered addresses outside Singapore, must provide the Company, (at 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962) with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares entitlements.

5.23. **Eligible Shareholders**

Eligible Depositors and Eligible Scripholders shall be collectively referred to as "**Eligible Shareholders**" in this announcement.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, provisional allotments of the Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of provisional allotments of the Rights Shares to any securities account with CDP, the receipt of any provisional allotments of the Rights Shares, or receipt of the Offer Information Statement and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be prohibited. The Company reserves absolute discretion in determining whether any Shareholder located or resident outside Singapore may participate in the Proposed Rights Issue.

5.24. **Supplementary Retirement Scheme ("SRS")**

Members under the SRS **("SRS Members")** who bought their Shares previously using their account opened with the relevant approved bank **("SRS Account")** and who wish to accept their provisional allotments of Rights Shares and apply for excess Rights Shares (if applicable) can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such SRS Members who wish to accept their provisional allotments of Rights Shares and apply for excess Rights Shares using SRS monies (if applicable), must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares and apply for excess Rights Shares (if applicable) on their behalf in accordance with the Offer Information Statement. **Any application made directly to CDP or through automated teller machines of any participating bank appointed and named in the Offer Information Statement by such Eligible Shareholders will be rejected.** For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of Rights Shares directly from the market. Such Eligible Shareholders should refer to the Offer Information Statement to be lodged with the SGX-ST (acting as agent of the Authority) for important details relating to the offer procedure in a connection with the Proposed Rights Issue.

5.25. **Foreign Shareholders**

For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Proposed Rights Issue is only made in Singapore and the Rights Shares will **NOT** be offered to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) market days prior to the Books Closure Date, provided the Company or CDP, as the case may be, with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**"). The Offer Information Statement to be issued in relation to and for the purposes of the Proposed Rights Issue and the accompanying documents will not be mailed outside Singapore.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares, which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the expenses expected to be incurred. The net proceeds from all such sales will be dealt with in accordance with the terms set out in the Offer Information Statement.

5.26. **Provisional allotments**

Eligible Shareholders will be at liberty to accept, decline, or otherwise renounce or trade their provisional allotments of the Rights Shares on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Proposed Rights Issue.

In the allotment of excess Rights Shares, preference will be given to Eligible Shareholders for rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Proposed Rights Issue, or have representation (direct or through a nominee) on the Board of the Company will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares. The Company will also not make any allotment or issuance of any excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by the Shareholders at a general meeting.

Interests Of Directors and Substantial Shareholders

5.27. Save as disclosed below, none of the Directors and substantial Shareholders has any interest, direct or indirect, in the Proposed Rights Issue (other than through their respective shareholdings in the Company, if any).

As at the date of this announcement, the interests of the Directors in the issued and paid-up capital of the Company as recorded in the Register of Directors' Shareholdings maintained pursuant to Section 164 of the Companies Act and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) maintained pursuant to Section 88 of the Companies Act are as follows:

Directors	**Direct Interest**		**Deemed Interest**	
	No. of Shares	%	No. of Shares	%
Koh Kian Soo	-	-	-	-
Woo Peng Kong	-	-	-	-
Kwan Chee Wai	-	-	-	-
Pan Pei Say	-	-	-	-
Substantial Shareholder(s)	**Direct Interest**		**Deemed Interest**	
	No. of Shares	%	No. of Shares	%
JK Global Assets Pte Ltd	88,802,220	53.05	-	-
Koh Wee Meng[1]	-	-	88,802,220	53.05
Dr Chin Kon Yuen[2]	437,646	0.26	19,507,140	11.65
Yeow Cheng Khim[3]	19,507,140	11.65	437,646	0.26
Royal Inst of Construction Economists Pte Ltd	19,064,400	11.39	-	-

Notes:

1 Koh Wee Meng is deemed to be interested in 88,802,220 Shares held by JK Global Assets Pte Ltd by virtue of him being the sole shareholder of JK Global Assets Pte Ltd.

2 Dr Chin Kon Yuen is deemed to be interested in 19,507,140 Shares held by Yeow Cheng Khim by virtue of Section 7 of the Companies Act, as they are husband and wife.

3 Yeow Cheng Khim is deemed to be interested in 437,646 Shares held by Dr Chin Kon Yuen by virtue of Section 7 of the Companies Act, as they are husband and wife.

6. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Change of Name, Proposed Change of Core Business, Proposed Change of Auditors, Proposed Rights Issue, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement 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 the announcement in its proper form and context.

7. TRADING CAUTION

The Board would like to advise Shareholders that the completion of the Proposed Rights Issue is subject to conditions precedent being fulfilled and there is no certainty or assurance as at the date of this announcement that the Proposed Rights Issue will be completed or that no changes will be made to the terms thereof. Accordingly, Shareholders are advised to exercise caution in dealings with the Shares. Shareholders are advised to read this announcement and any further update announcement(s) released by the Company in connection with the Proposed Rights Issue carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Koh Kian Soo
Executive Chairman
27 February 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 ("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 Ong Hwee Li (Tel: (65) 6532 3829) at 1 Robinson Road #21-02 AIA Tower, Singapore 048542.