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

PROPOSED DISPOSAL OF PROPERTIES COMPRISING FOUR (4) STRATA LOTS SITUATED AT 111 NORTH BRIDGE ROAD, #06-01 TO #06-35, PENINSULA PLAZA, SINGAPORE 179098

– ENTRY INTO OF OPTION AGREEMENTS IN RELATION TO UNITS #06-26 to #06-35

INTRODUCTION

The Board of Directors of the Company refers to the Appendix to Shareholders dated 15 October 2015 in relation to the Proposed Disposal ("**Appendix**"). Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meaning as set out in the Appendix.

Further to the Appendix, the Company wishes to announce that the Company had on 10 December 2015, entered into two option agreements with Foundation of Rotary Clubs (Singapore) Ltd ("**Purchaser**") in relation to the sale of the following Strata Lots (the "**Selected Properties**")("**Option Agreements**"):

No.	Unit Number	Area (square feet)	Lease period (year)	Duration of lease	Land Lot Particulars
1.	#06-26 to #06-29 and #06-32 to #06-35	2,368	999	29 October 1829 to 28 October 2828	Strata Lot TS10-U979N comprised in Subsidiary Strata Certificate of Title Volume 208 Folio 91
2.	#06-30 to #06-31	603	999	29 October 1829 to 28 October 2828	Strata Lot TS10-U980A comprised in Subsidiary Strata Certificate of Title Volume 208 Folio 92

INFORMATION OF THE PURCHASER

The Purchaser is an Institute of Public Character. It is mainly engaged in working with and providing support to rotary clubs and rotarians in the avenues of community, humanitarian and educational service in Singapore. The Purchaser is an independent third party and none of the Directors or controlling shareholders is interested in, or is related to the Purchaser.

VALUE AND CONSIDERATION OF THE SELECTED PROPERTIES

The consideration payable by the Purchaser for the Selected Properties upon exercise of the Option Agreements is an aggregate of S$4,456,254.60 ("**Consideration**"), payable in 3 tranches – an aggregate amount of 1% in the form of option fees upon the signing of the Option Agreements, 4% upon the exercise of the options and the balance 95% upon the completion of the proposed disposal of the Selected Properties.

The Consideration was arrived at on a willing buyer willing seller basis after arm's length negotiations, taking into account the NBV (as defined below) of the Selected Properties of S$5,620,000 as at 30 June 2015 and the open market value of S$5.62 million based on the Valuation Report dated 15 July

2015 issued by Alpha Appraisers LLP which was commissioned by the Company to conduct a valuation of the Properties for its accounting purposes. The Consideration is within the range as mandated by Shareholders in the Company's AGM held on 30 October 2015.

The net book value ("**NBV**") of the Selected Properties as at 30 June 2015 is S$5,620,000. The proposed disposal of the Selected Properties will result in a deficit of approximately S$1.16 million over the NBV of the Selected Properties as at 30 June 2015.

The Company is expected to recognise a net loss from the proposed disposal of the Selected Properties of approximately S$1.21 million after deducting the net asset value, incidental costs and related expenses.

The estimated net proceeds (after deducting incidental costs and related expenses of approximately S$48,529) will amount to approximately S$4.41 million ("**Net Proceeds**"). The Company intends to utilise the Net Proceeds for general working capital purposes and repayment of part of the Company's borrowings.

RATIONAL FOR THE PROPOSED DISPOSAL OF THE SELECTED PROPERTIES

As set out in the Appendix, the proposed disposal of the Selected Properties represents an opportunity for the Company to unlock the value of the Selected Properties that are being held as investment properties and do not contribute towards its core business. Upon the successful sale of the Selected Properties, the Company would also be freed from any future holding and/or maintenance costs of these investment properties. The proceeds from the successful sale of the Selected Properties would provide future cash flow for the Company's and its subsidiaries' ("**Group's**") working capital purposes and reduce its borrowings.

PRINCIPLE TERMS OF THE OPTION AGREEMENTS

Option Agreement A	**Option Agreement B**
• In relation to #06-26 to #06- 29 and #06-32 to #06-35 ("**Units A**").	• In relation to #06-30 to #06-31 ("**Units B**").
• Option fee (excluding GST) of S$35,520.87 ("**Option Fee A**")	• Option fee (excluding GST) of S$9,041.68 ("**Option Fee B**")
• Sale price (excluding GST) of S$3,552,087	• Sale price (excluding GST) of S$904,167.60
• The option for the purchase of Units A ("**Option A**") shall be exercised within four (4) weeks from the date of Option Agreement A.	• The option for the purchase of Units B ("**Option B**") shall be exercised within four (4) weeks from the date of Option Agreement B.
• Option A may be exercised by the Purchaser by delivering the duly executed acceptance letter and the payment of S$152,029.32, equivalent to 5% of the Actual Sale Price inclusive of GST (less Option Fee A and GST thereon).	• Option B may be exercised by the Purchaser by delivering the duly executed acceptance letter and the payment of S$38,698.37, equivalent to 5% of the Actual Sale Price inclusive of GST (less Option Fee B and GST thereon).
• The exercise of Option A shall be conditional on Option B being simultaneously exercised, failing which, the Purchaser shall be deemed to have not exercised Option A and the	• The exercise of Option B shall be conditional on Option A being simultaneously exercised, failing which, the Purchaser shall be deemed to have not exercised Option B and the

Company shall be entitled to forfeit Option Fee A.

- The completion of the sale of Units A shall take place within ten (10) weeks from the date of the exercise of Option A ("**Completion A**").
- Completion A shall be conditional on Completion B simultaneously taking place, failing which, the Purchaser shall be deemed to be unable to effect Completion A and the Company shall be entitled to rescind Option Agreement A and shall also be entitled to forfeit Option Fee A.

Company shall be entitled to forfeit Option Fee B.

- The completion of the sale of Units B shall take place within ten (10) weeks from the date of the exercise of Option B ("**Completion B**").
- Completion B shall be conditional on Completion A simultaneously taking place, failing which, the Purchaser shall be deemed to be unable to effect Completion B and the Company shall be entitled to rescind Option Agreement B and shall also be entitled to forfeit Option Fee B.

RELATIVE FIGURES UNDER CHAPTER 10 OF THE CATALIST RULES

The relative figures for the proposed disposal of the Selected Properties, computed on the bases set out in Rule 1006 of the Catalist Rules and based on the Group's latest announced audited consolidated financial statements for FY2015 are set out below.

Rule 1006	Bases	Relative Figures
(a)	Net asset value of the Selected Properties of S$5,620,000, compared with the Group's net asset value of S$12,037,149	46.69%
(b)	Net profit[(1)] attributable to the Selected Properties of S$141,799 compared with the Group's net loss of S$5,307,948	Not meaningful[(2)]
(c)	Aggregate value of the Consideration of S$4,456,254.60, compared with the Company's market capitalisation[(3)] of S$13,425,294 based on the total number of issued shares excluding treasury shares	33.19%
(d)	Number of equity securities issued by the Company as consideration, compared with the number of equity securities previously in issue	Not applicable
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves	Not applicable

Notes:

(1) Net profits/(loss) means the profit or loss before income tax, minority interests and extraordinary items. The net profit attributed to the Selected Properties to be Disposed is the rental revenue (before income tax, minority interests and extraordinary items).

(2) The Group recorded a loss before tax from continuing operations of S$5,307,948 in FY2015, as such the relative figure computed pursuant to Rule 1006(b) is negative. The Company will not apply Catalist Rule 1007(1) as the Proposed Disposal was approved by Shareholders at the AGM held on 30 October 2015.

(3) The Company's market capitalisation of approximately S$13,425,294 is determined by multiplying the issued share capital of the Company of 167,397,677 shares with the volume weighted average price of such shares transacted on the market day preceding the date of the Option Agreements, being 9 December 2015, of S$0.0802 per share.

Based on the above, the relative figures as computed on the bases set out in Rule 1006 exceed 5% but less than 50%. The proposed disposal of the Selected Properties therefore constitutes a discloseable transaction within the meaning of Rule 1010 of the Catalist Rules. However as disclosed above, the Company had obtained shareholders' approval for the Proposed Disposal in the AGM dated 30 October 2015.

FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL OF THE SELECTED PROPERTIES

The financial effects of the proposed disposal of the Selected Properties on the Group as set out below are for illustrative purposes only and do not reflect the actual financial performance or position of the Group after the completion of the proposed disposal of the Selected Properties. The financial effects of the proposed disposal of the Selected Properties have been prepared based on the latest audited financial statements of the Group for FY2015 and on the following assumptions:

(a) the effect on the NTA per share is based on the assumption that the proposed disposal of the Selected Properties had been effected on 30 June 2015;

(b) the effect on earnings per share ("**EPS**") is based on the assumption that the proposed disposal of the Selected Properties had been effected on 1 July 2014; and

(c) the total net rental revenue after tax of the Selected Properties was S$108,345 for FY2015.

NTA per share

	Before the proposed disposed of Selected Properties	**After the proposed disposed of Selected Properties**
NTA (S$)	12,037,149	10,824,875
Number of issued shares	167,397,677	167,397,677
NTA per share (Singapore cents)	7.19	6.47

EPS

	Before the proposed disposed of the Selected Properties	**After the proposed disposed of the Selected Properties**
Loss attributable to the owners of the Company (S$)	(5,299,499)	(6,620,118)
Weighted average number of shares	167,396,936	167,396,936
EPS (Singapore cents)	(3.17)	(3.95)

INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and substantial Shareholders of the Company as at the Latest Practicable Date are set out below:

	Direct Interest		**Deemed Interest**	
Directors	**Number of shares**	**% of voting shares**	**Number of shares**	**% of voting shares**
Dr Chin Kon Yuen [(1), (2)]	75,766,600	45.3	29,551,000	17.6
Yeow Cheng Khim [(1)]	29,551,000	17.6	75,766,600	45.3
Chen Timothy Teck Leng	-	-	-	-
Woo Lee Yong	971,220	0.6	-	-
Substantial Shareholders (other than Directors)				
Royal Institute of Construction Economists Pte Ltd	16,742,300	10.0	-	-

Notes:

(1) Dr Chin Kon Yuen and Ms Yeow Cheng Khim are husband and wife. They are deemed interested in each other's shareholdings in the Company.

(2) Dr Chin Kon Yuen's direct interest comprises of 75,766,600 shares held in the name of Raffles Nominees Pte Ltd

INTERESTS OF DIRECTORS OR CONTROLING SHAREHOLDERS

Save as disclosed, none of the Directors or the controlling shareholders of the Company has any interest, direct or indirect, in the proposed disposal of the Selected Properties and the Option Agreements, other than through their respective shareholdings in the Company.

SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into by the Company.

DIRECTORS' 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 Option Agreements, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this 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 this announcement in its proper form and context.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Option Agreements and Valuation Report are available for inspection during normal business hours at the Company's registered address at 250 Middle Road Singapore 188983 for a period of three months from the date of this announcement.

CAUTIONARY STATEMENT

Shareholders of the Company should note that the terms of the proposed disposal of the Selected Properties as set out in the Option Agreements are indicative. There is no certainty or assurance as at the date of this announcement that the proposed disposal of the Selected Properties will be completed. Accordingly, shareholders of the Company are advised to exercise caution when trading in the Shares of the Company.

The Company will make the necessary announcements when there are further developments on the proposed disposal of the Selected Properties and other matters contemplated by this announcement. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Ms Yeow Cheng Khim
Executive Director
10 December 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 (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.

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.