



**MINDCHAMPS PRESCHOOL LIMITED**  
(Company Registration Number: 200814577H)  
(Incorporated in the Republic of Singapore on 25 July 2008)

**ACQUISITION OF 50% SHAREHOLDING INTEREST AND SUBSCRIPTION OF PREFERENCE SHARES IN MINDCHAMPS PRESCHOOL @ CONCORDE HOTEL (ORCHARD) PTE. LTD.**

DBS Bank Ltd. was the sole issue manager, bookrunner and underwriter (the **"Sole Issue Manager, Bookrunner and Underwriter"**) for the initial public offering of shares in, and listing of, the Company on the Mainboard of the SGX-ST in November 2017. The Sole Issue Manager, Bookrunner and Underwriter assumes no responsibility for the contents of this announcement.

The Board of Directors (the **"Board"**) of MindChamps PreSchool Limited (the **"Company"**) is pleased to announce that the Company's wholly-owned subsidiary, MindChamps PreSchool Singapore Pte. Limited (the **"Subsidiary"**), has entered into a Share Purchase and Subscription Agreement (**"SPSA"**) and a Shareholders Agreement with Kabir Raiyan (the **"Seller"**) and MindChamps PreSchool @ Concorde Hotel (Orchard) Pte. Ltd. (UEN 201623020R) (the **"Target"**), which is a franchisee of the Subsidiary, to:

- (i) acquire 5,000 ordinary shares in the Target from the Seller, comprising 50% of the total ordinary shares of the Target, at a consideration of S\$100.00; and
- (ii) subscribe for 4,750 convertible and non-redeemable Class A preference shares in the Target, at a consideration of S\$100.00.

Following the above transaction, the remaining 50% of the total ordinary shares of the Target will continue to be held by the Seller and the Target will become a joint venture company of the Subsidiary.

The consideration amounts above were arrived at on an arms' length, willing-seller-willing-buyer basis, after taking into account various factors such as the existing assets, goodwill, financial position and business prospects of the Target. The consideration amounts are intended to be satisfied in cash by the Subsidiary to the Seller and the Target respectively, and are to be paid upon completion of the SPSA, subject to satisfaction of conditions precedent. As at 30 September 2019 (based on the unaudited management accounts of the Target), the book value of the Target was S\$(2,022,020.00) and the net tangible asset value of the Target was S\$(2,022,020.00).

The above transaction is in the ordinary course of expansion of the Company's business and is announced pursuant to Rule 704(17)(c) of the Singapore Exchange Securities Trading Limited Listing Manual. The said transaction is not expected to have any material negative impact on the consolidated earnings per share and net tangible assets per share of the Company and its subsidiaries for the financial year ending 31 December 2019.

None of the directors or substantial shareholders of the Company have any interest, directly or indirectly, in the said transaction save for their interest arising by way of their shareholdings and/or directorships, as the case may be, in the above transaction.

**MindChamps PreSchool Limited**  
**1 November 2019**