



**MINDCHAMPS PRESCHOOL LIMITED**

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

**MINDCHAMPS PRESCHOOL @ CHANGI BUSINESS PARK PTE. LTD.  
DIVESTMENT TO FRANCHISEE**

**As part of MindChamps PreSchool Limited's Strategic Global Franchising Model, an incubated centre at Changi Business Park is now ready to be sold on a turnkey basis to a franchisee to operate.**

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 **"Seller"**), has entered into a Share Purchase Agreement with Yirong Education Pte. Ltd. (the **"Purchaser"**), pursuant to which the Seller wishes to sell and the Purchaser wishes to purchase all of the shares of MindChamps PreSchool @ Changi Business Park Pte. Ltd. (the **"Target"**), for a total cash consideration of S\$1,030,000 (the **"Consideration"**) (the **"Transaction"**). Completion of the Transaction is subject to fulfilment of conditions precedent.

The Target is a private company limited by shares incorporated in Singapore and carries on the business of providing educational services for preschoolers under the MindChamps PreSchool brand name (the **"Business"**) at 51 Changi Business Park Central 2, #01-16, Singapore 486066 (the **"Centre"**). After completion of the Transaction, it is envisaged that the Target will continue to operate the Business at the Centre pursuant to a Franchise Agreement entered into between the Purchaser and the Seller, and under which the Target will pay royalties to the Seller.

The Consideration was arrived at on an arms' length, willing-seller-willing-buyer basis, after taking into account various factors such as the existing assets, financial position and business prospects of the Target. As at 31 December 2018 (based on the audited management accounts of the Target), the book value of the Target was S\$545,745 and the net tangible asset value of the Target was S\$471,898.

The above Transaction is announced pursuant to Rule 704(18)(c) of the Singapore Exchange Securities Trading Limited Listing Manual. The Transaction is expected to have a positive 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**  
**2 December 2019**