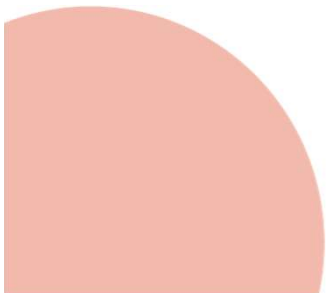




**Full Year 2018
Analyst Meeting**

28 Feb 2019



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Business Updates

Presented by Mr. David Chiem Phu An

Founder Chief Executive Officer and Executive Chairman

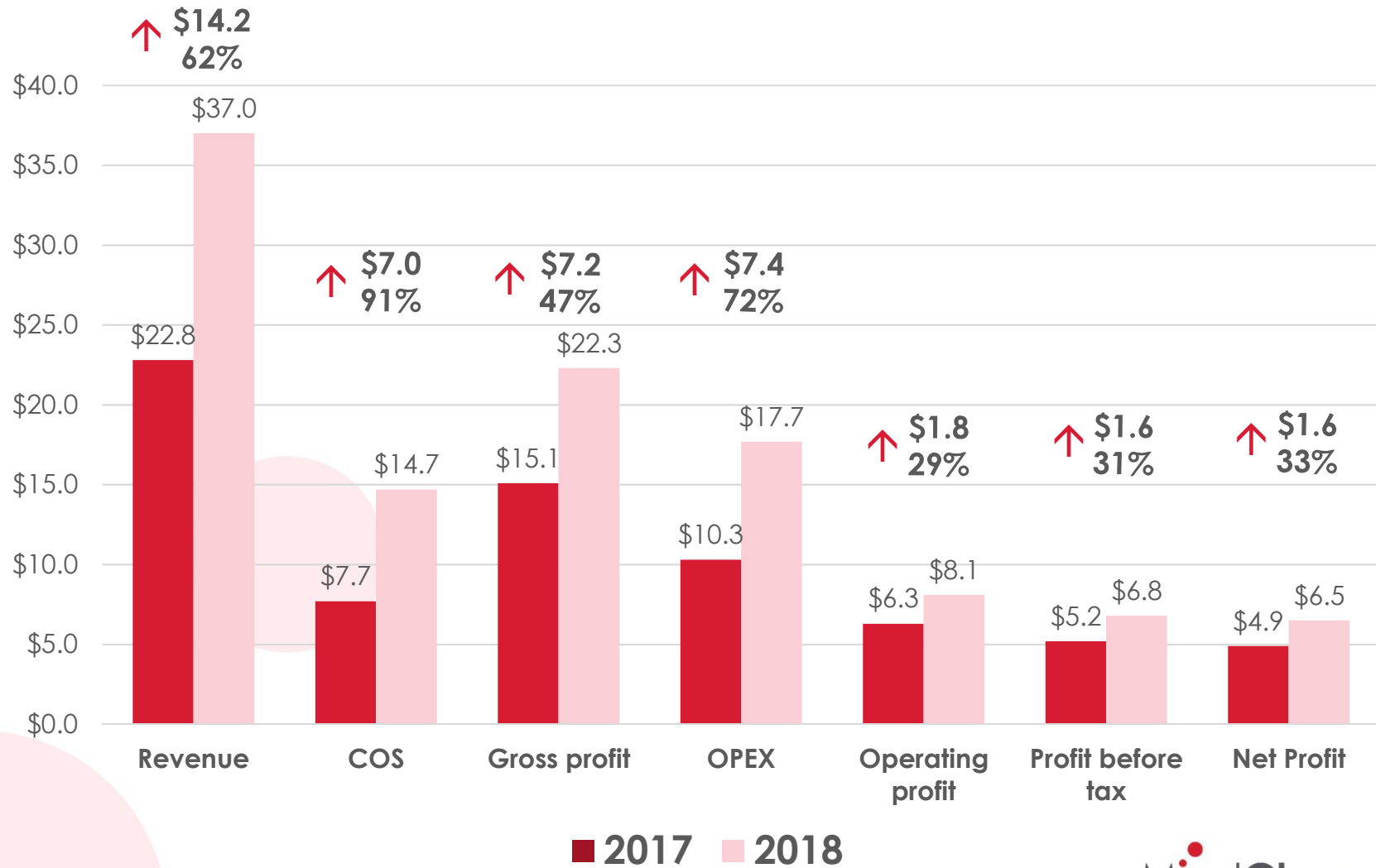


Performance Highlights

Presented by Mr. Teo Wee Jone

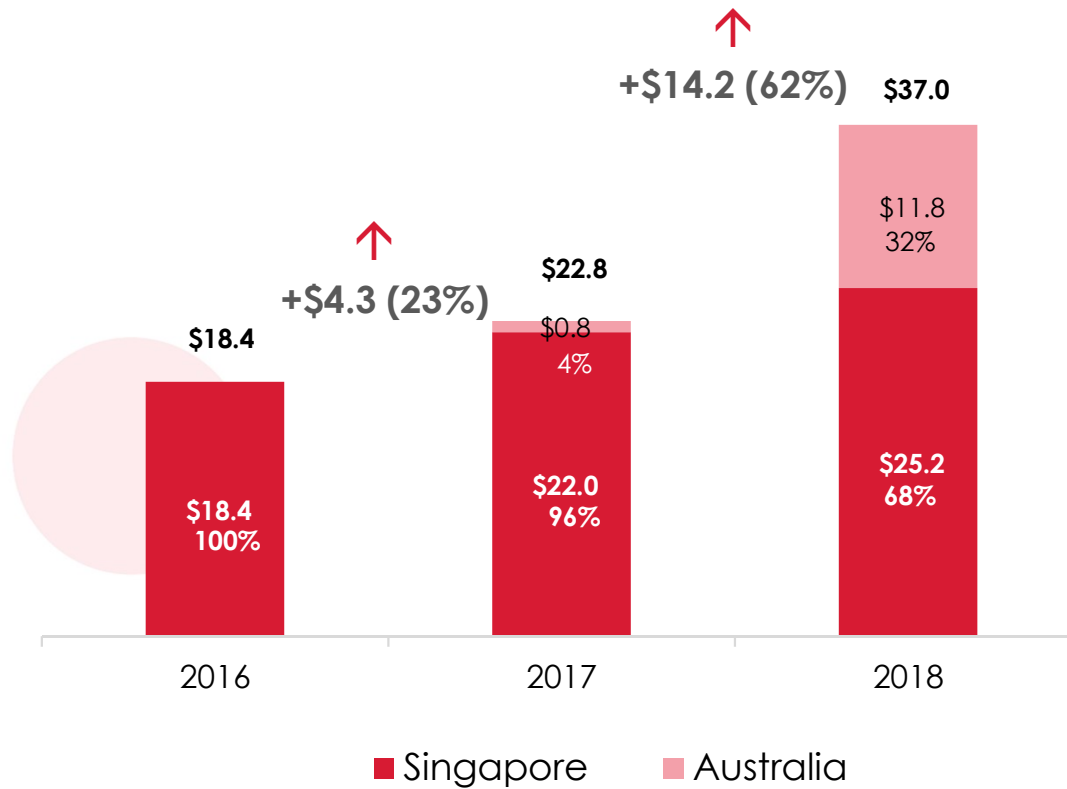
Chief Financial Officer

Key Financial Highlights (\$Mil)



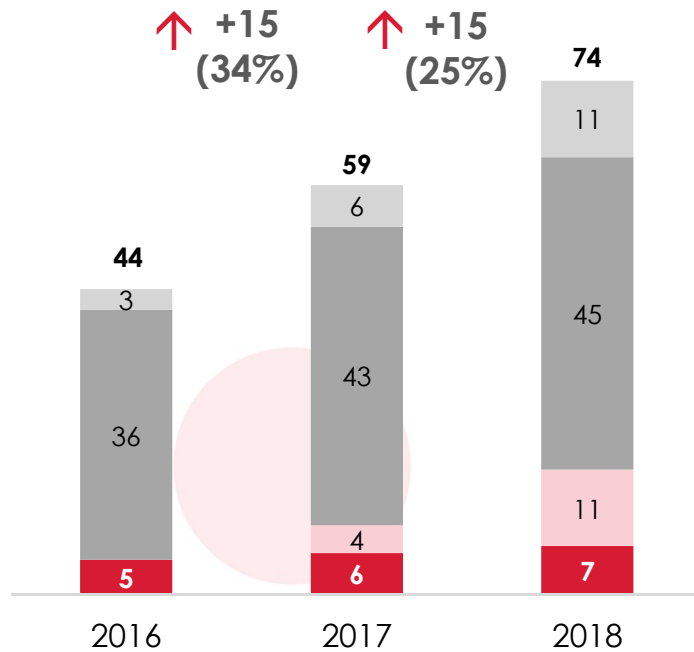
Revenue Trend

Total Revenue (\$Mil)



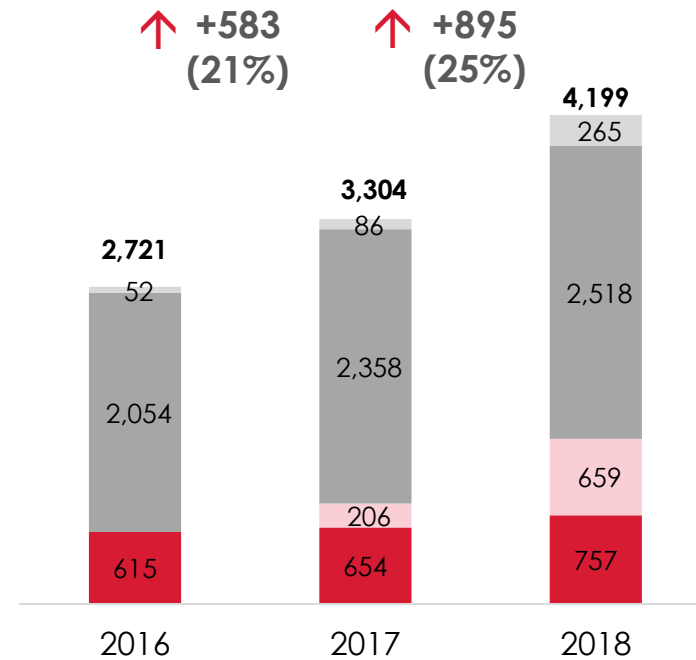
Growth of Centres and Students

Total Number of Centres



- FOFO Centres (Overseas)
- FOFO Centres (Singapore)
- COCO Centres (Australia)
- COCO Centres (Singapore)

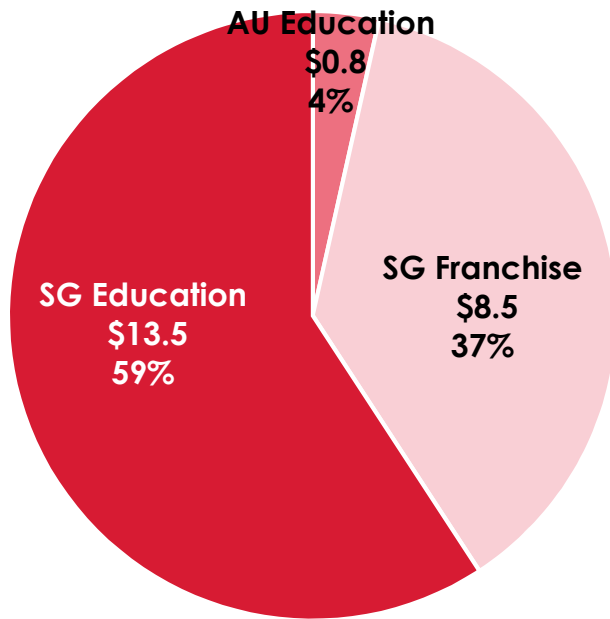
Total Number of Students



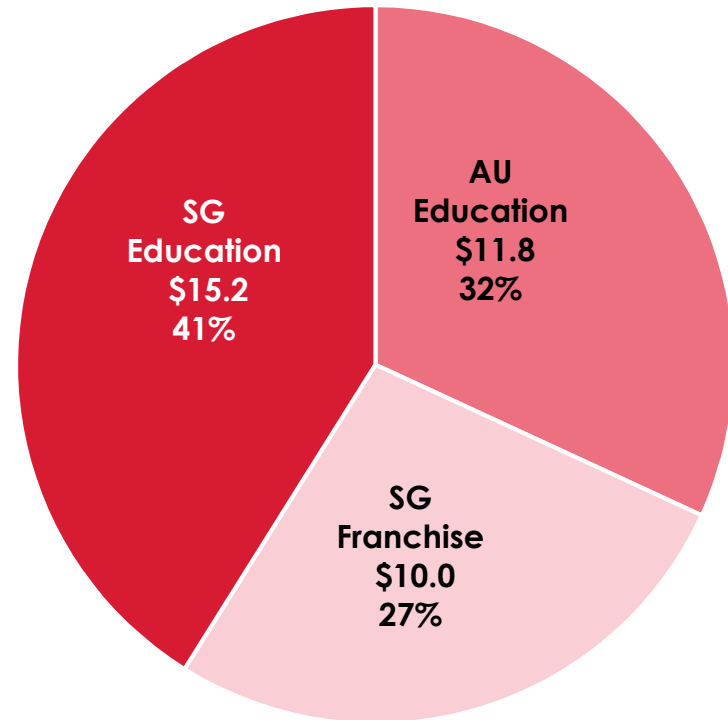
- FOFO Centres (Overseas)
- FOFO Centres (Singapore)
- COCO Centres (Australia)
- COCO Centres (Singapore)

Revenue Mix (\$Mil)

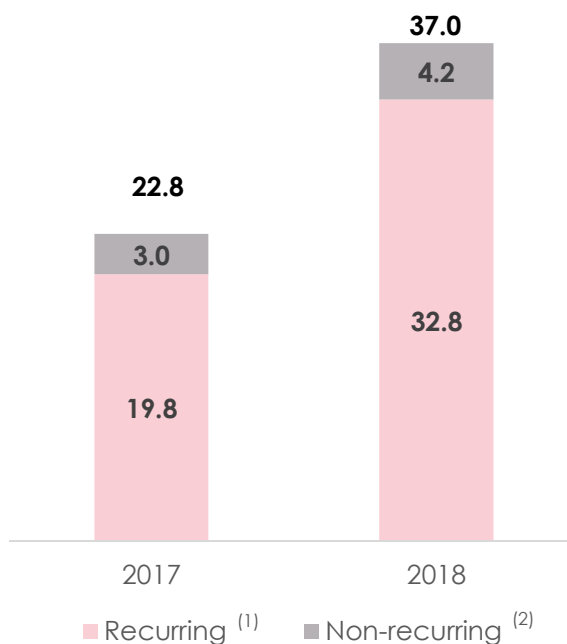
2017
Total: \$22.8



2018
Total: \$37.0



High Proportion of Recurring Revenue



Notes:

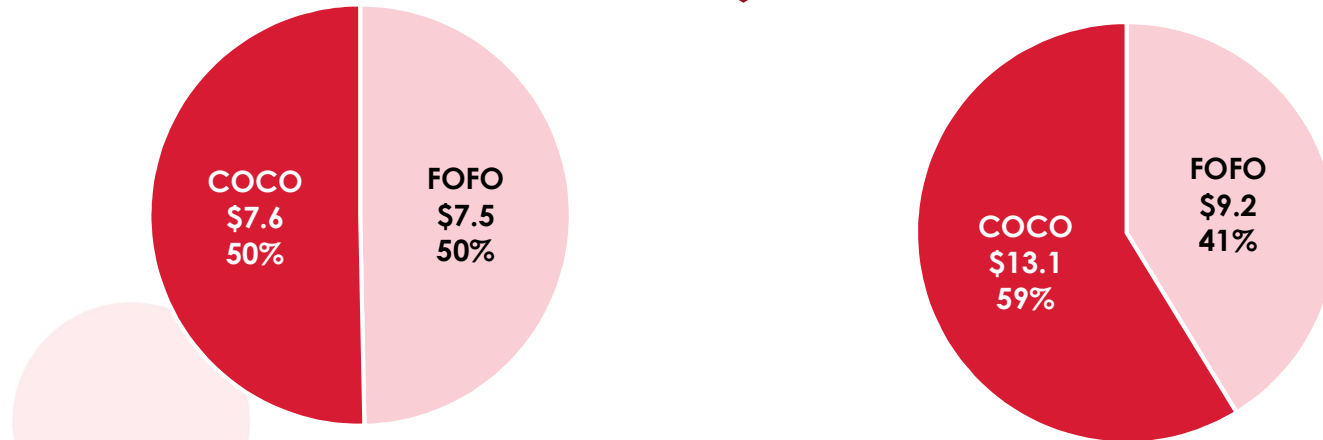
1. Comprises school fees, royalty fees, sales of merchandise, school event income and other income that recur periodically

2. Comprises franchise income resulting from franchise sales

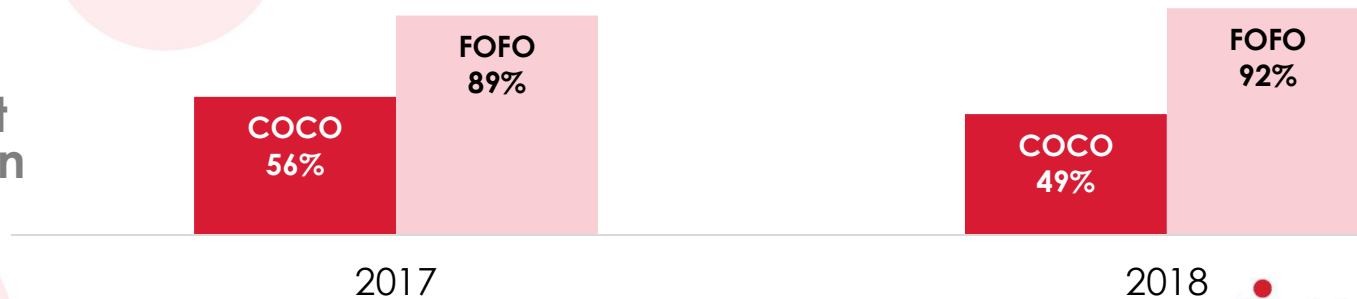
Gross Profit Analysis

	2017		2018
Group GP (\$mil)	15.1	↑ 47%	22.3
Group GP Margin (%)	66%	↓ 6%	60%

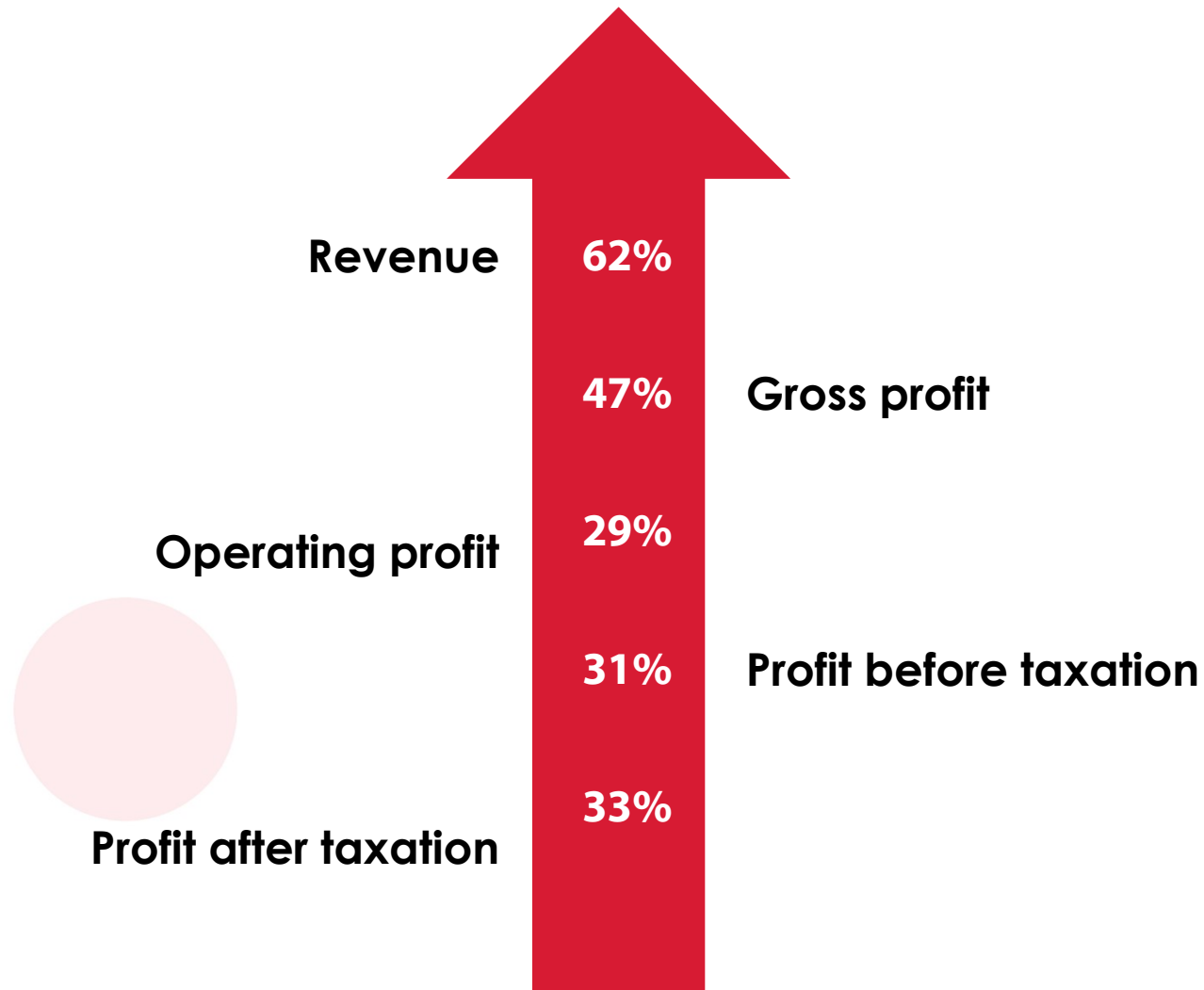
Gross Profit Mix (\$Mil)



Segment GP Margin (%)



2018 Financial Performance



Consolidated Income Statement

Q4 2018 vs Q4 2017

	Q4 2018 (\$'000)	Q4 2017 (\$'000)	Variance (\$'000)	Variance (%)
Revenue	14,131	8,317	5,814	70%
Cost of Sales	(5,297)	(1,938)	(3,359)	N.M
Gross Profit	8,834	6,379	2,455	38%
<i>GP Margin</i>	63%	77%		(14%)
Other Income	794	483	311	64%
Operating Expenses	(5,417)	(3,478)	(1,939)	(56%)
Operating Profit	4,211	3,384	827	24%
<i>OP Margin</i>	30%	41%		(11%)
Foreign Exchange Loss	(68)	(17)	(51)	N.M
Non-Operating Expenses	(475)	(1,057)	582	(55%)
Profit Before Taxation	3,668	2,310	1,358	59%
<i>PBT Margin</i>	26%	28%		(2%)
Income Tax Credit / (Expense)	94	(44)	138	N.M
Profit After Tax	3,762	2,266	1,496	66%
<i>PAT Margin</i>	27%	27%		(0%)*

Consolidated Income Statement 2018 vs 2017

	2018 (S\$'000)	2017 (S\$'000)	Variance (S\$'000)	Variance (%)
Revenue	36,960	22,791	14,169	62%
Cost of Sales	(14,639)	(7,656)	(6,983)	(91%)
Gross Profit	22,321	15,135	7,186	47%
<i>GP Margin</i>	60%	66%		(6%)
Other Income	3,427	1,442	1,985	N.M
Operating Expenses	(17,655)	(10,302)	(7,353)	(71%)
Operating Profit	8,093	6,275	1,818	29%
<i>OP Margin</i>	22%	28%		(6%)
Foreign Exchange Loss	(198)	(13)	(185)	N.M
Non-Operating Expenses	(1,072)	(1,060)	(12)	(1%)
Profit Before Taxation	6,823	5,202	1,621	31%
<i>PBT Margin</i>	18%	23%		(5%)
Income Tax Expense	(336)	(312)	(24)	(8%)
Profit After Tax	6,487	4,890	1,597	33%
<i>PAT Margin</i>	18%	21%		(3%)

Consolidated Balance Sheet

	31.12.18 (S\$'000)	31.12.17 (S\$'000)	Variance (S\$'000)	Variance (%)
Current Assets	47,584	47,411	173	0%*
Non-Current Assets	46,248	23,792	22,456	94%
Total Assets	93,832	71,203	22,629	32%
Current Liabilities	17,278	9,718	7,560	78%
Non-Current Liabilities	15,868	4,817	11,051	N.M
Total Liabilities	33,146	14,535	18,611	N.M
Net Assets	60,686	56,668	4,018	7%
Capital and Reserves Attributable to Equity Holders of the Company	60,735	56,700	4,035	7%
Non-Controlling Interests	(49)	(32)	(17)	N.M
Total Equity	60,686	56,668	4,018	7%

Consolidated Statement of Cash Flows 2018 vs 2017

	2018 (S\$'000)	2017 (S\$'000)
Net Cash Provided by Operating Activities	7,141	5,494
Net Cash Used in Investing Activities	(24,320)	(18,906)
Net Cash Provided by Financing Activities	13,451	48,919
Net (Decrease)/Increase in Cash and Cash Equivalents	(3,728)	35,507
Cash and Cash Equivalents at Beginning of Financial Period	39,377	3,874
Effects of Currency Translation on Cash and Cash equivalents	(212)	(4)
Cash and Cash Equivalents at End of Financial Period	35,437	39,377



Q&A Session

- No. of schools up by 80%, from 10 to 18
- Students up by 25%, from 3,304 to 4,199

- Revenue up by 62%, from \$22.8mil to \$37.0mil
- Op Profit up by 29%, from \$6.3mil to \$8.1mil
- PAT up by 33%, from \$4.9mil to \$6.5mil

- Current Ratio: 2.75
- Debt Ratio: 0.35
- ROIC: 13%
- Recommended Dividend: 1.34cts / Share (approx. 2.5% yield)
- Operating cashflow: \$7.1mil

- Ongoing M&A activities
- Focusing on Australia Franchise