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

ACQUISITION OF 80% SHAREHOLDING INTEREST IN MINDCHAMPS MUSIC PTE. LIMITED

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 has acquired 80 ordinary shares in MindChamps Music Pte. Limited ("**MindChamps Music**") (the "**Shares**") at a consideration of S$80.00 (the "**Consideration**") from MindChamps Holdings Pte. Limited ("**MindChamps Holdings**"), a controlling shareholder of the Company.

The Shares represent 80% of the entire issued and paid-up capital of MindChamps Music, and the remaining 20% shareholding in MindChamps Music continues to be held by Affron Scripp and Associates, LLC.

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 and liabilities of MindChamps Music. The Consideration was funded through the Company's internal resources. As at 31 March 2019 (based on the unaudited management accounts of MindChamps Music), the aggregate book value of MindChamps Music was S$(119,246.17) and the aggregate net tangible asset value of MindChamps Music was S$(508,825.29). MindChamps Music is a developer and intellectual property holder of music-related curricula and enrichment programmes, which the Company intends to use as part of its ordinary course of business.

The above acquisition is announced pursuant to Rule 704(17)(c) of the Singapore Exchange Securities Trading Limited Listing Manual. The said acquisition is not expected to have any material impact on the consolidated earnings per share and/or net tangible assets per share of the Group for the financial year ending 31 December 2019.

Save that the directors of the Company Mr David Chiem Phu An and Ms Catherine Du are also directors of MindChamps Holdings, Champion Minds Pte. Limited (which wholly-owns MindChamps Holdings) and MindChamps Music and that Mr David Chiem Phu An and Ms Catherine Du each hold 35.4% of the shares of Champion Minds Pte. Limited, 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 in the Company, as the case may be, in the above transaction.

MindChamps PreSchool Limited
10 May 2019