

NOTICE OF ANNUAL GENERAL MEETING



NOTICE IS HEREBY GIVEN that the Annual General Meeting of BreadTalk Group Limited (“the Company”) will be held at 30 Tai Seng Street, #09-01 BreadTalk IHQ, Singapore 534013 on Wednesday, 22 April 2015 at 9.30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Report and the Audited Financial Statements of the Company for the year ended 31 December 2014 together with the Auditors’ Report thereon.
- (Resolution 1)
2. To declare a final dividend of 1.0 cent per share tax exempt (one-tier) for the year ended 31 December 2014 (2013: 1.3 cents).
- (Resolution 2)

3. To re-elect the following Directors retiring pursuant to Article 104 of the Company’s Articles of Association:
Ms Katherine Lee Lih Leng
Mr Ong Kian Min
- (Resolution 3)
(Resolution 4)

Mr Ong Kian Min will, upon re-election as an Independent Director of the Company, remain as the Lead Independent Non-executive Director, Chairmen of the Audit and Nominating Committees and a member of the Remuneration Committee. Mr Ong will be considered independent for the purposes of Rule 704(8) of Listing Manual of the Singapore Exchange Securities Trading Limited.

4. To approve the payment of Directors’ fees of S\$172,950 for the year ended 31 December 2014 (2013: S\$168,000).
- (Resolution 5)

5. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
- (Resolution 6)

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.
- (Resolution 6)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to issue shares**
That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
(ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

- (a) new shares arising from the conversion or exercise of any convertible securities;
- (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
- (c) any subsequent bonus issue, consolidation or subdivision of shares;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and

- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (i)]
- (Resolution 7)

8. **Authority to issue shares under the BreadTalk Group Limited Employees’ Share Option Scheme**
That pursuant to Section 161 of the Companies Act, Cap. 50, the Directors of the Company be authorised and empowered to offer and grant options under the prevailing BreadTalk Group Limited Employees’ Share Option Scheme (“the Scheme”) and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme, the BreadTalk Group Restricted Share Grant Plan and any other share based schemes (if applicable) shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (ii)]
- (Resolution 8)

9. **Authority to issue shares under the BreadTalk Group Limited Restricted Share Grant Plan**
That pursuant to Section 161 of the Companies Act, Cap. 50, the Directors of the Company be authorised and empowered to offer and grant awards in accordance with the provisions of the BreadTalk Group Limited Restricted Share Grant Plan (“the Plan”) and to allot and/or issue from time to time such number of fully-paid shares as may be required to be allotted and/or issued pursuant to the vesting of the awards under the Plan, provided always that the aggregate number of new ordinary shares to be allotted and/or issued pursuant to the Plan, the Scheme and any other share based schemes (if applicable), which the Company may have in place, shall not exceed fifteen per centum (15%) of the total issued shares excluding treasury shares in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (iii)]
- (Resolution 9)

10. **Authority to grant awards to Participants pursuant to the Rules of, and issue shares under, the Plan**
That, contingent upon the passing of Resolution 9, in order to reward, retain and motivate employees who had met specific performance objectives set by the Company, the Directors of the Company be authorised and empowered to grant awards in accordance with the provisions of the Plan to the following participants of the Plan (“the Participants”) and to issue shares in the Company to the Participants of awards granted by the Company under the Plan, provided always that the aggregate number of shares available to Controlling Shareholders and their associates under the Plan shall not exceed twenty five per centum (25%) of all the shares available under the Plan and that the number of shares available to each Controlling Shareholder or his associate shall not exceed ten per centum (10%) of all the shares available under the Plan. Such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the Company’s next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

Name of Participant	No. of shares to be awarded
Associate of Controlling Shareholder Mr Frankie Quek Swee Heng [See Explanatory Note (iv)]	58,000 (Resolution 10)

11. **Renewal of Share PurchaseMandate**
That for the purposes of Sections 76C and 76E of the Companies Act, Cap. 50, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Price as defined in paragraph 3.4 of the Appendix to the Annual Report to Shareholder dated 7 April 2015, in accordance with the terms of the Share Purchase Mandate set out in the Appendix, and this mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (v)]
- (Resolution 11)

By Order of the Board

Cho Form Po
Company Secretary
Singapore
Date: 7 April 2015

Explanatory Notes:

- (i) The Ordinary Resolution 7 in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
- (ii) The Ordinary Resolution 8 in item 8 above, if passed, will empower the Directors of the Company, from the date of this Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the Scheme up to a number not exceeding in total (for the entire duration of the Scheme) 15% of the total number of issued shares excluding treasury shares in the capital of the Company from time to time, and the aggregate number of ordinary shares which may be issued pursuant to the Scheme, the Plan and any other share based schemes (if applicable) is limited to 15% of the total issued share capital of the Company excluding treasury shares from time to time. Resolution 8 is independent from Resolution 9 and the passing of Resolution 8 is not contingent on the passing of Resolution 9.
- (iii) The Ordinary Resolution 9 in item 9 above, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting, to offer and grant awards under the Plan in accordance with the provisions of the Plan and to issue from time to time such number of fully-paid shares as may be required to be issued pursuant to the vesting of the awards under the Plan subject to the maximum number of shares prescribed under the terms and conditions of the Plan. The aggregate number of ordinary shares which may be issued pursuant to the Scheme, the Plan and any other share based schemes (if applicable) is limited to 15% of the total issued share capital of the Company excluding treasury shares from time to time. Resolution 9 is independent from Resolution 8 and the passing of Resolution 9 is not contingent on the passing of Resolution 8.
- (iv) The Ordinary Resolution 10 in item 10 above, if passed, will empower the Directors of the Company to issue shares in the Company to the associate of Controlling Shareholders, granted by the Company under the Plan. Resolution 10 is contingent on the passing of Resolution 9. Shareholders who are eligible to participate in the Plan shall abstain from voting on Resolution 10.

As at the Latest Practicable Date prior to the printing of this Notice of Annual General Meeting (i.e. 19 March 2015), the number of shares granted in respect of the Plan since its commencement date are as follows:

Name	Aggregate Number of Restricted Shares Granted	Aggregate Number of Restricted Shares Vested
Dr George Quek Meng Tong	179,200	179,200
Katherine Lee Lih Leng	154,000	154,000
Frankie Quek Swee Heng	183,000	111,800
Other Participants*	3,695,630	2,988,910
TOTAL	4,211,830	3,433,910

* None of the Other Participants is either a controlling shareholder of the Company or an associate of a controlling shareholder of the Company.

The Directors confirm that, as at the Latest Practicable Date (i.e. 19 March 2015):

- (a) the aggregate number of shares issued under the Plan do not exceed 15% of the total issued shares (excluding treasury shares) in the capital of the Company;
- (b) the aggregate number of shares granted to controlling shareholders and their associates does not exceed 25% of the shares available under the Plan; and
- (c) number of shares granted to each controlling shareholder or his or her associate respectively does not exceed 10% of the shares available under the Plan.

The rationale for Resolution 10

Mr Frankie Quek Swee Heng (**Frankie Quek**), CEO, Asean Region, holds an aggregate of 0.02% of the Company’s shareholding (direct and deemed interests). He is involved in the formulation and implementation of the expansion plans of the Group in the Asean Region. With his business acumen and extensive knowledge of the local food and beverage industry, he is assisting the Chairman, Dr George Quek Meng Tong, in overseeing the growth and expansion as well as daily operations of the Group, focusing on the Group’s expansion into the Asean Region. Frankie Quek has been based in Shanghai since 2005 where he has been overseeing the growing bakery and food court operations in Shanghai and Beijing. His expertise has further led to the successful expansion of the BreadTalk brand name to many Asean Cities through a franchise model system managed by the in house franchise team. The Company therefore believes that he has the potential and ability to contribute to the further success of the Group.

By allowing him to participate in the Plan, the Company will have an additional tool to craft a more balanced and innovative remuneration package that will link his total remuneration to the performance of the Group. Frankie Quek will also be able to share in any future appreciation of the Company’s share price that is commensurate with the Company’s future growth through an increase in his shareholdings to a more significant level.

The Directors are of the view that the remuneration package of Frankie Quek is fair given his contributions to the Group. The extension of the Plan to Frankie Quek is consistent with the Company’s objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company.

As the Plan serves as recognition of the past contributions of those eligible to participate in the Plan, as well as to secure future contributions for the Company and the Group from them, the Directors consider it important that Frankie Quek should be included in the Plan. The Directors consider it crucial for the Company to provide sufficient incentives which will instill a sense of commitment to the Group.

The participation of and grant of Awards to Frankie Quek under the Plan has been approved in principle by shareholders when they approved the Plan at the Extraordinary General Meeting held on 28 April 2008. Resolution 10 seeks for the above stated reasons, shareholders approval for the Directors decision to grant 58,000 shares to Frankie Quek in accordance with the Plan.

- (v) The Ordinary Resolution 11 proposed in item 11 above, if passed, will empower the Directors of the Company effective until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to 10% of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price as defined in Paragraph 3.4 to the Appendix. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 December 2014 are set out in greater detail in the Appendix.

Notes

1. A Member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 30 Tai Seng Street, #09-01 BreadTalk IHQ, Singapore 534013 not less than 48 hours before the time appointed for holding the Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.