



(Company No.: 200302045G)
(Incorporated in the Republic of Singapore)

**PROPOSED DISPOSAL OF STAKE IN AXA TOWER AND PARTIAL REINVESTMENT IN
REDEVELOPMENT OF AXA TOWER**

The Board of Directors (the "**Board**") of BreadTalk Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcements made by Perennial Real Estate Holdings Limited ("**Perennial**") on 6 May 2020 in relation to the disposal by the Perennial-led consortium of 50% equity stake in AXA Tower and redevelopment of the same property (the "**Proposed Transactions**"). Reference is also made to an earlier announcement by the Company on 1 August 2017 on the intention of Perennial and its consortium to consider an enbloc sale of AXA Tower.

The Board is pleased to announce that, together with the other consortium members as part of the Proposed Transactions led by Perennial, the Company will be disposing of its indirect interest in AXA Tower and thereafter making a partial reinvestment in the redevelopment project of the same property. The Company, via its wholly-owned subsidiary, Imagine Properties Pte Ltd, currently owns investment securities equivalent to a 5.31% interest in AXA Tower ("**Investment Securities**"). The Company is participating in the Proposed Transactions as they present a good opportunity to realise liquidity for the Group.

The Company's share of proceeds from the disposal is estimated to be S\$33.4 million, of which an initial amount of S\$5.9 million will be reinvested for an effective 1.0% stake in the redevelopment project of AXA Tower. The balance of the proceeds, after setting aside the amount for the reinvestment, is therefore S\$27.5 million.

As a result of the Proposed Transactions, the Company expects to record an extraordinary gain in FY2020 of approximately S\$8.6 million, being the difference between the proposed disposal value and the carrying value of the Investment Securities as at FY2019.

BY ORDER OF THE BOARD

Shirley Tan Sey Liy
Company Secretary

7 May 2020