



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

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**RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN RELATION TO PURCHASE OF PROPERTY LOCATED AT 8 AND 8A SIXTH AVENUE, SINGAPORE 276473**

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The Board of Directors ("**Board**") of BreadTalk Group Limited ("**Company**") together with its subsidiaries, ("**Group**") refers to the Company's announcement for the purchase of property located at 8 and 8A Sixth Avenue, Singapore 276473 released on 2 May 2018 ("**Announcement**"). The Board would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 3 May 2018 (each, a "**SGX Query**") as follows:

*Unless otherwise defined, capitalised terms and references used herein shall bear the same meaning ascribed to them in the Announcement.*

**SGX Query 1**

Please state the purpose of the transaction.

**Company's Response to SGX Query 1**

As a Singapore food and beverage ("**F&B**") company, the purchase of the Property is for the Group's F&B business. The Group will be operating its own brand(s) within the Property.

**SGX Query 2**

Please provide the relative figures computed on the bases in Listing Rule 1006 for the purchase.

**Company's Response to SGX Query 2**

Based on the audited financial information of the Group as at 31 December 2017, the relative figures for the purchase of the Property computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST are as follows:

Rule	Bases of Computation	Relative Figure
1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	0.79%
1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	2.31%

Rule	Bases of Computation	Relative Figure
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

Note: (1) The market capitalisation of the Company is based on 281,638,550 Shares in issue (excluding treasury shares) as at 2 May 2018 and the weighted average price of the Shares transacted on the SGX-ST on the same date of S\$1.6220.

As the relative figures under Rules 1006(b) and 1006(c) does not exceed 5%, the purchase of Property constitutes a “**Non-Discloseable Transaction**” as defined in Chapter 10 of the Listing Manual. Accordingly, shareholders’ approval is not required for the purchase of Property.

### **SGX Query 3**

Pursuant to Listing Rule 1010(5) please state the value (book value, net tangible asset value and the latest available open market value) of the assets to be acquired of, the latest available valuation of the assets, the party who commissioned the valuation and the basis and date of such valuation.

### **Company’s Response to SGX Query 3**

The Property was valued by independent valuers in accordance with the instructions issued by the Vendor. The valuation was prepared using, *inter alia*, the comparable sales method and the income method.

The valuation, purchase price, the valuer and the date of valuation of the Property are set out in the table below:

Property	Valuation (S\$)	Purchase Consideration (S\$)	Independent Valuer	Date of Valuation
8 and 8A Sixth Avenue	11 million	12.5 million	GB Global Pte Ltd	4 May 2017

The purchase consideration for the purchase of Property was arrived at on a willing-buyer and willing-seller basis.

### **By Order of the Board**

Chew Kok Liang  
Company Secretary  
4 May 2018