



BreadTalk Group partners Shenzhen Pindao Food & Beverage Management to bring popular Nayuki and Tai Gai beverage brands into Singapore and Thailand

SINGAPORE – 21 May 2018 – BreadTalk Group Limited (“**Group**” or “**BreadTalk Group**”) announced on 21 May 2018 that it has through the Group’s wholly-owned subsidiary, Together Inc Pte Ltd entered into a joint-venture (“**JV**”) agreement with Shenzhen Pindao Food & Beverage Management Co Ltd (“**Pindao**”) to incorporate BTG-Pindao Venture Pte Ltd (“**BTG-Pindao**”).

Together Inc Pte Ltd will hold a 90% stake of the JV, with Pindao holding the remaining 10%. Under the agreement, BTG-Pindao will operate and manage the popular tea beverage brands Nayuki (奈雪) and Tai Gai (台盖) and in Singapore and Thailand, with a first right of refusal to operate in Malaysia, Indonesia, and the Philippines.

Well-known for their creative offerings in the tea beverage scene, Pindao is the parent company of four celebrated brands, namely Nayuki, Tai Gai, Li Shan (梨山), and 27Fruits. Tai Gai first opened in China in July 2015 followed by Nayuki just five months later in November 2015, and both brands have since been established as premium, trendy concepts that have won the hearts and taste buds of consumers throughout the region.

In a time where international beverage giants had entered China, Pindao was so successful at regaining a new share of the tea market that it attracted an injection of funds from venture capital firm Tiantu Capital just a year after opening its first Nayuki store.

This set off an explosive chain reaction that rapidly boosted the brand’s growth to over a hundred stores across multiple cities in China within just a year, earning Nayuki’s reputation for speed of expansion, termed “奈雪速度”, loosely translated as “The Nayuki Veloci-Tea”.

The BreadTalk Group recognises the abundant potential of Pindao in its dedication towards making tea culture relevant and accessible to the new generation of consumers in Southeast Asian markets where tea beverages are now part of a hip and trendy lifestyle.

As part of this joint-venture, Tai Gai is set to shake up the milk tea scene in Singapore and the region with its signature brews such as Sun Moon Lake Red Tea, Durian Jasmine Green Tea, and Cheesy Pu Er Tea, which are concocted using globally-sourced tea leaves and fruit, topped off with the renowned milk crown that comes in cheese and milk flavours. Its first store outside China is slated to be launched in Q4 2018.

While Tai Gai offers a novel way of appreciating tea, Nayuki brings a new café concept of premium tea creations complemented by European-inspired artisanal breads such as Filled Cherry, Nesno Baby Bear, Super Durian, and Cheese Tricolor Potato – which have been the rage in China in recent years.

Reputed for using less oil, sugar, and salt in their range of products, consumers can look forward to enjoying their snacks in an exquisitely-designed store as Nayuki has already begun its hunt for a good prime location in Central Singapore.

Of this strategic alliance with Pindao, Mr Henry Chu, BreadTalk Group CEO said, “The BreadTalk Group delights in bringing innovative F&B concepts to our consumers, and we have observed that there has been a growing demand for novelty tea beverages among younger consumers. With our extensive regional presence and strong operational track record, coupled with their innovative products and highly scalable business model, we are confident of scaling new heights and bringing unique experiences to our consumers in Singapore and Thailand.”

Mr Zhao Lin, Pindao CEO adds, “It took us just three years to build both Nayuki and Tai Gai to the more than 100 stores currently in China, despite an landscape where international beverage chains were capturing the hearts of many young consumers, and the BreadTalk Group believed in our ambition to rejuvenate the tea-drinking culture by introducing new ways to appreciate it. Coupling the breadth and depth of the Group’s F&B knowledge and experience with its regional network, we believe this partnership will add indelible value to Pindao’s growth.”

The investment is not expected to have any material impact on the earnings per share and net tangible assets of the Company and the Group for the financial year ending 31 December 2018.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the investment.

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About Shenzhen Pindao Food & Beverage Management Co Ltd

Founded in Shenzhen in 2014, Pindao has established four premium and fashionable brands of tea beverage – Nayuki and Tai Gai in 2015, followed by Li Shan and 27Fruits in 2018. With a focus on product innovation and unique consumer experiences, they have won customers over throughout the region and have their sights set on expanding their presence in new markets.

With more than 100 stores in the 14 major cities in China including Beijing, Shanghai, Guangzhou, Shenzhen, Wuhan, Chengdu, Hangzhou, Nayuki and Tai Gai are located in most of the key shopping malls, and have become two of the most iconic brands in China. Pindao is expected to develop nearly 300 new stores in the primary business areas across China, and Singapore is its first overseas market followed by other neighbouring regions in the pipeline.

Comprising more than 3,600 employees, Pindao has established a strong operations management and logistics support team to further the company’s expanding business. The company aspires to bring tea culture to the world, and is dedicated to providing customers with a premium lifestyle experience.

About BreadTalk Group Limited

Founded as a bakery brand in Singapore in 2000 and listed on the SGX in 2003, BreadTalk has rapidly expanded to become an award-winning F&B Group that has established its mark on the world stage with its bakery, restaurant and food atrium footprints.

With close to 1,000 retail stores spread across 17 territories, its brand portfolio comprises BreadTalk, Toast Box, Food Republic, Din Tai Fung, Bread Society, Thye Moh Chan, The Icing Room and Sō. The Group has a network of owned bakery outlets in Singapore, PRC, Malaysia, Hong Kong and Thailand as well as franchised bakery outlets across Asia and the Middle East. It also owns and operates the world-renowned Din Tai Fung restaurants in Singapore and Thailand, as well as the award-winning Food Republic food atria in Singapore, China, Taiwan, Hong Kong and Malaysia. In 2018, BreadTalk Group will open its first Din Tai Fung restaurant in London.

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