



Second Quarter 2018 Financial Results

1 August 2018

2018

BUSINESS MILESTONES

BreadTalk
BreadTalk Group Ltd

Jan

- Issued **S\$100m Medium Term Note** at **4.0%**
- Opened 1st **Song Fa Bak Kut Teh** outlet in Shanghai, Jing An Kerry Centre

Mar

- Joint venture with **Wu Pao Chun** (“WPC”) Bakery to operate WPC bakeries in Singapore and Hong Kong
- Opening of **Food Republic**’s first Direct Operated Restaurant ‘**Sergeant Kitchen**’ in **Bangkok**
- Joint venture with PT. Pura Indah Berkat (“PIB”). PIB will operate **Toast Box** outlets in **Indonesia**

May

- Share Split** of Every One (1) Ordinary Share into Two (2) Ordinary Shares
- Partnership with **Shenzhen Pindao Food & Beverage Management Co Ltd** to operate and manage the popular tea beverage brands **Nayuki** (奈雪) and **Tai Gai** (台盖) in **Singapore and Thailand**

Jun

- New Strategic Partnership with Mr Ge Ying (“GY”) to operate the **BreadTalk** brand of bakeries in **Chongqing, China**, and potentially expand across the South-western market

Jul

- Tripartite alliance of **BreadTalk Group-Pindao Venture** and **Song Fa Holdings** for **Song Fa Bak Kut Teh** in **Shenzhen and Guangzhou**

Portfolio of Directly Managed BRANDS



Bakery

BreadTalk[®]
bread society

TOAST
BOX
土司工坊

theicing room
蛋糕细语
泰茂枝
thye moh chan



Restaurant

鼎泰豐
DIN TAI FUNG



4orth

創
Sō
奈雪
奈雪
奈雪



Food Atrium

foodrepublic 大食代

FOOD OPERA 食代館

松發
SONG FA
奈雪
NAYUKI

鰻
TGI
台盖

Note: Din Tai Fung, Song Fa Bak Kut Teh, Wu Pao Chun Bakery, Tai Gai and Nayuki are franchised brands.

2Q 2018

FINANCIAL HIGHLIGHTS

BreadTalk
BreadTalk Group Ltd

REVENUE

EBITDA

NET
PROFIT

CORE F&B
NET PROFIT

2Q
2018

148.8 million

0.8 % ▲

18.1 million

- 1.9 % ▼

2.4 million

10.5 % ▲

2.4 million

10.5 % ▲

1H
2018

297.4 million

0.7 % ▲

34.4 million

- 23.2 % ▼

3.6 million

- 72.2 % ▼

5.4 million

38.9 % ▲



2Q 2018 Financial Highlights

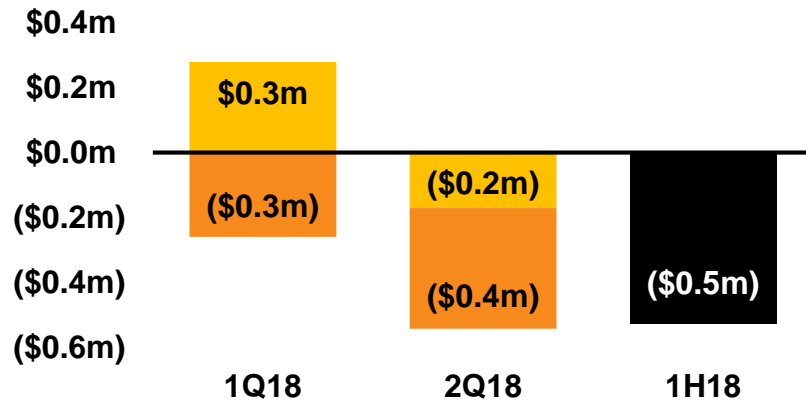
FINANCIAL PERFORMANCE

S\$ Million	2Q18	2Q17	Y-o-Y	1Q18	Q-o-Q	1H18	1H17	Y-o-Y
Revenue	148.8	147.7	0.8%	148.5	0.2%	297.4	295.4	0.7%
Bakery	68.6	72.4	- 5.2%	70.4	- 2.5%	139.0	146.1	- 4.9%
Food Atrium	38.8	37.4	4.0%	37.5	3.6%	76.3	73.7	3.6%
Restaurant	37.3	34.8	7.1%	36.9	1.0%	74.1	69.5	6.7%
4orth	3.0	2.0	53.0%	2.7	12.2%	5.7	3.9	47.4%
Others	1.1	1.2	- 4.4%	1.1	0.2%	2.2	2.3	- 3.4%
EBITDA	18.1	18.4	- 1.9%	16.3	10.7%	34.4	44.8	- 23.2%
Bakery	4.1	6.9	- 40.0%	3.8	9.7%	7.9	12.3	- 36.0%
Food Atrium	7.7	5.3	44.3%	5.3	45.6%	13.0	10.8	20.0%
Restaurant	7.1	7.2	- 2.2%	8.7	- 18.5%	15.8	14.2	10.9%
4orth	(0.1)	(0.1)	29.4%	(0.1)	3.8%	(0.2)	0.0	n.m.
Others	(0.7)	(0.9)	23.2%	(1.3)	- 44.9%	(2.0)	7.4	127.6%
EBITDA Margin (%)	12.1%	12.5%	- 0.3 ppt	11.0%	+ 0.1 ppt	11.6%	15.2%	- 3.5 ppt
Bakery	6.0%	9.5%	- 3.5 ppt	5.4%	+ 0.1 ppt	5.7%	8.5%	- 2.8 ppt
Food Atrium	19.8%	14.3%	+ 5.5 ppt	14.1%	+ 0.4 ppt	17.0%	14.7%	+ 2.3 ppt
Restaurant	19.0%	20.8%	- 1.8 ppt	23.5%	- 0.2 ppt	21.2%	20.4%	+ 0.8 ppt
4orth	- 3.6%	- 4.3%	+ 0.7 ppt	- 3.9%	- 0.1 ppt	- 3.8%	0.1%	- 3.9 ppt
Net Profit	2.4	2.2	10.5%	1.2	106.4%	3.6	13.0	- 72.2%
Net Margin (%)	1.6%	1.5%	+ 0.1 ppt	0.8%	+ 1.1 ppt	1.2%	4.4%	- 3.2 ppt
Core F&B Net Profit	2.4	2.2	10.5%	2.9	- 17.4%	5.4	3.9	38.9%
Core F&B Net Margin (%)	1.6%	1.5%	+ 0.1 ppt	2.0%	- 0.2 ppt	1.8%	1.3%	+ 0.5 ppt
EPS (cents) [#]	0.43	0.39	10.3%	0.42	2.4%	0.86	3.08	- 72.1%
DPS (cents) [#]	0.50	0.50	0.0%	-	n.m.	0.50	1.50	- 66.7%

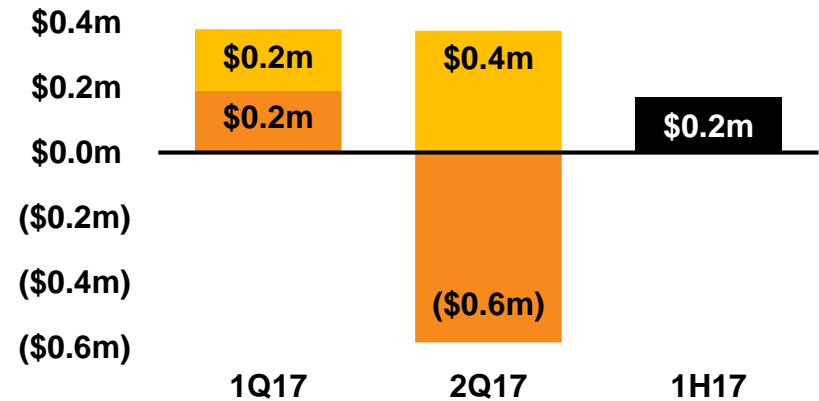
[#] For comparison purpose, 2Q17's and 1H17's EPS and DPS have been split-adjusted.

SHARE OF ASSOC. & JV RESULTS

1H18



1H17



Legend

Share of Results of Joint Ventures

Share of Results of Associates

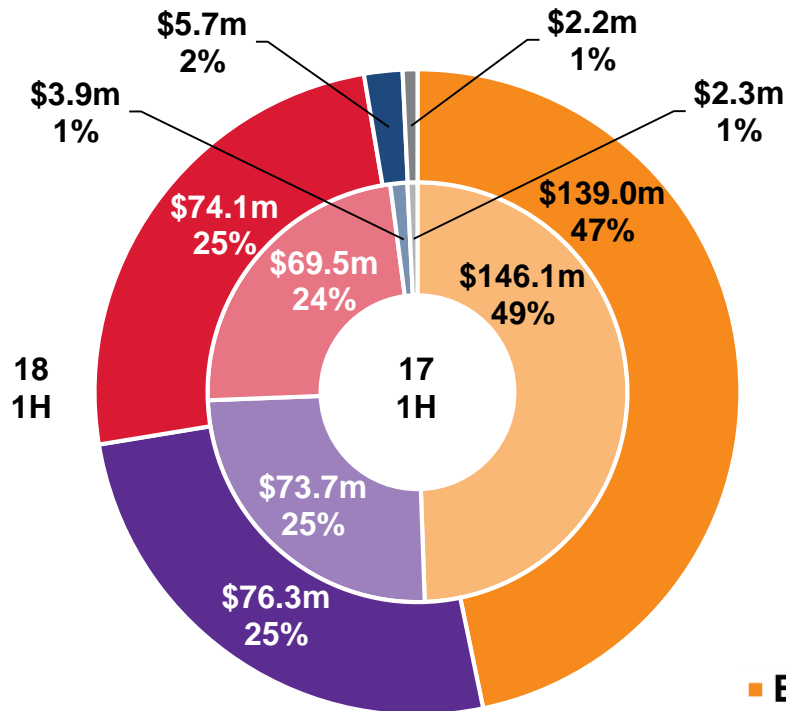
Total Share of Results

S\$ Million	2Q18	2Q17	Y-o-Y	1H18	1H17	Y-o-Y
Share of Results	▼ (0.5)	▼ (0.2)	160.1%	▼ (0.5)	▲ 0.2	- 407.0%
Share of Assoc. Results	(0.4)	(0.6)	- 36.4%	(0.6)	(0.4)	60.3%
Share of JV Results	(0.2)	0.4	- 145.3%	0.1	0.6	- 81.4%

2Q 2018 Financial Highlights

By BUSINESS

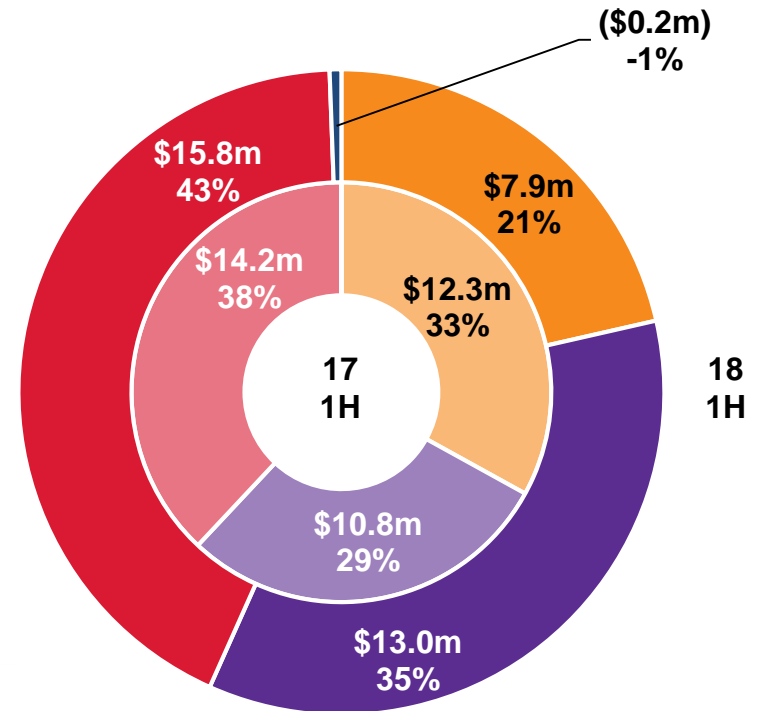
REVENUE by BUSINESS



1H18 REVENUE
297.4 million

- Bakery
- Food Atrium
- Restaurant
- 4orth
- Others

F&B EBITDA by BUSINESS



1H18 F&B EBITDA
36.4 million

2Q 2018 Financial Highlights

By OUTLETS and GEOGRAPHY

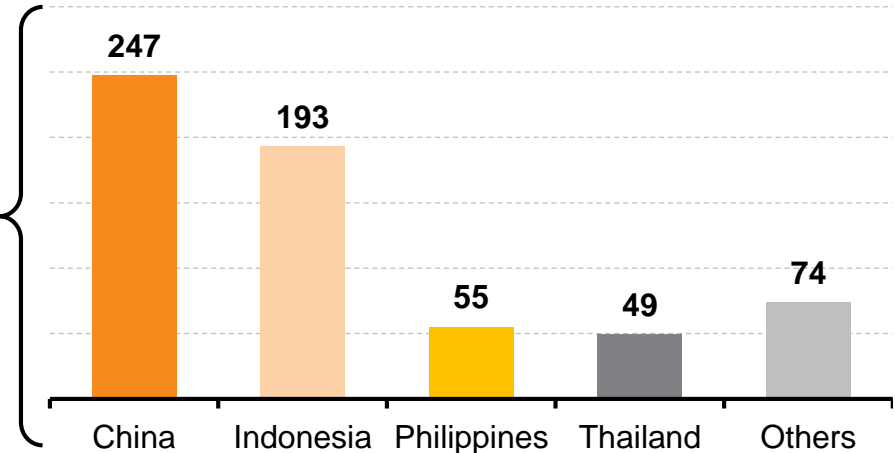
OUTLET Distribution by BUSINESS

Segment	2Q18	FY17	Net ▲/▼	2Q17	Net ▲/▼
Bakery	842	871	(29)	856	(14)
Direct Operating	224	240	(16)	259	(35)
Franchise	618	631	(13)	597	21
Food Atrium	53	53	0	56	(3)
Restaurant	27	25	2	24	3
Din Tai Fung	27	25	2	24	3
4orth	8	5	3	4	4
Sō #	5	5	0	4	1
Song Fa	2	0	2	0	2
Una-yu	1	0	1	0	1
Total	930	954	(24)	940	(10)

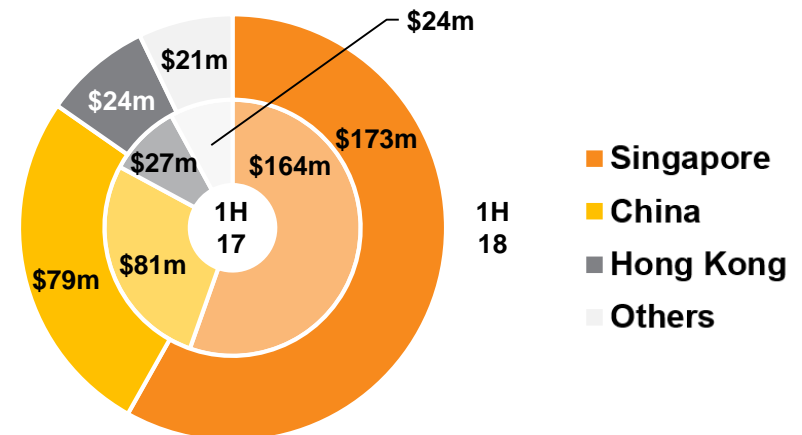
Rebranded from Ramen Play in 1Q17



FRANCHISE OUTLETS by GEOGRAPHY



REVENUE by GEOGRAPHY



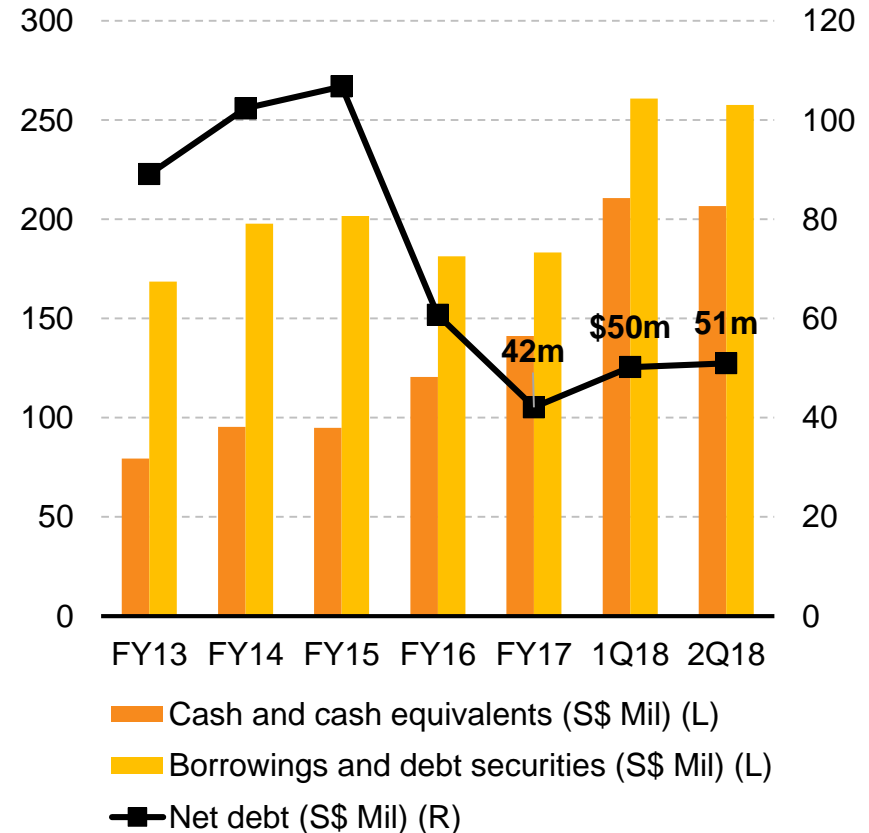
2Q 2018 Financial Highlights

FINANCIAL POSITION

BALANCE SHEET Highlights

S\$ Million	2Q18	FY17
Total assets	666	552
Cash and cash equivalents	207	141
Trade and other receivables	57	52
Inventories	11	10
Investment securities	8	13
Other current assets	8	9
Current assets	291	225
Property, plant and equipment	163	169
Investment securities	126	72
Non-current assets	375	327
Total liabilities	459	397
Trade and other payables	87	90
Current liabilities	316	257
Non-current liabilities	144	140
Borrowings and debt securities	258	183
Short term	127	57
Long term	131	126
Net debt	51	42

NET DEBT Position



CASH FLOWS and KEY INDICATORS

CASH FLOWS

S\$ Million	2Q18	2Q17
Operating cash flow before working capital changes	21	19
Net cash flow from operating activities	10	15
Capital expenditure	(8)	(4)
Investment in associate & joint venture	-	(1)
Net cash flow from investing activities	n.m.	21
Free cash flow	18	19
Net increase / (decrease) in bank borrowings	(4)	(5)
Net cash flow used in financing activities	(15)	(17)
Net cash flow	(4)	19

n.m. = Not meaningful

FINANCIAL INDICATORS

Ratios	2Q18	FY17
Turnover Days		
Trade Receivables Turnover		
- Franchisee	97.7	91.5
- Non Franchisee	2.4	2.3
Total Receivables Turnover	8.2	8.3
Inventory Turnover	27.2	25.3
Trade Payables Turnover	30.4	29.7
Cash Conversion Cycle	5.1	3.9
Liquidity Ratios		
Current Ratio	0.92 x	0.90 x
Quick Ratio	0.89 x	0.86 x
Debt Ratios		
Net Debt / Shareholder's Equity	0.29 x	0.33 x
Total Debt / Shareholder's Equity	1.45 x	1.42 x
EBITDA / Interest expense	7.46 x	10.96 x

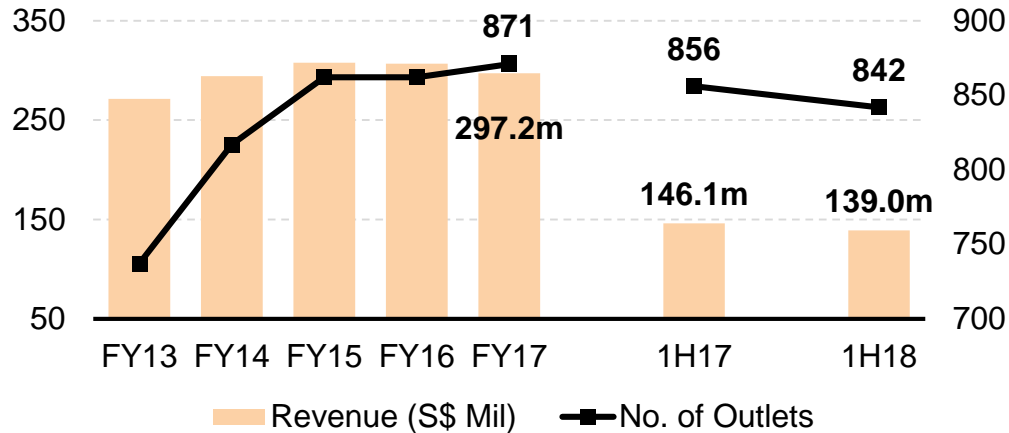


Business Overview

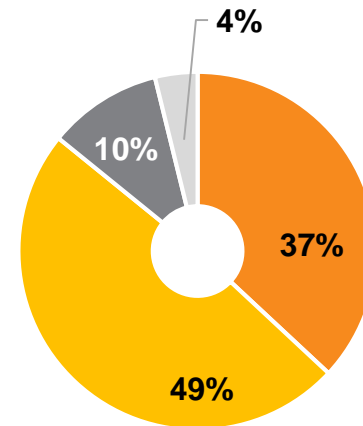
BAKERY DIVISION



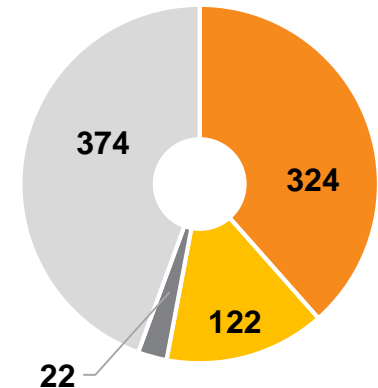
REVENUE and OUTLET Growth



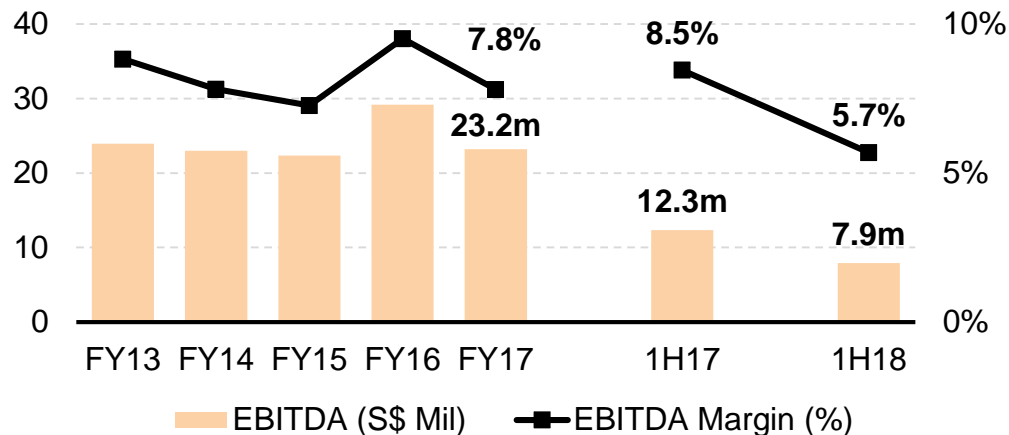
1H18 REVENUE



1H18 OUTLETS



EBITDA and EBITDA Margin



- China
- Singapore
- Hong Kong
- SEA and International*

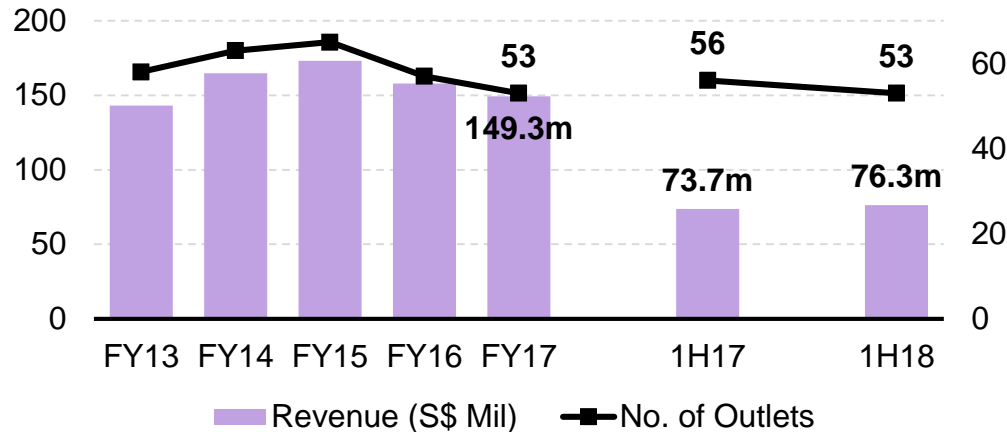
* SEA and International: Indonesia, Philippines, Thailand, Vietnam, Sri Lanka, Cambodia, KSA West, Kuwait, Oman, Bahrain, Myanmar and Malaysia

Business Overview

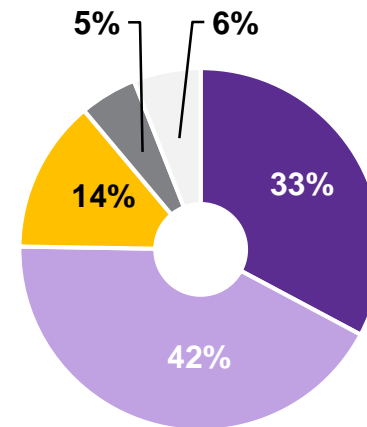
FOOD ATRIUM DIVISION



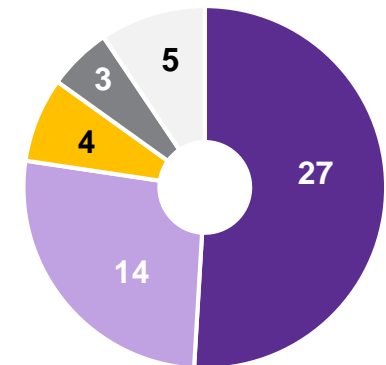
REVENUE and OUTLET Growth



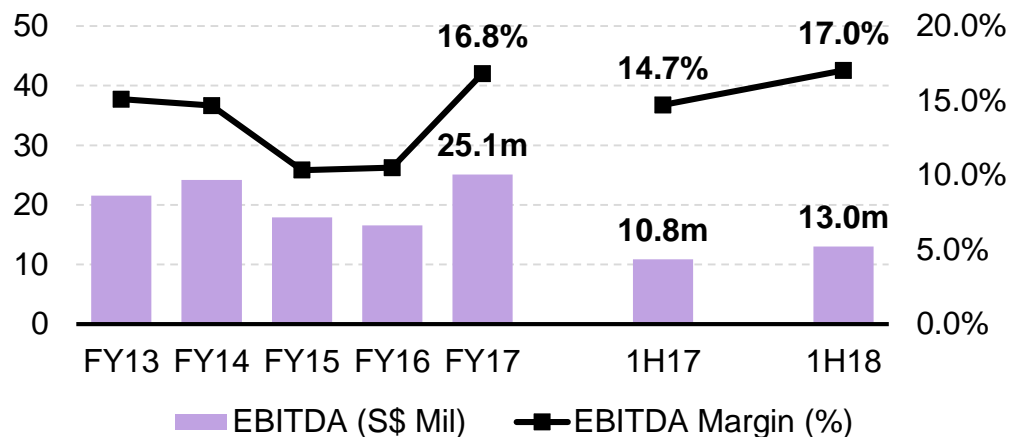
1H18 REVENUE



1H18 OUTLETS



EBITDA and EBITDA Margin



- China
- Singapore
- Hong Kong
- Taiwan
- SEA*

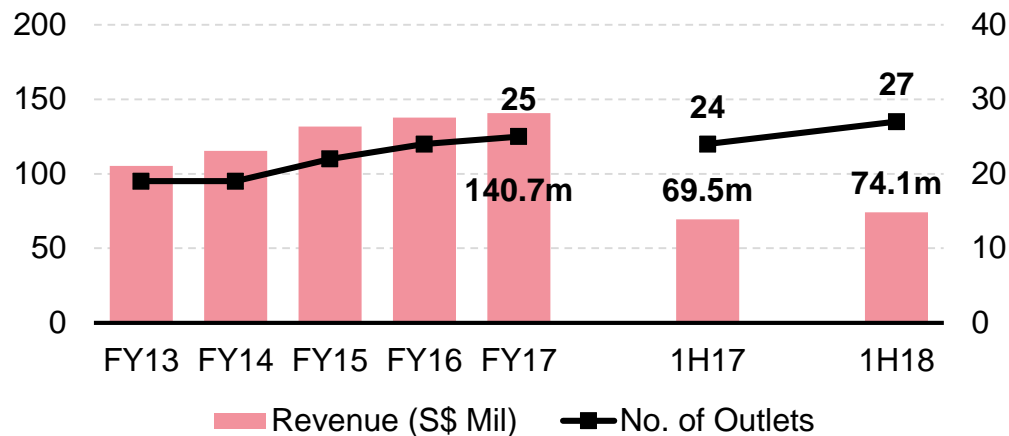
* SEA: Thailand and Malaysia

Business Overview

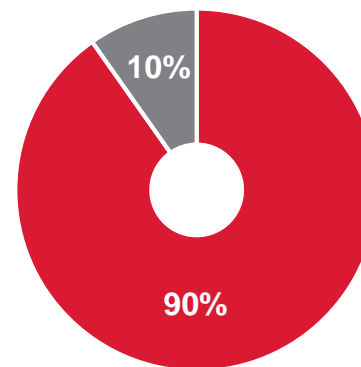
RESTAURANT DIVISION



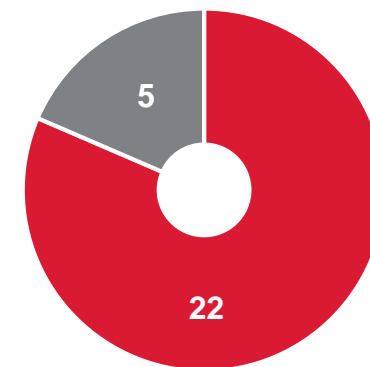
REVENUE and OUTLET Growth



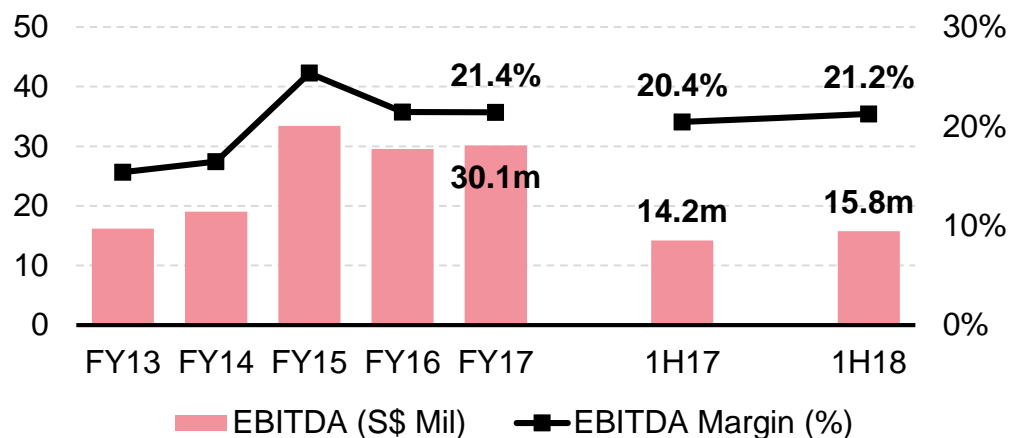
1H18 REVENUE



1H18 OUTLETS



EBITDA and EBITDA Margin



■ Singapore

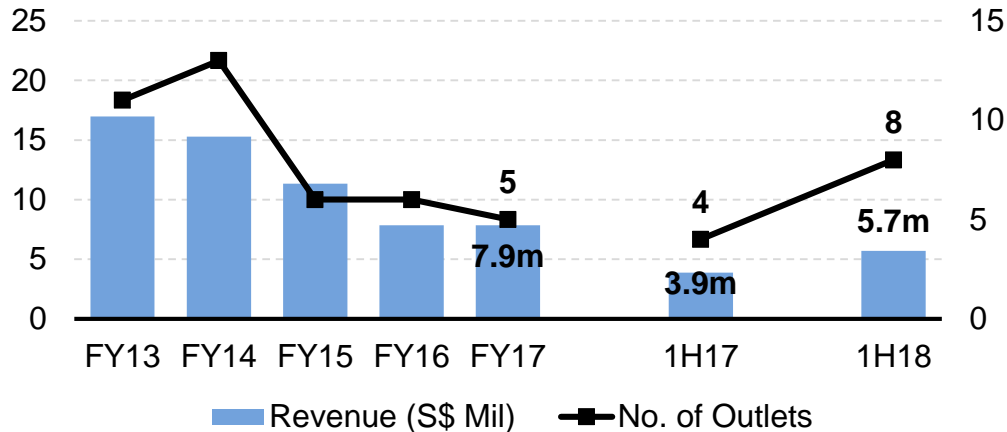
■ Thailand

Business Overview

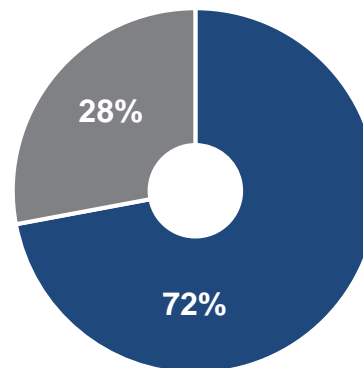
40RTH DIVISION



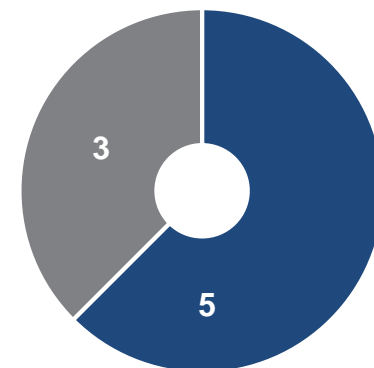
REVENUE and OUTLET Growth



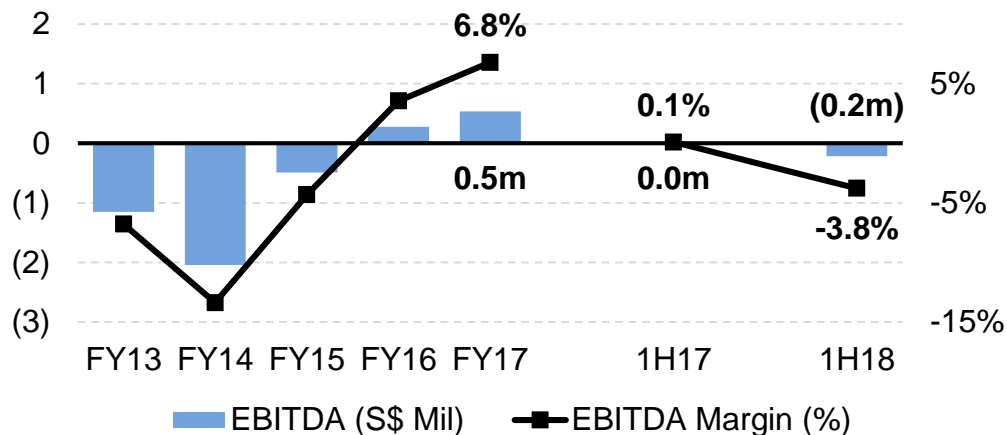
1H18 REVENUE



1H18 OUTLETS



EBITDA and EBITDA Margin



■ Singapore

■ China

THANK YOU

For enquiries, please contact:

CHAN Ying Jian

Group Chief Financial Officer

POH Kah Hwee

Investor Relations

T : +65 6285 6116

E : ir@breadtalk.com

