



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

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## JOINT VENTURE TO INVEST IN HSR HEALTHCARE MIXED-USE DEVELOPMENTS IN CHINA

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### 1. Introduction

The Board of Directors of BreadTalk Group Limited (the "**Company**") together with its subsidiaries, the "**Group**") wishes to announce that Imagine Properties Pte. Ltd. (a wholly-owned subsidiary of the Company) ("**IPPL**") has established a joint venture with a consortium of investors led by Perennial Real Estate Holdings Ltd. ("**Perennial**"). Perennial, through its wholly owned subsidiary, Perennial China Holdings Pte. Ltd., holds a majority 45% stake in Perennial HC Holdings Pte. Ltd. ("**Joint Venture**"). The consortium of investors comprises of other partners (collectively, the "**JV Partners**"), the subsidiary of Shun Tak Holdings Limited with a 30% stake, Bangkok Bank Public Company Limited with a 10% stake, S1F Pte. Ltd. with a 4% stake, and a subsidiary of Wilmar International Limited with a 2% stake. The remaining 4% stake is owned by HPRY Holdings Limited ("**HPRY**"). HPRY is an investment vehicle wholly owned by Mr. Kuok Khoon Hong, who is one of Perennial's core sponsors and the Chairman of Perennial. The Joint Venture has a total capital commitment of US\$1.2 billion (approximately S\$1.61 billion) will invest in, acquire and develop of large scale and predominantly healthcare integrated mixed-use developments, which are connected to high speed railway ("**HSR**") stations ("**HSR Healthcare Investment**") in the People's Republic of China ("**China**"). The initial committed capital to the Joint Venture amounts to US\$500 million (approximately S\$672.04 million) ("**First Closing**"), pursuant to which IPPL will co-invest 5% of the required commitment and subscribe for 25,000,000 ordinary shares in the capital of Joint Venture at US\$1.00 per share, with its total investment amount of US\$25 million (approximately S\$33.6 million) ("**Proposed Investment**"). The Proposed Investment will be funded progressively upon capital call through internal resources.

### 2. Information of the Joint Venture

The Joint Venture will target HSR Healthcare Investment opportunities in strong tier one, tier two cities as well as provincial capitals in China. These cities have close proximity to transportation hubs which will in turn provide easy access to subways and/or HSR to serve large cities or provinces with sizeable population catchments.

### 3. Rationale for the Proposed Investment

The Board views the Proposed Investment as an opportunity to participate in the healthcare real estate development market in the PRC, riding on the substantial expertise and experience of the joint venture partners. The Company may also explore potential food and beverage businesses within such healthcare real estate development in future when the projects are completed.

### 4. Financial Effects

For illustrative purposes only, the proforma financial effects of the Proposed Investment on the share capital of the Company, the net tangible asset value ("**NTA**") per ordinary share in the capital of the Company (the "**Share**") and earnings per Share ("**EPS**"), based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2016, are set out below:

**(a) Share Capital**

The Proposed Investment will have no impact on the number of issued Shares of the Company.

**(b) NTA per Share**

Assuming that the Proposed Investment had been completed on 31 December 2016, it would have no impact on the NTA per Share of the Group.

**(c) EPS**

Assuming that the Proposed Investment had been completed on 1 January 2016, it would have no impact on the EPS per Share of the Group.

**5. Relative Figures on the Bases set out in Rule 1006 of the Listing Manual of the Singapore Exchanges Securities Trading Limited ("SGX-ST")**

Based on the latest announced unaudited financial information of the Group as at 30 September 2017, the relative figures for the Proposed Investment computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST are as follows:

<b>Rule</b>	<b>Bases of Computation</b>	<b>Relative Figure</b>
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.	Not applicable as assets acquired i.e. the 5% stake of Joint Venture Vehicle is a newly set up company.
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.	7.15%
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 281,435,284 Shares in issue (excluding treasury shares) as at 2 January 2018 (being the last trading day immediately preceding the date of the Joint Venture Agreement) and the weighted average price of the Shares transacted on the SGX-ST on the same date of S\$1.6780.

**6. Interest(s) of Directors and Controlling Shareholders**

None of the Directors or the substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Investment, save for their shareholding in the Company.

**7. Documents Available for Inspection**

A copy of the Joint Venture Agreement will be made available during normal business office hours at the registered office of the Company at 30 Tai Seng Street, #09-01 BreadTalk IHQ, Singapore 534013 for a period 3 months from the date of this announcement.

**By Order of the Board**

Shirley Tan Sey Liy  
Company Secretary  
3 January 2018