

BTG Holding Company Pte. Ltd.

(Company Registration No.: 202003580M)

(Registered Address: 1 Marina Boulevard #28-00 One Marina Boulevard Singapore 018989)

28 April 2020

To: The Shareholders of BreadTalk Group Limited

Dear Sirs

COMPULSORY ACQUISITION OF ALL OF THE ISSUED ORDINARY SHARES IN THE CAPITAL OF BREADTALK GROUP LIMITED (THE “COMPANY”) BY BTG HOLDING COMPANY PTE. LTD. (THE “OFFEROR”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE (THE “COMPANIES ACT”), AND RIGHTS PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

- 1.1. **Offer.** We refer to the formal offer document dated 9 March 2020 (the “**Offer Document**”) issued by United Overseas Bank Limited (“**UOB**”), for and on our behalf, in relation to the voluntary conditional cash offer (the “**Offer**”) to acquire all of the issued ordinary shares (the “**Shares**”) in the capital of the Company, other than those already owned, controlled or agreed to be acquired by the Offeror (the “**Offer Shares**”).

Capitalised terms not defined in this letter (this “**Letter**”) shall have the respective meanings given to them in the Offer Document.

If you have already (i) validly accepted the Offer in respect of all your Offer Shares by completing and returning the Form of Acceptance and Authorisation for Offer Shares (the “FAA”) or Form of Acceptance and Transfer for Offer Shares (the “FAT”) (collectively, the “Acceptance Forms”) (as the case may be) or (ii) sold all your Shares on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (each as defined below).

- 1.2. **Compulsory Acquisition Threshold Attained.** As announced by UOB, for and on our behalf, as at 5.00 p.m. (Singapore time) on 16 April 2020, the total number of Shares owned, controlled or agreed to be acquired by us, our related corporations or our respective nominees (including valid acceptances of the Offer) amounted to an aggregate of 550,874,801 Shares, representing approximately 97.77 per cent. of the total number of Shares¹. Prior to the Offer period, we, our related corporations or our respective nominees did not hold any Shares.
- 1.3. **Compulsory Acquisition.** Pursuant to Section 215(1) of the Companies Act, as we have received valid acceptances of the Offer or acquired such number of Shares otherwise than through valid acceptances of the Offer from 9 March 2020, being the date of the Offer Document, in respect of not less than 90 per cent. of the total number of Shares (other than those already held by us, our related corporations or our respective nominees as at the date of the Offer Document), we are entitled, and intend, to, as indicated in the Offer Document, exercise our right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”), on the same terms as those offered under the Offer.

¹ The percentage shareholding interest is based on the total issued share capital of 563,450,160 Shares (excluding 336,316 treasury shares), and rounded to the nearest two decimal places.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

- 2.1. **Dissenting Shareholder.** According to the records maintained by The Central Depository (Pte) Limited (“**CDP**”) and/or RHT Corporate Advisory Pte. Ltd. (the “**Registrar**”), as the case may be, you have not accepted the Offer in respect of your Shares. Accordingly, we are writing to inform you that we are exercising our right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all the Shares held by you at the Offer Consideration (as defined below). We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“**Form 57**”).
- 2.2. **Compulsory Acquisition.** We will exercise our right of compulsory acquisition to acquire all the Shares held by you on or after 28 May 2020 (the “**Transfer Date**”), being one month after the date of Form 57, subject to and on the terms set out in the accompanying Form 57.
- 2.3. **Registration of Transfer.** Upon the settlement of the aggregate Offer Price of S\$0.77 (in cash) for each Share (the “**Offer Consideration**”) to the Company by us, the Company will cause to be transferred to us all the Shares held by you and will register us as the holder of all those Shares as soon as practicable. The aggregate Offer Consideration for all the Shares held by you will be credited by the Company into a separate bank account and held by the Company on trust for you and paid to you in accordance with paragraph 2.4 below.
- 2.4. **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in Form 57:
- 2.4.1. if your Shares are held through a Securities Account maintained with CDP, CDP will despatch remittances in the form of a S\$ crossed cheque drawn on a bank in Singapore for the appropriate aggregate amounts of the Offer Consideration payable in respect of all your Shares to you by ordinary post, at your own risk, to your address as it appears in the records of CDP, or in such other manner as you may have agreed with CDP for the payment of any cash distribution; and
- 2.4.2. if your Shares are held in scrip form, the Registrar will despatch a S\$ crossed cheque drawn on a bank in Singapore for the appropriate aggregate amounts of the Offer Consideration payable in respect of your Shares to you by ordinary post, at your own risk, to your address as it appears in the register of members of the Company, as maintained by the Registrar,
- as soon as practicable after the Transfer Date.
- 2.5. **No Action Needed.** No action needs to be taken by you in relation to Form 57 to entitle you to payment, which will be made to you in accordance with paragraphs 2.3 and 2.4 above.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

- 3.1. **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require us to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (“**Form 58**”) is enclosed with this Letter. You may, within three months from the date of Form 58 (that is, by 28 July 2020), require us to acquire your Shares and we shall be entitled and bound to acquire your Shares on the same terms as those offered under the Offer at the Offer Consideration.

- 3.2. **No Action Needed.** As we would be proceeding to compulsorily acquire your Shares pursuant to Section 215(1) of the Companies Act, you need not take any action in relation to Form 58. If you wish to exercise your right under Section 215(3) of the Companies Act, you are advised to seek your own independent legal advice.

4. DELISTING

- 4.1. **Free Float Requirement.** Rule 723 of the Listing Manual requires the Company to ensure that at least 10 per cent. of the Shares (excluding treasury shares) is at all times held by the public (the “Free Float Requirement”). As announced by the Company on 4 April 2020, the Free Float Requirement is no longer satisfied. **As stated in the Offer Document, we do not intend to support any action taken or to be taken to meet the Free Float Requirement or maintain the present listing status of the Company.**
- 4.2. **Listing Status of the Company.** The Offer has closed as at 5.30 p.m. (Singapore time) on 20 April 2020 and trading of the Shares has been suspended with effect from 9.00 a.m. (Singapore time) on 21 April 2020. The Company will be delisted from the SGX-ST upon the completion of the compulsory acquisition by us under Section 215(1) of the Companies Act. The date on which the Company will be delisted from the SGX-ST will be announced in due course.

5. GENERAL

If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

6. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company (including, without limitation, in relation to the Company), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Letter.

Yours faithfully
For and on behalf of
BTG Holding Company Pte. Ltd.



Name: Stephen Chojnacki
Director

Enclosed: Form 57 and Form 58

