

NOTICE OF EXTRAORDINARY GENERAL MEETING



NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (" EGM") of BreadTalk Group Limited (" Company") will be held at 30 Tai Seng Street #09-01 BreadTalk IHQ, Singapore 534013 on Friday, 20 April 2018 at 10.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.30 a.m. on the same day and at the same place), for the purpose of considering and, if thought fit, passing (with or without any modifications) the following ordinary resolutions:–

ORDINARY RESOLUTIONS

1. Renewal of Share Purchase Mandate

That for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as ascertained as at the date of EGM of the Company) at the price of up to but not exceeding the Maximum Price as defined in paragraph 2.3.4 and 2.7.2 of the Circular to Shareholders dated 27 March 2018 (" Circular"), in accordance with the terms of the Share Purchase Mandate set out in the Circular, and this mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting (" AGM") of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (i)] (Resolution 1)

2. Proposed Share Split of every one (1) ordinary share in the capital of the Company into two (2) ordinary shares ("Share Split")

- That:
- (a) on and with effect from the Share Split Books Closure Date to be determined by the Directors of the Company, every one (1) existing ordinary share in the capital of the Company be sub-divided into two (2) ordinary shares in the capital of the Company; and
  - (b) the Directors of the Company (or their authorised representative) and each of them be and are hereby authorised and empowered to do all acts and things as they or he may consider necessary or expedient to give effect to the Share Split, including without limitation to the foregoing, to negotiate, sign, execute and deliver all documents, approve any amendments, alterations or modifications to any document (if required) in the interests of the Company and, to the extent that any of the foregoing have been done, that they be and are hereby adopted, confirmed and ratified.

(Resolution 2)

3. Proposed Adoption of the New BreadTalk Restricted Share Grant Plan 2018

- That:
- (a) a new share incentive plan to be known as the "BreadTalk RSG Plan Restricted Share Grant Plan 2018" (the " Plan"), the details and rules whereof are set out in the Circular, under which awards (the " Awards") of fully paid-up shares will be granted, free of payment, to selected employees of the Company and its subsidiaries, including Directors of the Company (except for Dr. George Quek Meng Tong and Ms. Katherine Lee Lih Leng), or to selected Non-Executive Directors or Independent Directors be and is hereby approved;
  - (b) the Directors of the Company be and are hereby authorised to establish and administer the Plan;
  - (c) the Directors of the Company be and are hereby authorised to modify and/or amend the Plan from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Plan and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Plan; and
  - (d) the Directors of the Company be and are hereby authorised to allot and/or issue from time to time such number of fully paid-up shares as may be required to be allotted and/or issued pursuant to the Plan, provided that the aggregate number of shares to be allotted and/or issued pursuant to the Plan and any other share based schemes of the Company shall not exceed fifteen per cent. (15%) of the total issued shares excluding treasury shares and subsidiary holdings of the Company from time to time. (Resolution 3)

4. Authority to issue shares under the BreadTalk Group Limited Restricted Share Grant Plan (for noncontrolling shareholders)

That:

Subject to and contingent upon Resolution 3 being passed, when the Remuneration Committee has decided on the grant of any awards in accordance with the provisions of the Plan, and where such awards relate to the issue of new shares, then pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised and empowered to allot and/or issue from time to time such number of fully-paid shares as may be required to be allotted and/or issued pursuant to the vesting of the awards under the Plan, provided always that the aggregate number of new ordinary shares to be allotted and/or issued pursuant to the Plan and any other share based schemes (if applicable), which the Company may have in place, shall not exceed fifteen per centum (15%) of the total issued shares excluding treasury shares and subsidiary holdings in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

(Resolution 4)

5. Proposed Participation by Mr. Frankie Quek Swee Heng, an associate of a controlling shareholder, in the Plan

That:

Subject to and contingent upon Resolution 3 being passed, approval be and is hereby given for the participation of Mr. Frankie Quek Swee Heng, an associate of Mr. George Quek Meng Tong (who is a Controlling Shareholder of the Company), in the Plan.

(Resolution 5)

6. Authority to grant awards to Participants (being controlling shareholders and their associates) pursuant to the Rules of, and issue shares under, the Plan

That:

Subject to and contingent upon Resolution 3 being passed, when the Remuneration Committee has decided on the grant of any awards in accordance with the provisions of the Plan to the controlling shareholders and/or their associates as set out below (" the Participants"), the Directors of the Company be authorised and empowered to grant awards in accordance with the provisions of the Plan to the Participants, and where such Awards relate to the issue of new shares, then pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised and empowered to allot and/or to issue such number of fully-paid shares in the Company to the Participants of awards granted by the Company under the Plan, provided always that the aggregate number of shares available to Controlling Shareholders and their associates under the Plan shall not exceed twenty five per centum (25%) of all the shares available under the Plan and that the number of shares available to each Controlling Shareholder or his associate shall not exceed ten per centum (10%) of all the shares available under the Plan. Such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the Company's next AGM or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

Subject to and contingent upon Resolution 5 being passed, that Shares be awarded to the following Participants as set out below:-

Name of Participant	No. of shares to be awarded
<u>Associate of Controlling Shareholders</u>	
Mr. Frankie Quek Swee Heng	8,000

[See Explanatory Note (iv)] (Resolution 6)

7. Proposed Adoption of the New BreadTalk Employee Share Option Scheme 2018

- That:
- (a) a new share incentive scheme to be known as the "BreadTalk Employees' Share Option Scheme 2018" (the " Scheme"), the details and rules whereof are set out in the Circular, under which options (the " Options") will be granted, to selected employees of the Company and its subsidiaries, including Directors of the Company (except for Dr. George Quek Meng Tong and Ms. Katherine Lee Lih Leng), or to selected Non-Executive Directors or Independent Directors be and is hereby approved;
  - (b) the Directors of the Company be and are hereby authorised to establish and administer the Scheme;
  - (c) the Directors of the Company be and are hereby authorised to modify and/or amend the Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme; and
  - (d) the Directors of the Company be and are hereby authorised to allot and/or issue from time to time such number of Options as may be required to be allotted and/or issued pursuant to the Scheme, provided that the aggregate number of Shares to be allotted and/or issued pursuant to the Scheme and any other share based schemes of the Company shall not exceed fifteen per cent. (15%) of the total issued shares excluding treasury shares and subsidiary holdings of the Company from time to time. (Resolution 7)

8. Authority to issue shares under the BreadTalk Group Limited Employees' Share Option Scheme

That:

Subject to and contingent upon Resolution 7 being passed, pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised and empowered to offer and grant options under the Scheme and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme and any other share based schemes (if applicable) shall not exceed fifteen per centum (15%) of the total

number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (v)] (Resolution 8)

9. Proposed Participation by Mr. Frankie Quek Swee Heng, an associate of a controlling shareholder, in the Scheme

That:

Subject to and contingent upon Resolution 6 being passed, approval be and is hereby given for the participation of Mr. Frankie Quek Swee Heng, an associate of Mr. George Quek Meng Tong (who is a Controlling Shareholder of the Company), in the Scheme.

[See Explanatory Note (vi)] (Resolution 9)

10. Proposed Grant of Options under the Scheme at a Discount

That:-

Subject to and contingent upon Resolution 6 being passed, approval be and is hereby given for the offer and grant of Options in accordance with the rules of the Scheme with exercise prices set at a discount not exceeding twenty per cent. (20%) to the Market Price, as determined by the Remuneration Committee authorised and appointed to administer the Scheme, provided that such discount does not exceed the relevant limits as may be set by Singapore Exchange Securities Trading Limited from time to time.

(Resolution 10)

By Order of the Board

Chew Kok Liang  
Shirley Tan Sey Liy  
Company Secretaries  
Singapore, 27 March 2018

Explanatory Notes:

- (i) The Ordinary Resolution 1 proposed in item 1 above, if passed, will empower the Directors of the Company effective until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in Paragraph 2.3.4 and 2.7.2 of the Circular. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 December 2017 are set out in greater detail in the Circular.
- (ii) The Ordinary Resolution 4 in item 4 above, if passed, will empower the Directors of the Company from the date of the above Meeting until the next AGM, to issue from time to time such number of fully-paid shares as may be required to be issued pursuant to the vesting of the awards under the Plan subject to the maximum number of shares prescribed under the terms and conditions of the Plan. The aggregate number of ordinary shares which may be issued pursuant to the Scheme, the Plan and any other share based schemes (if applicable) is limited to 15% of the total issued share capital of the Company excluding treasury shares and subsidiary holdings from time to time.
- (iii) The Ordinary Resolution 5 in item 5 above, if passed, will entitle Mr Frankie Quek Swee Heng, an associate of Dr George Quek Meng Tong (who is a controlling shareholder of the Company) to participate in the Plan. Shareholders who are eligible to participate in the Plan and controlling shareholders and their associates shall abstain from voting on Resolution 5.
- (iv) The Ordinary Resolution 6 in item 6 above, if passed, will empower the Directors of the Company to issue shares in the Company to the associate of Controlling Shareholders, granted by the Company under the Plan. Shareholders who are eligible to participate in the Plan and controlling shareholders and their associates shall abstain from voting on Resolution 6.

The rationale for Resolution 6

Frankie Quek Swee Heng, holds an aggregate of 0.02% of the Company's shareholding (directly or indirectly). He was appointed as Head, Real Estate with effect from 1 July 2017. In his new role, Frankie Quek oversees the Group's leasing arrangements in Singapore. This includes sourcing the new locations for all of the Group's business in Singapore, fronting the Group in all leasing negotiations with the landlords for new leases and renewal of existing leases. Frankie Quek also works closely with the Group's project department on overall outlet capex investment and ensures that the Group achieves the desired return on investment. Concurrently, Frankie Quek is tasked with the management of the Group's headquarters – BreadTalk IHQ.

Frankie Quek has been serving the Group since 2005. Prior to his new role, he was appointed as CEO, ASEAN region, on 15 October 2012. Frankie Quek was involved in the formulation and implementation of the expansion plans of the Group within the ASEAN region. With his business acumen and extensive knowledge of the local food and beverage industry, he is assisting the Chairman, Dr. George Quek Meng Tong, in overseeing the growth, expansion and daily operations of the Group, with a focus on the Group's expansion within the ASEAN region. Frankie Quek has been based in Shanghai since 2005 where he has been overseeing the growing bakery and food court operations in Shanghai and Beijing. His expertise has further led to the successful expansion of the BreadTalk brand name to many ASEAN Cities through a franchise model system managed by the in house franchise team.

By allowing him to participate in the Plan and the Scheme, the Company will have an additional tool to craft a more balanced and innovative remuneration package that will link his total remuneration to the performance of the Group. Frankie Quek will also be able to share in any future appreciation of the Company's share price that is commensurate with the Company's future growth through an increase in his shareholdings to a more significant level.

The Directors are of the view that the remuneration package of Frankie Quek is fair given his contributions to the Group. The extension of the Plan and the Scheme to Frankie Quek is consistent with the Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company.

As the Plan and the Scheme serve as recognition of the past contributions of those eligible to participate in the Plan and the Scheme, as well as to secure future contributions for the Company and the Group from them, the Directors consider it important that Frankie Quek should be included in the Plan and the Scheme. The Directors consider it crucial for the Company to provide sufficient incentives which will instill a sense of commitment to the Group.

Resolution 6 seeks for the above stated reasons, shareholders' approval for the Directors decision to grant 8,000 shares to Frankie Quek in accordance with the Plan.

- (v) The Ordinary Resolution 8 in item 8 above, if passed, will empower the Directors of the Company, from the date of this Meeting until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the Scheme up to a number not exceeding in total (for the entire duration of the Scheme) 15% of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company from time to time, and the aggregate number of ordinary shares which may be issued pursuant to the Scheme and any other share based schemes (if applicable) is limited to 15% of the total issued share capital of the Company excluding treasury shares and subsidiary holdings from time to time.
- (vi) The Ordinary Resolution 9 in item 9 above, if passed, will entitle Mr Frankie Quek Swee Heng, an associate of Dr George Quek Meng Tong (who is a controlling shareholder of the Company) to participate in the Scheme. Shareholders who are eligible to participate in the Scheme and controlling shareholders and their associates shall abstain from voting on Resolution 9.

Notes:

1. A Member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at the EGM (the "Meeting") is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
2. A Relevant Intermediary\* may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified.).
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited at the registered office of the Company at 30 Tai Seng Street, #09-01 BreadTalk IHQ, Singapore 534013 not less than seventy-two (72) hours before the time appointed for holding the Meeting.

\* A "Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.