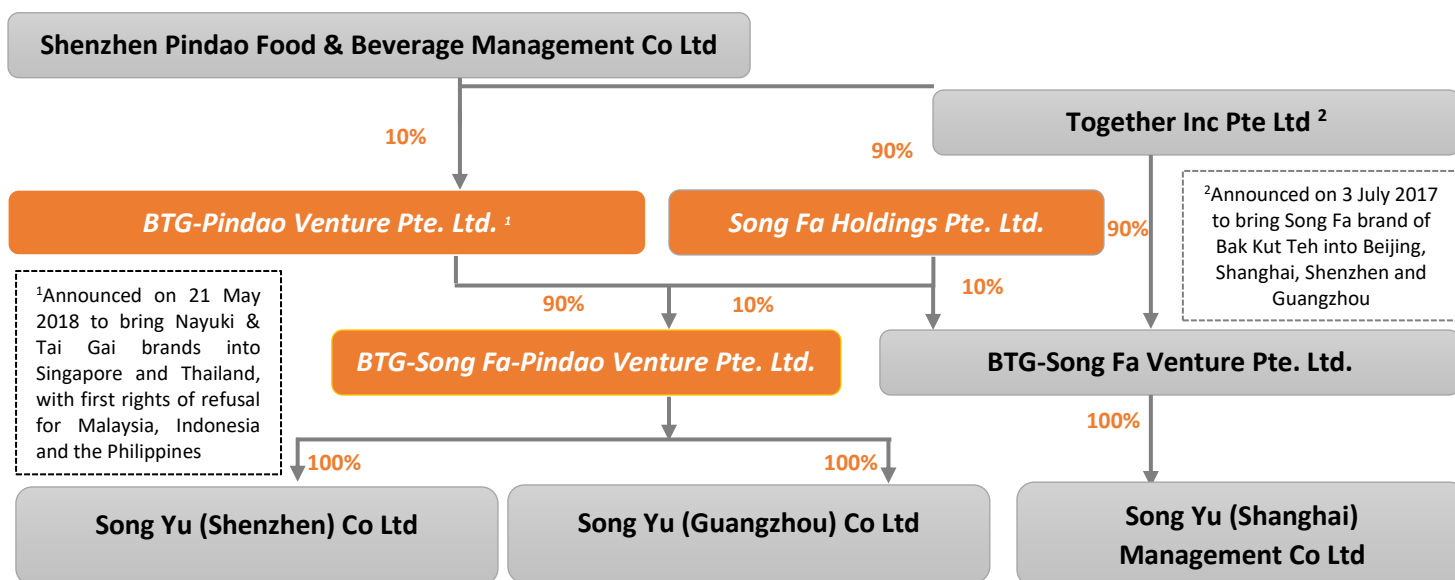




BreadTalk Group-Pindao Venture partners Song Fa Holdings for high growth in Shenzhen and Guangzhou

SINGAPORE – 2 July 2018 – BreadTalk Group Limited (“Group” or “BreadTalk Group”) is pleased to announce that BTG-Pindao Venture Pte. Ltd. has entered into a joint venture agreement (“JVA”) with Song Fa to incorporate BTG-Song Fa-Pindao Venture Pte. Ltd. (“BTG-SF-Pindao”) as highlighted in the diagram below. BTG-SF-Pindao will be 90% owned by BTG-Pindao and 10% owned by Song Fa respectively. Under the JVA, BTG-SF-Pindao, through its wholly owned subsidiaries tentatively named Song Yu (Shenzhen) Co Ltd (“SYS”) and Song Yu (Guangzhou) Co Ltd (“SYG”) will take over the role of operating and managing the Song Fa brand of restaurants in Shenzhen and Guangzhou that was originally covered under the BTG-Song Fa Venture Pte. Ltd. JVA.

The finalised shareholding structure is as follows:



As announced in the earlier press release dated 21 May 2018, BTG-Pindao Venture Pte. Ltd. (“BTG-Pindao”) is a joint venture between Together Inc Pte Ltd, a wholly-owned subsidiary of the Group and Shenzhen Pindao Food & Beverage Management Co Ltd (“Pindao”) established to operate and manage the popular tea beverage brands Nayuki (奈雪) and Tai Gai (台盖) in major Southeast Asia markets including Singapore and Thailand.

Since the establishment of BTG-Pindao, the Group’s management team has actively engaged Pindao to explore strategic opportunities of leveraging on Pindao’s robust business development and proven outlet expansion capabilities in South China for better synergy.

With 70 stores alone in Shenzhen and over 100 across 13 cities in China including Shanghai, Beijing, Hangzhou, Nanjing, Wuhan and Chongqing, Pindao's key to success lies in their instinctive ability to identify choice locations for their portfolio of four widely celebrated brands namely Nayuki, Tai Gai, Li Shan (梨山), and 27Fruits, their profound understanding of the local F&B trends and build highly engaged teams to deliver top-notch front line service to their customers.

Following the successful launch by BTG-Song Fa Venture Pte. Ltd. ("**BTG-Song Fa**") of Song Fa's first restaurant in Shanghai Jing An Kerry Centre on 26 January 2018, the Group is keen to introduce the Song Fa Bak Kut Teh brand of restaurants in South China. With Pindao's proven track record, the Group is confident of Pindao's capabilities in supporting the Song Fa Bak Kut Teh brand's penetration starting with Shenzhen and Guangzhou.

Through this unique tripartite alliance, BreadTalk Group and Song Fa can leverage on Pindao's resourcefulness in sourcing strategic locations in Shenzhen and Guangzhou as well as their demonstrated capabilities in developing sustainable talent pipelines through effective recruitment strategies. This will enable Song Fa to focus on delivering quality Bak Kut Teh cuisine to its consumers in both cities.

Of this tripartite alliance with Pindao and Song Fa, Mr Henry Chu, BreadTalk Group's Chief Executive Officer ("**CEO**") said, "Shenzhen Pindao is hugely successful in guiding their brand towards explosive growth in the last three years. We observed that their success was primarily attributed towards creative and quality products, securing choice locations and building highly motivated teams. Through this alliance, we are confident of scaling new heights and bringing sustainable success through Pindao's experience to develop the Song Fa brand as a market leader in South China."

Mr Zhao Lin, Pindao's CEO shared, "Through our partnership with BreadTalk Group, we are confident of revolutionising the tea-drinking culture beyond China and into new markets such as Singapore and Thailand. As a start-up, it took us three years to grow from one to more than 100 stores in China; of which 70 are in Shenzhen and 10 in Guangzhou alone. Along the way, we learned many valuable lessons such as identifying strategic locations and building robust talent pipelines amidst an increasingly competitive marketplace. Through this multilateral arrangement with BreadTalk Group and Song Fa, we are able to share these insights with our partners, and scale greater heights together in both cities."

Mr Yeo Hart Pong, Managing Director of Song Fa added "With this unique collaboration, we are confident in Pindao's strengths in securing strategic locations and their versatile human resource capabilities. Along with BreadTalk Group's rich operational experience and Song Fa's steadfastness in building generations of Bak Kut Teh Lovers, we are confident this partnership will help Song Fa Brand to greater heights."

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 (梨山), 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, food atrium and 4orth food concepts 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. On 26 January 2018, BreadTalk Group opened its first Song Fa restaurant in Shanghai and will open its first Din Tai Fung restaurant in London later in the year.

About Song Fa group of businesses

Song Fa began in 1969 when the founder, Mr Yeo Eng Song, started selling Bak Kut Teh along Johor Road and subsequently established the original Song Fa Bak Kut Teh at Victoria Street in 1975.

Today, under the stewardship of the second generation, Mr Yeo Hart Pong and Mr Yeo Zhi Yong, Song Fa Bak Kut Teh continues to uphold its reputation as a household name in Singapore while reaching out to the younger generations through its unique dining experience. Each outlet is thoughtfully recreated after the history of the location and pays homage to Singapore of the 1900s. At every outlet, diners are also provided with easy access to boiling water and kettles so they can personally experience and appreciate the culture of drinking Kung Fu Tea with their Bak Kut Teh.

Throughout the years, Song Fa has expanded across Singapore and into neighbouring markets such as Jakarta and recently Shanghai, successfully gaining both critical acclaim and recommendations as one of the top choices by regular diners and was listed under the Michelin Bib Gourmand category in 2016 and 2017.

To date, Song Fa has eight outlets in Singapore, four in Jakarta, Indonesia and 2 outlets in Shanghai.

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