



BreadTalk Group acquires a strategic interest in NPPG (Thailand) Public Company Limited

SINGAPORE – 9 April 2019 - BreadTalk Group Limited ("**the Group**" or "**BTG**") announced today that it will acquire, through its wholly owned subsidiary BTG Vault Pte Ltd, a total of 380 million shares in NPPG (Thailand) Public Company Limited ("**NPPG**"), at a price of 1.50 Thai Baht ("**THB**") per share. The transaction will be completed over two tranches.

In the first tranche, BTG will purchase 285 million shares at 1.50 THB per share, equivalent to approximately 15% of NPPG shareholding. The first tranche is to be completed before end April 2019. In the second tranche, BTG will purchase the remaining 95 million shares at 1.50 THB per share, equivalent to approximately 5% of NPPG shareholding before end January 2020. BTG will initially assume two seats on NPPG's Board following the completion of the first tranche.

Mr Henry Chu, Group Chief Executive Officer of BreadTalk Group shares, "Thailand is one of our key strategic focus markets, and we find that NPPG has a lot of hidden assets whose intrinsic value could be realised with the right management and expertise. Our acquisition of this strategic stake in NPPG will provide us with a valuable beachhead in the Thailand and potential Mekong-region markets. NPPG's access to a wide coverage of convenience stores in Thailand will offer the Group a ready distribution network for our products in future. Its strength in the food packaging and frozen food businesses will also be complementary to us. We are both excited about the prospects that this strategic investment would bring and confident of the many synergies that could be unlocked through our active involvement and collaboration with NPPG, as well as its other key partners in Thailand."

NPPG's Executive Committee Chairman, Mr Chirdsak Kukiattinum says, "BreadTalk Group is a highly respected company and leader in Asia in the food and restaurant business. Its growth trajectory over the past few years was nothing short of extraordinary. It was able to produce healthy profitability in a highly competitive sector, and we believe that NPPG has a lot to learn and synergise with BreadTalk Group. As we are now expanding our Dean and Deluca footprint, BreadTalk's expertise and experience in the retail food and beverage (F&B) space will enable us to grow faster and stronger. Currently, NPPG's balance sheet is fully capable of supporting a rapid growth and expansion strategy. Our partnership with BreadTalk will surely enable us to realise the benefits from our turnaround efforts quicker and at a more substantial scale."

BreadTalk Group first entered Thailand in 2005. In the last 14 years, it grew its presence through strategic expansion of BreadTalk bakeries, Food Republic outlets and Din Tai Fung restaurants in Thailand. More recently, the Group brought the renowned Song Fa Bak Kut Teh restaurant listed on the Michelin Guide Singapore's Bib Gourmand into the Thailand market at Central World in Bangkok. The concept was very well received at its launch.

The Group sees Thailand as an important market for its expansion plans. Following the move to reclaim the direct ownership and management of all the BreadTalk outlets in Thailand announced on 20 February 2019, the market now has the third largest number of brands and direct operated stores representation within the Group, after Singapore and China.

This investment will see BreadTalk Group bring its strength in retail F&B management to the table, and allow us to leverage on NPPG's capabilities in food packaging and manufacturing. It will also provide us access into NPPG's strong network of local partners with expertise in the large scale food production and distribution space, which will in turn enable us to add new revenue streams and achieve lower cost of production, both in Thailand and potentially the region.

About BreadTalk Group

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 16 countries, its brand portfolio comprises direct owned brands such as BreadTalk, Toast Box, Food Republic, Bread Society, Thye Moh Chan, The Icing Room and partner brands such as Din Tai Fung, Nayuki (奈雪), TaiGai (台盖), Sō Ramen, Song Fa Bak Kut Teh and Wu Pao Chun Bakery.

About NPPG

NPPG (Thailand) Public Company Limited was founded on 17 September 1987 with registered start-up capital of 4.2 million baht and the objective to produce and distribute flexible plastic packaging for various types of consumer products. We have expanded our production capacity by adding PET bottle production lines (PET: Polyethylene Terephthalate Bottle) for drinking water and vegetable oil. The company has been granted a permission to be transformed into a public company and then listed on the Stock Exchange of Thailand in 1993. At present, the company has registered capital amounting to 1,162 million baht.

NPP Group has subsequently expanded the business scope to food and restaurant and has acquired major brands such as A&W, Kitchen Plus, and Dean and Deluca.

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