

PRESS RELEASE

24 February 2020
For Immediate Release

Voluntary Conditional Cash Offer for BreadTalk at S\$0.77 per Share

- BTG Holding Company Pte. Ltd. (the “**Offeror**”) has today announced a voluntary conditional cash offer (the “**Offer**”) to acquire all of the issued ordinary shares (“**Shares**”) in BreadTalk Group Limited (“**BreadTalk**”), other than those already owned, controlled or agreed to be acquired by the Offeror.
- The Offeror is a special purpose vehicle ultimately owned by Dr. George Quek Meng Tong, Ms Katherine Lee Lih Leng and Minor International PCL.
- The Offer price of S\$0.77 per Share (“**Offer Price**”) in cash represents:
 - a premium of approximately 19.4 per cent. over the closing price on 21 February 2020;
 - a premium of approximately 30.1 per cent. over the one-month volume weighted average price (“**VWAP**”); and
 - an opportunity for BreadTalk shareholders to realise their entire investment in BreadTalk at a premium to the prevailing market prices, without incurring brokerage and other trading costs.
- The Offer is conditional upon the Acceptance Condition (as defined below) being met.
- United Overseas Bank Limited is the sole financial adviser to the Offeror in connection with the Offer.

Singapore, 24 February 2020 – The Offeror, a special purpose vehicle ultimately owned by Dr. George Quek Meng Tong (“**Dr. Quek**”), Ms. Katherine Lee Lih Leng (“**Ms. Lee**”) and Minor International PCL (“**Minor International**”) has today launched a voluntary conditional cash offer to acquire all of the issued ordinary shares in BreadTalk, other than those already owned, controlled or agreed to be acquired by the Offeror.

Summary of the Offer

The consideration for each Share is S\$0.77 in cash. The Offer will be conditional on the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Shares which will result in the Offeror and parties acting or deemed to be acting in concert with it holding more than 90 per cent. of the total number of Shares in issue (excluding any treasury shares) as at the close of the Offer (including any Shares which may be unconditionally issued or delivered pursuant to the valid vesting and release of the outstanding share awards granted under the BreadTalk Restricted Share Grant Plans prior to the close of the Offer) (the “**Acceptance Condition**”).

Irrevocable Undertakings

As part of the Offer, each of Dr. Quek, Ms. Lee, Square Investment Pte. Ltd. (an investment vehicle jointly owned by Dr. Quek and Ms. Lee) and Primacy Investment Limited (an indirect subsidiary of Minor International) has given an irrevocable undertaking to the Offeror to, *inter alia*, tender all the Shares that they hold in acceptance of the Offer and reinvest the consideration due to them to subscribe for new shares in the Offeror (the “**Reinvestments**”). As of today, these undertaking shareholders collectively own 397,143,308 Shares, representing approximately 70.53 per cent. of the share capital of BreadTalk.

Rationale for the Offer

- **Opportunity for Shareholders to Exit their Investment in the Shares at a Compelling Premium.** The Offer Price represents a premium of approximately 19.4 per cent. and 30.1 per cent. over the closing price on 21 February 2020 and the one-month VWAP respectively. Against the backdrop of a challenging macro and operating environment which had negatively impacted the Group’s (as defined below) businesses in China, Hong Kong and Thailand, the Offer represents an attractive cash exit opportunity for BreadTalk shareholders to realise their entire investment at a premium to the prevailing market prices, without incurring brokerage and other trading costs.
- **Greater Management Flexibility.** The Offeror is making the Offer with a view to delist BreadTalk from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and exercise its rights of compulsory acquisition. The Offeror believes that privatising BreadTalk will provide it with more flexibility to address the challenges facing the Group, as well as to manage BreadTalk’s business and optimise the use of BreadTalk’s management and resources.
- **Costs of Maintaining Listing Status.** In maintaining its listed status, BreadTalk incurs compliance and associated costs relating to continuing listing requirements under the Listing Manual of the SGX-ST. In the event that BreadTalk is delisted from the SGX-ST, it will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations.
- **No Necessity for Access to Equity Capital Markets.** BreadTalk has not carried out any exercise to raise equity capital on the SGX-ST in the last 10 years. BreadTalk is unlikely to require access to Singapore equity capital markets to finance its operations in the foreseeable future as it has various other available funding sources such as bank borrowing facilities.

Financial Adviser

The Offeror has appointed United Overseas Bank Limited (“**UOB**”) as its sole financial adviser and UOB confirms that sufficient financial resources are available to the Offeror to satisfy in full, all acceptances of the Offer on the basis of the offer price (excluding the Reinvestments).

Offer Document

A formal offer document setting out the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be despatched to BreadTalk shareholders not earlier than 14 days

and not later than 21 days from today. The Offer will remain open for acceptances for a period of at least 28 days from the date of posting of the offer document.

About BreadTalk

BreadTalk is incorporated in Singapore and listed on the Main Board of the SGX-ST. BreadTalk, its subsidiaries and associated companies (collectively, the “**Group**”) are a global food and beverage (“**F&B**”) lifestyle group, managing 13 different F&B brands, with close to 1,000 outlets spanning 16 countries, supported by a global staff strength of 7,000.

About Members of the Consortium

Dr. Quek is the chairman and an executive director of BreadTalk, and Ms. Lee, who is the wife of Dr. Quek, is the deputy chairman and an executive director of BreadTalk.

Minor International is a company listed on the Stock Exchange of Thailand (SET: MINT). Minor International is one of the largest hospitality and leisure companies in the Asia Pacific region. Minor International operates over 520 hotels and resorts, 2,200 restaurants and 480 retail trading points of sale, in Thailand and in 62 markets across the Asia Pacific, the Middle East, Africa, the Indian Ocean, Europe and the Americas.

Responsibility Statement

The directors of the Offeror (including any who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted from this press release, 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 BreadTalk (including, without limitation, in relation to BreadTalk), 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 press release.

All capitalised terms which are used in this press release but are not otherwise defined herein shall have the meanings ascribed to them in the Offer Announcement dated 24 February 2020. This press release should be read in conjunction with the full text of the Offer Announcement which is available on www.sgx.com.

Any enquiries relating to the Offer should be directed during office hours to:

United Overseas Bank Limited

Mergers & Acquisitions

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