

BreadTalk Group Limited

Financial Results
Second Quarter 2016

Bakery

Food Atrium

Restaurant

2Q 2016 FINANCIAL HIGHLIGHTS

Income Statement Highlights

| S\$ Million | 2Q 2016 | 2Q 2015 | Y/Y | 1H 2016 | 1H 2015 | Y/Y |
|----------------------|--------------|--------------|-----------------|--------------|--------------|-----------------|
| Revenue | 149.8 | 154.9 | -3.3% | 304.3 | 307.3 | -1.0% |
| <i>Bakery</i> | 74.8 | 76.9 | -2.8% | 150.7 | 153.8 | -2.0% |
| <i>Food Atrium</i> | 38.4 | 42.4 | -9.5% | 80.2 | 84.4 | -5.0% |
| <i>Restaurant</i> | 36.6 | 35.5 | 2.9% | 73.5 | 69.1 | 6.3% |
| EBITDA | 18.4 | 17.9 | 2.7% | 38.4 | 36.3 | 5.8% |
| <i>Bakery</i> | 7.1 | 5.5 | 30.4% | 13.9 | 11.6 | 20.0% |
| <i>Food Atrium</i> | 1.4 | 4.7 | -70.8% | 2.3 | 9.9 | -76.6% |
| <i>Restaurant</i> | 7.4 | 6.4 | 15.2% | 13.9 | 12.1 | 15.0% |
| EBITDA margin | 12.3% | 11.6% | +0.7 ppt | 12.6% | 11.8% | +0.8 ppt |
| <i>Bakery</i> | 9.5% | 7.1% | +2.4 ppt | 9.2% | 7.5% | +1.7 ppt |
| <i>Food Atrium</i> | 3.6% | 11.1% | -7.5 ppt | 2.9% | 11.7% | -8.9 ppt |
| <i>Restaurant</i> | 20.2% | 18.0% | +2.1 ppt | 18.9% | 17.5% | +1.4 ppt |
| Net profit | 1.3 | 2.9 | -54.8% | 3.8 | 4.9 | -23.3% |
| Net margin | 0.9% | 1.9% | -1.0 ppt | 1.2% | 1.6% | -0.4 ppt |
| EPS (cents) | 0.46 | 1.02 | -54.6% | 1.33 | 1.73 | -23.0% |

2Q 2016 FINANCIAL HIGHLIGHTS

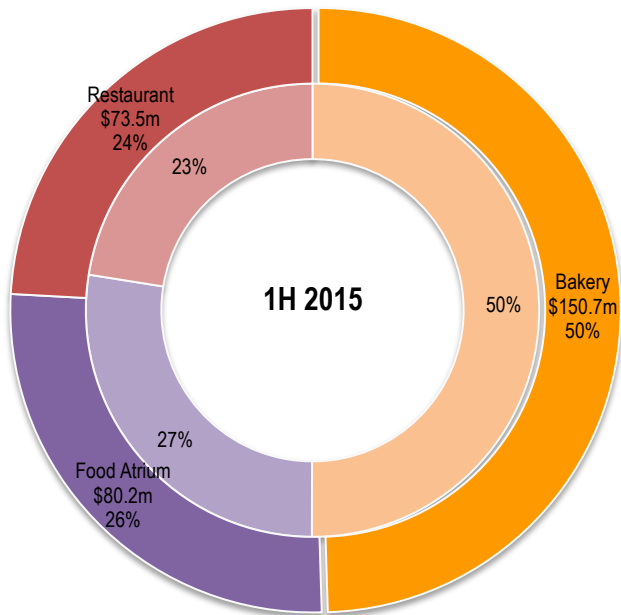
Income Statement Highlights

| S\$ Million | 1Q 2016 | 2Q 2016 | Q/Q | 1H2016 | 1H2015 | Y/Y |
|---|--------------|------------|----------------|--------------|------------|----------------|
| Reported PATMI | 2.4 | 1.3 | -46.6% | 3.8 | 4.9 | -23.3% |
| Adjustments | | | | | | |
| Add: | | | | | | |
| PPE written off | 0.6 | 3.2 | 445.7% | 3.8 | 1.8 | 107.1% |
| Intangible/goodwill written off | 0.1 | - | NM | 0.1 | - | NM |
| Less: | | | | | | |
| FV gain in investment property | - | - | - | - | - | - |
| Gain on divestment of investment securities | (8.5) | (0.3) | -96.3% | (8.8) | - | NM |
| Core PATMI | (5.4) | 4.2 | -178.1% | (1.2) | 6.7 | -117.5% |

GROUP KEY FINANCIAL HIGHLIGHTS

REVENUE MIX BY BUSINESS

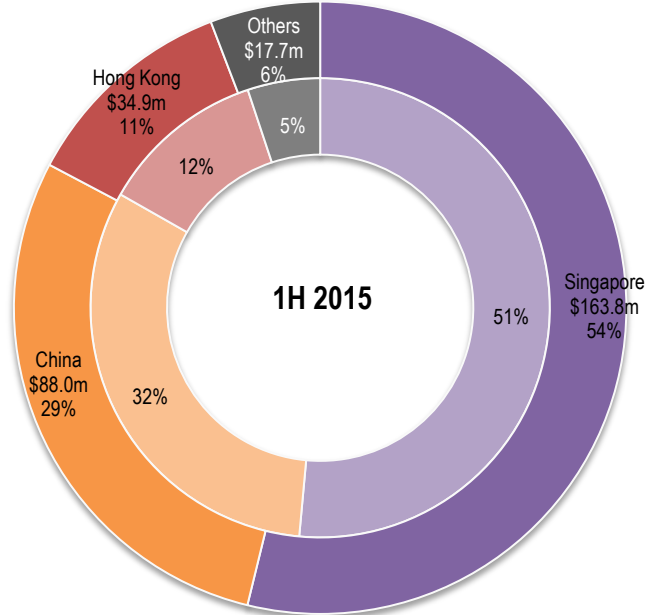
1H 2016



1H 2016 REVENUE: S\$304.3M

REVENUE MIX BY GEOGRAPHY

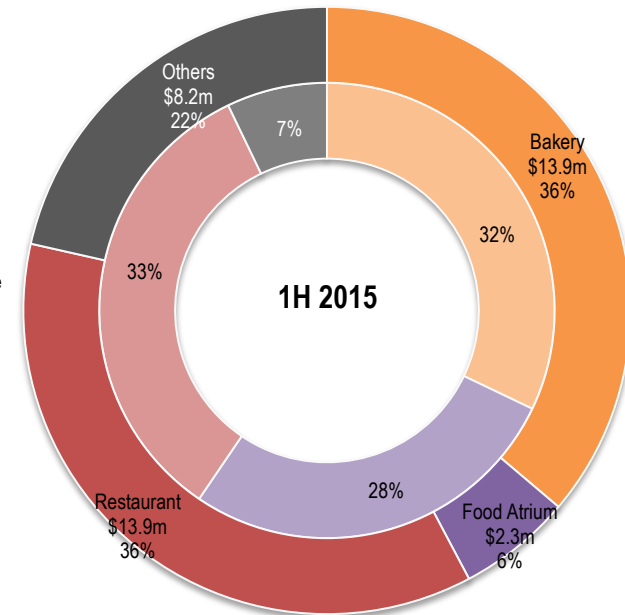
1H 2016



1H 2016 REVENUE BY GEOGRAPHY

EBITDA MIX BY BUSINESS

1H 2016



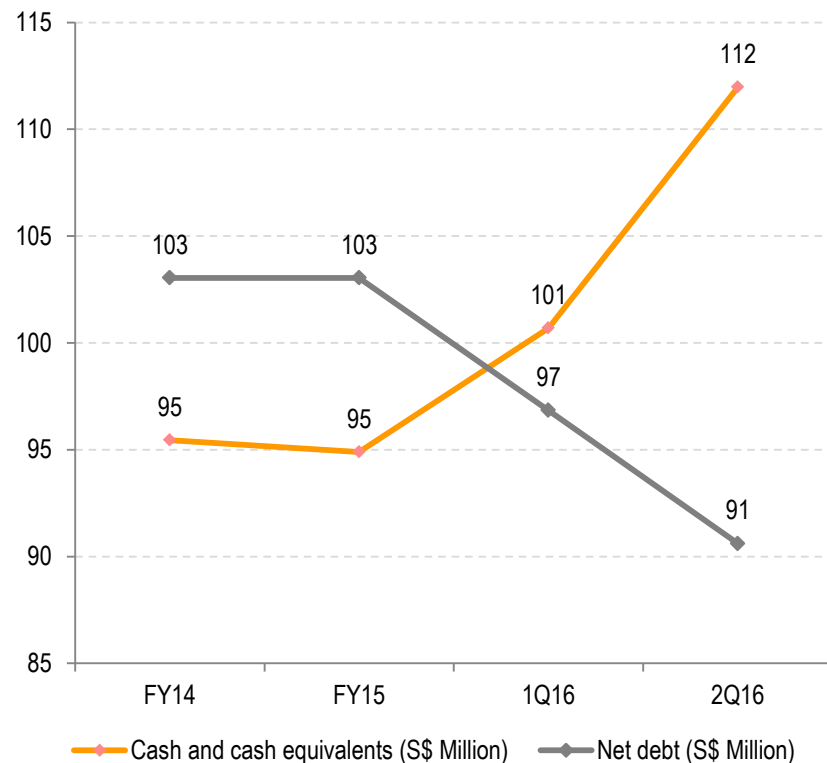
1H 2016 EBITDA: S\$40.4M

2Q 2016 FINANCIAL HIGHLIGHTS

Balance Sheet Highlights

| S\$ Million | 2Q 2016 | FY 2015 |
|---------------------------------------|------------|------------|
| Total assets | 529 | 545 |
| <i>Cash and cash equivalents</i> | 112 | 95 |
| <i>Accounts receivables</i> | 65 | 75 |
| <i>Inventories</i> | 10 | 10 |
| Current assets | 187 | 179 |
| <i>Property, plant and equipment</i> | 186 | 206 |
| <i>Investment securities</i> | 90 | 90 |
| Non-current assets | 342 | 366 |
| Total liabilities | 381 | 399 |
| <i>Accounts payables</i> | 83 | 94 |
| Current liabilities | 201 | 262 |
| Non-current liabilities | 180 | 136 |
| Borrowings and debt securities | 202 | 202 |
| Short term | 36 | 82 |
| Long term | 166 | 120 |
| Net debt | 90 | 107 |

CASH & CASH EQUIVALENT VS NET DEBT



2Q 2016 FINANCIAL HIGHLIGHTS

Cash Flow Highlights

| S\$ Million | 2Q 2016 | 2Q 2015 | FY 2015 |
|--|---------|---------|---------|
| Operating cash flow before working capital changes | 23 | 22 | 83 |
| Net cash flow from operating activities | 18 | 13 | 66 |
| Less: | | | |
| Capital expenditure | (6) | (4) | (37) |
| Investment in associate & joint venture | - | (1) | (3) |
| Net cash flow used in investing activities | (6) | (23) | (58) |
| Free cash flow | 12 | 8 | 26 |
| Net increase in bank borrowings | 5 | 27 | 4 |
| Net cash flow from (used in) financing activities | - | 23 | (10) |
| Net cash flow | 12 | 13 | (1) |

2Q 2016 FINANCIAL HIGHLIGHTS

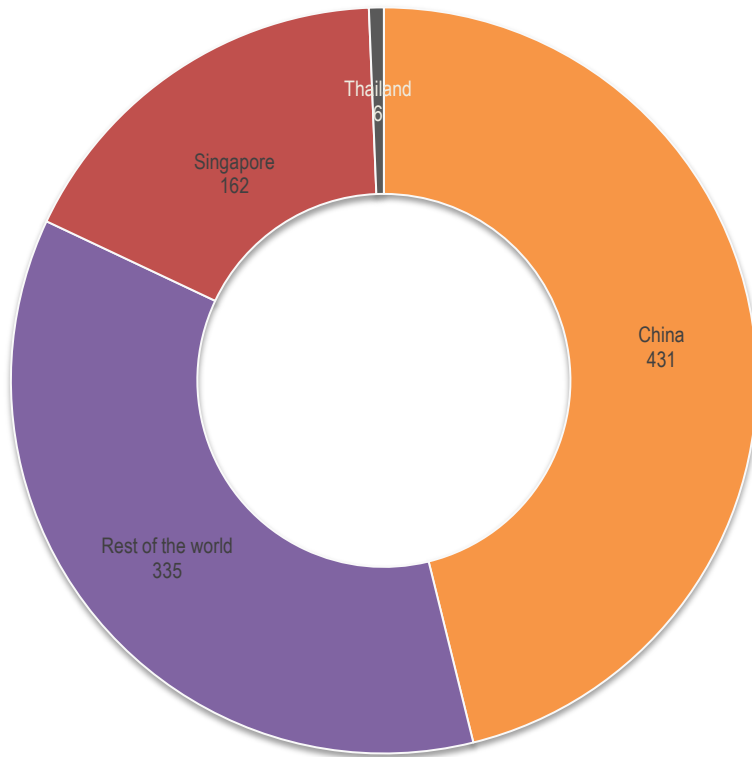
Financial Ratios

| | 1H 2016 | 1H 2015 | FY 2015 |
|---|---------|---------|---------|
| Trade Receivables Turnover (days) - Franchisee | 81 | 65 | 93 |
| Trade Receivables Turnover (days) - Non franchisee | 2 | 2 | 2 |
| Total Receivables Turnover (days) | 7 | 7 | 8 |
| Inventory Turnover (days) | 25 | 26 | 24 |
| Trade Payables Turnover (days) | 28 | 29 | 27 |
| Cash Conversion Cycle (days) | 3 | 3 | 4 |
| Net Debt/Shareholder's Equity | 0.71x | 1.24x | 0.83x |
| Net Debt/EBITDA | 2.23x | 3.59x | 1.38x |
| EBITDA/Interest expense | 13.15x | 14.72x | 14.56x |

STRONG PRESENCE ACROSS ASIA

Strong foothold across **17** territories in Asia and Middle East

OUTLET DISTRIBUTION BY GEOGRAPHY

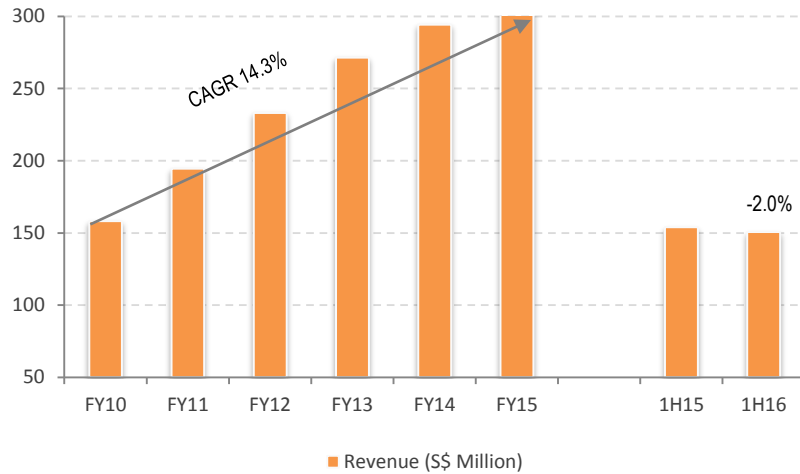


OUTLET DISTRIBUTION BY BUSINESS SEGMENT

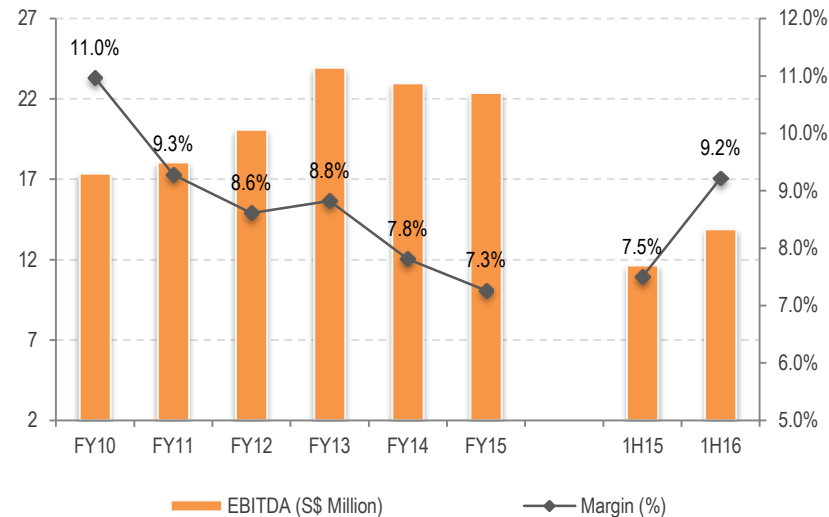
| | FY 2015 | Net Increase/ (Decrease) | 1H 2016 |
|-------------------------|---------|-----------------------------|---------|
| Bakery | 862 | (20) | 842 |
| <i>Direct Operating</i> | 266 | (9) | 257 |
| <i>Franchise</i> | 596 | (11) | 585 |
| Food Atrium | 65 | (4) | 61 |
| Restaurant | 30 | 1 | 31 |
| <i>Din Tai Fung</i> | 22 | 1 | 23 |
| <i>Ramen Play</i> | 6 | 0 | 6 |
| <i>San Pou Tei</i> | 2 | 0 | 2 |

BAKERY DIVISION

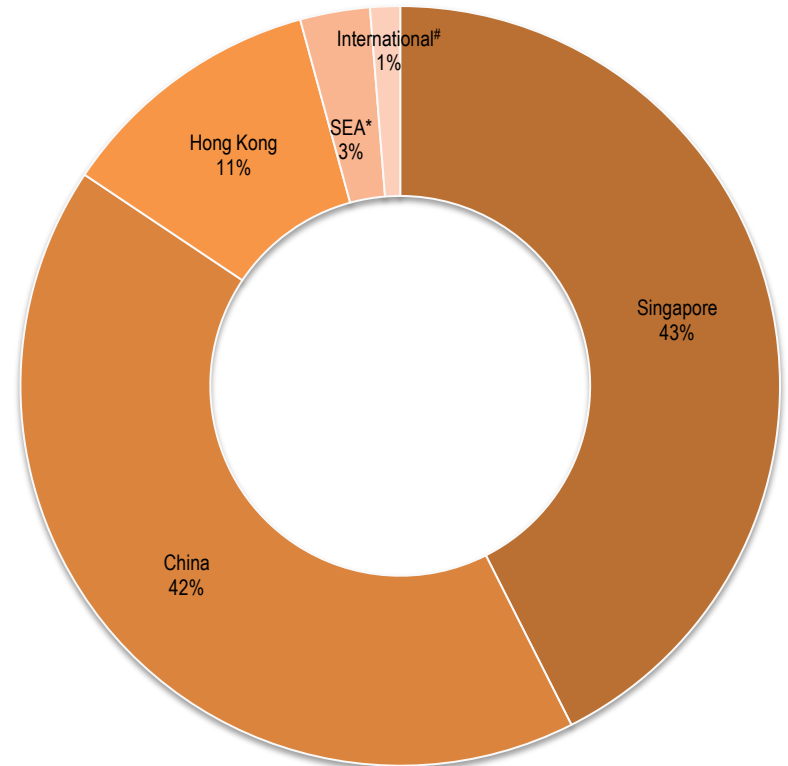
REVENUE



EBITDA



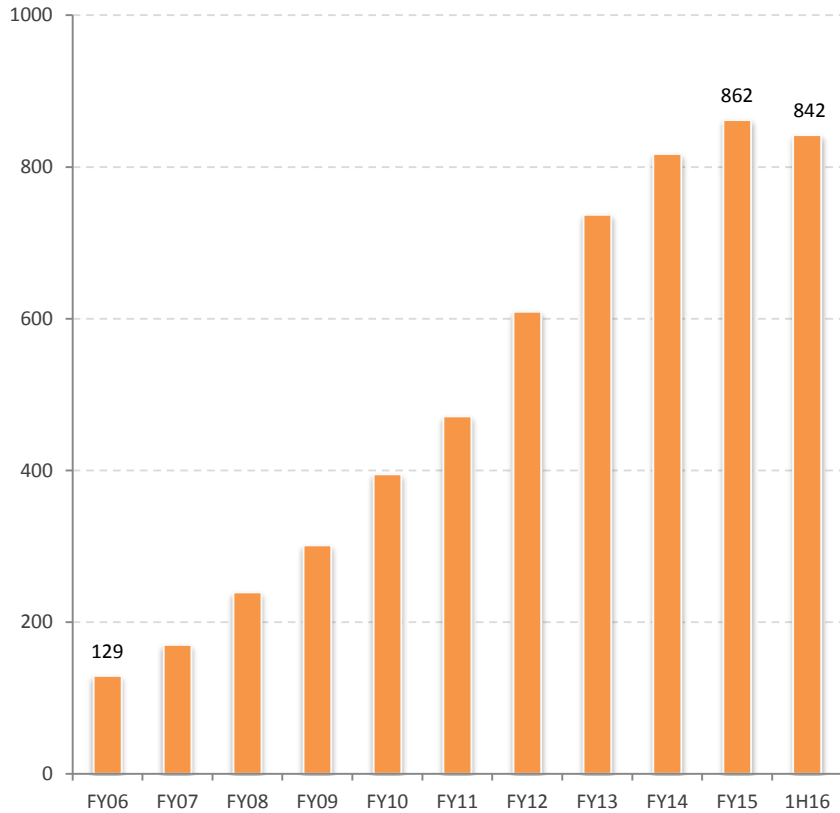
1H 2016 REVENUE BY GEOGRAPHY



*Including SEA are Malaysia, Thailand, Philippines, Indonesia, Vietnam and Cambodia
 #Including International are Kuwait, Sri Lanka, Bahrain, Oman, Saudi Arabia and Qatar

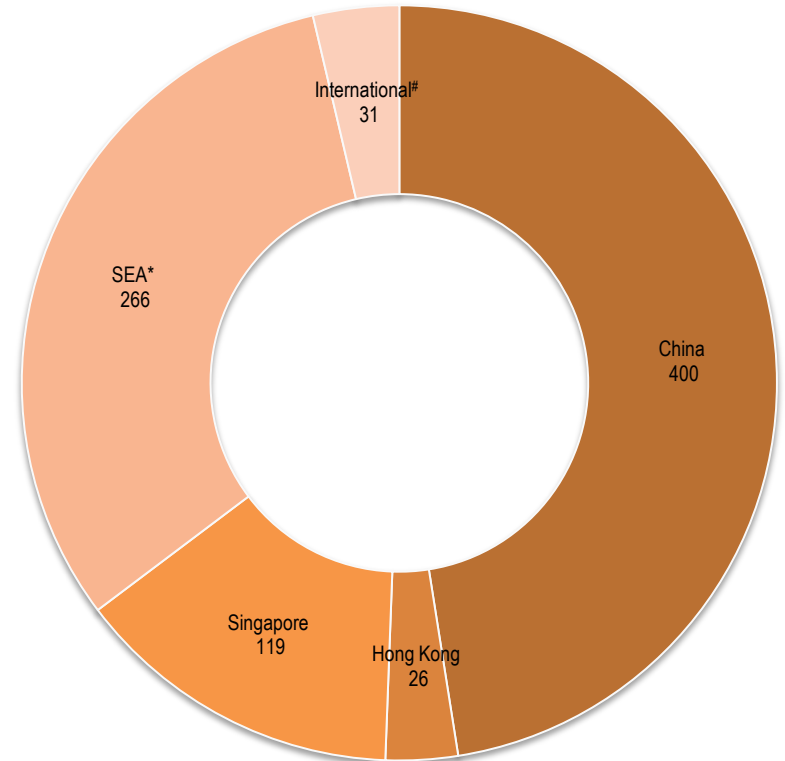
BAKERY DIVISION

NUMBER OF BAKERY OUTLETS



■ Number of outlets

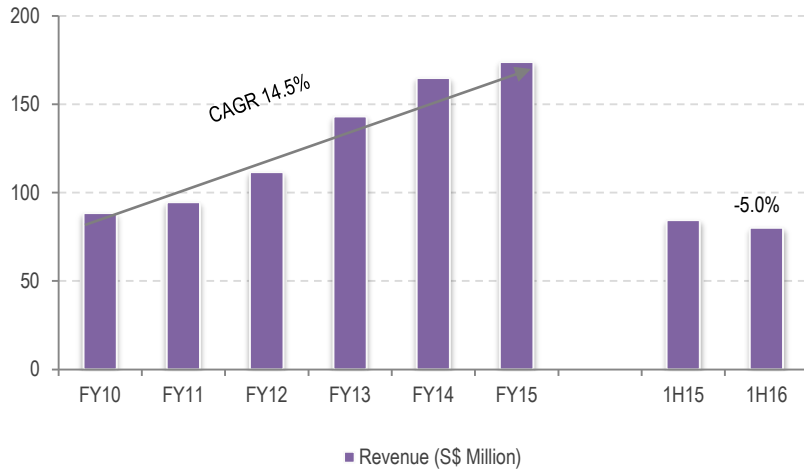
1H 2016 OUTLET DISTRIBUTION BY GEOGRAPHY



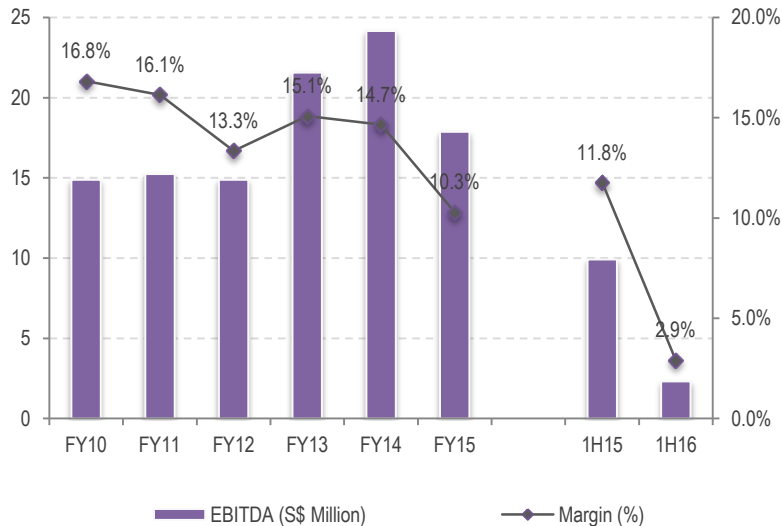
*Including SEA are Malaysia, Thailand, Philippines, Indonesia, Vietnam and Cambodia
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FOOD ATRIUM DIVISION

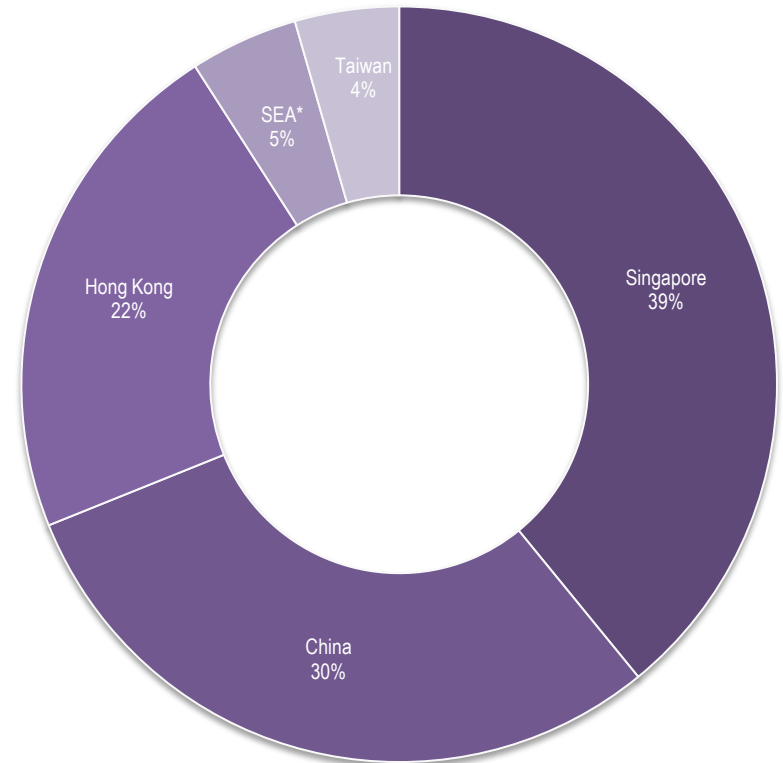
REVENUE



EBITDA



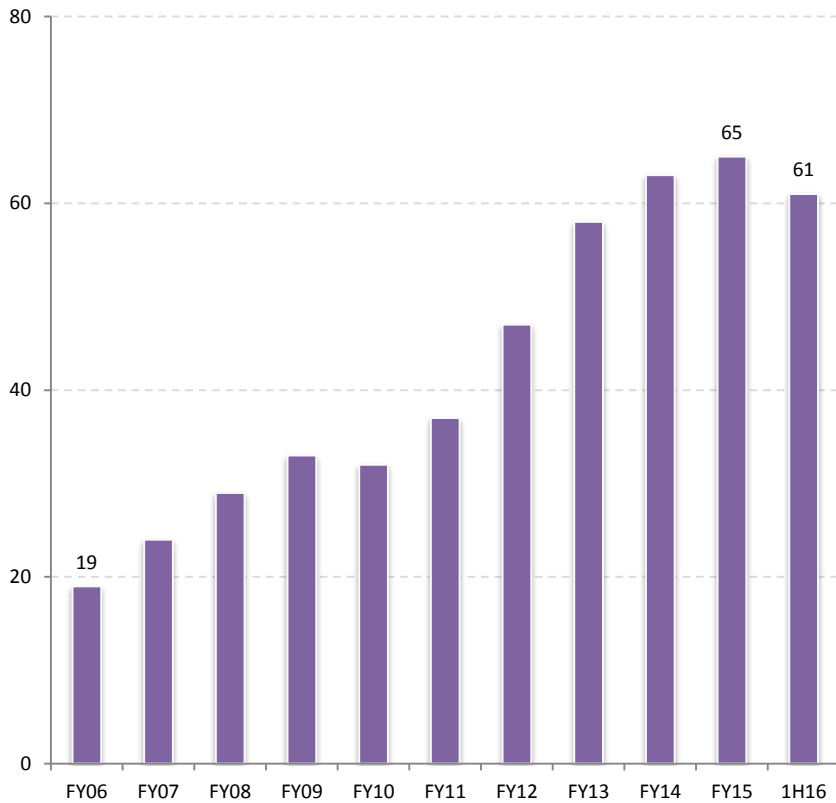
1H 2016 REVENUE BY GEOGRAPHY



*Including SEA are Malaysia & Thailand

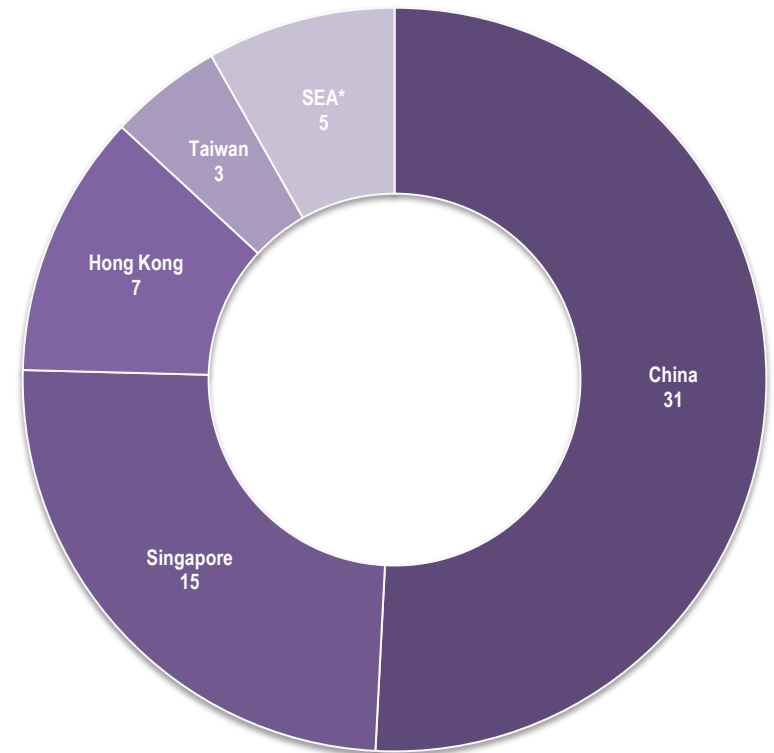
FOOD ATRIUM DIVISION

NUMBER OF FOOD ATRIUM OUTLETS



■ Number of outlets

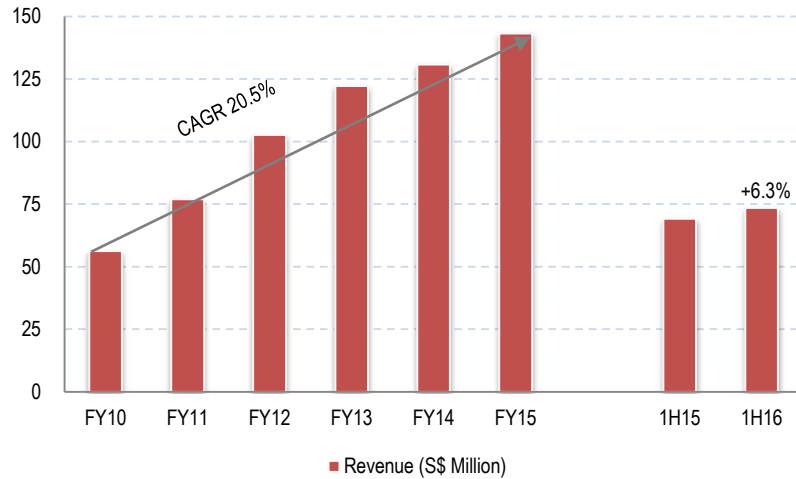
1H 2016 OUTLET DISTRIBUTION BY GEOGRAPHY



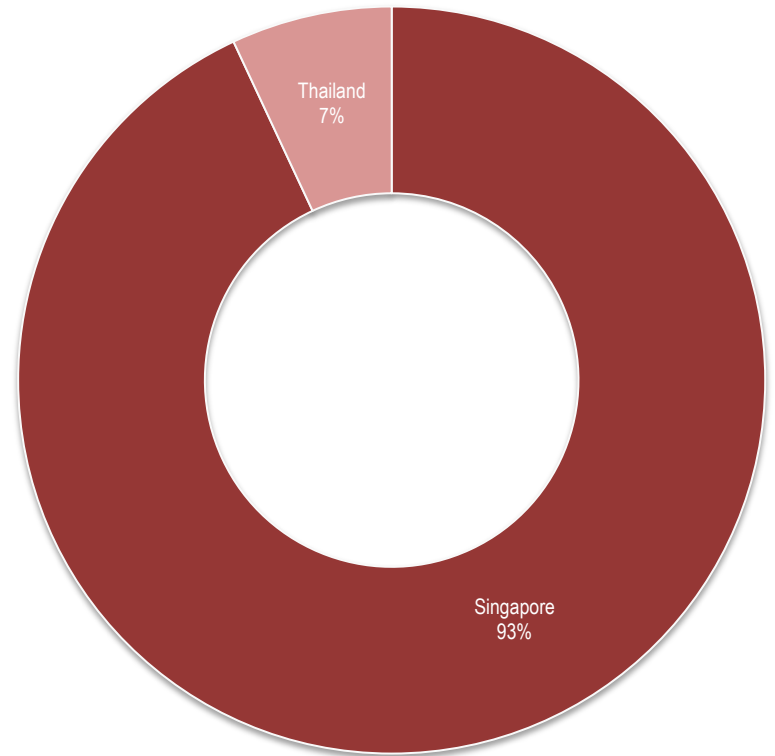
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RESTAURANT DIVISION

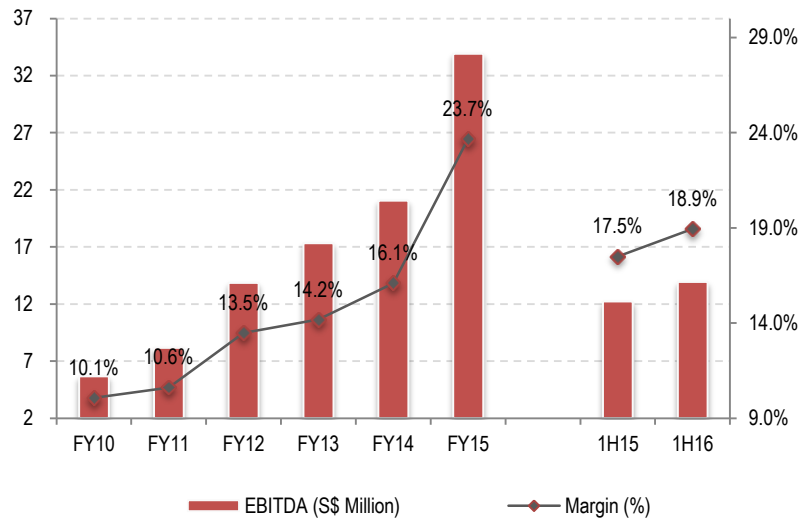
REVENUE



1H 2016 REVENUE BY GEOGRAPHY

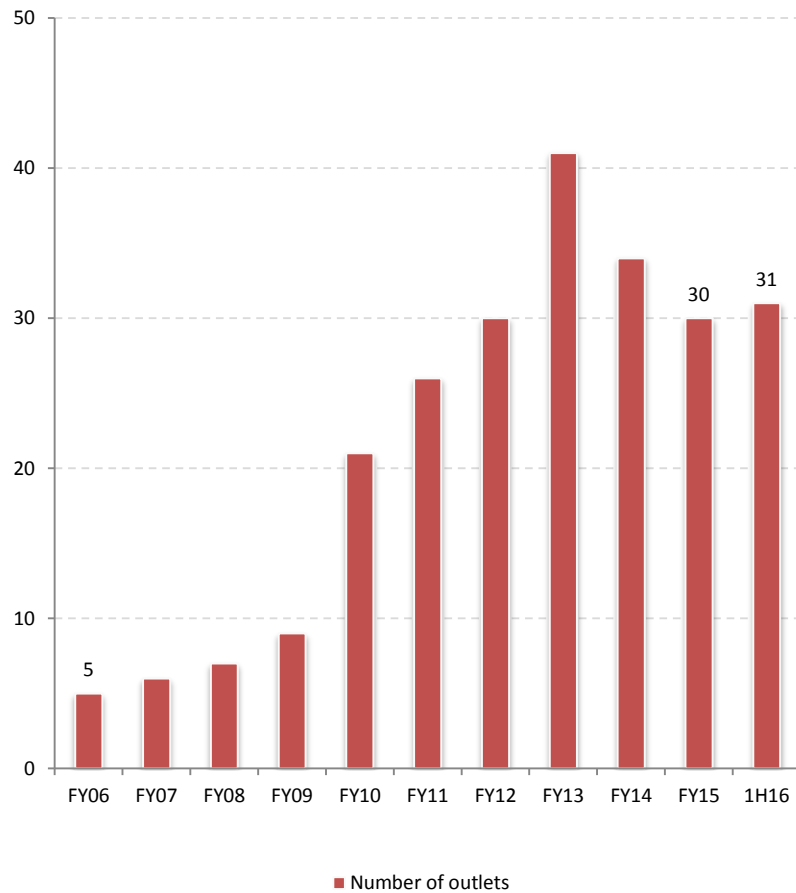


EBITDA

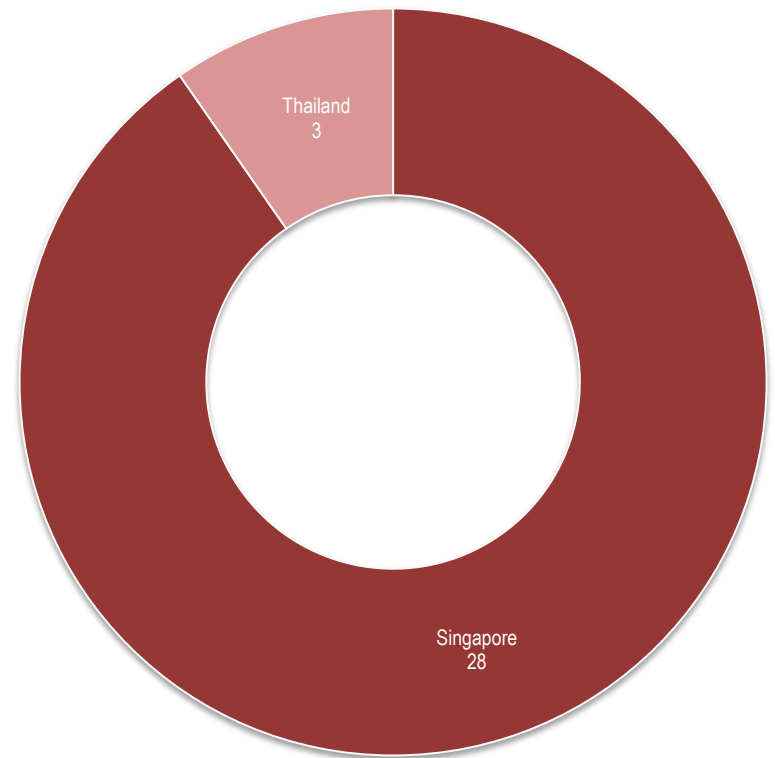


RESTAURANT DIVISION

NUMBER OF RESTAURANT OUTLETS



1H 2016 OUTLET DISTRIBUTION BY GEOGRAPHY



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