

BreadTalk Group Limited

Financial Results

Full Year & Fourth Quarter 2017

22 February 2017



FY 2017 BUSINESS UPDATES

Jan 26, 2017

Divestment of TripleOne Somerset

The Group recorded a gain of S\$9.3 million for the Divestment

Jul 01, 2017

Appointment of Group Chief Executive Officer



Mr. Chu joined BreadTalk Group as Managing Director on 17 Oct 2016 and was appointed as Group Chief Executive Officer on 1 July 2017. As Group CEO, he oversees the Group's global operations, focusing on the strategic planning of core F & B businesses, investments, business development and expansion into key markets. He was instrumental in leading the team to develop the new division with its key objective to identify new F & B concepts and potential partnership opportunities with renowned brands.

Jul 03, 2017

Partnership with Song Fa Holdings



BTG-Song Fa, owned by Together Inc. Pte Ltd (90%) and Song Fa (10%) entered into a master franchise to develop and operate the highly popular Teochew Bak Kut Teh brand in Thailand, as well as four major cities in China, comprising Beijing, Shanghai, Shenzhen and Guangzhou.

Sep 26, 2017

Purchase of 22/22A Lorong Mambong

The Property is a corner freehold shop house located amidst Holland Village. The total land area is approximately 2,350 square feet. The purchase consideration for the Property is S\$16.2 million

Dec 22, 2017

Partnership with 115-Year-Old Japanese Trader Shinmei



BTG-Shinmei oversees the sourcing, procurement and supply of key raw materials and ingredients, including but not limited to flour, rice, sugar, dairy, seafood, and product packaging to support the F&B operations of BreadTalk's group of companies globally.

Jan 17, 2018

Issue of S\$100,000,000 Medium Term Note at 4.00%

Jan 18, 2018

Award of BreadTalk franchise rights to Som Datt Group for Delhi, India

Jan 26, 2018

Opening of 1st Song Fa Outlet in Shanghai Jin An Kerry Centre

BreadTalk Group's Portfolio of 10 Directly Managed Brands

Bakery

BreadTalk

breadsociety

TOAST BOX
土司工場

泰 茂 棧
thye moh chan



Food Atrium

foodrepublic

FOOD OPERA

Restaurant

鼎 泰 豐
DIN TAI FUNG

4orth

SONG FA
bak kut teh

創
Se

Others

SANPUTEI RAMEN
From 1948 to 1960s (Singapore)

Carls Jr.

JUMBO
SEAFOOD

Note: Din Tai Fung and Song Fa are franchised brands

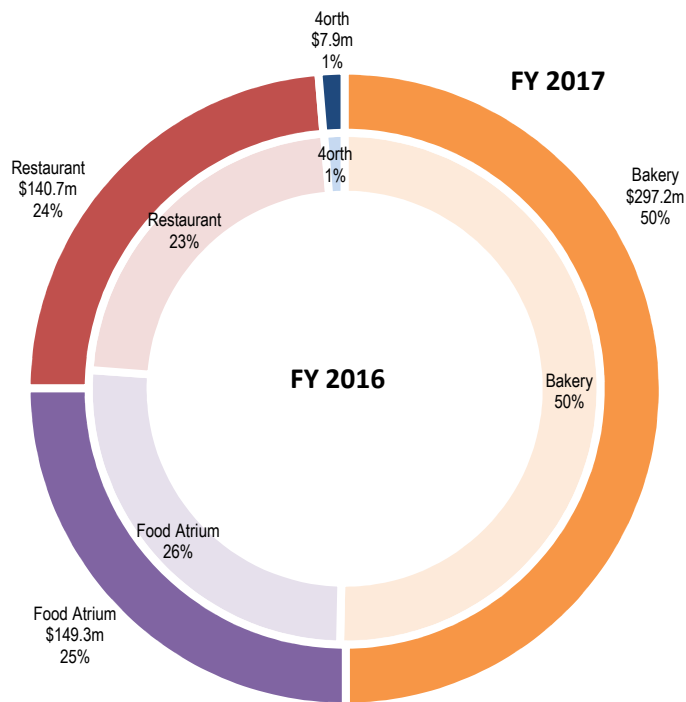
FY 2017 FINANCIAL HIGHLIGHTS

Income Statement Highlights

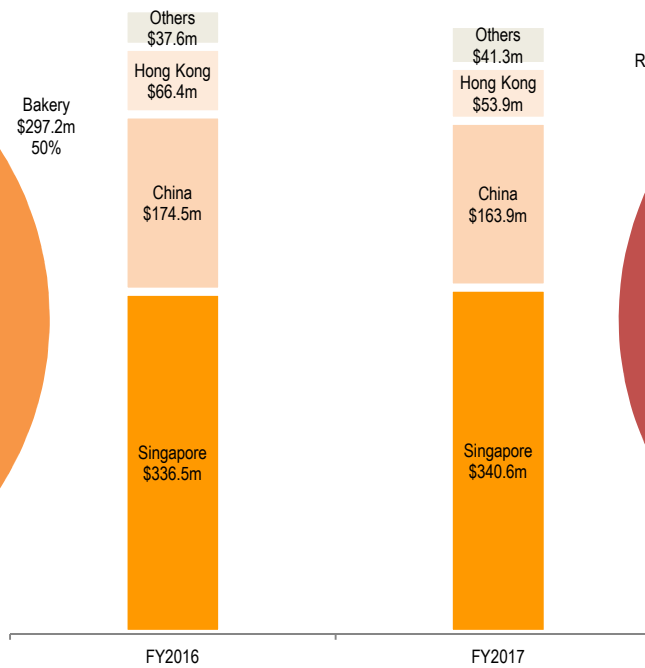
S\$ Million	4Q 2017	4Q 2016	Y/Y	FY 2017	FY 2016	Y/Y
Revenue	150.3	153.3	-2.0%	599.7	615.0	-2.5%
<i>Bakery</i>	74.1	77.6	-4.5%	297.2	306.9	-3.2%
<i>Food Atrium</i>	36.9	37.1	-0.6%	149.3	157.9	-5.4%
<i>Restaurant</i>	35.9	35.4	1.4%	140.7	137.7	2.2%
<i>4orth</i>	2.2	1.9	13.9%	7.9	7.8	0.3%
<i>Others</i>	1.2	1.3	-4.1%	4.6	4.7	-2.3%
EBITDA	19.6	28.1	-30.4%	84.4	87.5	-3.5%
<i>Bakery</i>	4.5	7.6	-41.0%	23.2	29.2	-20.5%
<i>Food Atrium</i>	7.4	8.8	-15.4%	25.1	16.3	53.7%
<i>Restaurant</i>	7.9	8.7	-9.7%	30.1	29.5	2.1%
<i>4orth</i>	0.3	0.1	114.6%	0.5	0.4	19.2%
<i>Others</i>	(0.5)	2.9	117.5%	5.5	12.0	-54.7%
EBITDA Margin	13.0%	18.3%	-5.4 ppt	14.1%	14.2%	-0.1 ppt
<i>Bakery</i>	6.1%	9.8%	-3.8 ppt	7.8%	9.5%	-1.7 ppt
<i>Food Atrium</i>	20.1%	23.6%	-3.6 ppt	16.8%	10.3%	+6.5 ppt
<i>Restaurant</i>	21.9%	24.6%	-2.7 ppt	21.4%	21.4%	+0.0 ppt
<i>4orth</i>	13.0%	6.9%	+6.1 ppt	6.8%	5.7%	+1.1 ppt
<i>Others</i>	-41.8%	228.4%	-270.2 ppt	118.1%	-8.5%	+126.7 ppt
Net Profit	5.1	4.4	14.4%	21.8	11.4	91.0%
Net Margin	3.4%	2.9%	+0.4 ppt	3.6%	1.9%	+1.7 ppt
Core F&B Net Profit	5.6	4.5	23.3%	17.7	7.0	153.3%
Core F&B Net Margin	3.7%	3.0%	+0.8 ppt	2.9%	1.1%	+1.8 ppt
EPS (cents)	1.80	1.57	14.6%	7.75	4.06	90.9%
DPS (cents)	3.00	2.00	N.M	7.00	3.85	81.8%

GROUP KEY FINANCIAL HIGHLIGHTS

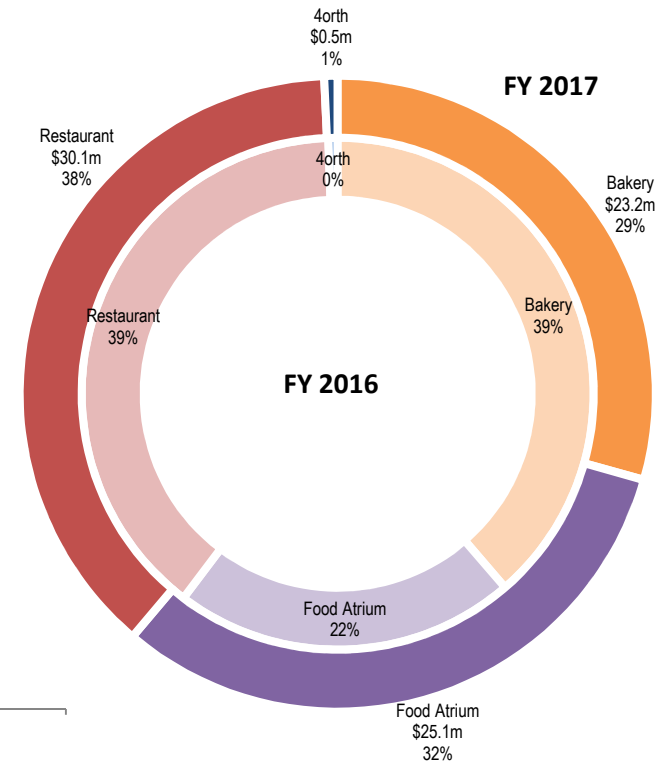
REVENUE BY BUSINESS



REVENUE BY GEOGRAPHY



EBITDA BY BUSINESS



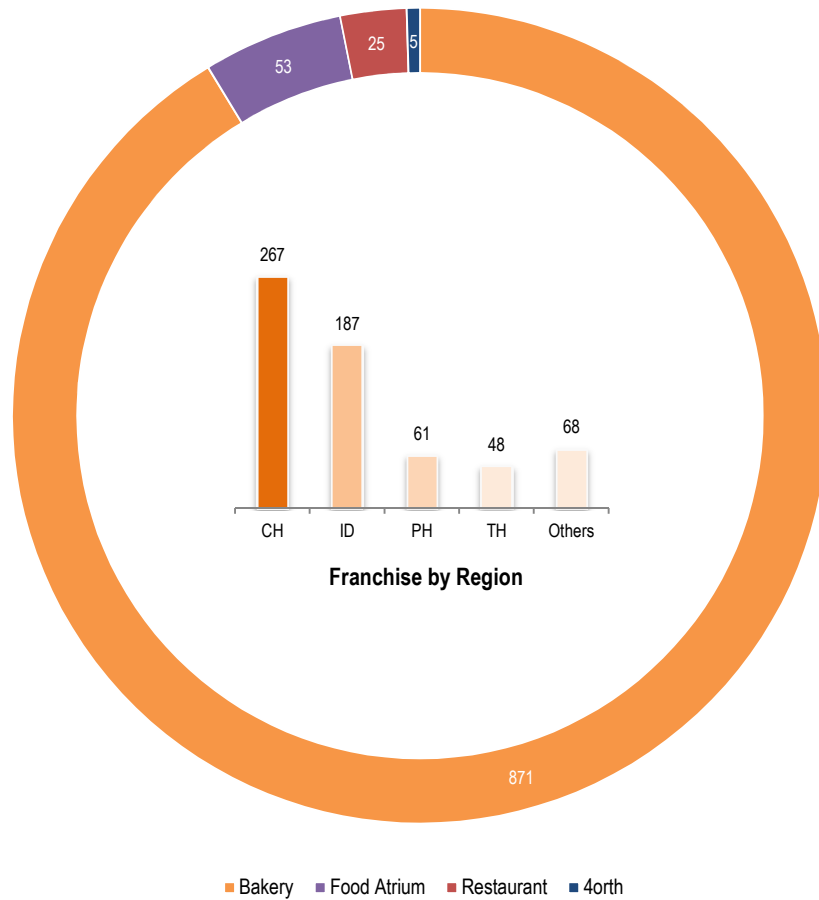
FY 2017 REVENUE: **S\$599.7M**

FY 2017 EBITDA: **S\$84.4M**

STRONG PRESENCE ACROSS ASIA

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

OUTLET DISTRIBUTION BY GEOGRAPHY



OUTLET DISTRIBUTION BY BUSINESS SEGMENT

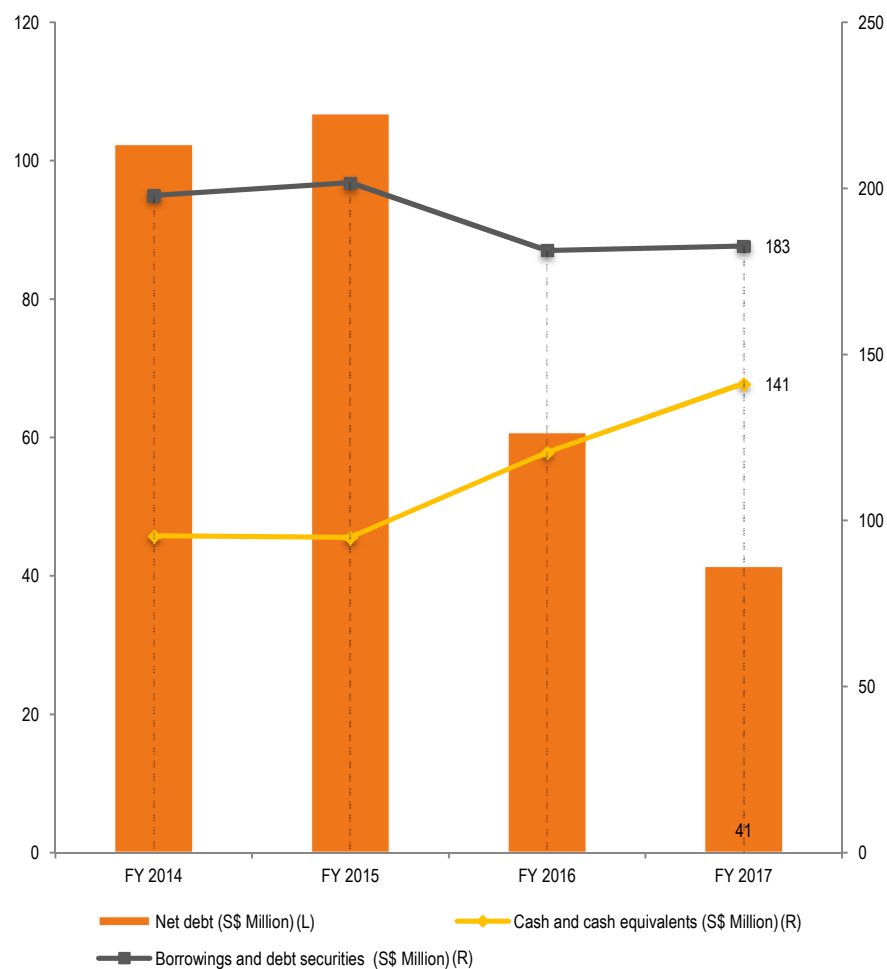
	FY 2016	FY 2017	Net Increase/ (Decrease)
Bakery	862	871	9
<i>Direct Operating</i>	260	240	(20)
<i>Franchise</i>	602	631	29
Food Atrium	57	53	(4)
Restaurant	24	25	1
<i>Din Tai Fung</i>	24	25	1
4orth	6	5	(1)
<i>Ramen Play</i>	6	0	(6)
<i>Sō</i>	0	5	5
Total	949	954	5

FY 2017 FINANCIAL HIGHLIGHTS

Balance Sheet Highlights

S\$ Million	FY 2017	FY 2016
Total assets	557	534
Cash and cash equivalents	141	121
Accounts receivables	58	57
Inventories	10	10
Investment securities	13	17
Other current assets	8	6
Current assets	230	212
Property, plant and equipment	169	181
Investment securities	72	73
Non-current assets	327	322
Total liabilities	397	382
Accounts payables	88	86
Current liabilities	257	216
Non-current liabilities	140	166
Borrowings and debt securities	182	181
Short term	57	31
Long term	126	150
Net debt	41	61

CASH & CASH EQUIVALENT VS NET DEBT



FY 2017 FINANCIAL HIGHLIGHTS

Cash Flow Highlights

S\$ Million	4Q 2017	4Q 2016	FY 2017	FY 2016
Operating cash flow before working capital changes	21	23	80	87
Net cash flow from operating activities	35	22	84	82
Less:				
Capital expenditure	(14)	(1)	(37)	(32)
Investment in associate & joint venture	-	-	(3)	(3)
Net cash flow used in investing activities	(34)	(2)	(38)	(20)
Free cash flow	22	21	47	50
Net increase/(decrease) in bank borrowings	23	(11)	1	(21)
Net cash flow used in financing activities	15	(13)	(24)	(38)
Net cash flow	16	7	22	26

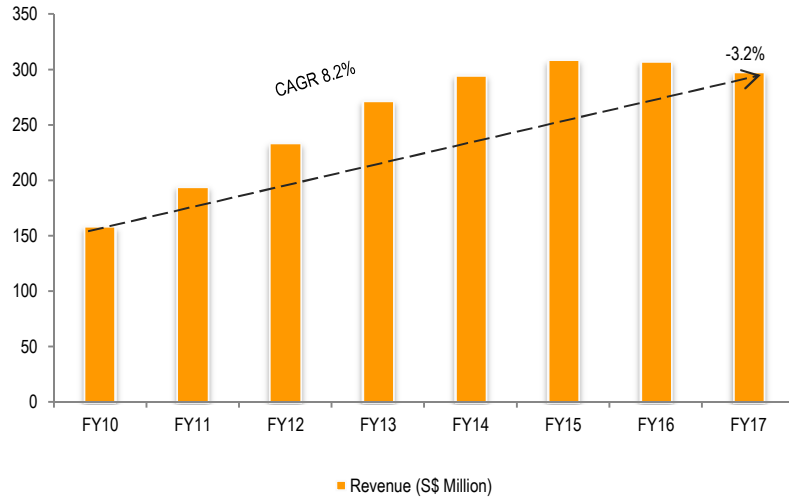
FY 2017 FINANCIAL HIGHLIGHTS

Financial Ratios

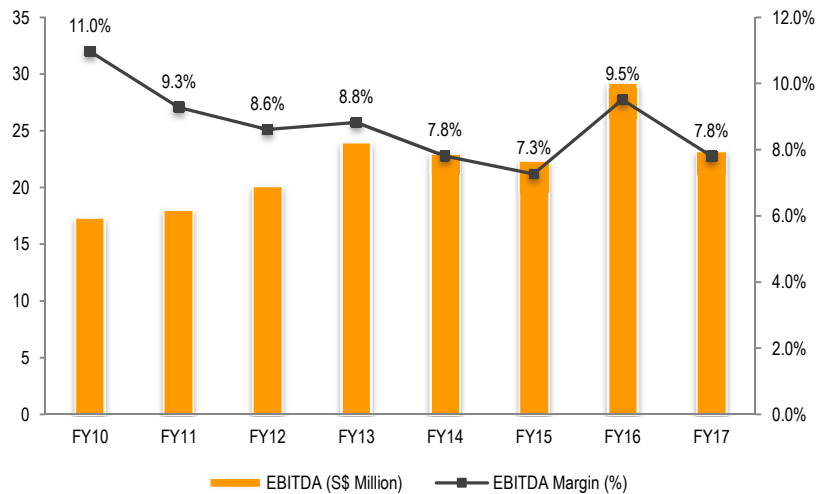
	FY 2017	FY 2016
<u>Turnover Ratios</u>		
Trade Receivables Turnover (days) - Franchisee	83.3	90.0
Trade Receivables Turnover (days) - Non Franchisee	2.6	2.0
Total Receivables Turnover (days)	7.6	7.6
Inventory Turnover (days)	25.0	26.4
Trade Payables Turnover (days)	31.6	29.3
<u>Liquidity Ratios</u>		
Current Ratio	0.90x	0.98x
Quick Ratio	0.86x	0.93x
Cash Conversion Cycle (days)	1.0	4.7
<u>Debt Ratios</u>		
Net Debt/Shareholder's Equity	0.31x	0.46x
Net Debt/EBITDA	0.49x	0.69x
EBITDA/Interest expense	15.58x	14.76x

BAKERY DIVISION

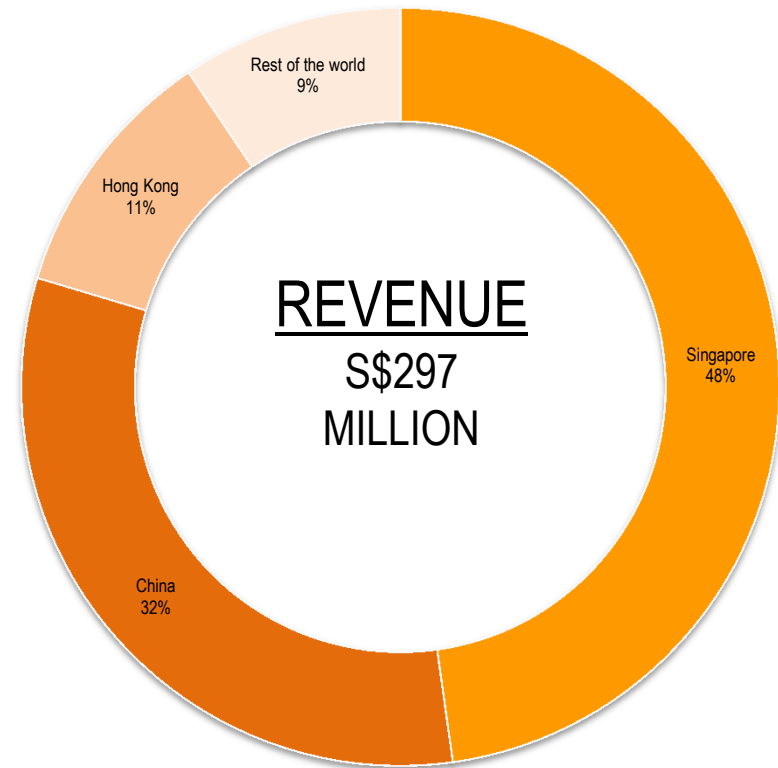
REVENUE



EBITDA VS EBITDA MARGIN



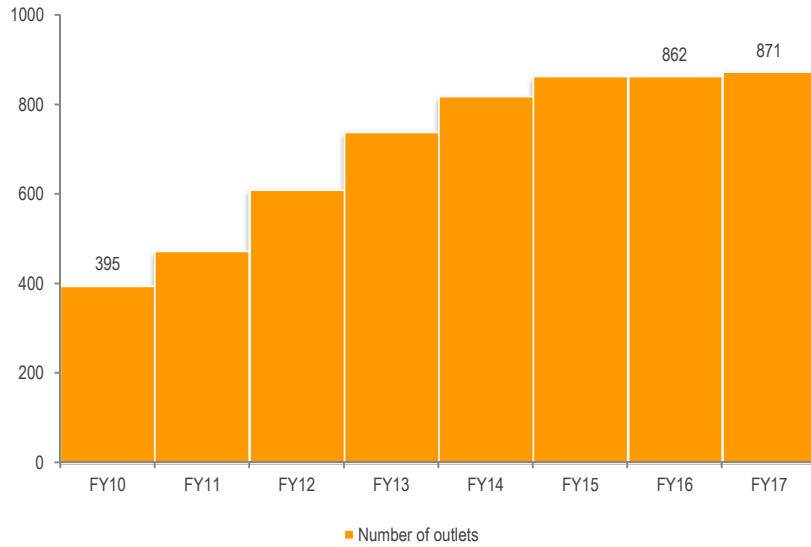
FY 2017 REVENUE BY GEOGRAPHY



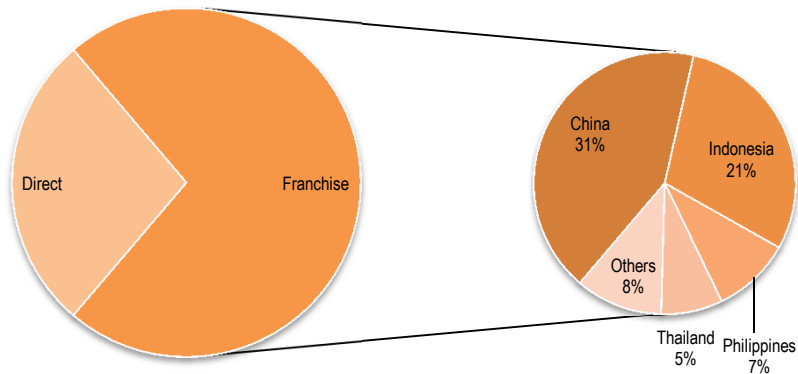
Rest of the world: Malaysia, Thailand, Philippines, Indonesia, Vietnam, Myanmar, Cambodia, Taiwan, Kuwait, Sri Lanka, Bahrain, Oman, Saudi Arabia & Qatar

BAKERY DIVISION

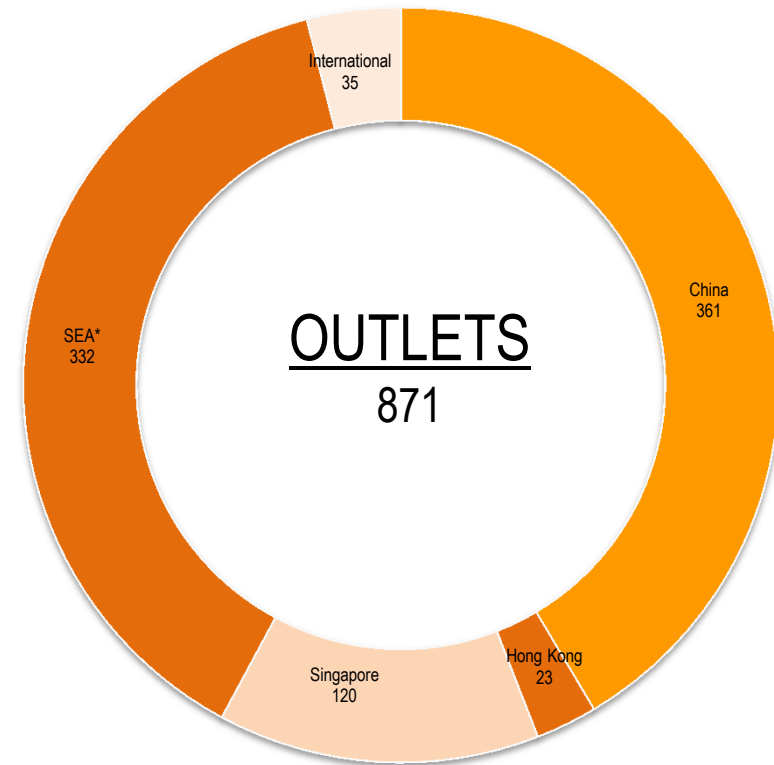
NUMBER OF BAKERY OUTLETS



DOS VS FRANCHISE



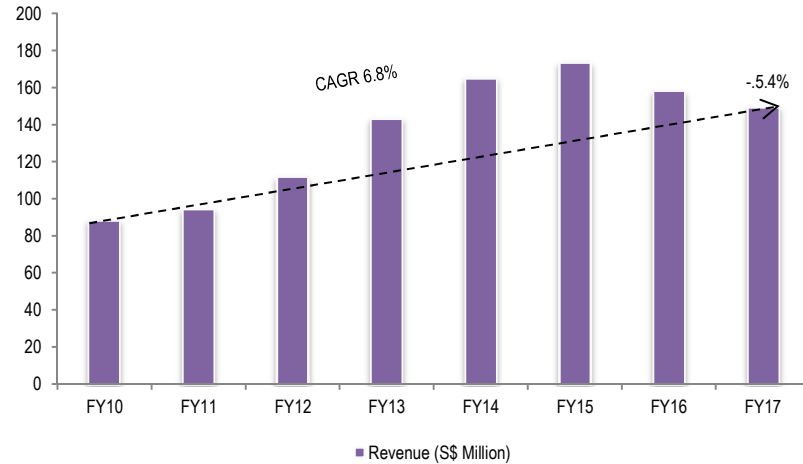
FY 2017 OUTLET DISTRIBUTION BY GEOGRAPHY



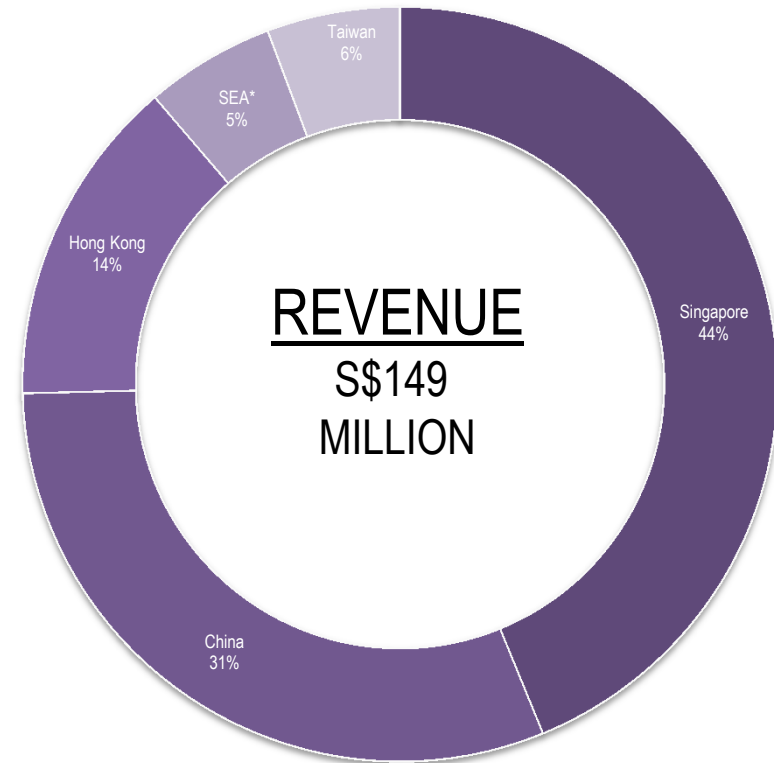
SEA: Malaysia, Thailand, Philippines, Indonesia, Vietnam, Myanmar & Cambodia
 International: Taiwan, Kuwait, Sri Lanka, Bahrain, Oman, Saudi Arabia & Qatar

FOOD ATRIUM DIVISION

REVENUE

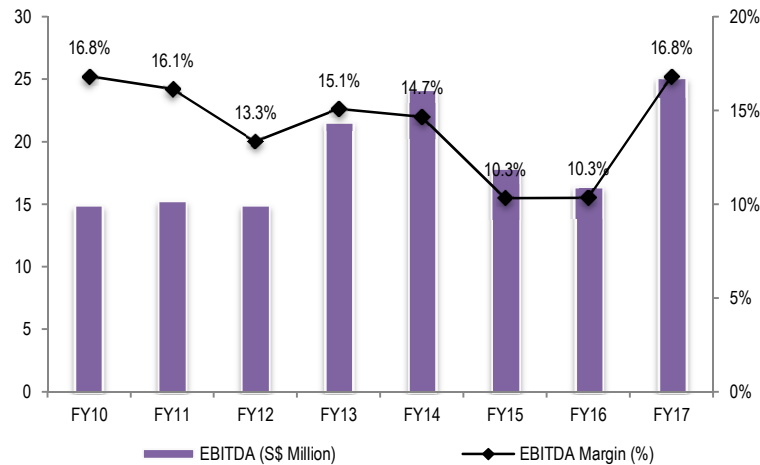


FY 2017 REVENUE BY GEOGRAPHY



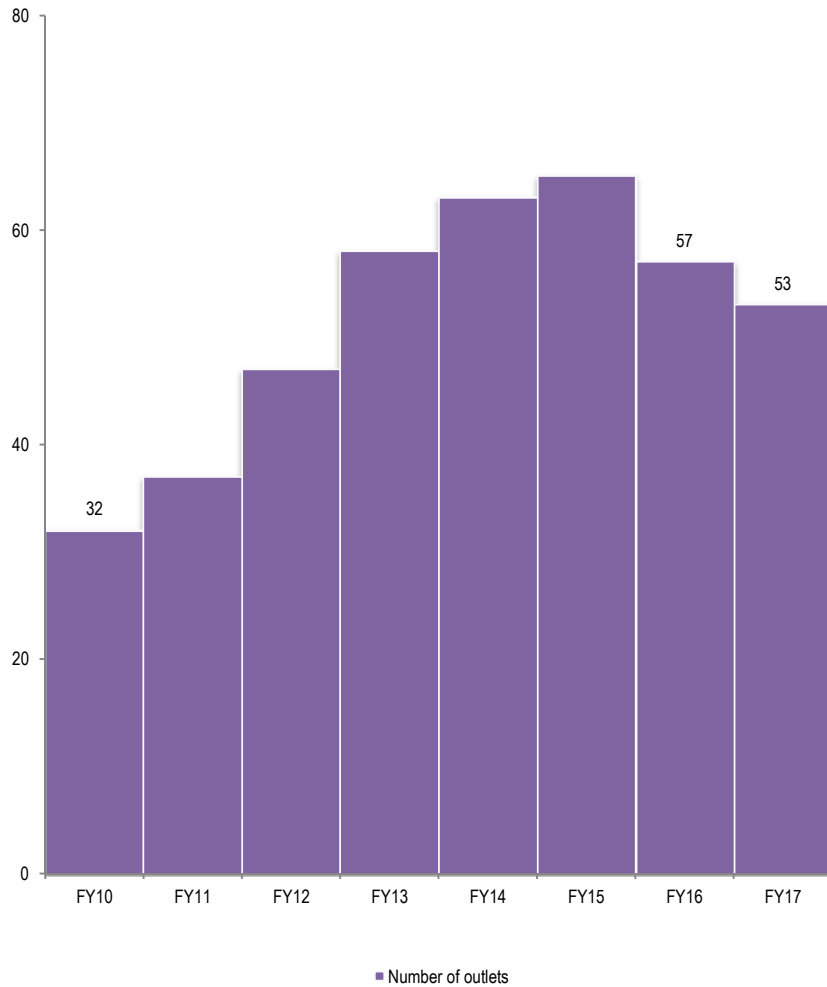
SEA: Malaysia & Thailand

EBITDA VS EBITDA MARGIN

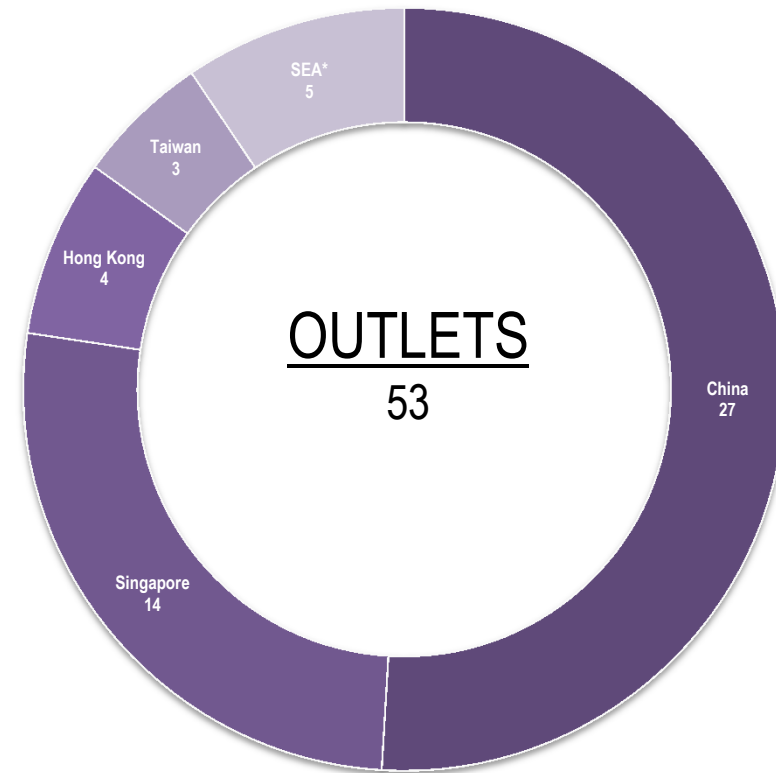


FOOD ATRIUM DIVISION

NUMBER OF FOOD ATRIUM OUTLETS



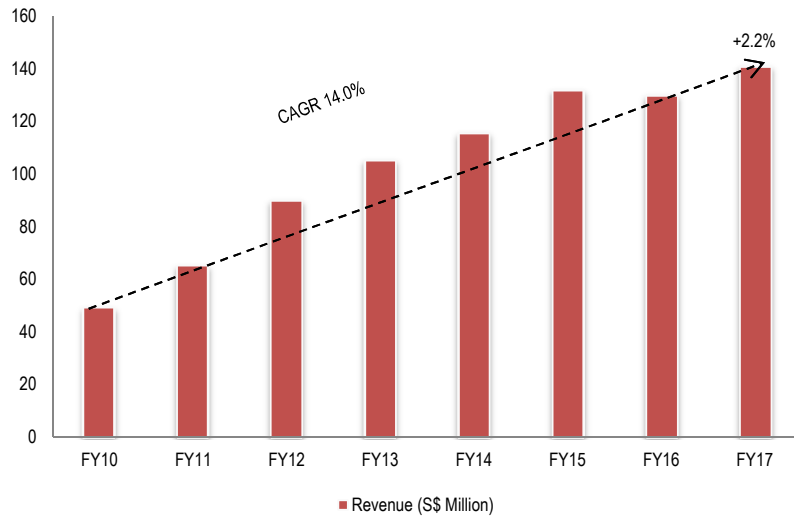
FY 2017 OUTLET DISTRIBUTION BY GEOGRAPHY



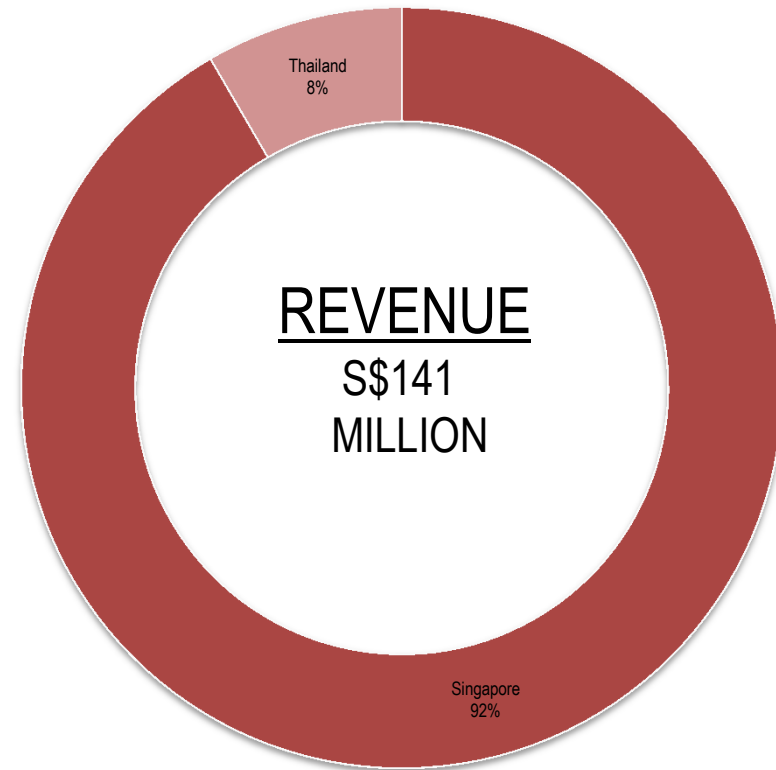
SEA: Malaysia & Thailand

RESTAURANT DIVISION

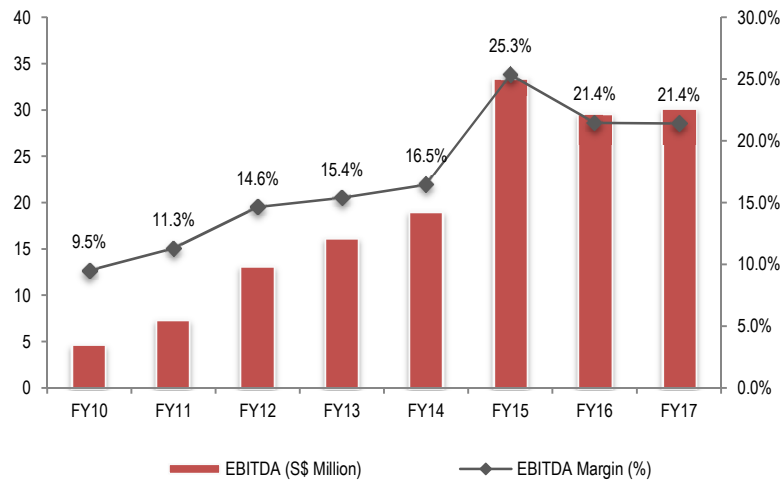
REVENUE



FY 2017 REVENUE BY GEOGRAPHY

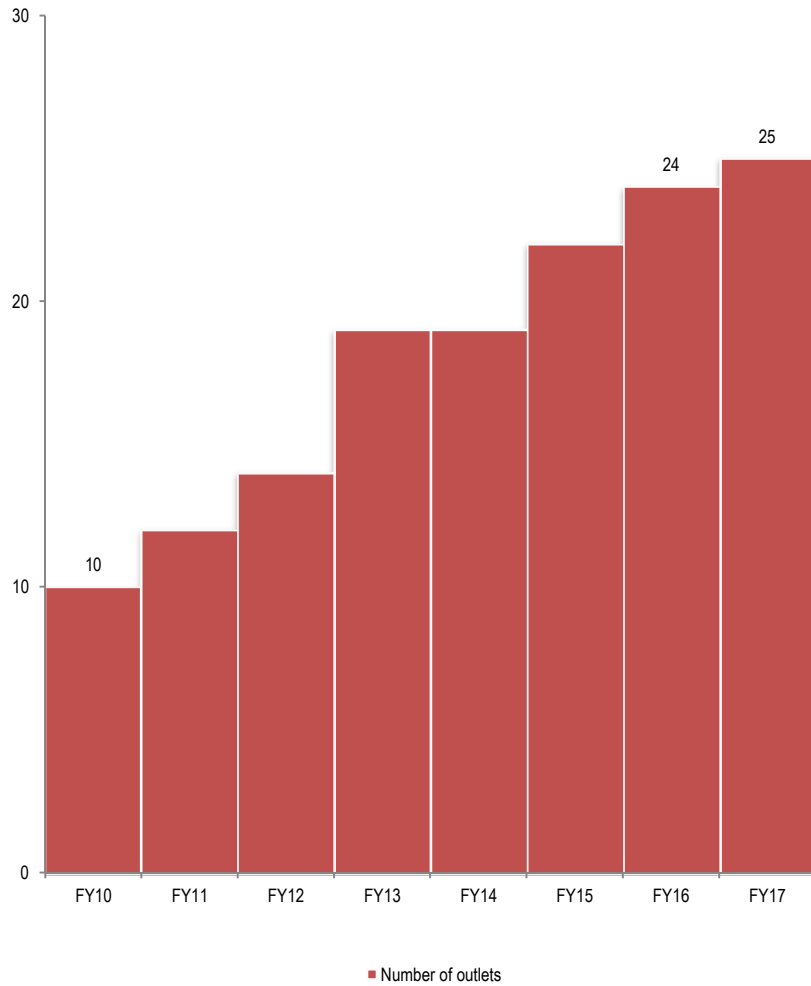


EBITDA VS EBITDA MARGIN

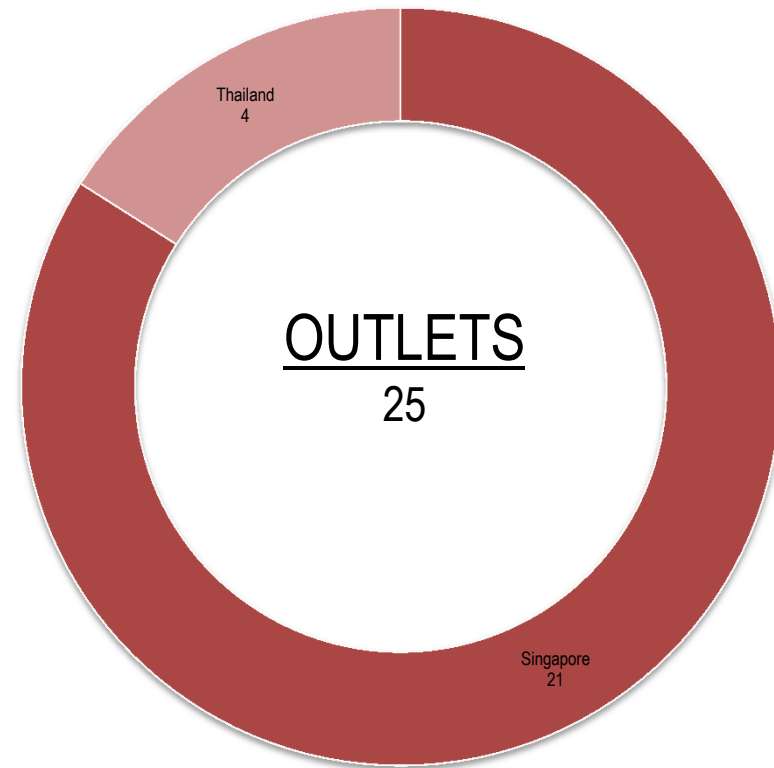


RESTAURANT DIVISION

NUMBER OF RESTAURANT OUTLETS

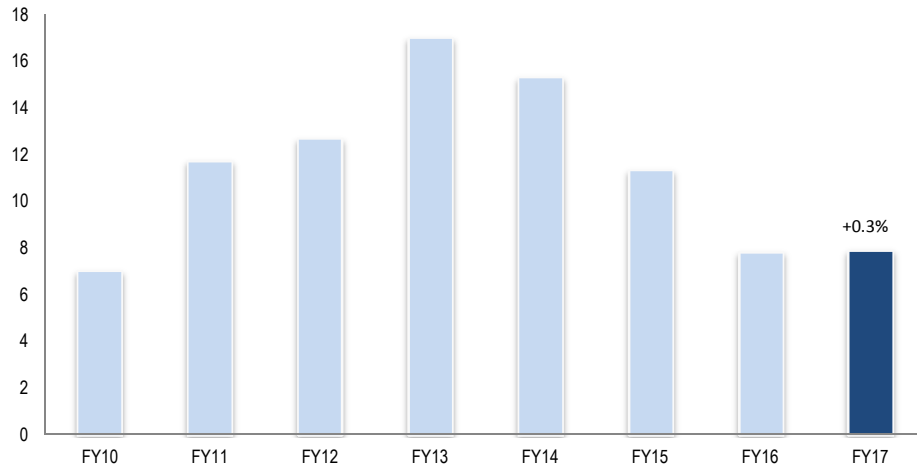


FY 2017 OUTLET DISTRIBUTION BY GEOGRAPHY

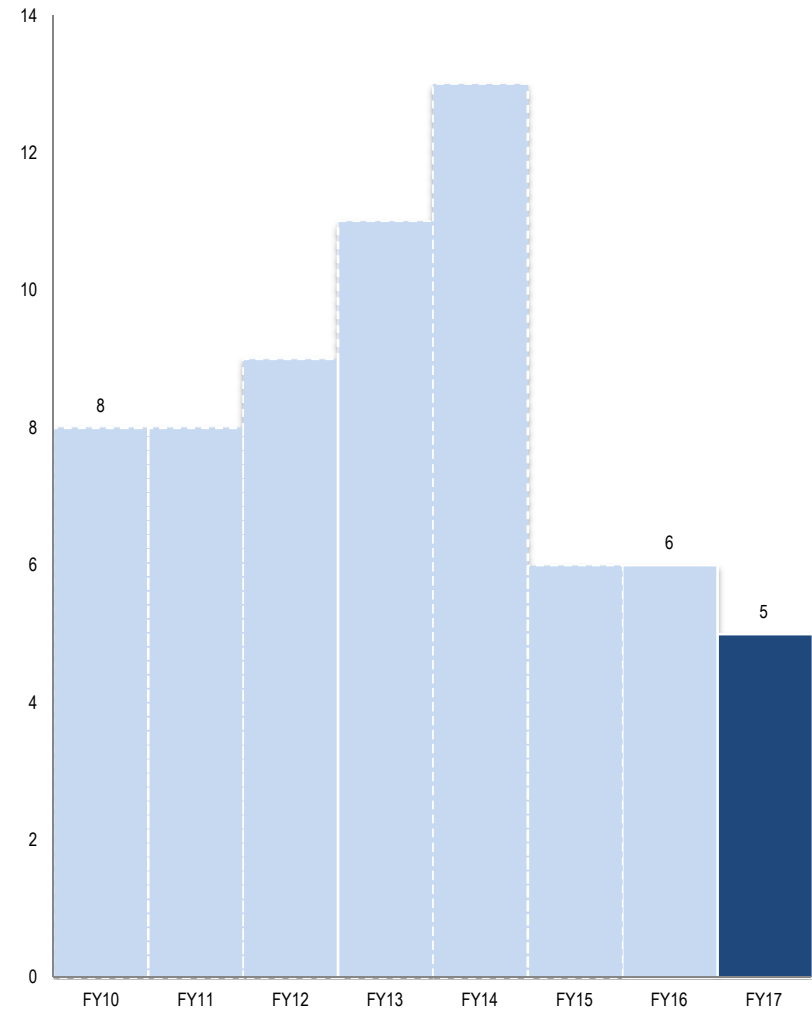


40RTH DIVISION

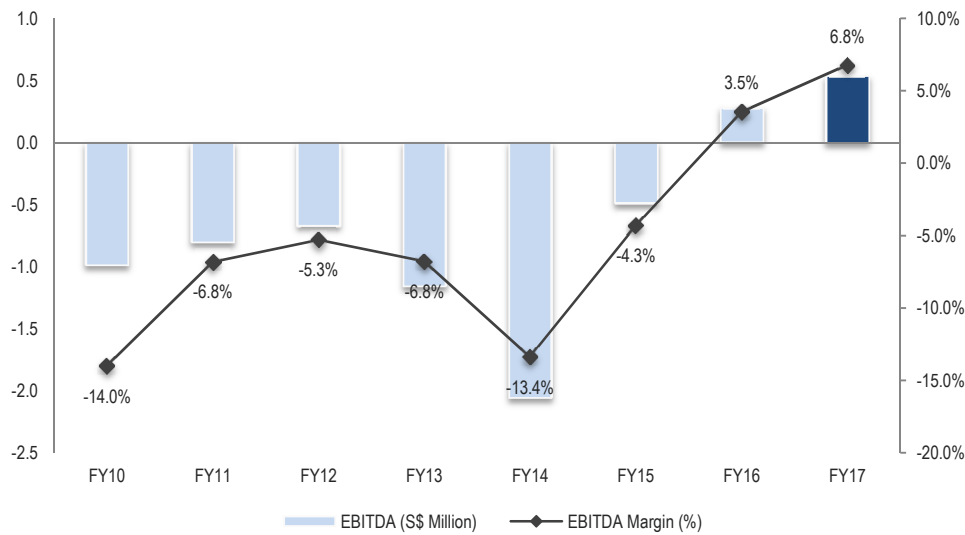
REVENUE



NUMBER OF 40RTH OUTLETS



EBITDA VS EBITDA MARGIN



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