



**Second Quarter 2018  
Financial Results**

1 August 2018

2018

# BUSINESS MILESTONES



Jan

- Issued **S\$100m Medium Term Note** at **4.0%**
- Opened 1<sup>st</sup> **Song Fa Bak Kut Teh** outlet in Shanghai, Jing An Kerry Centre

Mar

- Joint venture with **Wu Pao Chun** (“WPC”) Bakery to operate WPC bakeries in Singapore and Hong Kong
- Opening of **Food Republic’s** first Direct Operated Restaurant ‘**Sergeant Kitchen**’ in **Bangkok**
- Joint venture with PT. Pura Indah Berkas (“PIB”). PIB will operate **Toast Box** outlets in **Indonesia**

May

- **Share Split** of Every One (1) Ordinary Share into Two (2) Ordinary Shares
- Partnership with **Shenzhen Pindao Food & Beverage Management Co Ltd** to operate and manage the popular tea beverage brands **Nayuki (奈雪)** and **Tai Gai (台盖)** in **Singapore and Thailand**

Jun

- New Strategic Partnership with Mr Ge Ying (“GY”) to operate the **BreadTalk** brand of bakeries in **Chongqing, China**, and potentially expand across the South-western market

Jul

- Tripartite alliance of **BreadTalk Group-Pindao Venture** and **Song Fa Holdings** for **Song Fa Bak Kut Teh** in Shenzhen and Guangzhou

## Portfolio of Directly Managed BRANDS

### Bakery



### Restaurant



### 4orth



### Food Atrium



Note: Din Tai Fung, Song Fa Bak Kut Teh, Wu Pao Chun Bakery, Tai Gai and Nayuki are franchised brands.

2Q 2018

# FINANCIAL HIGHLIGHTS

	REVENUE	EBITDA	NET PROFIT	CORE F&B NET PROFIT
<b>2Q 2018</b>	<b>148.8</b> million 0.8 % ▲	<b>18.1</b> million - 1.9 % ▼	<b>2.4</b> million 10.5 % ▲	<b>2.4</b> million 10.5 % ▲
<b>1H 2018</b>	<b>297.4</b> million 0.7 % ▲	<b>34.4</b> million - 23.2 % ▼	<b>3.6</b> million - 72.2 % ▼	<b>5.4</b> million 38.9 % ▲



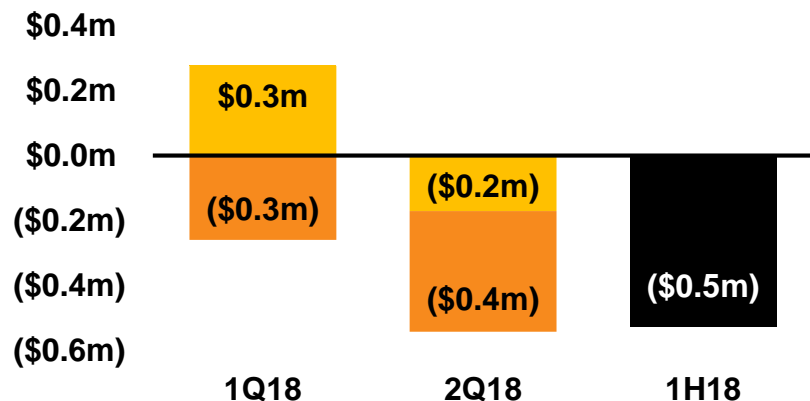
# FINANCIAL PERFORMANCE

\$ Million	2Q18	2Q17	Y-o-Y	1Q18	Q-o-Q	1H18	1H17	Y-o-Y
<b>Revenue</b>	<b>148.8</b>	147.7	<b>0.8%</b>	148.5	<b>0.2%</b>	<b>297.4</b>	295.4	<b>0.7%</b>
Bakery	68.6	72.4	- 5.2%	70.4	- 2.5%	139.0	146.1	- 4.9%
Food Atrium	38.8	37.4	4.0%	37.5	3.6%	76.3	73.7	3.6%
Restaurant	37.3	34.8	7.1%	36.9	1.0%	74.1	69.5	6.7%
4orth	3.0	2.0	53.0%	2.7	12.2%	5.7	3.9	47.4%
Others	1.1	1.2	- 4.4%	1.1	0.2%	2.2	2.3	- 3.4%
<b>EBITDA</b>	<b>18.1</b>	18.4	<b>- 1.9%</b>	16.3	<b>10.7%</b>	<b>34.4</b>	44.8	<b>- 23.2%</b>
Bakery	4.1	6.9	- 40.0%	3.8	9.7%	7.9	12.3	- 36.0%
Food Atrium	7.7	5.3	44.3%	5.3	45.6%	13.0	10.8	20.0%
Restaurant	7.1	7.2	- 2.2%	8.7	- 18.5%	15.8	14.2	10.9%
4orth	(0.1)	(0.1)	29.4%	(0.1)	3.8%	(0.2)	0.0	n.m.
Others	(0.7)	(0.9)	23.2%	(1.3)	- 44.9%	(2.0)	7.4	127.6%
<b>EBITDA Margin (%)</b>	<b>12.1%</b>	12.5%	<b>- 0.3 ppt</b>	11.0%	<b>+ 0.1 ppt</b>	<b>11.6%</b>	15.2%	<b>- 3.5 ppt</b>
Bakery	6.0%	9.5%	- 3.5 ppt	5.4%	+ 0.1 ppt	5.7%	8.5%	- 2.8 ppt
Food Atrium	19.8%	14.3%	+ 5.5 ppt	14.1%	+ 0.4 ppt	17.0%	14.7%	+ 2.3 ppt
Restaurant	19.0%	20.8%	- 1.8 ppt	23.5%	- 0.2 ppt	21.2%	20.4%	+ 0.8 ppt
4orth	- 3.6%	- 4.3%	+ 0.7 ppt	- 3.9%	- 0.1 ppt	- 3.8%	0.1%	- 3.9 ppt
<b>Net Profit</b>	<b>2.4</b>	2.2	<b>10.5%</b>	1.2	<b>106.4%</b>	<b>3.6</b>	13.0	<b>- 72.2%</b>
<b>Net Margin (%)</b>	<b>1.6%</b>	1.5%	<b>+ 0.1 ppt</b>	0.8%	<b>+ 1.1 ppt</b>	<b>1.2%</b>	4.4%	<b>- 3.2 ppt</b>
<b>Core F&amp;B Net Profit</b>	<b>2.4</b>	2.2	<b>10.5%</b>	2.9	<b>- 17.4%</b>	<b>5.4</b>	3.9	<b>38.9%</b>
<b>Core F&amp;B Net Margin (%)</b>	<b>1.6%</b>	1.5%	<b>+ 0.1 ppt</b>	2.0%	<b>- 0.2 ppt</b>	<b>1.8%</b>	1.3%	<b>+ 0.5 ppt</b>
<b>EPS (cents) #</b>	<b>0.43</b>	0.39	<b>10.3%</b>	0.42	<b>2.4%</b>	<b>0.86</b>	3.08	<b>- 72.1%</b>
<b>DPS (cents) #</b>	<b>0.50</b>	0.50	<b>0.0%</b>	-	<b>n.m.</b>	<b>0.50</b>	1.50	<b>- 66.7%</b>

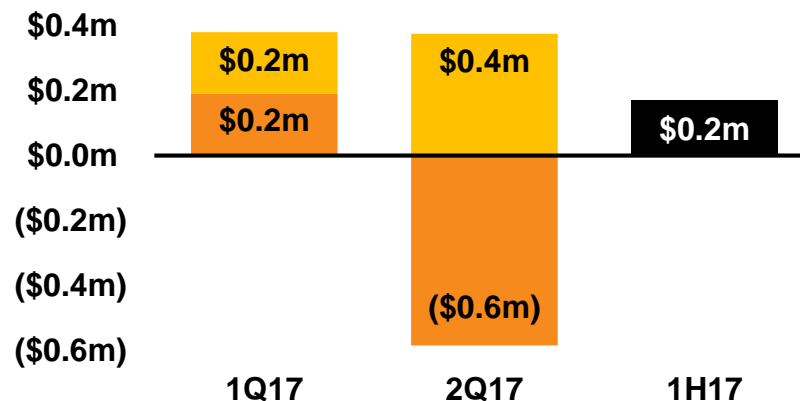
# For comparison purpose, 2Q17's and 1H17's EPS and DPS have been split-adjusted.

## SHARE OF ASSOC. & JV RESULTS

1H18



1H17



**Legend**

Share of Results of Joint Ventures

Share of Results of Associates

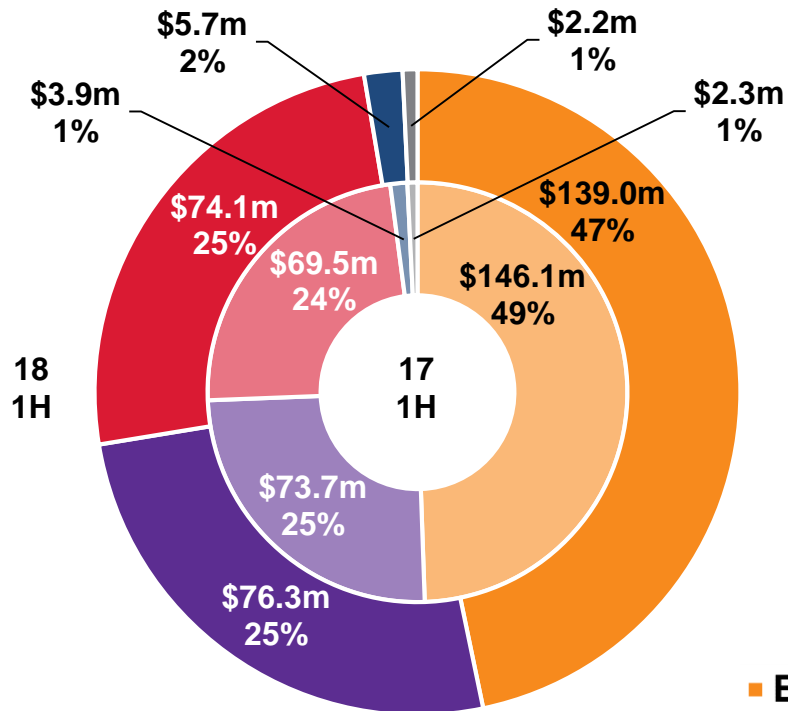
Total Share of Results

S\$ Million	2Q18	2Q17	Y-o-Y	1H18	1H17	Y-o-Y
Share of Results	▼ (0.5)	▼ (0.2)	160.1%	▼ (0.5)	▲ 0.2	- 407.0%
Share of Assoc. Results	(0.4)	(0.6)	- 36.4%	(0.6)	(0.4)	60.3%
Share of JV Results	(0.2)	0.4	- 145.3%	0.1	0.6	- 81.4%

# 2Q 2018 Financial Highlights

## By BUSINESS

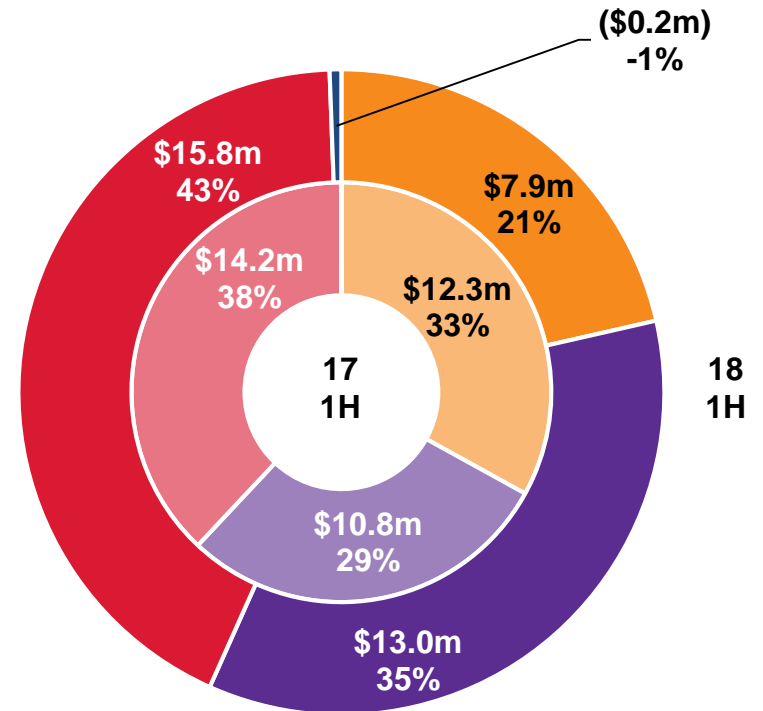
### REVENUE by BUSINESS



**1H18 REVENUE**  
**297.4 million**

- Bakery
- Food Atrium
- Restaurant
- 4orth
- Others

### F&B EBITDA by BUSINESS



**1H18 F&B EBITDA**  
**36.4 million**

## 2Q 2018 Financial Highlights

# By OUTLETS and GEOGRAPHY

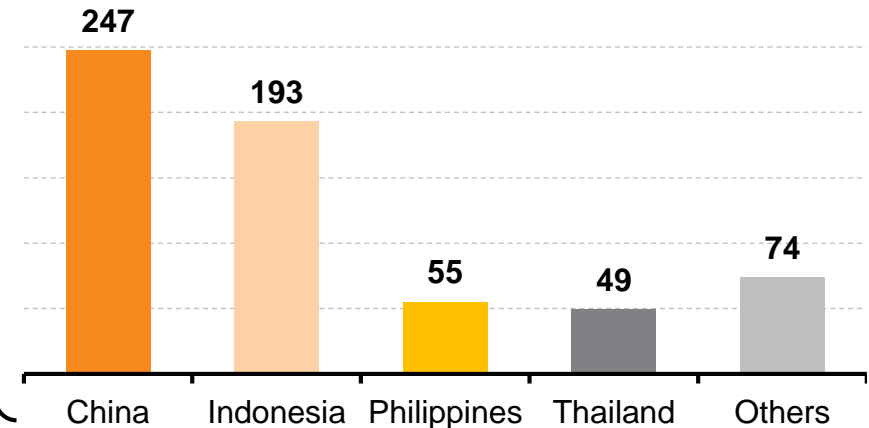
### OUTLET Distribution by BUSINESS

Segment	2Q18	FY17	Net ▲▼	2Q17	Net ▲▼
<b>Bakery</b>	<b>842</b>	871	<b>(29)</b>	856	<b>(14)</b>
Direct Operating	224	240	(16)	259	(35)
Franchise	618	631	(13)	597	21
<b>Food Atrium</b>	<b>53</b>	53	<b>0</b>	56	<b>(3)</b>
<b>Restaurant</b>	<b>27</b>	25	<b>2</b>	24	<b>3</b>
Din Tai Fung	27	25	2	24	3
<b>4orth</b>	<b>8</b>	5	<b>3</b>	4	<b>4</b>
Sō #	5	5	0	4	1
Song Fa	2	0	2	0	2
Una-yu	1	0	1	0	1
<b>Total</b>	<b>930</b>	954	<b>(24)</b>	940	<b>(10)</b>

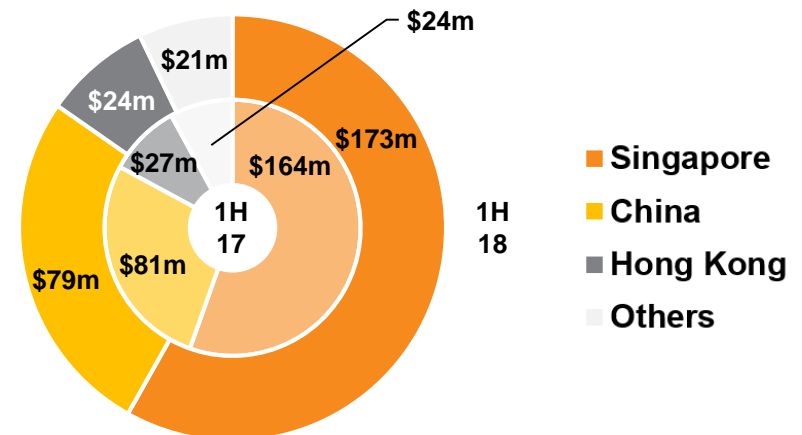
# Rebranded from Ramen Play in 1Q17



### FRANCHISE OUTLETS by GEOGRAPHY



### REVENUE by GEOGRAPHY

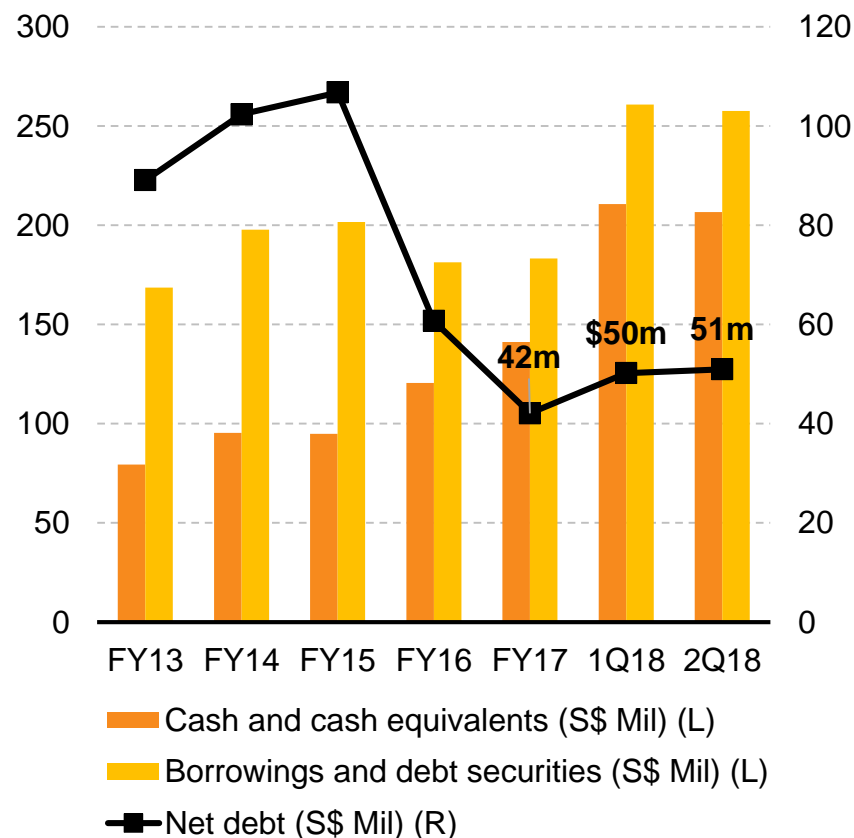


## FINANCIAL POSITION

### BALANCE SHEET Highlights

S\$ Million	2Q18	FY17
<b>Total assets</b>	<b>666</b>	<b>552</b>
Cash and cash equivalents	207	141
Trade and other receivables	57	52
Inventories	11	10
Investment securities	8	13
Other current assets	8	9
<b>Current assets</b>	<b>291</b>	<b>225</b>
Property, plant and equipment	163	169
Investment securities	126	72
<b>Non-current assets</b>	<b>375</b>	<b>327</b>
<b>Total liabilities</b>	<b>459</b>	<b>397</b>
Trade and other payables	87	90
<b>Current liabilities</b>	<b>316</b>	<b>257</b>
<b>Non-current liabilities</b>	<b>144</b>	<b>140</b>
<b>Borrowings and debt securities</b>	<b>258</b>	<b>183</b>
Short term	127	57
Long term	131	126
<b>Net debt</b>	<b>51</b>	<b>42</b>

### NET DEBT Position





# CASH FLOWS and KEY INDICATORS

## CASH FLOWS

\$ Million	2Q18	2Q17
Operating cash flow before working capital changes	21	19
<b>Net cash flow from operating activities</b>	<b>10</b>	<b>15</b>
Capital expenditure	(8)	(4)
Investment in associate & joint venture	-	(1)
<b>Net cash flow from investing activities</b>	<b>n.m.</b>	<b>21</b>
Free cash flow	18	19
Net increase / (decrease) in bank borrowings	(4)	(5)
<b>Net cash flow used in financing activities</b>	<b>(15)</b>	<b>(17)</b>
<b>Net cash flow</b>	<b>(4)</b>	<b>19</b>

n.m. = Not meaningful

## FINANCIAL INDICATORS

Ratios	2Q18	FY17
<b>Turnover Days</b>		
Trade Receivables Turnover		
- Franchisee	97.7	91.5
- Non Franchisee	2.4	2.3
Total Receivables Turnover	8.2	8.3
Inventory Turnover	27.2	25.3
Trade Payables Turnover	30.4	29.7
Cash Conversion Cycle	5.1	3.9
<b>Liquidity Ratios</b>		
Current Ratio	0.92 x	0.90 x
Quick Ratio	0.89 x	0.86 x
<b>Debt Ratios</b>		
Net Debt / Shareholder's Equity	0.29 x	0.33 x
Total Debt / Shareholder's Equity	1.45 x	1.42 x
EBITDA / Interest expense	7.46 x	10.96 x

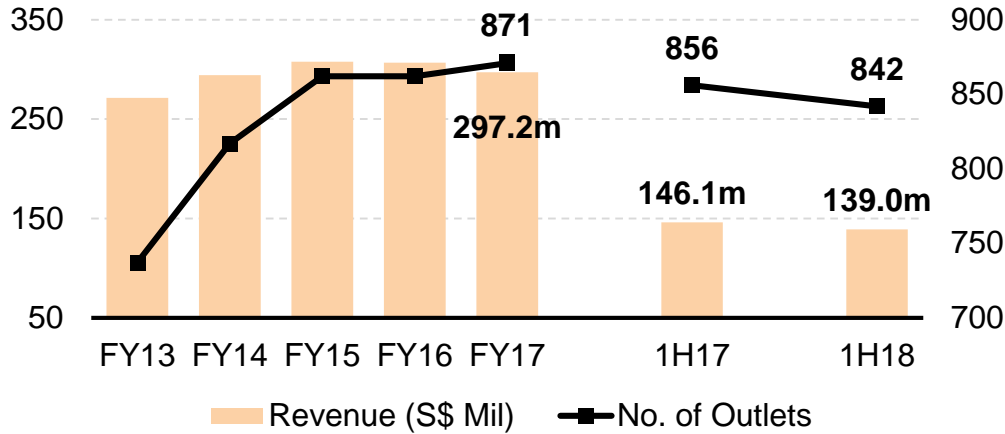


# Business Overview

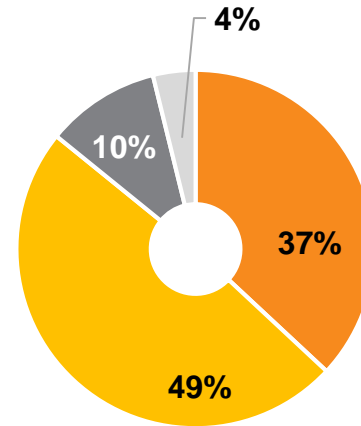
## BAKERY DIVISION



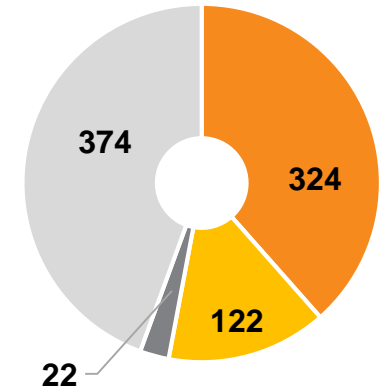
### REVENUE and OUTLET Growth



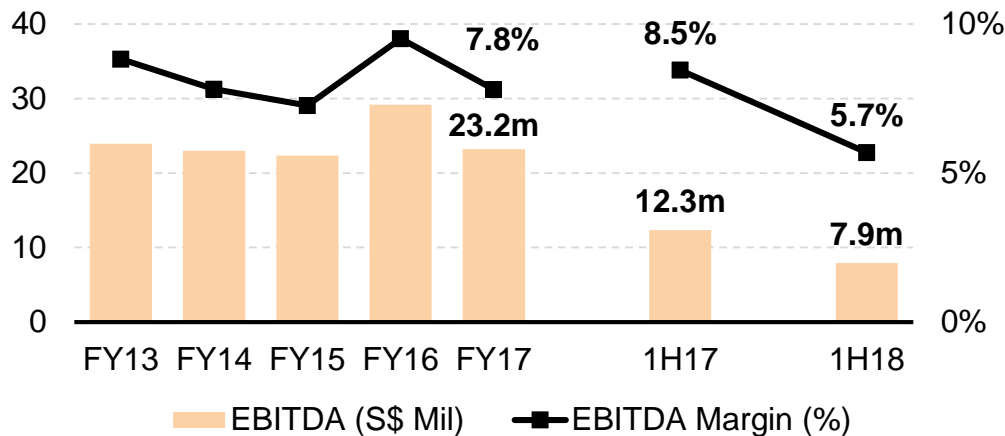
### 1H18 REVENUE



### 1H18 OUTLETS



### EBITDA and EBITDA Margin



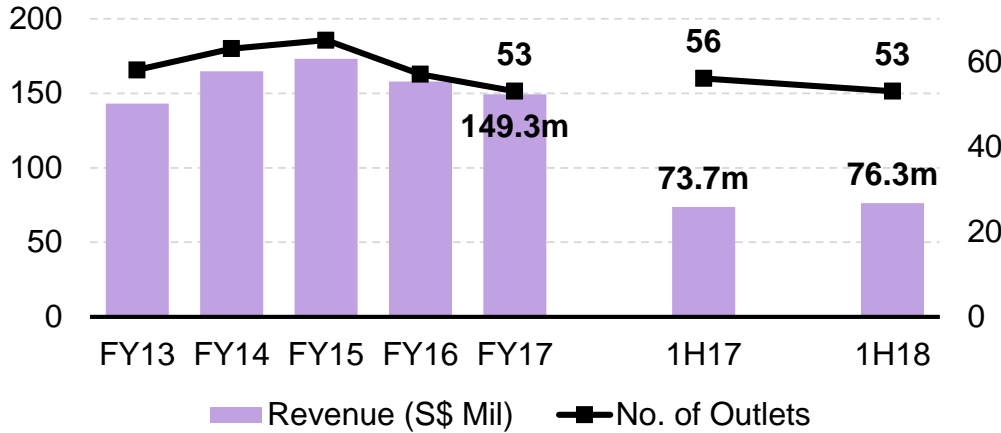
- China
- Singapore
- Hong Kong
- SEA and International\*

\* SEA and International: Indonesia, Philippines, Thailand, Vietnam, Sri Lanka, Cambodia, KSA West, Kuwait, Oman, Bahrain, Myanmar and Malaysia

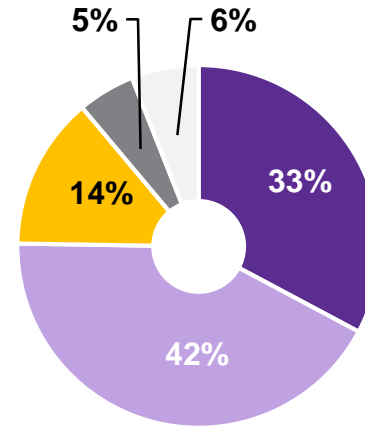
## FOOD ATRIUM DIVISION



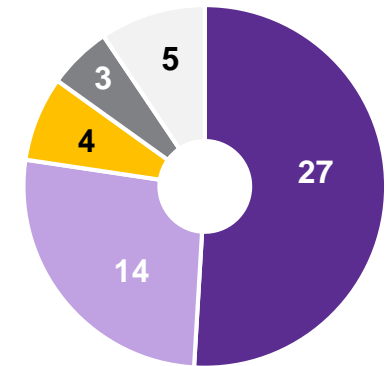
### REVENUE and OUTLET Growth



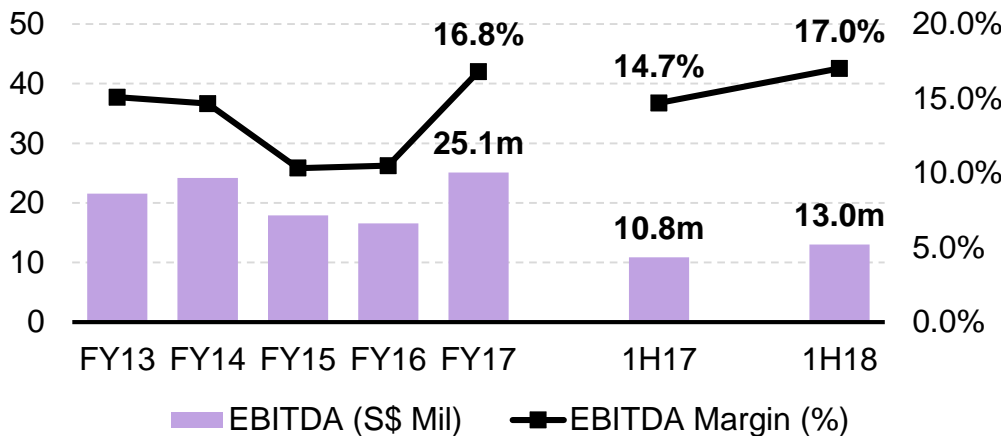
### 1H18 REVENUE



### 1H18 OUTLETS



### EBITDA and EBITDA Margin



- █ China
- █ Singapore
- █ Hong Kong
- █ Taiwan
- █ SEA\*

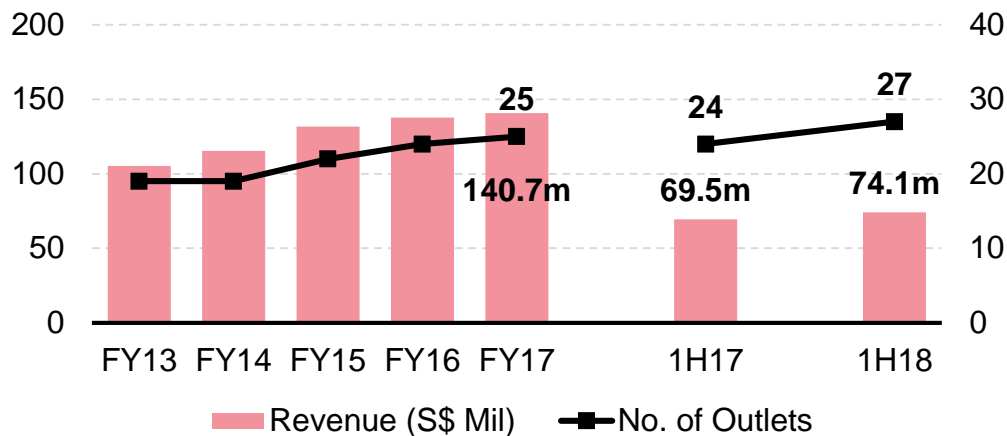
\* SEA: Thailand and Malaysia

# Business Overview

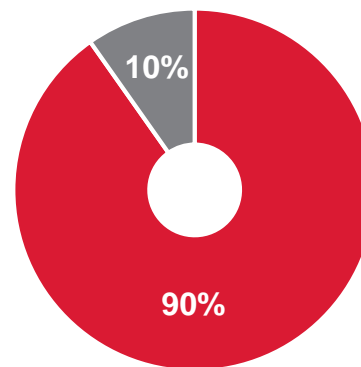
## RESTAURANT DIVISION



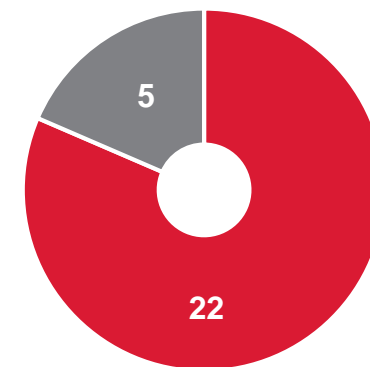
### REVENUE and OUTLET Growth



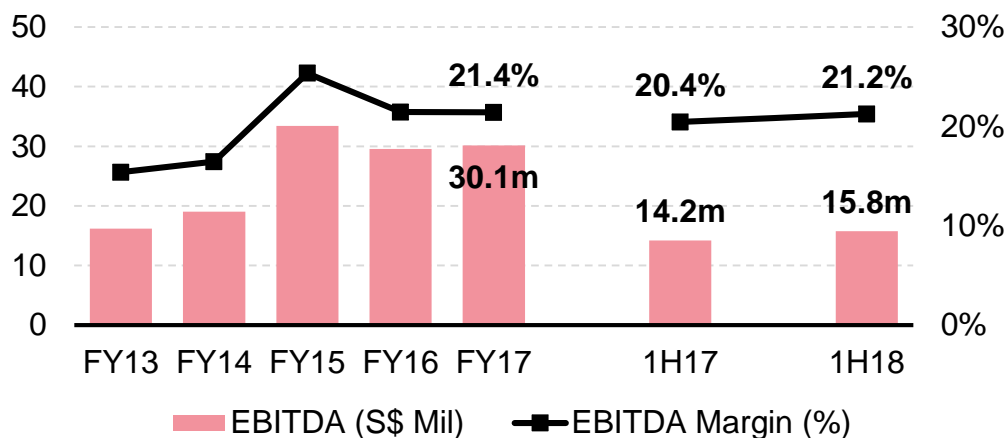
### 1H18 REVENUE



### 1H18 OUTLETS



### EBITDA and EBITDA Margin



■ Singapore

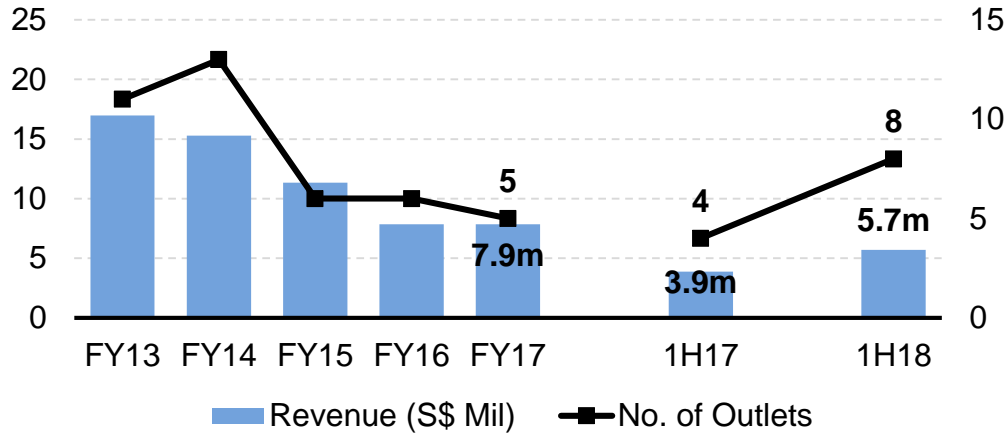
■ Thailand

# Business Overview

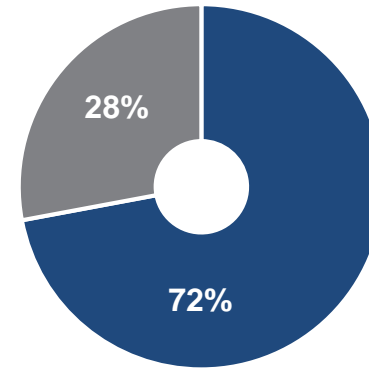
## 4OROTH DIVISION



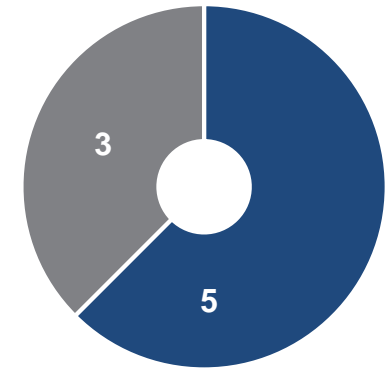
### REVENUE and OUTLET Growth



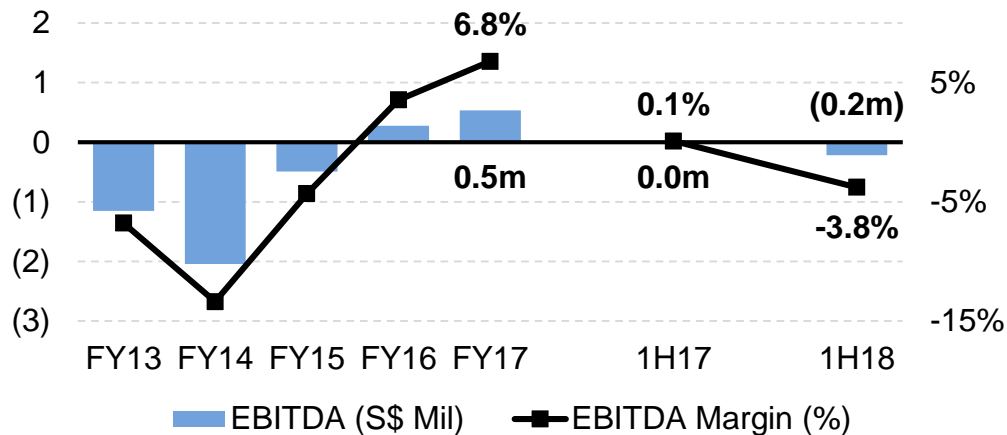
### 1H18 REVENUE



### 1H18 OUTLETS



### EBITDA and EBITDA Margin



■ Singapore

■ China

# THANK YOU

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