



(Company No.: 200302045G)  
(Incorporated in the Republic of Singapore)

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## RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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The Board of Directors (“**Board**”) of BreadTalk Group Limited (“**Company**” together with its subsidiaries, “**Group**”) refers to the Company’s results announcement for the financial year ended 31 December 2018 released on 19 February 2019. The Board would like to respond to the following query raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 22 February 2019 (each, a “**SGX Query**”) as follows:

### SGX Query

Please explain the reason(s) for the increase in investment securities from \$72,068,000 as at 31.12.2017 to \$83,149,000 as at 31.12.2018 and the nature of these investment securities.

### Company’s Response to SGX Query

The increase in non-current investment securities from S\$72,068,000 as at 31 December 2017 to S\$83,149,000 as at 31 December 2018 was due mainly to:

	S\$'000	Reference
Balance as at 31 December 2017	72,068	Annual Report 2017
SFRS(I) 9 – Financial Instruments: the difference between the previous carrying amount and the fair value at the beginning of the year	(452)	Financial Statement and Dividend Announcement for The Year Ended 31 December 2018
Balance As at 1 January 2018 (Restated)	71,616	Financial Statement and Dividend Announcement for The Year Ended 31 December 2018
Additions in Investment Securities: HSR Healthcare Investment, unquoted (note 1)	9,427	Announcement dated 3 January 2018 and 5 January 2018
Fair Value adjustment: Investment Securities (FVTPL)	2,106	Financial Statement and Dividend Announcement for The Year Ended 31 December 2018
Balance as at 31 December 2018	83,149	Financial Statement and Dividend Announcement for The Year Ended 31 December 2018

Note 1: The investment in HSR healthcare mixed-use developments was an opportunity for the Group to participate in the healthcare real estate development market in the PRC, riding on the substantial expertise and experience of the joint venture partners. The Company may also explore potential food and beverage businesses within such healthcare real estate development in future when the projects are completed. Please refer to the Company’s announcement dated 3 January 2018 and 5 January 2018.

### **By Order of the Board**

Chew Kok Liang  
Company Secretary  
26 February 2019