

BREADTALK GROUP LIMITED
Company Registration Number: 200302045G

ESTABLISHMENT OF A JOINT VENTURE COMPANY
- TWIN PEAKS VENTURE SINGAPORE PTE. LTD.

The Board of Directors of BreadTalk Group Limited (the "Company") wishes to announce that its wholly-owned subsidiary, BreadTalk Pte. Ltd. ("BTPL") has established a joint venture company by the name of "Twin Peaks Venture Singapore Pte. Ltd." ("TWIN"), a private limited company incorporated in Singapore, pursuant to a joint venture agreement ("JVA") with SPORE Donut & Coffee Venture Pte. Ltd. ("SPORE").

BTPL and SPORE have each subscribed for the shares in TWIN in the proportion of 70:30 respectively. Accordingly, BTPL has subscribed for 7 ordinary shares for S\$7.00 and SPORE has subscribed for 3 ordinary shares for S\$3.00 in TWIN, representing 100% of the entire paid-up capital of TWIN.

A further 1,499,990 new ordinary shares would be subscribed by and allotted to BTPL and SPORE in TWIN, pursuant to the JVA, in the following proportions:

Shareholder	Number of new shares issued	% shareholding of enlarged capital
BTPL	1,049,993	70
SPORE	449,997	30

The total consideration for BTPL's 1,050,000 ordinary shares would be S\$1,050,000.00 and TWIN, which shall become a subsidiary of BTPL, will acquire and manage the "J.Co Donuts & Coffee" or "J.Co" master franchise in Singapore.

This transaction is funded by internal resources and is not expected to have any material impact on the earnings per share and net tangible assets of the Company and the Group for the financial year ending 31 December 2007.

The investment does not constitute a discloseable transaction under the provisions of Rule 1010 of the Singapore Exchange Securities Trading Limited's Listing Manual.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the above transaction.

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

17 December 2007