

BREADTALK GROUP LIMITED
Company Registration Number: 200302045G

ESTABLISHMENT OF JOINT VENTURE COMPANY IN CHINA
- SHANGHAI HONG BU RANG FOOD AND BEVERAGE MANAGEMENT CO., LTD

The Board of Directors of BreadTalk Group Limited (the "Company") wishes to announce that Shanghai Xin Jia Fang Food & Beverage Co., Ltd, ("Shanghai Xin Jia Fang "), a wholly-owned subsidiary of Topwin Investment Holding Pte Ltd, which is in turn a wholly owned subsidiary of the Company has established a joint venture company by the name of "Shanghai Hong Bu Rang Food And Beverage Management Co., Ltd" ("Shanghai Hong Bu Rang") pursuant to a joint venture agreement with Mr Lin Long-Yuen (Mr. Lin").

Shanghai Hong Bu Rang has a registered capital of US\$140,000, which will be contributed by Shanghai Xin Jia Fang and Mr Lin in equal proportion of US\$70,000 each.

Shanghai Hong Bu Rang, which will become an associated company of the Company will be engaged in the business of food and beverage management.

The investment will be 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

11 June 2007