

BREADTALK GROUP LIMITED
Company Registration Number: 200302045G

INCREASE IN INVESTMENT IN CHARCOAL PTE LTD.

Further to the announcement dated 13 November 2006, the Board of Directors of BreadTalk Group Limited (the "Company") wishes to announce that pursuant to the joint venture agreement, its wholly-owned subsidiary, BreadTalk Pte Ltd ("BTPL"), Mr You, Jin-Huei and Mr Song Yih have subscribed for and were allotted an additional 449,999, 90,000 and 60,000 new shares respectively in the capital of Charcoal Pte Ltd, for a consideration of S\$1.00 per share.

Following the aforesaid allotment of shares, BTPL holds 75%, Mr You, Jin-Huei holds 15% and Mr Song Yih holds the remaining 10% shareholding of the enlarged number of shares in the capital of Charcoal Pte Ltd.

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 and substantial shareholders of the Company has any interest, direct or indirect in the above transaction.

BY ORDER OF THE BOARD

Submitted by Tan Cher Liang, Secretary, on 20 March 2007 to the SGX.