



**Old Chang Kee Ltd.
and its subsidiaries**

Company Registration No. 200416190W

**Condensed Interim Financial Statements
for the six months ended 30 September 2023**

Table of Contents	Page
A. Condensed interim consolidated statement of comprehensive income	3
B. Condensed interim statement of financial position	4
C. Condensed interim statement of changes in equity	5
D. Condensed interim consolidated statement of cash flows	7
E. Notes to the condensed interim consolidated financial statements	8
F. Other information required by Catalist Rule Appendix 7C	16

A. Condensed interim consolidated statement of comprehensive income for the six-months ended 30 September 2023

	Note	The Group		Increase / (Decrease) %
		1st Half Year Ended		
		30-09-2023 S\$'000	30-09-2022 S\$'000	
Revenue	4	50,239	43,662	15.1
Cost of sales		(16,849)	(15,163)	11.1
Gross profit		33,390	28,499	17.2
Other items of income				
Interest income on short term deposits		498	71	601.4
Other income		630	573	9.9
Other items of expenses				
Selling and distribution expenses		(19,534)	(17,789)	9.8
Administrative expenses		(7,918)	(6,680)	18.5
Finance costs		(507)	(304)	66.8
Other expenses		(827)	(1,028)	(19.6)
Profit before tax	6	5,732	3,342	71.5
Income tax expense	7	(1,352)	(718)	88.3
Profit for the period		4,380	2,624	66.9
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations		7	161	(95.7)
Other comprehensive income for the period, net of tax		7	161	(95.7)
Total comprehensive income for the period, attributable to owners of the Company		4,387	2,785	57.5
Earnings per share for profit for the period attributable to the owners of the Company during the period				
Basic (SGD in cent)		3.61	2.16	
Diluted (SGD in cent)		3.61	2.16	

B. Condensed interim statement of financial position

	Note	The Group		The Company	
		30-09-2023	31-03-2023	30-09-2023	31-03-2023
		S\$'000	S\$'000	S\$'000	S\$'000
Non-Current Assets					
Property, plant and equipment	11	16,761	17,414	-	-
Right-of-use assets	11	18,815	19,005	-	-
Intangible assets	10	267	194	-	-
Investment in subsidiary companies		-	-	5,640	5,640
Deferred tax assets		12	12	12	12
Long term deposits		2,341	2,361	-	-
		<u>38,196</u>	<u>38,986</u>	<u>5,652</u>	<u>5,652</u>
Current Assets					
Inventories		1,181	1,003	-	-
Trade and other receivables	5	628	483	27	20
Deposits	5	1,282	1,236	-	-
Prepayments		1,285	1,233	20	31
Amount due from subsidiary companies	5	-	-	6,111	5,537
Cash and bank balances	5	37,538	33,927	8,513	9,217
Restricted cash	5	2,500	2,500	-	-
		<u>44,414</u>	<u>40,382</u>	<u>14,671</u>	<u>14,805</u>
Current Liabilities					
Trade and other payables	5	9,082	8,494	2,413	2,815
Other liabilities	5	143	141	-	-
Provisions		2,424	2,222	68	50
Bank loans	12	1,222	1,191	-	-
Finance lease liabilities	12	285	288	-	-
Lease liabilities	5	9,132	9,372	-	-
Provision for taxation		2,218	1,869	104	82
		<u>24,506</u>	<u>23,577</u>	<u>2,585</u>	<u>2,947</u>
Net Current Assets		19,908	16,805	12,086	11,858
Non-Current Liabilities					
Bank loans	12	2,291	2,910	-	-
Finance lease liabilities	12	751	891	-	-
Lease liabilities	5	10,570	10,693	-	-
Deferred tax liabilities		363	341	-	-
		<u>13,975</u>	<u>14,835</u>	<u>-</u>	<u>-</u>
Net Assets		44,129	40,956	17,738	17,510
Equity attributable to owners of the Company					
Share capital		13,964	13,964	13,964	13,964
Retained earnings		29,871	26,705	3,774	3,546
Other reserves		294	287	-	-
Total Equity		44,129	40,956	17,738	17,510

C. Condensed interim statement of changes in equity

Equity attributable to owners of the Company				
The Group	Share capital	Retained earnings	Foreign currency translation reserve	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 01-04-2023	13,964	26,705	287	40,956
Profit for the period	-	4,380	-	4,380
Other comprehensive income				
Exchange differences on translating foreign operations	-	-	7	7
Total comprehensive income for the period	-	4,380	7	4,387
Dividends on ordinary shares	-	(1,214)	-	(1,214)
Balance at 30-09-2023	13,964	29,871	294	44,129
Balance at 01-04-2022	13,964	22,983	31	36,978
Profit for the period	-	2,624	-	2,624
Other comprehensive income				
Exchange differences on translating foreign operations	-	-	161	161
Total comprehensive income for the period	-	2,624	161	2,785
Dividends on ordinary shares	-	(1,214)	-	(1,214)
Balance at 30-09-2022	13,964	24,393	192	38,549

C. Condensed interim statement of changes in equity (cont'd)

The Company	Share capital	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000
Balance at 01-04-2023	13,964	3,546	17,510
Profit for the period	-	1,442	1,442
Other comprehensive income for the period	-	-	-
Total comprehensive profit for the period	-	1,442	1,442
Dividends on ordinary shares	-	(1,214)	(1,214)
Balance at 30-09-2023	13,964	3,774	17,738
Balance at 01-04-2022	13,964	4,592	18,556
Loss for the period	-	(163)	(163)
Other comprehensive income for the period	-	-	-
Total comprehensive loss for the period	-	(163)	(163)
Dividends on ordinary shares	-	(1,214)	(1,214)
Balance at 30-09-2022	13,964	3,215	17,179

D. Condensed interim consolidated statement of cash flows

	Note	The Group	
		1st Half Year Ended	
		30-09-2023	30-09-2022
		S\$'000	S\$'000
Cash flows from operating activities			
Profit before tax		5,732	3,342
Adjustments for:			
Allowance for amount due from associated company		-	53
Allowance for amount due from joint venture		170	109
Amortisation of intangible assets	10	24	18
Depreciation of property, plant and equipment	6	1,575	1,837
Depreciation of right-of-use assets	6	5,107	5,047
Gain on disposal of property, plant and equipment	6	(2)	-
Gain on disposal of right-of-use assets		-	(19)
Provision for unconsumed leave		99	12
Reversal of provision for reinstatement costs		(9)	(82)
Property, plant and equipment written off		2	1
Interest expense from borrowings and finance lease	6	119	79
Interest expense from amortisation of lease liabilities	6	388	225
Interest income	6	(498)	(71)
Currency realignment		50	222
Operating profit before changes in working capital		<u>12,757</u>	<u>10,773</u>
(Increase)/decrease in inventories		(178)	92
Increase in trade and other receivables		(142)	(140)
Increase in amount due from associate		-	(53)
Increase in amount due from joint venture		(20)	(49)
(Increase)/decrease in deposits		(26)	53
Increase in prepayments		(52)	(369)
Increase in trade and other payables		588	506
Increase/(decrease) in other liabilities		3	(7)
Cash flows generated from operations		<u>12,930</u>	<u>10,806</u>
Tax paid		(980)	(398)
Net cash flows generated from operating activities		<u>11,950</u>	<u>10,408</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	11	(864)	(443)
Purchase of intangible assets	10	(96)	-
Proceeds from disposal of property, plant and equipment		2	-
Loan to joint venture		(150)	(60)
Interest received		495	71
Net cash flows used in investing activities		<u>(613)</u>	<u>(432)</u>
Cash flows from financing activities			
Dividends paid		(1,214)	(1,214)
Repayment of finance lease liabilities		(143)	(139)
Repayment of lease obligation		(5,274)	(5,178)
Interest portion of lease liabilities paid		(388)	(225)
Interest paid		(119)	(79)
Repayment of bank loans		(588)	(639)
Net cash flows used in financing activities		<u>(7,726)</u>	<u>(7,474)</u>
Net increase in cash and cash equivalents		3,611	2,502
Cash and cash equivalents at the beginning of the financial period		<u>33,927</u>	<u>27,581</u>
Cash and cash equivalents at the end of the financial period		<u><u>37,538</u></u>	<u><u>30,083</u></u>

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Old Chang Kee Ltd. (the "Company") is a limited liability company incorporated in Singapore and was admitted to the official list of Catalist under the Singapore Exchange Securities Trading Limited Dealing and Automated Quotation ("SGX-SESDAQ") rules.

These condensed interim consolidated financial statements as at and for the six months ended 30 September 2023 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activity of the Company is investment holding.

The principal activities of the Group are:

- (a) manufacture and distribution of food products; and
- (b) operation of retail food outlets, and general trading.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 September 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2023.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies and methods of computation or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included below.

E. Notes to the condensed interim consolidated financial statements (cont'd)

2.3 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the shorter of the remaining lease term of the outlet or the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit ("CGU") being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs are the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2023.

3. Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is principally engaged in the manufacture and distribution of food products. As such, the Group has not presented a breakdown of segment information by operating segments. The following table presents revenue and results information regarding the Group's business segments for the six months ended 30 September 2023.

These geographical business segments are reported in a manner consistent with internal reporting provided to the chief executive officer who is responsible for allocating resources and assessing performance of these segments.

E. Notes to the condensed interim consolidated financial statements (cont'd)

4.1 Segments and revenue information

The Group 1 April 2023 - 30 September 2023	Singapore S\$'000	Australia S\$'000	Malaysia S\$'000	Eliminations S\$'000	Total S\$'000
Revenue					
Revenue from external customers	49,984	174	75	-	50,233
Revenue from other services rendered	-	-	6	-	6
Inter-segment revenue	92	-	893	(985)	-
Total segment revenue	50,076	174	974	(985)	50,239
Results:					
Segment profit	12,192	(145)	222	176	12,445
Interest income	482	-	16	-	498
Gain on disposal of property, plant and equipment	2	-	-	-	2
Depreciation of property, plant and equipment	(1,535)	-	(40)	-	(1,575)
Depreciation of right-of-use assets	(5,080)	(27)	-	-	(5,107)
Amortisation	(24)	-	-	-	(24)
Interest expenses					
- Borrowings	(119)	-	-	-	(119)
- Leases	(386)	(2)	-	-	(388)
Profit/(loss) before tax	5,532	(174)	198	176	5,732
Taxation					(1,352)
Profit, net of tax					4,380
Other segment information:					
Segment Assets	79,377	150	3,100	(17)	82,610
Segment Liabilities	38,223	100	158	-	38,481
Expenditure for segment non-current assets					
- Additions to property, plant and equipment	860	-	4	-	864
- Additions to right-of-use assets	4,918	-	-	-	4,918
- Additions to intangible assets	96	-	-	-	96
	5,874	-	4	-	5,878

E. Notes to the condensed interim consolidated financial statements (cont'd)

4.1 Segment and revenue information (cont'd)

The Group 1 April 2022 - 30 September 2022	Singapore S\$'000	Australia S\$'000	Malaysia S\$'000	Eliminations S\$'000	Total S\$'000
Revenue					
Revenue from external customers	43,463	175	24	-	43,662
Inter-segment revenue	85	-	983	(1,068)	-
Total segment revenue	43,548	175	1,007	(1,068)	43,662
Results:					
Segment profit	10,360	(176)	236	38	10,458
Interest income	66	-	5	-	71
Gain on disposal of right-of-use assets	19	-	-	-	19
Depreciation of property, plant and equipment	(1,796)	-	(41)	-	(1,837)
Depreciation of right-of-use assets	(5,042)	(5)	-	-	(5,047)
Amortisation	(18)	-	-	-	(18)
Interest expenses					
- Borrowings	(78)	-	(1)	-	(79)
- Leases	(224)	(1)	-	-	(225)
Profit/(loss) before tax	3,287	(182)	199	38	3,342
Taxation					(718)
Profit, net of tax					2,624
Other segment information:					
Segment Assets	70,978	232	2,994	(26)	74,178
Segment Liabilities	35,220	159	250	-	35,629
Expenditure for segment non-current assets					
- Additions to property, plant and equipment	780	2	1	-	783
- Additions to right-of-use assets	3,398	128	-	-	3,526
	4,178	130	1	-	4,309

E. Notes to the condensed interim consolidated financial statements (cont'd)

4.2 Disaggregation of Revenue

	The Group	
	1st Half Year Ended	
	30-09-2023	30-09-2022
Type of goods or services		
Outlet sales	44,812	39,438
Non-outlet sales	5,427	4,224
Total revenue	<u>50,239</u>	<u>43,662</u>
Primary geographical markets		
Singapore	49,985	43,463
Australia	174	175
Malaysia	80	24
Total revenue	<u>50,239</u>	<u>43,662</u>
Timing of transfer of goods		
At a point in time	50,239	43,662

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2023 and 31 March 2023:

	The Group		The Company	
	30-09-2023	31-03-2023	30-09-2023	31-03-2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at amortised cost				
Trade and other receivables	628	483	27	20
Deposits	3,623	3,597	-	-
Amounts due from subsidiaries	-	-	6,111	5,537
Cash and bank balances	37,538	33,927	8,513	9,217
Restricted cash	2,500	2,500	-	-
Total financial assets at amortised cost	<u>44,289</u>	<u>40,507</u>	<u>14,651</u>	<u>14,774</u>
Financial liabilities at amortised cost				
Trade and other payables	9,082	8,494	2,413	2,815
Other liabilities	143	141	-	-
Bank loans	3,513	4,101	-	-
Finance lease liabilities	1,036	1,179	-	-
Lease liabilities	19,702	20,065	-	-
Less:				
GST payable	(966)	(806)	(158)	(130)
Contract liabilities	(327)	(307)	-	-
Total financial liabilities at amortised cost	<u>32,183</u>	<u>32,867</u>	<u>2,255</u>	<u>2,685</u>

E. Notes to the condensed interim consolidated financial statements (cont'd)**6. Profit before taxation****6.1 Significant items**

	The Group	
	1st Half Year Ended	
	30-09-2023	30-09-2022
	S\$'000	S\$'000
Income		
Interest income	498	71
Gain on disposal of property, plant and equipment	2	-
Gain on disposal of right-of-use assets	-	19
Government grant		
- Employment related grant	224	110
- Rental rebate and other government grant	2	49
Expenses		
Interest expense from borrowings and finance lease	119	79
Interest expense from amortisation of lease liabilities	388	225
Depreciation of property, plant and equipment	1,575	1,837
Depreciation of right-of-use assets	5,107	5,047
Allowance for amount due from joint venture	170	109
Allowance for amount due from associated company	-	53
Loss in foreign exchange, net	127	256
Utilities expenses	1,563	1,492
Packaging material expenses	800	738

6.2 Related party transactions

There are no material related party transactions exceeding S\$100,000 apart from those disclosed elsewhere in the financial statements.

7. Taxation

The Group calculates the income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	The Group	
	1st Half Year Ended	
	30-09-2023	30-09-2022
	S\$'000	S\$'000
Current income tax expenses		
- Current income tax expenses	1,303	883
- Under provision in respect of prior period	26	-
Deferred income tax expense relating to origination and reversal of temporary differences	23	(165)
Taxation recognised in the consolidated statement of comprehensive income	1,352	718

E. Notes to the condensed interim consolidated financial statements (cont'd)

8. Dividends

	The Group	
	30-09-2023	30-09-2022
Declared and paid during the financial period		
Dividends on ordinary shares:		
- Final exempt 2023 dividends of S\$1.0 cent per share (Half year ended 30 September 2022: Final exempt 2022 dividends of S\$1.0 cent per share)	1,214	1,214
Dividend per share (net of tax)	\$0.010	\$0.010

9. Net Asset Value

Net Asset Value	The Group		The Company	
	30-09-2023	31-03-2023	30-09-2023	31-03-2023
Net asset value per ordinary share based on total number of issued shares as at the end of the financial period reported on	\$0.36	\$0.34	\$0.15	\$0.14
Total number of issued shares as at the end of the financial period reported on	121,374,700	121,374,700	121,374,700	121,374,700

10. Intangible assets

Group	Club membership S\$'000	Computer software licences S\$'000	Total S\$'000
At 31 March 2023			
Cost	175	773	948
Accumulated amortisation	(51)	(702)	(753)
Currency realignment	-	(1)	(1)
Net book value	124	70	194
Cost			
As at 1 April 2023	175	773	948
Additions	-	96	96
Disposals	-	(24)	(24)
As at 30 September 2023	175	845	1,020
Accumulated amortisation			
As at 1 April 2023	52	702	754
Amortisation during the period	4	20	24
Disposals	-	(24)	(24)
Currency realignment	-	(1)	(1)
As at 30 September 2023	56	697	753
Carrying amounts at 30 September 2023	119	148	267

E. Notes to the condensed interim consolidated financial statements (cont'd)

11. Property, plant and equipment

During the six months ended 30 September 2023, the Group acquired assets amounting to S\$864,000 (the six months ended 30 September 2022: S\$783,000) and disposed of assets amounting to S\$2,000 (the six months ended 30 September 2022: Nil).

12. Borrowings

12.1 Bank Loans

	The Group and Company	
	30-09-2023	31-03-2023
	S\$'000	S\$'000
Secured bank loans		
Amount repayable within one year or on demand	1,222	1,191
Amount repayable after one year	2,291	2,910

12.2 Finance Leases

	The Group and Company	
	30-09-2023	31-03-2023
	S\$'000	S\$'000
Finance leases		
Amount repayable within one year or on demand	285	288
Amount repayable after one year	751	891

Bank loans are secured by:

- (i) a first legal mortgage on freehold and leasehold properties owned by the Group's wholly owned subsidiary companies as at 30 September 2023; and
- (ii) corporate guarantees given by the Company as at 30 September 2023.

Finance lease obligations are secured by the lessors' title to the respective leased assets.

13. Share Capital

	The Group and Company			
	30-09-2023		31-03-2023	
	Number of shares	Amount S\$'000	Number of shares	Amount S\$'000
Ordinary shares issued and fully paid				
At the beginning and end of the financial period	121,374,700	13,964	121,374,700	13,964

There was no change in the Company's share capital since the end of the previous period reported on being 31 March 2023. The Company did not hold any treasury shares, subsidiary holdings, or have any outstanding options and/or other convertibles as at 30 September 2022, 31 March 2023 and 30 September 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2023 and 31 March 2023.

E. Notes to the condensed interim consolidated financial statements (cont'd)**14. Earnings per share**

Basic earnings per share ("EPS") is calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to owners of the Company by the aggregate of the weighted average number of ordinary shares outstanding during the period and the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The basic and diluted EPS for the six months ended 30 September 2023 and 30 September 2022 were the same as there were no potentially dilutive securities in issue as at 30 September 2023 and 30 September 2022.

EPS after deducting any provision for preference dividends :-	The Group	
	30-09-2023	30-09-2022
(a) Based on weighted average number of ordinary shares in issue (Singapore cents); and	3.61	2.16
(b) On a fully diluted basis (Singapore cents)	3.61	2.16

Number of shares used in the respective computations of EPS :-	The Group	
	30-09-2023	30-09-2022
(a) Based on weighted average number of ordinary shares in issue; and	121,374,700	121,374,700
(b) On a fully diluted basis	121,374,700	121,374,700

15. Subsequent events

There are no known subsequent events which may lead to adjustments to this set of interim financial statements.

F. Other Information Required by Catalist Rule Appendix 7C**1 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The condensed consolidated statement of financial position of Old Chang Kee Ltd. and its subsidiaries as at 30 September 2023 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the auditors.

2 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

2A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable, as the Group's latest audited financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

- 3 (i) Details of any changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Please refer to note 13 of the notes to financial statements.

- (ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Please refer to note 13 of the notes to financial statements.

- (iii) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable, as the Company does not have any treasury shares.

- (iv) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable, as the Company does not have any subsidiary holdings.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Please refer to note 2 of the notes to financial statements.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Please refer to note 2.1 of the notes to financial statements.

- 6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

- (a) based on the weighted average number of ordinary shares on issue; and
(b) on a fully diluted basis (detailing any adjustments made to the earnings).**

Please refer to note 14 of the notes to financial statements.

- 7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current financial period reported on; and
(b) immediately preceding financial year.**

Please refer to note 9 of the notes to financial statements.

8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-

- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, asset or liabilities of the Group during the current financial period reported on.**

(A) Statement of Comprehensive Income

For the period from 1 April 2023 to 30 September 2023 ("1H2024"), the Group's revenue increased by approximately S\$6.6 million or 15.1%. This increase in revenue arose mainly due to higher retail, catering, and non-retail sales, partially offset by lower delivery revenue. As at 30 September 2023, the Group operated a total of 82 outlets in Singapore.

Revenue from retail outlets increased by approximately S\$5.4 million or 13.6% mainly due to increased revenue earned from new outlets as well as an increase in revenue from the Group's existing outlets, partially offset by a decrease in revenue from closed outlets.

Revenue from other services, such as delivery, catering services and non-retail sales, increased by approximately S\$1.2 million or 28.5%. This increase in revenue from other services arose primarily due to higher corporate catering orders and non-retail sales with the continued pick-up in corporate events being organised, partially offset by lower delivery sales during the period.

The Group's gross profit margin increased by 1.2% to 66.5% in 1H2024, mainly due to improved cost management, product pricing management and lower production depreciation expenses as a percentage of revenue due to higher revenue generated for the current period.

Other income increased slightly by approximately S\$57,000 due to new employment grant income of approximately S\$114,000, which was partially offset by lower other government grant income of approximately S\$46,000 for the current period.

Interest income increased by approximately S\$0.4 million due to higher interest rates on short-term fixed deposits.

The increase in the Group's selling and distribution ("S & D") expenses had arisen due to higher staff costs, utility expenses at retail outlets, packing materials, depreciation of right-of-use assets, turnover rental expenses and the absence of rental rebates from landlords, with these expenses being partially offset by lower depreciation expenses at retail outlets during 1H2024. As a percentage of revenue, total S & D expenses decreased from 40.7% to 38.9%, mainly due to the increase in retail sales during the period.

The increase in the Group's administrative expenses was attributable to higher staff costs including higher bonus provision arising from the increase in profit for 1H2024, bank charges and medical and other maintenance expenses, with these expenses being partially offset by lower expenses in respect of upkeep of motor vehicles for the current period.

Finance costs increased slightly by approximately S\$0.2 million mainly due to higher interest rates on bank loans.

Other expenses decreased by S\$0.2 million mainly due to lower depreciation expenses and impairment loss for amounts due from an associated company, and lower foreign exchange loss pursuant to foreign exchange revaluation of inter-company loans to the Group's Australian and Malaysian subsidiaries for the current period, with the reduction in expenses being partially offset by higher impairment for amounts due from the Group's joint venture in the United Kingdom.

The decrease in depreciation expenses was mainly due to an increase in fully depreciated assets (comprising the Group's property, plant and equipment), with the decrease in such expenses being offset by an increase in depreciation for right-of-use assets mainly for new and renewed leases of retail outlets.

The Group's taxation expenses increased by S\$0.6 million mainly due to the increase in revenue and lower non-tax deductible items for the period.

(B) Statement of Financial Position

Non-current assets

The Group's non-current assets decreased by approximately S\$0.8 million mainly due to:

- (i) a decrease in property, plant and equipment arising from depreciation expenses, which was offset by additions during 1H2024;

- (ii) a decrease in right-of-use assets arising from right-of-use depreciation expenses, which was offset by new and renewed leases entered into during 1H2024; and
- (iii) a decrease in long term deposits arising from reclassification of lease deposits in accordance with the respective lease tenures during 1H2024; which was offset by deposits paid for new outlets and lease renewal.

Current assets

The Group's current assets increased by approximately S\$4.0 million, mainly due to:

- (i) an increase in cash and bank balances of approximately S\$3.6 million. Further details of the Group's cash flows are set out in paragraph (C) below;
- (ii) an increase in inventories of approximately S\$0.2 million, arising from bulk purchase of products from a new overseas supplier;
- (iii) an increase in prepayments, arising from an increase in annual insurance premium during 1H2024;
- (iv) an increase in short term deposits, arising from deposits for new upcoming outlets and reclassification of lease deposits in accordance with the respective lease tenures; offset by refund of deposits from closed outlets; and
- (v) an increase in trade and other receivables, arising from increases in credit sales to corporate customers.

Current and non-current liabilities

The net increase in the Group's current and non-current liabilities of S\$69,000 was mainly due to:

- (i) an increase in trade and other payables of approximately S\$0.6 million, arising from an increase in trade creditors as a result of the higher sales and an increase in accrual expenses during the period;
- (ii) an increase in tax provision due to the higher profit before tax and lower tax-deductible items during the period, which was partially offset by tax paid during the period;
- (iii) a decrease in lease liabilities mainly due to lease repayment, which was offset by new lease commitments during the period; and
- (iv) a decrease in liabilities pertaining to bank loans and finance leases, mainly due to repayments made during the period.

Net working capital

As at 30 September 2023, the Group had a positive net working capital of approximately S\$19.9 million, compared to approximately S\$16.8 million as at 31 March 2023.

(C) Statement of Cash Flows

In 1H2024, the Group generated an operating profit before working capital changes of approximately S\$12.8 million. Net cash generated from operating activities, inclusive of working capital changes and tax paid, amounted to approximately S\$12.0 million in 1H2024.

In 1H2024, net cash used in investing activities amounted to approximately S\$613,000. This was mainly due to acquisitions of motor vehicles as well as plant and equipment, and a loan extended to the Group's joint venture for the current period.

Net cash used in financing activities amounted to approximately S\$7.7 million in 1H2024. This was mainly due to the distribution of dividends amounting to approximately S\$1.2 million during 1H2024, repayment of lease obligations inclusive of lease interest of approximately S\$5.7 million, and repayments of bank loans and finance lease during the period.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The Group notes that inflationary pressures have remained persistent, particularly raw material, utility and labour costs, and rental costs remain elevated. Singapore's extremely low unemployment rate and foreign manpower policies have also intensified the ongoing manpower shortage in the retail sector.

The Group has and will continue with its efforts to reduce operating costs, improve gross margins and rationalise its operations to overcome manpower shortages, and seek more non-retail revenue streams, including business-to-business sales during this challenging period of sustained inflation. The Group continues to look for opportunities to increase the number of outlets at key transport nodes.

11. Dividend information

(a) Whether an interim (final) ordinary dividend has been declared (recommended).

Name of Dividend:	Ordinary (Interim)
Dividend Type:	Cash
Dividend per share:	1.0 Singapore cent per ordinary share
Tax Rate:	Tax exempt (one-tier)

(b) Previous corresponding period (cents)

Name of Dividend:	Ordinary (Interim)
Dividend Type:	Cash
Dividend per share:	1.0 Singapore cent per ordinary share
Tax Rate:	Tax exempt (one-tier)

(c) Date payable

On or around 19 December 2023.

(d) Record date

1 December 2023.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from its shareholders for recurrent interested person transactions ("IPTs"). There were no IPTs exceeding S\$100,000 entered into for the financial period under review.

14. Additional Information Required Pursuant to Rule 706A

During 1H2024, the Company did not undertake any acquisition or sale of shares which resulted in a company becoming or ceasing to be a subsidiary or associated company of the Company, or resulted in the Company increasing or reducing its shareholding percentage in a subsidiary or associated company.

15. Negative confirmation by the Board pursuant to Rule 705(5) of the Catalist Listing Manual

We, Han Keen Juan and Lim Tao-E William, being two of the Directors of Old Chang Kee Ltd., do hereby confirm on behalf of the Board of Directors of the Company (the "Board") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the six months ended 30 September 2023 to be false or misleading in any material aspect.

16. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("Catalist Rules").

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

On behalf of the Board

Han Keen Juan
Executive Chairman

Lim Tao-E William
Executive Director and Chief Executive Officer

BY ORDER OF THE BOARD

Adrian Chan Pengee
Company Secretary

14 November 2023

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.