

OLD CHANG KEE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number 200416190W)

RESPONSES TO QUESTIONS IN CONNECTION WITH THE ANNUAL GENERAL MEETING TO BE HELD ON 29 SEPTEMBER 2020

The Board of Directors (the “**Board**”) of Old Chang Kee Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to thank all shareholders of the Company (“**Shareholders**”) who submitted their questions in advance of the Company’s Annual General Meeting which will be convened and held by way of electronic means on Tuesday, 29 September 2020 at 2.00 p.m.

We trust that Shareholders will understand that because of the overlapping questions received, we will not be responding to each and every question individually.

The substantial and relevant questions received from Shareholders and the corresponding responses from the Company are as set out below:

1. What is the business outlook in view of the pandemic and the upcoming Singapore and global recession? What cost cutting measures have been implemented such as remuneration cuts? What is the impact on our overseas operations caused by the pandemic?

Retail sales have improved since the gradual easing of the circuit breaker measures from June 2020 onwards, but still remain below pre-pandemic levels. The drop in retail sales has been partially offset by an increase in non-retail revenues such as corporate catering orders for bento meals and delivery sales. However the overall business outlook will continue to remain challenging till Coronavirus Disease 2019 (“**Covid-19**”) is brought under control worldwide.

To reduce operating cost, the Group has adjusted the operating hours for outlets that remain open after reviewing the traffic flow, and reduced the overtime hours for our operating frontline crew, where appropriate. The Group will also continue to focus on operational improvements including factory and retail productivity, and raw materials control.

On the impact of Covid-19 on our overseas operations, for the financial year ended 31 March 2020, the Group has made an impairment of amount due from (a) our joint venture in United Kingdom (“**UK**”) of approximately \$1.4 million and (b) the Company’s Malaysian associate of approximately S\$229,000. The Group will continue to review if there is a need to make further impairment to its assets, both in Singapore and overseas, depending on how the pandemic pans out in the months ahead.

2. Are there any future plans to expand business or new business ideas?

As Old Chang Kee is a halal and “Hazard Analysis and Critical Control Point” certified caterer, the Group has been expanding our corporate catering function for bento meals to partially offset the impact of Covid-19 on our retail business. The Group has also collaborated with e-commerce partners such as Shopee to expand the commercial sale of our food items.

3. Will dividends be increased in the coming years?

The Company does not have a fixed dividend policy and the proposed dividend for each financial year recommended by the Board is based on the assessment of the Group’s cash flow requirements, current and future business outlook and strategy.

By Order of the Board

Name: Lim Tao-E William
Designation: Chief Executive Officer
28 September 2020

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.

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