

OLD CHANG KEE LTD.
(Company Registration No.: 200416190W)
(Incorporated in the Republic of Singapore on 16 December 2004)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FIRST HALF ENDED 30 SEPTEMBER 2020**

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of comprehensive income	The Group		
	30-09-2020	30-09-2019	Increase / (Decrease)
	S\$'000	S\$'000	%
Revenue	38,181	44,616	(14.4)
Cost of sales	(12,970)	(16,300)	(20.4)
Gross profit	25,211	28,316	(11.0)
Other items of income			
Interest income on short term deposits	30	52	(42.3)
Other income	4,446	480	826.3
Other items of expenses			
Selling and distribution expenses	(14,555)	(19,432)	(25.1)
Administrative expenses	(7,324)	(6,071)	20.6
Finance costs	(364)	(498)	(26.9)
Other expenses	(509)	(781)	(34.8)
Profit before tax and share of results of joint venture	6,935	2,066	235.7
Share of results of joint venture	-	(143)	(100.0)
Profit before tax	6,935	1,923	260.6
Income tax expense	(801)	(369)	117.1
Profit for the period	6,134	1,554	294.7
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	(137)	45	(404.4)
Other comprehensive income for the period, net of tax	(137)	45	(404.4)
Total comprehensive income for the period, attributable to owners of the Company	5,997	1,599	275.0

1(a)(ii)

Notes to consolidated statement of comprehensive income

1. Profit before tax is arrived at after charging/(crediting) the following:

	The Group		
	1H2021	1H2020	+/(-)
	S\$'000	S\$'000	%
Amortisation of intangible assets	23	35	(34.3)
Depreciation of property, plant and equipment	2,448	2,556	(4.2)
Depreciation of right-of-use assets	5,406	4,616	17.1
Interest income from short-term deposits	(30)	(52)	(42.3)
Interest expense from borrowings and finance lease	72	152	(52.6)
Interest expense from amortisation of lease liabilities	292	346	(15.6)
(Gain)/loss in foreign exchange, net	(140)	110	(227.3)
Property, plant and equipment written off	1	-	NM
Gain on disposal of property, plant and equipment	(16)	(10)	60.0
Gain on disposal of right-of-use assets	(16)	-	NM

NM. Not meaningful

2. The major components of taxation comprise:

	The Group		
	1H2021	1H2020	+/(-)
	S\$'000	S\$'000	%
Current income tax			
-Current income taxation	1,043	560	86.3
Deferred income tax			
-Movement in temporary differences	(242)	(191)	26.7
Taxation recognised in the consolidated statement of comprehensive income	801	369	117.1

1(b)(i)

A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	30-09-2020	31-03-2020	30-09-2020	31-03-2020
	S\$'000	S\$'000	S\$'000	S\$'000
Non-Current Assets				
Property, plant and equipment	22,922	25,149	-	-
Right-of-use assets	16,804	19,344	-	-
Intangible assets	163	186	-	-
Investment in subsidiary companies	-	-	5,640	5,640
Investment in associates and joint venture	-	-	-	-
Deferred tax assets	10	10	10	10
Long term deposits	1,852	2,358	-	-
	<u>41,751</u>	<u>47,047</u>	<u>5,650</u>	<u>5,650</u>
Current Assets				
Inventories	910	1,285	-	-
Trade and other receivables	1,614	2,738	60	159
Deposits	1,630	1,355	-	-
Prepayments	1,627	1,085	29	24
Amount due from joint venture	24	-	-	-
Amount due from associated companies	41	-	16	-
Amount due from subsidiary companies	-	-	7,093	6,385
Cash and bank balances	22,775	11,749	5,381	3,866
Restricted cash	2,500	2,500	-	-
	<u>31,121</u>	<u>20,712</u>	<u>12,579</u>	<u>10,434</u>
Current Liabilities				
Trade and other payables	10,206	8,297	2,733	906
Other liabilities	158	182	-	-
Provisions	2,401	2,435	63	47
Bank loans	1,243	1,222	-	-
Finance lease liabilities	191	170	-	-
Lease liabilities	8,633	9,837	-	-
Provision for taxation	1,670	1,011	31	26
	<u>24,502</u>	<u>23,154</u>	<u>2,827</u>	<u>979</u>
Net Current Assets/(Liabilities)	6,619	(2,442)	9,752	9,455
Non-Current Liabilities				
Bank loans	6,069	6,718	-	-
Finance lease liabilities	313	401	-	-
Lease liabilities	8,678	9,931	-	-
Deferred tax liabilities	919	1,161	-	-
	<u>15,979</u>	<u>18,211</u>	<u>-</u>	<u>-</u>
Net Assets	<u>32,391</u>	<u>26,394</u>	<u>15,402</u>	<u>15,105</u>
Equity attributable to owners of the Company				
Share capital	13,964	13,964	13,964	13,964
Retained earnings	18,347	12,213	1,438	1,141
Other reserves	80	217	-	-
Total Equity	<u>32,391</u>	<u>26,394</u>	<u>15,402</u>	<u>15,105</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30-09-2020		As at 31-03-2020	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,434	-	1,392	-

Amount repayable after one year

As at 30-09-2020		As at 31-03-2020	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
6,382	-	7,119	-

Details of any collateral

The Group's borrowings are secured as follows:

1. 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 2020 and 31 March 2020 respectively; and
- (ii) corporate guarantee by the Company as at 30 September 2020 and 31 March 2020 respectively.

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

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group	
	1H2021 S\$'000	1H2020 S\$'000
Cash flows from operating activities		
Profit before tax	6,935	1,923
Adjustments for:		
Amortisation of intangible assets	23	35
Depreciation of property, plant and equipment	2,448	2,556
Depreciation of right-of-use assets	5,406	4,616
Gain on disposal of property, plant and equipment	(16)	(10)
Gain on disposal of right-of-use assets	(16)	-
Property, plant and equipment written off	1	-
Share of results of joint venture	-	143
Interest expense from borrowings and finance lease	72	152
Interest expense from amortisation of lease liabilities	292	346
Interest income	(30)	(52)
Currency realignment	(139)	65
Operating profit before changes in working capital	14,976	9,774
Decrease/(increase) in inventories	375	(243)
Decrease in trade and other receivables	1,108	8
Increase in amount due from associates	(41)	(53)
Increase in amount due from joint venture	(24)	(11)
Decrease/(increase) in deposits	231	(219)
Increase in prepayments	(542)	(224)
Increase in trade and other payables	1,909	139
(Decrease)/increase in other liabilities	(24)	2
(Decrease)/increase in provisions	(34)	22
Cash flows from operations	17,934	9,195
Tax paid	(384)	(663)
Net cash flows from operating activities	17,550	8,532
Cash flows from investing activities		
Purchase of property, plant and equipment	(221)	(1,199)
Purchase of intangible asset	-	(28)
Proceeds from disposal of property, plant and equipment	31	10
Loan to joint venture	-	(257)
Interest received	46	52
Net cash flows used in investing activities	(144)	(1,422)
Cash flows from financing activities		
Dividends paid	-	(1,821)
Proceeds from bank loan	-	8,482
Repayment of finance lease liabilities	(87)	(116)
Repayment of lease obligation	(5,301)	(4,421)
Interest portion of lease liabilities paid	(292)	(346)
Interest paid	(72)	(152)
Repayment of bank loans	(628)	(9,119)
Bank deposit pledged	-	(2,500)
Net cash flows used in financing activities	(6,380)	(9,993)
Net increase/(decrease) in cash and cash equivalents	11,026	(2,883)
Cash and cash equivalents at the beginning of the financial period	11,749	15,447
Cash and cash equivalents at the end of the financial period	22,775	12,564

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

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 01-04-2020	13,964	12,213	217	26,394
Profit for the period	-	6,134	-	6,134
<u>Other comprehensive income</u>				
Foreign currency translation	-	-	(137)	(137)
Total comprehensive income for the period	-	6,134	(137)	5,997
Balance at 30-09-2020	13,964	18,347	80	32,391

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 01-04-2019	13,964	14,398	95	28,457
Profit for the period	-	1,554	-	1,554
<u>Other comprehensive income</u>				
Foreign currency translation	-	-	45	45
Total comprehensive income for the period	-	1,554	45	1,599
Dividends on ordinary shares	-	(1,821)	-	(1,821)
Balance at 30-09-2019	13,964	14,131	140	28,235

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Retained earnings	Total equity
The Company	S\$'000	S\$'000	S\$'000
Balance at 01-04-2020	13,964	1,141	15,105
Profit for the period	-	297	297
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	297	297
Balance at 30-09-2020	13,964	1,438	15,402

	Share capital	Retained earnings	Total equity
The Company	S\$'000	S\$'000	S\$'000
Balance at 01-04-2019	13,964	3,045	17,009
Profit for the period	-	32	32
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	32	32
Dividends on ordinary shares	-	(1,821)	(1,821)
Balance at 30-09-2019	13,964	1,256	15,220

1(d)(ii) 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.

Ordinary shares

	Number of shares	S\$'000
Issued and fully paid ordinary shares as at 30 September 2020 and 31 March 2020	121,374,700	13,964

There were no treasury shares, subsidiary holdings, outstanding options and/or other convertibles as at 30 September 2020 and 30 September 2019.

1(d)(iii) 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.

	As at 30-09-2020	As at 31-03-2020
Total number of issued shares	121,374,700	121,374,700

1(d)(iv) 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. There were no treasury shares during and as at the end of the current financial period reported on.

1(d)(v) 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. There were no subsidiary holdings during and as at the end of the current financial period reported on.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures in this announcement have not been audited or reviewed by the Group's auditor.

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on effort taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

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

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 March 2020.

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.

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("INT SFRS(I)") that are effective for annual periods beginning on or after 1 April 2020 and are relevant to its operations.

The adoption of these new/revised SFRS(I) and INT SFRS(I) does not result in any material changes to the Group's accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recently audited financial statements as at 31 March 2020 except as described below:-

Amendment to SFRS(I) 16: Covid-19 Related Rent Concessions

The Group has elected to early adopt the Amendment to SFRS(I) 16: Covid-19 Related Rent Concessions ("Amendment") which is effective from 1 June 2020. Under the Amendment, as a practical expedient, the Group may elect to account for any change in lease payments resulting from rent concession as if the change was not a lease modification. As a result of this election, the Group has recognised rent concessions of approximately S\$2.4 million to offset against outlet rental expenses under selling and distribution expenses in respect of the half year ended 30 September 2020.

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.

Basic earnings per ordinary share ("EPS") is computed by dividing the earnings attributable to owners of the Company in each financial period by the weighted average number of ordinary shares in issue during the respective financial periods.

EPS after deducting any provision for preference dividends :-	The Group	
	1H2021	1H2020
(a) Based on weighted average number of ordinary shares in issue (Singapore cents); and	5.05	1.28
(b) On a fully diluted basis (Singapore cents)	5.05	1.28

Number of shares used in the respective computations of EPS :-	The Group	
	1H2021	1H2020
(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

The basic and diluted EPS for the financial periods ended 30 September 2020 and 30 September 2019 are the same as there are no potentially dilutive shares in issue as at 30 September 2020 and 30 September 2019.

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.

	The Group		The Company	
	30-09-2020	31-03-2020	30-09-2020	31-03-2020
Net asset value per ordinary share based on total number of issued shares as at the end of the financial period reported on	\$0.27	\$0.22	\$0.13	\$0.12
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

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, assets or liabilities of the group during the current financial period reported on.

(A) Statement of Comprehensive Income

1H2021 vs 1H2020

For the period from 1 April 2020 to 30 September 2020 ("1H2021"), the Group's revenue decreased by approximately S\$6.4 million or 14.4% mainly due to a decrease in revenue from retail outlets, offset by higher revenue from delivery and catering sales. As at 30 September 2020, the Group operated a total of 88 outlets in Singapore, as compared to 90 outlets as at 30 September 2019.

Revenue from retail outlets decreased by approximately S\$15.5 million or 36.5% mainly due to the social distancing measures imposed during the Phase 1 circuit breaker ("CB"), as a result of Coronavirus Disease 2019 ("Covid-19") outbreak.

Revenue from other services, such as delivery and catering services, increased by approximately S\$9.1 million mainly due to catering of packed meals to foreign workers dormitories, and higher delivery revenue during Phase 1 CB.

The Group's gross profit improved by 2.5% to 66.0% in 1H2021, mainly due to economies of scale from the large-scale catering of packed meals to foreign workers dormitories.

Other income increased by approximately S\$4.0 million due to government grants such as Job Support Scheme ("JSS"), Wage Credit Scheme and property tax rebates.

The decrease in selling and distribution ("S & D") expenses was largely due to lower staff cost, as some outlets were closed during the CB period, lower outlet operating expenses, waiver of foreign worker levies in April 2020 and rental rebates received from landlords during 1H2021.

The increase in administrative expenses was mainly due to higher staff incentive provision arising from the increase in profit for 1H2021, offset by lower travelling, upkeep of motor vehicle, repair and maintenance expenses due to the temporary closure of some outlets and measures imposed by the government during Phase 1 CB.

Finance costs decreased mainly due to lower loan interest rates and lower lease liabilities during the period.

Other expenses decreased by S\$272,000, mainly due to exchange rate gains on foreign currency denominated payables to related companies within the Group.

The increase in depreciation expenses was mainly due to recognition of lease-related depreciation attributed to the right-of-use assets, as a result of outlet lease renewals.

The Group's taxation expenses increased by S\$432,000 mainly due to higher profit for the current financial period. The effective tax rate for the current period dropped to 11.6% mainly due to higher non-taxable JSS grant income for the current period.

(B) Statement of Financial Position

Non-current assets

The Group's non-current assets decreased by approximately S\$5.3 million, mainly due to depreciation expenses of approximately S\$7.9 million for property, plant and equipment and right-of-use assets, offset by recognition of additional right-of-use assets due to lease renewals.

The changes in long term deposits were due to reclassification of lease deposits from long term to short term, in accordance with the respective lease tenures, and partial refund of lease deposits by some landlords to assist retailers to cope with the Covid-19 health crisis.

Current assets

The Group's current assets increased by approximately S\$10.4 million mainly due to:

- (a) an increase in deposits, due to reclassification of lease deposits from long term to short term, in accordance with the respective lease tenures as mentioned above;
- (b) an increase in prepayments, mainly due to an increase in annual insurance premium during 1H2021; and
- (c) an increase in cash and bank balance of approximately S\$11.0 million as explained under the statement of cash flow below.

The increase in current assets was partially offset by:

- (d) a decrease in inventories mainly due to lower purchases arising from reduced retail sales in 1H2021; and
- (e) a decrease in trade and other receivables of approximately S\$1.1 million mainly due to grant receipts from government agencies of approximately S\$856,000.

Current and non-current liabilities

The increase in the Group's current liabilities of approximately S\$1.3 million was mainly due to:

- (a) an increase in other payables of approximately S\$2.3 million due to higher staff incentive provision arising from the increase in profit for 1H2021; and
- (b) reclassification of approximately S\$3.3 million in lease liabilities between current and non-current based on contractual obligations and new lease liabilities of S\$1.2 million for new outlets and lease renewals, offset by lease liabilities repayments and lease termination of approximately S\$5.7 million during the period.

The decrease in the Group's non-current liabilities was mainly due to loan and finance lease repayments, and reclassification of approximately S\$3.3 million in lease liabilities between current and non-current based on contractual obligations, offset by recognition of new lease liabilities of approximately S\$2.0 million during the period.

Net working capital

As at 30 September 2020, the Group had a positive net working capital of approximately S\$6.6 million compared to a negative working capital of S\$2.4 million as at 31 March 2020.

Cash flow

In 1H2021, the Group generated an operating profit before working capital changes of approximately S\$15.0 million. Net cash generated from operating activities, inclusive of working capital changes, amounted to approximately S\$17.6 million in 1H2021.

In 1H2021, net cash used in investing activities amounted to approximately S\$144,000. This was mainly attributable to additions of plant and equipment for the Group's factory and retail outlets.

Net cash used in financing activities amounted to approximately S\$6.4 million in 1H2021. This was mainly due to repayment of lease obligations including interest of approximately S\$5.6 million, and repayments of bank loans and finance lease liabilities including interest, of approximately S\$787,000.

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 impact of Covid-19 on businesses in general has been unprecedented. While our retail revenue continues to show improvements since the end of Phase 1 CB, significant uncertainty still hangs over the entire retail sector both in Singapore and overseas.

Our retail revenues remain considerably below pre Covid-19 levels as at to date, due to various social distancing measures put in place, resulting in operational losses for some of our retail outlets. The Group will continue to review if there is a need to provide for further impairment to our assets, depending on how Covid-19 pans out in the months ahead.

Since the onset of the pandemic, the Group had received corporate catering orders (including dormitory orders) for bento meals. Our non-retail revenues had helped to partially offset the plunge in retail sales for the half year ended 30 September 2020, but these non-retail revenue streams are expected to taper off as the Covid-19 situation improves in Singapore. The Group will continue with our efforts to reduce operating costs, improve operational efficiencies and seek more non-retail revenue streams including beefing up our e-commerce presence during this difficult period. In the meantime, the Group will continue to closely monitor if retail sales will improve to pre Covid-19 levels, as Singapore gradually moves into Phase 3 (Safe Nation) in the coming weeks and months.

At this critical juncture, the Board is grateful to the Singapore Government for the unprecedented support measures such as the JSS, which will help to cushion the impact of the continuing slowdown in our revenue and operational profits for the next reporting period and the next 12 months.

The Group has been prudent with its spending over the past years. Provided that the health crisis does not deteriorate materially resulting in the complete closure of all our retail outlets for an extended period, the Board believes that the Group's cash balance is sufficient to buffer against the impact of Covid-19 for at least the next 12 months.

11 Dividend.

If a decision regarding dividend has been made:-

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

Name of Dividend:	Ordinary (Interim)
Dividend Type:	Cash
Dividend per share:	0.5 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 17 December 2020.

(d) Record date

3 December 2020.

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.

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 1H2021, 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 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 half year ended 30 September 2020 to be false or misleading in any material aspects.

16 Confirmation pursuant to Rule 720(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“Catalist Rules”).

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

On behalf of the Board:

Han Keen Juan
Director

Lim Tao-E William
Director

BY ORDER OF THE BOARD

Adrian Chan Pengee
Company Secretary

11 November 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.

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