

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

**FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011**

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

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

Consolidated statement of comprehensive income	Group		
	6 Months Period From		
	01-07-2011 to 31-12-2011	01-07-2010 to 31-12-2010	Increase / (decrease)
	S\$'000	S\$'000	%
Revenue	31,780	29,386	8.1
Cost of sales	(12,679)	(11,654)	8.8
Gross profit	<u>19,101</u>	<u>17,732</u>	7.7
Other items of income			
Interest income on short term deposits	13	11	18.2
Other income	508	265	91.7
Other items of expenses			
Selling and distribution expenses	(12,107)	(11,506)	5.2
Administrative expenses	(4,342)	(3,440)	26.2
Finance costs	(28)	(30)	(6.7)
Other expenses	(300)	(538)	(44.2)
Profit before taxation	<u>2,845</u>	<u>2,494</u>	14.1
Taxation	<u>(234)</u>	<u>(603)</u>	(61.2)
Profit, net of tax	<u>2,611</u>	<u>1,891</u>	38.1
Other comprehensive income			
Exchange differences on translating foreign operations	(7)	(4)	75.0
Other comprehensive income for the period, net of tax	<u>(7)</u>	<u>(4)</u>	75.0
Total comprehensive income for the period, attributable to owners of the Company	<u>2,604</u>	<u>1,887</u>	38.0

1(a)(ii) Notes to consolidated statement of comprehensive income

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

	Group Six Months Period From		
	01-07-2011 to 31-12-2011	01-07-2010 to 31-12-2010	Increase / (Decrease)
	S\$'000	S\$'000	%
Amortisation of intangible assets	15	232	(93.5)
Depreciation of property, plant and equipment	1,781	1,512	17.8
Gain in foreign exchange	(62)	(25)	148.0
Property, plant and equipment written off	6	39	(84.6)
Gain on disposal of property, plant and equipment	(140)	(4)	NM

2. The major components of taxation comprise:

	Group Six Month Period From		
	01-07-2011 to 31-12-2011	01-07-2010 to 31-12-2010	Increase / (Decrease)
	S\$'000	S\$'000	%
Current income tax			
- Current income taxation	427	324	31.8
- Over provision in respect of prior years	(307)	-	NM
Deferred income tax			
- Movement in temporary differences	114	279	(59.1)
Taxation	234	603	(61.2)

NM: Not meaningful

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.**

	Group		Company	
	As at		As at	
	31-12-2011	31-12-2010	31-12-2011	31-12-2010
	S\$'000	S\$'000	S\$'000	S\$'000
Non-Current Assets				
Property, plant and equipment	12,888	11,737	-	-
Intangible assets	79	85	-	-
Investment in subsidiary companies	-	-	5,600	5,600
Investment in unquoted shares	273	273	273	273
Long term deposits	1,530	1,611	-	-
	14,770	13,706	5,873	5,873
Current Assets				
Inventories	1,002	628	-	-
Trade and other receivables	379	470	-	-
Deposits	888	590	-	-
Prepayments	1,307	1,277	11	11
Amount due from subsidiary companies	-	-	2,768	1,265
Amount due from associated company	94	-	94	-
Cash and bank balances	14,782	13,024	3,865	6,484
	18,452	15,989	6,738	7,760
Current Liabilities				
Trade and other payables	5,279	5,156	1,012	631
Other liabilities	118	104	-	-
Provisions	1,483	607	-	-
Bank loans	-	150	-	-
Finance lease liabilities	337	263	-	-
Provision for taxation	863	653	18	29
	8,080	6,933	1,030	660
Net Current Assets	10,372	9,056	5,708	7,100
Non-Current Liabilities				
Finance lease liabilities	351	503	-	-
Deferred tax liabilities	990	977	-	-
	1,341	1,480	-	-
Net Assets	23,801	21,282	11,581	12,973
Equity Attributable to Owners of the Company				
Share capital	10,269	10,081	10,269	10,081
Retained earnings	12,314	9,921	231	1,756
Other reserves	1,218	1,280	1,081	1,136
Total Equity	23,801	21,282	11,581	12,973

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

Amount repayable in one year or less, or on demand

As at 31-12-2011		As at 31-12-2010	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
337	-	413	-

Amount repayable after one year

As at 31-12-2011		As at 31-12-2010	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
351	-	503	-

The Group's borrowings are secured as follows:

1. Finance lease obligations are secured by the lessors' title to the respective leased assets.
2. As at 31 December 2010, bank loans were secured by
 - (i) a first legal mortgage on the leasehold property owned by a wholly owned subsidiary; and
 - (ii) corporate guarantee by the Company.

Bank loans were fully paid during the 6 months financial period ended 31 December 2011, and there were no outstanding bank loans as at 31 December 2011.

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

	Group	
	6 Months Period From	
	01-07-2011 to 31-12-2011	01-07-2010 to 31-12-2010
	\$	\$
Cash flows from operating activities		
Profit before taxation	2,845	2,494
Adjustments for:		-
Amortisation of intangible assets	15	232
Depreciation of property, plant and equipment	1,781	1,512
Gain on disposal of property, plant and equipment	(140)	(4)
Property, plant and equipment written off	6	39
Interest expense	29	30
Interest income	(13)	(11)
Currency realignment	(15)	4
Operating profit before changes in working capital	<u>4,508</u>	<u>4,296</u>
Increase in inventories	(368)	(38)
Decrease in trade and other receivables	193	269
Increase in amount due from associated company	(94)	-
Increase in deposits	(119)	(43)
Increase in prepayments	(224)	(584)
Increase in trade and other payables	372	1,827
Increase/(decrease) in other liabilities	11	(10)
Increase/(decrease) in provisions	125	(9)
Cash flows from operations	<u>4,404</u>	<u>5,708</u>
Tax paid	(90)	(390)
Net cash flows from operating activities	<u>4,314</u>	<u>5,318</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,419)	(1,882)
Purchase of intangible assets	(15)	(35)
Proceeds from disposal of property, plant and equipment	272	45
Interest received	13	11
Net cash flows used in investing activities	<u>(2,149)</u>	<u>(1,861)</u>
Cash flows from financing activities		
Proceeds from issuance of ordinary shares pursuant to warrants exercised	10	48
Net proceeds from issuance of warrants	-	1,156
Repayment of finance lease liabilities	(397)	(204)
Interest paid	(29)	(30)
Repayment of bank loans	(21)	(128)
Net cash flows (used in)/from financing activities	<u>(437)</u>	<u>842</u>
Net increase in cash and cash equivalents	1,728	4,299
Cash and cash equivalents at the beginning of the financial period	13,054	8,725
Cash and cash equivalents at the end of the financial period	<u>14,782</u>	<u>13,024</u>

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.

The Group	Equity attributable to owners of the Company						
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Foreign currency translatio S\$'000	Warrant reserve S\$'000	Asset revaluation reserve S\$'000	Total equity S\$'000
At 1-7-2010	10,013	8,030	148	4	-	144	18,191
Profit for the period	-	1,891	-	-	-	-	1,891
Foreign differences on translating foreign operations	-	-	(4)	(4)	-	-	(4)
Total comprehensive income for the period	-	1,891	(4)	(4)	-	-	1,887
Issuance of warrants	-	-	1,401	-	1,401	-	1,401
Warrants issue expenses	-	-	(245)	-	(245)	-	(245)
Issuance of ordinary shares pursuant to warrants exercised	68	-	(20)	-	(20)	-	48
At 31-12-2010	10,081	9,921	1,280	-	1,136	144	21,282
At 1-7-2011	10,254	9,703	1,230	-	1,086	144	21,187
Profit for the period	-	2,611	-	-	-	-	2,611
Foreign differences on translating foreign operations	-	-	(7)	(7)	-	-	(7)
Total comprehensive income for the period	-	2,611	(7)	(7)	-	-	2,604
Issuance of ordinary shares pursuant to warrants exercised	15	-	(5)	-	(5)	-	10
At 31-12-2011	10,269	12,314	1,218	(7)	1,081	144	23,801

The Company	Share capital S\$'000	Warrant reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
At 1-7-2010	10,013	-	100	10,113
Profit for the period	-	-	1,656	1,656
Total comprehensive income for the period	-	-	1,656	1,656
Issuance of warrants	-	1,401	-	1,401
Warrants issue expenses	-	(245)	-	(245)
Issuance of ordinary shares pursuant to warrants exercised	68	(20)	-	48
At 31-12-2010	10,081	1,136	1,756	12,973
At 1-7-2011	10,254	1,086	360	11,700
Loss for the period	-	-	(129)	(129)
Total comprehensive income for the period	-	-	(129)	(129)
Issuance of ordinary shares pursuant to warrants exercised	15	(5)	-	10
At 31-12-2011	10,269	1,081	231	11,581

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

Ordinary shares

	Number of shares	S\$'000
Issued and fully paid ordinary shares as at 1-7-2011	95,108,400	10,254
Allotment and issue of new ordinary shares upon the exercise of Warrants	109,000	15
Issued and fully paid ordinary shares as at 31-12-2011	95,217,400	10,269

Warrants

On 9 September 2010, Old Chang Kee Ltd. (the "Company" and together with its subsidiaries, the "Group") issued 28,020,000 warrants at an issue price of S\$0.05 for each warrant, each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.10 for each new share, on the basis of three (3) warrant(s) for every ten (10) existing ordinary shares in the capital of the Company, fractional entitlements to be disregarded.

As at 31 December 2011, 1,817,400 warrants have been exercised and converted into ordinary shares of the Company (31 December 2010: 484,400).

As at 31 December 2011, the total number of shares that may be issued on conversion of all outstanding warrants is 26,202,600 (31 December 2010: 27,535,600).

- 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 31-12-2011	As at 31-12-2010
Total number of issued shares (excluding treasury shares)	95,217,400	93,884,400

There were no treasury shares as at 31 December 2011 and 31 December 2010.

- 1(d)(iv) A statement showing all sales, transfers, disposal, 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.

- 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 auditors.

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

Not applicable.

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

Save as disclosed in paragraph 5 below, the Group has consistently applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the most recently audited financial statements for the financial year ended 31 December 2010.

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 adopted the new/revised Financial Reporting Standards (“FRS”) and Interpretations to FRS (“INT FRS”) that are relevant to its operations and are effective for periods beginning on or after 1 January 2011. Changes to the Group’s accounting policies have been made as required in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of the new/revised FRS and INT FRS did not result in any substantial changes to the Group’s and the Company’s accounting policies and has no material impact on the financial statements for the current financial period reported on.

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

Earnings per ordinary share of the Group after deducting any provision for preference dividends:-	Group 6 Months Ended	
	31-12-2011	31-12-2010
(a) Based on weighted average number of ordinary shares in issue; and	2.74 cents	2.02 cents
(b) On a fully diluted basis	2.33 cents	1.80 cents

Basic earnings per ordinary share of the Group is computed by dividing the earnings attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares in issue during the respective financial period:

	Group 6 Months Ended	
	31-12-2011	31-12-2010
(a) Based on weighted average number of ordinary shares in issue; and	95,129,052	93,555,765
(b) On a fully diluted basis	111,824,764	105,177,308

Fully diluted earnings per ordinary share is computed by dividing the earnings attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares in issue after adjusting for the dilutive effect on the exercise of all outstanding convertibles.

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.

	Group		Company	
	31-12-2011	31-12-2010	31-12-2011	31-12-2010
Net asset value per ordinary share based on issued ordinary shares as at the end of the financial period reported on	S\$0.25	S\$0.23	S\$0.12	S\$0.14
Issued ordinary shares as at the end of the period	95,217,400	93,884,400	95,217,400	93,884,400

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

Revenue

The Group's revenue increased from approximately S\$29.4 million for the 6 months period from 1 July 2010 to 31 December 2010 ("2H2010") to approximately S\$31.8 million for the 6 months period from 1 July 2011 to 31 December 2011 ("2H2011"), an increase of approximately S\$2.4 million or 8.1%.

Revenue from the retail division increased from approximately S\$27.8 million in 2H2010 to approximately S\$30.4 million in 2H2011, an increase of approximately S\$2.6 million or 9.4%. The increase was mainly contributed by revenue generated from new outlets and higher revenue from existing outlets.

As at 31 December 2011, the Group operated a total of 81 outlets in Singapore as compared to 78 outlets as at 31 December 2010.

Revenue from other services such as delivery and catering services decreased from approximately S\$1.5 million in 2H2010 to approximately S\$1.3 million in 2H2011, a decrease of approximately S\$0.2 million or 13.3%.

The Group's signature puff products remained the major contributor to our revenue and accounted for approximately 34.1% of our revenue in 2H2011 as compared to approximately 34.3% in 2H2010.

Cost of sales and gross profit

Cost of sales increased from approximately S\$11.7 million in 2H2010 to approximately S\$12.7 million in 2H2011, an increase of approximately S\$1.0 million or 8.8%. The increase, which was in line with higher revenue generated by the Group, arose mainly from an increase in raw material costs in 2H2011.

The Group's gross profit increased from approximately S\$17.7 million in 2H2010 to approximately S\$19.1 million in 2H2011, an increase of approximately S\$1.4 million or 7.7%. The Group's gross profit margin decreased slightly from approximately 60.3% in 2H2010 to 60.1% in 2H2011.

The slight decrease in gross profit margin was mainly attributed to higher raw material costs in 2H2011, as compared to 2H2010.

Other income

Other income increased from approximately S\$265,000 in 2H2010 to approximately S\$508,000 in 2H2011, an increase of approximately S\$243,000 or 91.7%.

The increase was mainly due to gain from disposal of property, plant and equipment of approximately S\$140,000, higher government grants of approximately S\$63,000 and higher revenue from sale of waste oil of approximately S\$37,000.

Operating Expenses

Selling and distribution expenses

Selling and distribution ("S&D") expenses increased from approximately S\$11.5 million in 2H2010 to approximately S\$12.1 million in 2H2011, an increase of approximately S\$0.6 million or 5.2%. S&D expenses in 2H2011 amounted to approximately 38.1% of revenue as compared to approximately 39.2% in 2H2010.

The improvement in S&D expenses as a percentage of revenue was largely attributed to the following:-

- 1) advertising and promotional expenses decreased from approximately 2.5% of revenue in 2H2010 to approximately 0.7% of revenue in 2H2011. This was mainly due to lower marketing consultancy expenses and a decrease in the number of sales promotion events in 2H2011;
- 2) expenses relating to staff benefits decreased from approximately 15.9% of revenue in 2H2010 to approximately 15.7% in 2H2011 mainly because the rate of increase of such expenses was lower than the rate of increase in revenue in 2H2011.

The decrease in S&D expenses as a percentage of revenue was partially offset by an increase in depreciation expenses from approximately 2.4% of revenue in 2H2010 to approximately 3.3% in 2H2011. This was mainly due to higher renovation expenses incurred, including leasehold improvement works, for new and existing outlets.

Administrative expenses

Administrative expenses increased from approximately S\$3.4 million in 2H2010 to approximately S\$4.3 million in 2H2011, an increase of approximately S\$0.9 million or 26.2%.

The increase in administrative expenses was mainly due to the following:

- 1) an increase in staff and director remuneration by approximately S\$628,000;
- 2) an increase in travelling expenses by approximately S\$95,000.
- 3) an increase in legal, professional and compliance expenses by approximately S\$83,000.

Other expenses

Other expenses decreased by approximately S\$238,000 or 44.2%, largely attributed to the following;

- 1) amortisation of intangible assets decreased by approximately S\$217,000;
- 2) foreign exchange gain increased by approximately S\$37,000 as compared to 2H2010. The foreign exchange gain was mainly derived from overseas purchases of inventories; and
- 3) write-offs of property, plant and equipment decreased by approximately S\$34,000 as compared to 2H2010;

and the decrease was partially offset by an increase of approximately S\$51,000 for depreciation of office equipment in 2H2011.

As a result of the above, total operating expenses increased from approximately S\$15.5 million in 2H2010 to approximately S\$16.8 million in 2H2011, an increase of approximately S\$1.3 million or 8.1%. Total operating expenses amounted to approximately 52.8% of revenue in 2H2011 and 2H2010 respectively.

Depreciation

Depreciation increased from approximately S\$1.5 million in 2H2010 to approximately S\$1.8 million in 2H2011, an increase of approximately S\$0.3 million or 17.8%. The increase was mainly due to renovation costs, including leasehold improvement works, and additions of plant and equipment to the Group's new and existing outlets.

Profit before taxation

The Group's profit before taxation increased from approximately S\$2.5 million in 2H2010 to approximately S\$2.8 million in 2H2011, an increase of approximately S\$0.4 million or 14.1%.

Taxation

The Group's taxation expenses decreased from approximately S\$603,000 to S\$234,000, a decrease of approximately S\$369,000 or 61.2%. This was mainly attributed to write-back of YA 2010 and YA 2011 tax provision.

Balance Sheet

Non-current assets

The Group's non-current assets increased by approximately S\$1.1 million or 7.8% to S\$14.8 million as at 31 December 2011, mainly due to the purchase of a new factory facility amounting to approximately S\$1.1 million.

The increase was partially offset by a decrease in long term deposits of approximately S\$81,000, mainly due to the reclassification of long-term deposits to short-term deposits in accordance with the respective lease tenures.

Current assets

The Group's current assets increased by approximately S\$2.5 million mainly due to the following:

- (a) Higher inventory balance by approximately S\$374,000 mainly due to bulk purchases of inventories from our overseas suppliers;
- (b) an increase in short-term deposits amounting to approximately S\$298,000, mainly due to the reclassification of long-term deposits to short-term deposits in accordance with the respective lease tenures; and additional lease deposits paid for new outlets;
- (c) advances to an associated company of approximately S\$94,000 for renovation and refurbishment works; and
- (d) an increase in cash and bank balances by approximately S\$1.8 million.

The increase in cash and bank balances was mainly attributed to cash flow from operating activities of approximately S\$8.2 million; disposal of plant and equipment of approximately S\$295,000 and net proceeds from the issuance of ordinary shares pursuant to warrants exercised of approximately S\$133,000.

The increase in cash and bank balances was partially offset by the following:

- (i) purchase of property, plant and equipment amounting to approximately S\$4.7 million;
- (ii) dividend payment of approximately S\$1.4 million; and
- (iii) repayment of financial liabilities and bank loans including interest of approximately S\$741,000.

The increase in the Group's current assets was offset by a decrease in trade and other receivables amounting to approximately S\$91,000 mainly due to repayments during the period.

Current liabilities

The Group's current liabilities increased by approximately S\$1.1 million to approximately S\$8.1 million as at 31 December 2011 due mainly to the following:

- i) an increase in the provision for reinstatement expenses by approximately S\$838,000, in relation to the costs required to reinstate the Group's new and existing outlets to their original condition upon the expiry of their respective leases;

- ii) an increase in provision for tax by approximately S\$181,000 due to provision for tax for the period, partially offset by tax payments made during the financial period reported on; and
- iii) an increase in trade payables of approximately S\$123,000 due to higher purchases from our suppliers during the financial period reported on.

The increase in the Group's current liabilities was partially offset by a decrease in bank loans of approximately S\$150,000 arising mainly from repayments made during the financial period reported on.

Non-current liabilities

The Group's non-current liabilities decreased by approximately S\$139,000, from approximately S\$1.5 million as at 31 December 2010 to approximately S\$1.3 million as at 30 June 2011, mainly due to repayments of finance lease liabilities during the financial period reported on.

Net working capital

As at 31 December 2011, the Group had a positive net working capital of approximately S\$10.4 million as compared to approximately S\$9.1 million as at 31 December 2010.

Cash flow

In 2H2011, the Group generated an operating profit before working capital changes of approximately S\$4.5 million. Net cash generated from operating activities amounted to approximately S\$4.3 million. The net cash outflow from working capital changes comprised mainly of an increase in inventories, prepayments and deposits, partially offset by a decrease in trade and other receivables, an increase in trade and other payables and an increase in provisions.

In 2H2011, net cash used in investing activities amounted to approximately S\$2.1 million. This was mainly attributed to the purchase of a new factory facility for S\$1.1 million; and renovation costs and purchase of plant and equipment for the Group's new and existing retail outlets. This was partially offset by proceeds from disposal of plant and equipment of approximately S\$272,000.

Net cash used in financing activities amounted to approximately S\$0.4 million in 2H2011. This was mainly attributed to the repayment of bank loans and finance lease liabilities including interest.

The Group's cash and cash equivalents amounted to approximately S\$14.8 million as at 31 December 2011, as compared to approximately S\$13.0 million as at 31 December 2010.

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 expects operating lease expenses (rental), labour and raw material costs to remain high in the next reporting period.

11 Dividend.

(a) Current financial period reported on.

Whether an interim (final) ordinary dividend has been declared (recommended) for the current financial period reported on?

None.

(b) Corresponding period of the immediately preceding financial year.

Whether an interim (final) ordinary dividend has been declared (recommended) for the previous corresponding period?

For the previous financial year from 1 January 2010 to 31 December 2010, the Directors had declared dividends as follows:

Name of Dividend	: Ordinary (final)
Dividend Type	: Cash
Dividend per share	: 1.0 cents per ordinary share
Tax Rate	: Tax exempt (one-tier)

Name of Dividend	: Special (final)
Dividend Type	: Cash
Dividend per share	: 0.5 cents per ordinary share
Tax Rate	: Tax exempt (one-tier)

(c) Date payable.

Not applicable.

(d) Books closure date.

Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended.

13 Interested Person Transactions

The Group does not have a general mandate for recurrent interested person transactions.

14 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 six months financial period ended 31 December 2011 to be false or misleading in any material aspects.

On behalf of the Board:

Han Keen Juan
Director

Lim Tao-E William
Director

BY ORDER OF THE BOARD

Adrian Chan Pengee
Company Secretary

9 February 2012

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.