

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 HALF YEAR ENDED 30 SEPTEMBER 2012**

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	Group		
	Half Year Ended		Increase /
	30-09-2012	30-09-2011	(Decrease)
	S\$'000	S\$'000	%
Revenue	32,211	30,679	5.0
Cost of sales	(12,702)	(12,214)	4.0
Gross profit	<u>19,509</u>	<u>18,465</u>	5.7
Other items of income			
Interest income on short term deposits	20	12	66.7
Other income	438	498	(12.0)
Other items of expenses			
Selling and distribution expenses	(12,640)	(12,193)	3.7
Administrative expenses	(4,514)	(4,033)	11.9
Finance costs	(13)	(31)	(58.1)
Other expenses	(412)	(313)	31.6
Profit before tax	<u>2,388</u>	<u>2,405</u>	(0.7)
Income tax expense	(412)	(457)	(9.8)
Profit for the period	<u>1,976</u>	<u>1,948</u>	1.4
Other comprehensive income:			
Exchange differences on translating foreign operations	16	(5)	NM
Other comprehensive income for the period, net of tax	<u>16</u>	<u>(5)</u>	NM
Total comprehensive income for the period, attributable to owners of the Company	<u><u>1,992</u></u>	<u><u>1,943</u></u>	2.5

NM: Not meaningful

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

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

	Group Half Year Ended		
	30-09-2012	30-09-2011	Increase / (Decrease)
	S\$'000	S\$'000	%
Write-back of allowance for doubtful debts	(7)	-	NM
Amortisation of intangible assets	14	15	(6.7)
Depreciation of property, plant and equipment	1,820	1,987	(8.4)
Interest income from short-term deposits	(20)	(12)	66.7
Gain in foreign exchange	(95)	(118)	(19.5)
Property, plant and equipment written off	128	97	32.0
Loss/(gain) on disposal of property, plant and equipment	2	(187)	NM

2. The major components of taxation comprise:

	Group Half Year Ended		
	30-09-2012	30-09-2011	Increase / (Decrease)
	S\$'000	S\$'000	%
Current income tax - Current income taxation	558	420	32.9
Deferred income tax - Movement in temporary differences	(146)	37	NM
Taxation recognised in the consolidated statement of comprehensive income	412	457	(9.8)

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	
	30-09-2012	31-03-2012	30-09-2012	31-03-2012
	S\$'000	S\$'000	S\$'000	S\$'000
Non-Current Assets				
Property, plant and equipment	12,366	13,019	-	-
Intangible assets	49	64	-	-
Investment in subsidiary companies	-	-	5,640	5,600
Investment in unquoted shares	273	273	273	273
Long term deposits	1,907	1,798	-	-
	<u>14,595</u>	<u>15,154</u>	<u>5,913</u>	<u>5,873</u>
Current Assets				
Inventories	1,197	1,057	-	-
Trade and other receivables	271	289	-	-
Deposits	781	711	-	-
Prepayments	1,205	1,303	31	24
Amount due from subsidiary companies	-	-	3,056	4,651
Amount due from associated companies	249	97	248	96
Cash and bank balances	16,199	15,923	3,964	4,137
	<u>19,902</u>	<u>19,380</u>	<u>7,299</u>	<u>8,908</u>
Current Liabilities				
Trade and other payables	5,253	5,208	824	1,091
Other liabilities	136	98	-	-
Provisions	1,894	1,936	-	-
Finance lease liabilities	258	332	-	-
Provision for taxation	747	1,105	10	20
	<u>8,288</u>	<u>8,679</u>	<u>834</u>	<u>1,111</u>
Net Current Assets	11,614	10,701	6,465	7,797
Non-Current Liabilities				
Finance lease liabilities	279	381	-	-
Deferred tax liabilities	846	992	-	-
	<u>1,125</u>	<u>1,373</u>	<u>-</u>	<u>-</u>
Net Assets	<u>25,084</u>	<u>24,482</u>	<u>12,378</u>	<u>13,670</u>
Equity attributable to owners of the Company				
Share capital	10,352	10,286	10,352	10,286
Retained earnings	13,538	12,999	969	2,308
Other reserves	1,194	1,197	1,057	1,076
Total Equity	<u>25,084</u>	<u>24,482</u>	<u>12,378</u>	<u>13,670</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 30-09-2012		As at 31-03-2012	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
258	-	332	-

Amount repayable after one year

As at 30-09-2012		As at 31-03-2012	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
279	-	381	-

Details of any collateral

The Group's 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.**

	Group Half Year Ended	
	30-09-2012 S\$'000	30-09-2011 S\$'000
Cash flows from operating activities		
Profit before tax	2,388	2,405
Adjustments for:		
Amortisation of intangible assets	14	15
Depreciation of property, plant and equipment	1,820	1,987
Loss/(gain) on disposal of property, plant and equipment	2	(187)
Property, plant and equipment written off	128	97
Intangible assets written off	1	-
Interest expense	13	31
Interest income	(20)	(12)
Currency realignment	68	(4)
Operating profit before changes in working capital	<u>4,414</u>	<u>4,332</u>
Increase in inventories	(140)	(281)
Decrease/(increase) in trade and other receivables	18	(126)
Increase in amount due from associated companies	(152)	-
Increase in deposits	(179)	(38)
Decrease in prepayments	98	85
Increase in trade and other payables	45	387
Increase in other liabilities	38	7
Decrease in provisions	(89)	(6)
Cash flows from operations	<u>4,053</u>	<u>4,360</u>
Tax paid	(916)	(507)
Net cash flows from operating activities	<u>3,137</u>	<u>3,853</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,302)	(1,301)
Purchase of intangible assets	-	(15)
Proceeds from disposal of property, plant and equipment	-	287
Interest received	20	12
Net cash flows used in investing activities	<u>(1,282)</u>	<u>(1,017)</u>
Cash flows from financing activities		
Proceeds from issuance of ordinary shares pursuant to warrants exercised	47	108
Repayment of finance lease liabilities	(176)	(392)
Interest paid	(13)	(31)
Repayment of bank loans	-	(86)
Dividends paid	(1,437)	(1,427)
Net cash flows used in financing activities	<u>(1,579)</u>	<u>(1,828)</u>
Net increase in cash and cash equivalents	276	1,008
Cash and cash equivalents at the beginning of the financial period	<u>15,923</u>	<u>13,568</u>
Cash and cash equivalents at the end of the financial period	<u><u>16,199</u></u>	<u><u>14,576</u></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.

Equity attributable to owners of the Company							
	Share capital	Retained earnings	Other reserves	Foreign currency translation reserve	Warrant reserve	Asset revaluation reserve	Total equity
The Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 01-04-2011	10,104	10,595	1,273	-	1,129	144	21,972
Profit for the period	-	1,948	-	-	-	-	1,948
Exchange differences on translating foreign operations	-	-	(5)	(5)	-	-	(5)
Total comprehensive income for the year	-	1,948	(5)	(5)	-	-	1,943
Dividends on ordinary shares	-	(1,427)	-	-	-	-	(1,427)
Issuance of ordinary shares pursuant to warrants exercised	152	-	(44)	-	(44)	-	108
At 30-09-2011	10,256	11,116	1,224	(5)	1,085	144	22,596
At 01-04-2012	10,286	12,999	1,197	(23)	1,076	144	24,482
Profit for the period	-	1,976	-	-	-	-	1,976
Exchange differences on translating foreign operations	-	-	16	16	-	-	16
Total comprehensive income for the period	-	1,976	16	16	-	-	1,992
Dividends on ordinary shares	-	(1,437)	-	-	-	-	(1,437)
Issuance of ordinary shares pursuant to warrants exercised	66	-	(19)	-	(19)	-	47
At 30-09-2012	10,352	13,538	1,194	(7)	1,057	144	25,084

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 Company	Share capital S\$'000	Warrant reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
At 01-04-2011	10,104	1,129	1,769	13,002
Profit for the period	-	-	40	40
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	40	40
Dividends on ordinary shares	-	-	(1,427)	(1,427)
Issuance of ordinary shares pursuant to warrants exercised	152	(44)	-	108
At 30-09-2011	10,256	1,085	382	11,723
At 01-04-2012	10,286	1,076	2,308	13,670
Profit for the period	-	-	98	98
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	98	98
Dividends on ordinary shares	-	-	(1,437)	(1,437)
Issuance of ordinary shares pursuant to warrants exercised	66	(19)	-	47
At 30-09-2012	10,352	1,057	969	12,378

- 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 April 2012	95,337,400	10,286
Allotment and issue of new ordinary shares upon the exercise of Warrants (as defined below)	469,200	66
Issued and fully paid ordinary shares as at 30 September 2012	95,806,600	10,352

Warrants

On 9 September 2010, the Company issued 28,020,000 warrants ("**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) Warrants for every ten (10) existing ordinary shares in the capital of the Company, fractional entitlements to be disregarded.

As at 30 September 2012, 2,406,600 Warrants have been exercised and converted into ordinary shares of the Company (30 September 2011: 1,725,400).

As at 30 September 2012, there were 25,613,400 outstanding Warrants (30 September 2011: 26,294,600); and the total number of shares that may be issued on conversion of all outstanding Warrants is 25,613,400 (30 September 2011: 26,294,600).

There were no treasury shares, outstanding options and/or other convertibles as at 30 September 2012 and 30 September 2011.

- 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 30-09-2012	As at 31-03-2012
Total number of issued shares	95,806,600	95,337,400

- 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 auditor.

- 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 period ended 31 March 2012.

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 financial periods beginning on or after 1 April 2012. 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 financial 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 (“EPS”) after deducting any provision for preference dividends:-	Group Period ended	
	30-09-2012	30-09-2011
(a) Based on weighted average number of ordinary shares in issue; and	2.07 cts	2.05 cts
(b) On a fully diluted basis	1.73 cts	1.72 cts

Basic EPS 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 periods.

Fully diluted EPS 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 upon the exercise of all outstanding Warrants.

	Group Period ended	
	30-09-2012	30-09-2011
(a) Based on weighted average number of ordinary shares in issue; and	95,593,646	94,966,334
(b) On a fully diluted basis	114,019,899	113,022,011

- 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	
	30-09-2012	31-03-2012	30-09-2012	31-03-2012
Net asset value per ordinary share based on issued share capital as at the end of the financial period reported on	S\$0.26	S\$0.26	S\$0.13	S\$0.14
Issued share capital as at the end of the period	95,806,600	95,337,400	95,806,600	95,337,400

- 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\$30.7 million for the period from 1 April 2011 to 30 September 2011 ("1H2012") to approximately S\$32.2 million for the period from 1 April 2012 to 30 September 2012 ("1H2013"), an increase of approximately S\$1.5 million or 5.0%.

Revenue from the retail division increased from approximately S\$29.3 million for 1H2012 to S\$31.1 million for 1H2013, an increase of approximately S\$1.8 million or 6.1%. The revenue growth was attributable to revenue contribution from new outlets as well as higher sales from the existing outlets.

Revenue from other services such as delivery and catering services decreased from approximately S\$1.4 million for 1H2012 to S\$1.1 million for 1H2013, a decrease of approximately S\$305,000 or 21.8%.

As at 30 September 2012, the Group operated a total of 79 outlets in Singapore, which was unchanged from 30 September 2011.

The Group's signature puff products remained the major contributor to its revenue and accounted for approximately 32.5% of the Group's revenue in 1H2013, as compared to approximately 34.3% in 1H2012.

Cost of sales and gross profit

Cost of sales increased from approximately S\$12.2 million in 1H2012 to S\$12.7 million in 1H2013, an increase of approximately S\$488,000 or 4.0%. The increase was mainly due to the higher revenue generated by the Group. While revenue increased by 5.0%, the cost of sales increased at a lower rate of 4.0%.

The Group's gross profit increased from approximately S\$18.5 million in 1H2012 to S\$19.5 million in 1H2013, an increase of approximately S\$1.0 million or 5.7%. The Group's gross profit margin increased from approximately 60.2% in 1H2012 to 60.6% in 1H2013.

The increase in the gross profit margin was mainly due to improved efficiency of production staff and closure of non-profitable overseas outlets.

Other income

Other income decreased from approximately S\$498,000 in 1H2012 to S\$438,000 in 1H2013, a decrease of approximately S\$60,000 or 12.0%.

The decrease was mainly due to absence of gain on disposal of motor vehicles for 1H2013 as compared to a gain on disposal of motor vehicles of approximately S\$187,000 generated in 1H2012.

The decrease in other income was partially offset by the following:

- a) higher insurance compensation income of approximately S\$22,000 mainly for medical expenses;
- b) higher interest income of approximately S\$8,000;
- c) Special employment credit grant provided by the Government in 1H2013 of S\$140,000 as compared to approximately S\$67,000 in grants received from government agencies in 1H2012.

Operating Expenses

Selling and distribution expenses

Selling and distribution ("S & D") expenses increased from approximately S\$12.2 million to S\$12.6 million, an increase of approximately S\$447,000 or 3.7%. S & D expenses in 1H2013 amounted to approximately 39.2% of revenue as compared to approximately 39.7% in 1H2012.

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

- a) subcontract expenses decreased from approximately 0.9% of revenue in 1H2012 to approximately 0.6% in 1H2013;
- b) depreciation for outlet renovation and equipment decreased from approximately 2.7% of revenue in 1H2012 to approximately 2.5% in 1H2013;
- c) provision for reinstatement costs of outlets decreased from 1.5% of revenue in 1H2012 to 0.8% in 1H2013;
- d) higher revenue generated from our existing retail outlets and closure of non-profitable outlets resulted in lower rental expenses as a percentage of revenue, from approximately 12.9% of revenue in 1H2012 to 12.6% in 1H2013.

The decrease in S & D expenses as a percentage of revenue was partially offset by an increase in the following expenses:-

- a) higher staff cost, higher CPF contribution rates and foreign worker levies accounted for an increase in staff related expenses, from approximately 16.0% of revenue in 1H2012 to 16.5% in 1H2013.
- b) higher storage charges from approximately 0.2% of revenue in 1H2012 to 0.5% in 1H2013.

Administrative expenses

Administrative expenses increased from approximately S\$4.0 million in 1H2012 to approximately S\$4.5 million in 1H2013, an increase of approximately S\$481,000 or 11.9%.

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

- a) an increase in staff and executive directors' remuneration by approximately S\$112,000;
- b) an increase in staff welfare and medical expenses by approximately S\$133,000;
- c) an increase in repair and maintenance expenses by approximately S\$75,000;
- d) an increase in donation and sponsorship expenses by approximately S\$73,000;
- e) an increase in legal, professional and compliance expenses by approximately S\$212,000.

The increase in administrative expenses was partially offset by decreases in computer support expenses, entertainment expenses, staff refreshment and travelling expenses, which amounted to approximately S\$141,000.

Other expenses

Other expenses increased by approximately S\$99,000 or 31.6%, largely attributed to the following:

- a) an increase in depreciation expenses for office equipment and fixed assets written off by approximately S\$81,000; and
- b) an increase in foreign exchange gain of approximately S\$23,000.

As a result of the above, total operating expenses increased from approximately S\$16.6 million in 1H2012 to approximately S\$17.6 million in 1H2013, an increase of approximately S\$1.0 million or 6.1%. Total operating expenses amounted to approximately 54.6% of revenue in 1H2013 and 54.0% in 1H2012 respectively.

Depreciation

Depreciation decreased from approximately S\$2.0 million in 1H2012 to approximately S\$1.8 million in 1H2013, a decrease of approximately S\$167,200 or 8.4%. The decrease was mainly due to lower depreciation for leasehold improvement expenses in 1H2013 by approximately S\$208,000, as compared to 1H2012.

Profit before tax

The Group's profit before tax decreased slightly by S\$17,000 in 1H2013 as compared to 1H2012.

Taxation

The Group's taxation expenses decreased from approximately S\$457,000 for 1H2012 to S\$412,000 for 1H2013, a decrease of approximately S\$45,000 or 9.8%. This was mainly attributed to higher deductible expenses for the current period under review.

Balance Sheet

Non-current assets

The Group's non-current assets decreased by approximately S\$559,000 or 3.7% to S\$14.6 million as at 30 September 2012, mainly due to depreciation expenses for the Group and fixed assets written off for closed retail outlets of approximately S\$1.9 million for 1H2013, partially offset by additions of plant and equipment and renovation costs amounting to approximately S\$1.3 million for the Group's new and existing retail outlets.

The decrease in the Group's non-current assets was partially offset by an increase in long term deposits by approximately S\$109,000 mainly due to additional lease deposits paid to secure new retail outlets.

Current assets

The Group's current assets increased by approximately S\$522,000 to S\$19.9 million as at 30 September 2012, mainly due to the following:

- (a) higher inventory balance by approximately S\$140,000 mainly due to bulk purchases of inventories from the Group's overseas suppliers to secure more favourable pricing;
- (b) an increase in short-term deposits amounting to approximately S\$70,000, mainly due to the reclassification of long-term deposits to short-term deposits in accordance with the respective lease tenures;
- (c) advances to an associated company of approximately S\$152,000 for renovation and refurbishment works for new retail outlets; and
- (d) an increase in cash and bank balances by approximately S\$276,000 mainly due to cash inflow from operating activities, partially offset by purchase of plant and equipment and dividends paid during the period.

The increase in the Group's current assets was partially offset by a decrease in prepayment of approximately S\$98,000 mainly due to a decrease in advance payments made to suppliers during the period.

Current liabilities

The Group's current liabilities decreased by approximately S\$391,000 to approximately S\$8.3 million as at 30 September 2012 was due mainly to the following:

- i) a decrease in short term finance lease liabilities of approximately S\$74,000 mainly due to repayments made during the period;
- ii) a decrease in provision for tax by approximately S\$358,000 due to payments made during the period, partially offset by provision of tax expenses for 1H2013.

The decrease in the Group's current liabilities was partially offset by an increase in trade and other payables of approximately S\$45,000 for 1H2013.

Non-current liabilities

The Group's non-current liabilities decreased by approximately S\$248,000, from approximately S\$1.4 million as at 31 March 2012 to approximately S\$1.1 million as at 30 September 2012, mainly due to reclassification of finance lease liabilities from long term to short term according to the lease repayment periods and a decrease in deferred tax liabilities during the period.

Net working capital

As at 30 September 2012, the Group had a positive net working capital of approximately S\$11.6 million as compared to approximately S\$10.7 million as at 31 March 2011.

Cash flow

In 1H2013, the Group generated an operating profit before working capital changes of approximately S\$4.4 million. Net cash generated from operating activities amounted to approximately S\$3.1 million.

The net cash outflow from working capital changes comprised mainly an increase in inventories by S\$140,000, an increase in deposits and amount due from associated companies by S\$179,000 and S\$152,000 respectively, and a decrease in provisions of approximately S\$89,000, partially offset by a decrease in prepayment of approximately S\$98,000.

In 1H2013, net cash used in investing activities amounted to approximately S\$1.3 million. This was mainly attributed to renovation costs and the purchase of plant and equipment for the Group's production facilities and retail outlets.

Net cash used in financing activities amounted to approximately S\$1.6 million in 1H2013. This was mainly attributed to dividends paid for the financial period ended 31 March 2012, which amounted to S\$1.4 million, and repayments of finance lease liabilities including interest of S\$189,000 partially offset by proceeds from the issuance of ordinary shares of S\$47,000 pursuant to warrants exercised in 1H2013.

The Group's cash and cash equivalents amounted to approximately S\$16.2 million as at 30 September 2012, as compared to approximately S\$15.9 million as at 31 March 2012.

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) and labour and raw material costs to remain high in the next reporting period and the next 12 months.

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.

None

(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 for the 6-months financial period ended 30 September 2012.

13 Interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual.

There were no interested person transactions of S\$100,000 or more for 1H2013. The Company does not have a general mandate from its shareholders 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 30 September 2012 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

8 November 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.