

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 YEAR ENDED 31 MARCH 2016**

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			The Group		
	4Q2016 S\$'000	4Q2015 S\$'000	+(-) %	FY2016 S\$'000	FY2015 S\$'000	+(-) %
Revenue	17,695	17,216	2.8	73,857	71,640	3.1
Cost of sales	(6,704)	(6,388)	4.9	(27,217)	(26,961)	0.9
Gross profit	10,991	10,828	1.5	46,640	44,679	4.4
Other items of income						
Interest income on short term deposits	14	8	75.0	41	32	28.1
Other income	905	616	46.9	1,878	1,518	23.7
Other items of expenses						
Selling and distribution expenses	(7,659)	(7,450)	2.8	(30,232)	(27,854)	8.5
Administrative expenses	(2,754)	(2,201)	25.1	(10,795)	(10,274)	5.1
Finance costs	(50)	(52)	(3.8)	(199)	(116)	71.6
Other expenses	(167)	(541)	(69.1)	(1,238)	(1,277)	(3.1)
Profit before tax for the period / year	1,280	1,208	6.0	6,095	6,708	(9.1)
Income tax expense	(192)	(379)	(49.3)	(1,122)	(1,423)	(21.2)
Profit for the period / year	1,088	829	31.2	4,973	5,285	(5.9)
Other comprehensive income						
Deferred tax on revaluation of freehold land and buildings	-	9	NM	-	102	NM
Exchange differences on translating foreign operations	7	22	NM	(14)	49	NM
Other Comprehensive income for the period / year	7	31	NM	(14)	151	NM
Total comprehensive income for the period / year period / year, attributable to owners of the Company	1,095	860	27.3	4,959	5,436	(8.8)

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:

	The Group			The Group		
	4Q2016	4Q2015	+/(-)	FY2016	FY2015	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Allowance for doubtful debts						
-amount due from associates	-	72	NM	-	72	NM
-write back for amount due from associates	(12)	-	NM	(12)	-	NM
Amortisation of intangible assets	15	4	275.0	44	14	214.3
Depreciation of property, plant and equipment	1,156	1,129	2.4	4,102	3,814	7.6
Interest income from short-term deposits	(14)	(8)	75.0	(41)	(32)	28.1
(Gain)/loss in foreign exchange, net	(99)	122	(181.1)	306	206	48.5
Property, plant and equipment written off	16	84	(81.0)	42	145	(71.0)
Gain on disposal of property, plant and equipment	(9)	-	NM	(9)	(126)	(92.9)

2. The major components of taxation comprise:

	The Group			The Group		
	4Q2016	4Q2015	+/(-)	FY2016	FY2015	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Current income tax						
-Current income taxation	(249)	299	(183.3)	501	1,362	(63.2)
-Under provision in respect of prior year	-	104	NM	39	167	(76.6)
Deferred income tax						
-Movement in temporary differences	441	(24)	NM	582	(106)	NM
Taxation recognised in the consolidated statement of comprehensive income	192	379	(49.3)	1,122	1,423	(21.2)

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.**

	The Group		The Company	
	As at		As at	
	31-03-2016 S\$'000	31-03-2015 S\$'000	31-03-2016 S\$'000	31-03-2015 S\$'000
Non-Current Assets				
Property, plant and equipment	28,928	26,381	-	-
Intangible assets	385	12	-	-
Investment in subsidiary companies	-	-	5,640	5,640
Investment in unquoted shares	273	273	273	273
Long term deposits	1,748	1,772	-	-
	31,334	28,438	5,913	5,913
Current Assets				
Inventories	716	522	-	-
Trade and other receivables	156	143	-	-
Deposits	1,156	1,446	-	-
Prepayments	1,703	1,370	24	27
Amount due from subsidiary companies	-	-	9,735	3,570
Cash and bank balances	19,407	20,147	6,594	10,508
	23,138	23,628	16,353	14,105
Current Liabilities				
Trade and other payables	7,129	5,405	1,712	1,329
Other liabilities	162	152	-	-
Provisions	2,049	2,046	33	24
Bank loans	944	897	-	-
Finance lease liabilities	110	110	-	-
Provision for taxation	546	1,357	28	37
	10,940	9,967	1,773	1,390
Net Current Assets	12,198	13,661	14,580	12,715
Non-Current Liabilities				
Bank loans	6,976	7,331	-	-
Finance lease liabilities	279	389	-	-
Deferred tax liabilities	1,662	1,082	-	-
	8,917	8,802	-	-
Net Assets	34,615	33,297	20,493	18,628
Equity Attributable to Equity Holders of the Company				
Share capital	13,964	13,964	13,964	13,964
Retained earnings	17,677	16,345	6,529	4,664
Other reserves	2,974	2,988	-	-
Total Equity	34,615	33,297	20,493	18,628

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

Amount repayable in one year or less, or on demand

As at 31-03-2016		As at 31-03-2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,054	-	1,007	-

Amount repayable after one year

As at 31-03-2016		As at 31-03-2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
7,255	-	7,720	-

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 31 March 2016; and
 - (ii) corporate guarantee by the Company as at 31 March 2016.
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		The Group	
	4Q2016 S\$'000	4Q2015 S\$'000	FY2016 S\$'000	FY2015 S\$'000
Cash flows from operating activities				
Profit before tax	1,280	1,208	6,095	6,708
Adjustments for:				
- Allowances due from associates	-	72	-	72
- Write back for amount due from associates	(12)	-	(12)	-
Amortisation of intangible assets	15	4	44	14
Depreciation of property, plant and equipment	1,156	1,129	4,102	3,814
Gain on disposal of property, plant and equipment	(9)	-	(9)	(126)
Property, plant and equipment written off	16	84	42	145
Interest expense	50	52	199	116
Interest income	(14)	(8)	(41)	(32)
Currency realignment	(135)	39	167	154
Operating profit before changes in working capital	2,347	2,580	10,587	10,865
(Increase)/decrease in inventories	(108)	(33)	(194)	88
Decrease/(increase) in trade and other receivables	67	53	(13)	(13)
Decrease/(increase) in amount due from associates	12	43	12	(72)
Decrease/(increase) in deposits	(23)	(41)	314	(156)
Increase in prepayments	(647)	(229)	(333)	(831)
Increase/(decrease) in trade and other payables	1,117	(301)	1,724	(745)
(Decrease)/increase in other liabilities	(5)	(6)	10	11
(Decrease)/increase in provisions	(52)	28	(138)	(81)
Cash flows generated from operations	2,708	2,094	11,969	9,066
Tax paid	(34)	(104)	(1,353)	(1,596)
Net cash flows generated from operating activities	2,674	1,990	10,616	7,470
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,617)	(3,333)	(6,731)	(8,592)
Additions to intangible assets	(176)	-	(417)	-
Proceeds from disposal of property, plant and equipment	9	-	9	320
Interest received	14	8	41	32
Net cash flows used in investing activities	(1,770)	(3,325)	(7,098)	(8,240)
Cash flows from financing activities				
Proceeds from bank loan	-	2,298	333	4,867
Repayment of finance lease liabilities	(26)	(30)	(110)	(148)
Dividends paid	-	-	(3,641)	(3,641)
Interest paid	(50)	(53)	(199)	(116)
Repayment of bank loans	(237)	(106)	(641)	(424)
Net cash flows (used in)/generated from financing activities	(313)	2,109	(4,258)	538
Net increase/(decrease) in cash and cash equivalents	591	774	(740)	(232)
Cash and cash equivalents at the beginning of the financial period / year	18,816	19,373	20,147	20,379
Cash and cash equivalents at the end of the period / year	19,407	20,147	19,407	20,147

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					Total equity \$'000
	Share capital \$'000	Retained earnings \$'000	Other reserves \$'000	Foreign currency translation \$'000	Asset revaluation reserve \$'000	
Balance at 1 April 2015	13,964	16,345	2,988	37	2,951	33,297
Profit for the period	-	3,885	-	-	-	3,885
Other comprehensive income						
Exchange differences on translating foreign operations	-	-	(21)	(21)	-	(21)
Total comprehensive income for the period	-	3,885	(21)	(21)	-	3,864
Dividends on ordinary shares	-	(3,641)	-	-	-	(3,641)
Balance at 31 December 2015	13,964	16,589	2,967	16	2,951	33,520
Profit for the period	-	1,088	-	-	-	1,088
Other comprehensive income						
Exchange differences on translating foreign operations	-	-	7	7	-	7
Total comprehensive income for the period	-	1,088	7	7	-	1,095
Dividends on ordinary shares	-	-	-	-	-	-
Balance at 31 March 2016	13,964	17,677	2,974	23	2,951	34,615

The Group	Equity attributable to owners of the Company					
	Share capital	Retained earnings	Other reserves	Foreign currency translation	Asset revaluation reserve	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2014	13,964	14,701	2,837	(12)	2,849	31,502
Profit for the period	-	4,456	-	-	-	4,456
<u>Other comprehensive income</u>						
Deferred tax on revaluation of freehold land and buildings	-	-	93	-	93	93
Exchange differences on translating foreign operations	-	-	27	27	-	27
Total comprehensive income for the period	-	4,456	120	27	93	4,576
Dividends on ordinary shares	-	(3,641)	-	-	-	(3,641)
Balance at 31 December 2014	13,964	15,516	2,957	15	2,942	32,437
Profit for the period	-	829	-	-	-	829
<u>Other comprehensive income</u>						
Exchange differences on translating foreign operations	-	-	31	22	9	31
Total comprehensive income for the period	-	829	31	22	9	860
Dividends on ordinary shares	-	-	-	-	-	-
Balance at 31 March 2015	13,964	16,345	2,988	37	2,951	33,297

- 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	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 April 2015	13,964	4,664	18,628
Loss for the period	-	(172)	(172)
Dividends on ordinary shares	-	(3,641)	(3,641)
Balance at 31 December 2015	13,964	851	14,815
Profit for the period	-	5,678	5,678
Dividends on ordinary shares	-	-	-
Balance at 31 March 2016	13,964	6,529	20,493

The Company	Share capital S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 April 2014	13,964	2,964	16,928
Profit for the period	-	2,488	2,488
Dividends on ordinary shares	-	(3,641)	(3,641)
Balance at 31 December 2014	13,964	1,811	15,775
Profit for the period	-	2,853	2,853
Dividends on ordinary shares	-	-	-
Balance at 31 March 2015	13,964	4,664	18,628

- 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 31 March 2016 and 31 December 2015	121,374,700	13,964

There were no treasury shares, outstanding options and/or other convertibles as at 31 March 2016 and 31 March 2015.

- 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 31-03-2016	As at 31-03-2015
Total number of issued shares	121,374,700	121,374,700

- 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 year 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 year as those used in the most recently audited financial statements for the financial year ended 31 March 2015.

- 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 and revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations, which took effect from financial periods beginning on or after 1 April 2015. 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 and 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.

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		The Group	
	4Q2016	4Q2015	FY2016	FY2015
(a) Based on weighted average number of ordinary shares in issue (Singapore cents); and	0.90	0.68	4.10	4.35
(b) On a fully diluted basis (Singapore cents)	0.90	0.68	4.10	4.35

Number of shares used in the respective computations of EPS :-	The Group		The Group	
	4Q2016	4Q2015	FY2016	FY2015
(a) Based on weighted average number of ordinary shares in issue ; and	121,374,700	121,374,700	121,374,700	121,374,700
(b) On a fully diluted basis	121,374,700	121,374,700	121,374,700	121,374,700

The basic and diluted EPS for the financial years ended 31 March 2016 and 31 March 2015 are the same as there were no potentially dilutive shares in issue as at 31 March 2016 and 31 March 2015.

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	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Net asset value per ordinary share based on total number of issued shares as at the end of the financial period reported on	S\$0.29	S\$0.27	S\$0.17	S\$0.15
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.**

Revenue

The Group's revenue increased from approximately S\$71.6 million for the financial year from 1 April 2014 to 31 March 2015 ("FY2015") to approximately S\$73.9 million for the financial year from 1 April 2015 to 31 March 2016 ("FY2016"), an increase of approximately S\$2.2 million or 3.1%.

Revenue from retail outlets increased by approximately S\$2.4 million or 3.4%. The increase in revenue was mainly due to incremental revenue from new outlets and higher revenue from existing outlets, offset by absence of revenue from temporary closure of outlets due to mall revamps.

Revenue from other services, such as delivery and catering services decreased by approximately S\$180,000 or 14.6%.

As at 31 March 2016, the Group operated a total of 83 outlets in Singapore as compared to 82 outlets as at 31 March 2015.

The Group's signature puff products remained the major contributor to its revenue and accounted for approximately 31.6% of the Group's revenue in FY2016, as compared to approximately 31.8% in FY2015.

Cost of sales and gross profit

The Group's gross profit increased by approximately S\$2.0 million or 4.4%. The Group's gross profit margin increased slightly from approximately 62.4% in FY2015 to 63.1% in FY2016 due to tight cost control over raw material costs, and an improvement in product mix.

Other income

The increase in other income of approximately S\$360,000 was mainly due to:

- (a) Higher special employment credit, temporary employment credit and wage credit schemes income of approximately S\$230,000 and an increase in government grant income of approximately S\$35,000 to support the Group's productivity and expansion initiatives; and
- (b) insurance compensation income received of approximately S\$229,000 in relation to damaged equipment; offset by
- (c) an absence in FY2016 of gain from disposal of motor vehicle income of approximately S\$117,000 which was recognised in FY2015.

Operating Expenses

Selling and distribution expenses

Selling and distribution ("**S & D**") expenses increased by approximately S\$2.4 million or 8.5%. S & D expenses in FY2016 amounted to approximately 40.9% of revenue as compared with approximately 38.9% of revenue in FY2015.

The increase in S & D expenses as a percentage of revenue was largely attributable to staff cost adjustments of approximately S\$1.1 million in response to the competitive labour market, higher outlet rental expenses of approximately \$800,000, and higher cleaning and depreciation expenses of approximately \$522,000.

Administrative expenses

Administrative expenses increased by approximately S\$521,000 or 5.1%.

The increase in administrative expenses was mainly due to higher staff cost of approximately \$547,000, offset by decreases in legal and professional fees, and computer related expenses.

Other expenses

The decrease in other expenses of approximately S\$39,000 in FY2016 was mainly due to absence of impairment for doubtful receivables and lower fixed assets written off, offset by higher foreign exchange losses.

As a result of the above, total operating expenses increased by approximately S\$2.9 million or 7.4%. Total operating expenses amounted to approximately 57.5% of revenue in FY2016 and 55.2% in FY2015 respectively.

Depreciation and amortisation

Depreciation increased by approximately S\$288,000 or 7.6% in FY2016 as compared to FY2015 mainly due to an increase in depreciation for outlets and the new factory's renovation and equipment. Amortisation expenses increased by approximately \$30,000 mainly due to the purchase of new enterprise resource planning software in FY2016.

Finance costs

The increase in finance costs of approximately S\$83,000 was mainly due to interest expenses on loans taken to finance the construction and renovation of the Group's new Singapore factory at 4 Woodlands Terrace ("**New Factory**").

Profit before tax

The Group's profit before tax decreased from approximately S\$6.7 million in FY2015 to approximately S\$6.1 million in FY2016, a decrease of approximately S\$612,000 or 9.1% due to the factors mentioned above.

Taxation

The Group's taxation expenses decreased by approximately S\$301,000 or 21.2% mainly due to the lower profit before tax and lower non tax deductible expenses for the current financial year.

Balance Sheet

Non-current assets

The increase in the Group's non-current assets of approximately S\$2.9 million or 10.2% was mainly due to:

- (a) additions of plant and equipment, and capitalisation of renovation costs for the Group's new and existing retail outlets, and capitalisation of construction and renovation cost incurred for the Group's New Factory facility. This was partially offset by depreciation expenses and fixed assets written off for FY2016.
- (b) an increase in intangible assets pursuant to the purchase of new enterprise resource planning software and club membership, partially offset by
- (c) a decrease in long term deposits mainly due to reclassification of long term lease deposits to short term, in accordance with the respective lease tenures, offset by additional lease deposits paid to secure new outlets.

Current assets

The decrease in the Group's current assets of approximately S\$490,000 or 2.1% was mainly due to:

- (a) a decrease in deposits of approximately \$290,000 mainly due to refund of deposits for closed outlets, offset by reclassification of lease deposits from long term to short term in accordance with the lease tenures; and
- (b) a decrease of approximately S\$740,000 in cash and bank balances mainly due to purchase of property, plant and equipment, repayment of bank loans and finance leases, and dividends paid during FY2016, partially offset by cash inflow from operating activities, and proceeds from bank loan for the construction and renovation of the New Factory.

The decrease in current assets was partially offset by an increase in inventories largely attributable to higher purchases of raw materials at more favourable bulk prices, and an increase in prepayment due to advance payments for equipment purchase.

Current liabilities

The increase in the Group's current liabilities of approximately S\$973,000 or 9.8% was mainly due to:

- a) an increase in trade and other payables of S\$1.7 million due to an increase in period-end billings by our trade suppliers and contractors; partially offset by
- b) a decrease in provision for taxation of S\$812,000 mainly due to tax payment made during FY2016, and lower current tax provision for the current financial year.

Non-current liabilities

The Group's non-current liabilities increased by approximately S\$115,000 or 1.3% mainly due to increase in deferred tax provision for FY2016, offset by repayment of bank loans and finance lease during the year.

Net working capital

As at 31 March 2016, the Group had a positive net working capital of approximately S\$12.2 million as compared to approximately S\$13.7 million as at 31 March 2015.

Cash flow

For FY2016, the Group generated an operating profit before working capital changes of approximately S\$10.6 million. Net cash generated from operating activities, inclusive of working capital changes, amounted to approximately S\$10.6 million in FY2016.

In FY2016, net cash used in investing activities amounted to approximately S\$7.1 million. This was mainly attributable to renovation and construction costs for the Group's New Factory, and the purchase of plant and equipment for the Group's New Factory and retail outlets.

Net cash used in financing activities amounted to approximately S\$4.3 million in FY2016. This was mainly due to dividends paid, and repayments of bank loan and finance lease liabilities including interest paid, partially offset by proceeds from bank loan.

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, and believes that the labour market will continue to remain tight. The Group's new factory in Iskandar Malaysia and expanded factory facilities in Singapore at 2 Woodlands Terrace are expected to be fully operational in the coming months. These will provide the Group with a platform to grow its business both locally and regionally.

2016 marks 60 years since Old Chang Kee was first founded in 1956. To commemorate our 60th anniversary, the Group is pleased to announce a one-off special dividend of 3 Singapore cents per ordinary share, subject to the approval of the Company's shareholders at the upcoming Annual General Meeting of the Company. The proposed one-off special dividend, together with the interim and proposed final dividend, will bring the Group's full year dividend payout to 6 Singapore cents per ordinary share, in line with our 60th year anniversary celebrations.

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Dividend.**(a) Current financial period reported on.**

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

Name of Dividend:	Ordinary (final)
Dividend Type:	Cash
Dividend per share:	1.5 Singapore cent per ordinary share
Tax Rate:	Tax exempt (one-tier)

Name of Dividend:	Special (final)
Dividend Type:	Cash
Dividend per share:	3 Singapore cents per ordinary share
Tax Rate:	Tax exempt (one-tier)

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

Name of Dividend:	Ordinary (final)
Dividend Type:	Cash
Dividend per share:	1.5 Singapore cent per ordinary share
Tax Rate:	Tax exempt (one-tier)

(a) Date payable.

To be announced at a later date

(b) Books closure date.

To be announced at a later date

12

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

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.

14

Update on use of exercise proceeds from Warrants Issue (“Exercise Proceeds”).

As of 30 May 2016, the Exercise Proceeds amounting to S\$2,749,770, which had been set aside for repayment of the Group’s borrowings, investment purposes including but not limited to new business opportunities, funding of working capital requirements such as inventories and trade receivables and/or such other purposes as the Directors may deem fit, have not been utilised. The Company will continue to make periodic announcements on the use of the Exercise Proceeds as and when such proceeds are materially disbursed.

15 Confirmation pursuant to Rule 720(1) of the Listing Manual Section B: Rules of Catalyst 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 Catalyst Rules.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16 **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	Singapore	Australia	Malaysia	Eliminations	Total
Year ended 31 March 2016	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
Sales	73,589	262	38	(32)	73,857
Results:					
Segment results	10,758	(132)	(186)	-	10,440
Depreciation	(3,898)	(30)	(174)	-	(4,102)
Amortisation	(44)	-	-	-	(44)
Finance costs	(182)	-	(17)	-	(199)
Profit/(loss) before taxation	6,634	(162)	(377)	-	6,095
Taxation					(1,122)
Profit, net of tax					4,973
Other segment information:					
Segment assets	50,967	80	3,425	-	54,472
Capital expenditure:					
- Tangible assets	5,786	-	1,086	-	6,872
- Intangible assets	385	-	-	-	385

	Singapore	Australia	Malaysia	Eliminations	Total
Year ended 31 March 2015	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
Sales	71,347	312	-	(19)	71,640
Results:					
Segment results	10,870	(144)	(74)	-	10,652
Depreciation	(3,772)	(34)	(8)	-	(3,814)
Amortisation	(14)	-	-	-	(14)
Finance costs	(100)	-	(16)	-	(116)
Profit/(loss) before taxation	6,984	(178)	(98)	-	6,708
Taxation					(1,423)
Profit, net of tax					5,285
Other segment information:					
Segment assets	48,584	142	3,340	-	52,066
Capital expenditure:					
- Tangible assets	8,221	-	921	-	9,142
- Intangible assets	12	-	-	-	12

17 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

The Group operates predominantly in Singapore and material changes in contributions to turnover and earnings have been explained in Paragraph 8 above.

The Group's overseas operations accounted for less than 1% of the Group's revenue for the financial year ended 31 March 2016 and as such, these operations do not contribute significantly to the Group's turnover and earnings.

18 A breakdown of sales.

	The Group		
	FY2016	FY2015	Increase (Decrease)
	S\$'000	S\$'000	%
Sales reported for the half year	37,305	35,217	5.9
Operational profit after tax before deducting minority interests reported for first half year	2,655	2,557	3.8
Sales reported for the second half year	36,552	36,423	0.4
Operational profit after tax before deducting minority interests reported for second half year	2,318	2,728	(15.0)

19 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	The Company Year Ended	
	31-03-2016	31-03-2015
	S\$'000	S\$'000
Ordinary - Interim	1,820	1,820
- Final	* 1,821	1,821
Special - Final	* 3,641	-
	7,282	3,641

*The final dividends for the current financial year ended 31 March 2016 is recommended by the Board of Directors and is subject to the approval of the Company's shareholders at the upcoming Annual General Meeting of the Company.

20 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director or chief executive officer or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chow Phee Liat	48	<ol style="list-style-type: none"> 1. Nephew of Executive Chairman, Han Keen Juan. 2. Nephew of substantial shareholder, Mdm Ng Choi Hong. Mdm Ng is the spouse of Executive Chairman, Han Keen Juan. 3. Cousin of Chief Executive Officer, Lim Tao-E William. 4. Brother of Executive Director and Deputy Chief Executive Officer, Chow Hui Shien. 	Overseas Business Development Manager, overseeing the overseas business operations of the Group since December 2013; and Executive Director of Old Chang Kee Manufacturing Sdn Bhd, the Group's wholly owned subsidiary, since November 2014	No changes.

BY ORDER OF THE BOARD

Adrian Chan Pengee
Company Secretary

30 May 2016

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 Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

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

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.