CONSUMER CYCLICAL EQUITY RESEARCH

OLD CHANG KEE LTD

SGX: 5ML
Bloomberg: OCK:SP
ISIN code: SG1W49939232

Country: Singapore
Industry: Restaurants

28 August 2026
RECOMMENDATION: HOLD

Current price: S$1.170
Target price: S$0.928
Issued units: 121 million (25 June 2026)
Market capitalisation: S$142.0 million
52-week range: S$1.080 - S$1.290

PRICE PERFORMANCE

COMPANY DESCRIPTION

Old Chang Kee Ltd. (OCK) is a Singapore-based food manufacturer, distributor and retailer offering affordable ready-to-eat food products under the “Old Chang Kee” brand. Its signature curry puff *Curry’O* is sold alongside a wide range of seafood, chicken and dessert items. Its revenue is mainly derived from retail sales and non-retail channels such as delivery and catering. Going forward, the Group aims to increase its retail footprint in high-traffic locations, explore synergistic business opportunities and enhance its logistics and manufacturing capabilities.

SUMMARY

OCK’s revenue increased by 1.5% y-o-y to S$103.5 million in FY2026, supported by growth in both outlet and non-outlet sales. Gross profit rose by 1.4% to S$71.6 million, while gross profit margin remained broadly stable at 69.2%. However, profit attributable to owners of the Company declined by 15.8% to S$9.6 million as higher selling and distribution and administrative expenses, coupled with lower interest income, outweighed revenue growth. Consequently, EPS decreased to 7.87 cents from 9.35 cents in FY2025. OCK distributed total dividends of 3.0 cents per share for FY2026, comprising ordinary dividends of 2.0 cents and a special dividend of 1.0 cent to commemorate its 70th anniversary.

RECOMMENDATION

Singapore’s F&B sector continues to lag overall economic growth, contracting by 1.5% y-o-y compared to GDP growth of 5.9% y-o-y in Q2 2026. Nevertheless, the Group’s longstanding brand, extensive outlet network and value-oriented product offerings provide some resilience to the local business. We project profit attributable to owners of the Company to increase from S$9.6 million in FY2026 to S$10.1 million in FY2027 and S$10.4 million in FY2028, supported by revenue growth and broadly stable margins. Our peer-comparison analysis derives a target price of S$0.932 based on OCK’s relative P/E multiple, P/B multiple and normalised dividend yield. Our historical-valuation analysis derives a target price of S$0.923 based on OCK’s historical average P/E multiple, P/B multiple and dividend yield. By assigning equal weight to both valuation approaches, we derive an overall target price of S$0.928.

The target price of S$0.928 represents a downside potential of 20.7% from the current share price of S$1.170. While potential upside catalysts include the expansion of OCK’s Malaysian operations, a higher recurring dividend payout and growth in non-outlet and supermarket distribution channels, downside risks remain from rising wage costs, intensifying business competition and prolonged weakness in domestic F&B consumption.

KEY FINANCIALS Year ended 31 March	Revenue (S$ million)	Earnings[(1)] (S$ million)	EPS[(2)] (cents)	P/E (x)	DPS (cents)	Dividend Yield (%)	NAV per share (cents)	P/B (x)
2025 Actual	102.0	11.3	9.35	12.5	2.00	1.71	47.17	2.48
2026 Actual	103.5	9.6	7.87	14.9	3.00	2.56	52.98	2.21
2027 Forecast	108.1	10.1	8.33	14.0	2.00	1.71	n.a.	n.a.
2028 Forecast	111.4	10.4	8.56	13.7	2.00	1.71	n.a.	n.a.

Note: P/E, P/B, and dividend yield based on current share price of S$1.170. n.a. = not available.
[(1)] Net profit attributable to shareholders
[(2)] Earnings Per Share.
Source: OCK, FPA

Contributor: Jayden Kang
(+65 6323 1788)

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COMPANY OVERVIEW

(I) CORPORATE PROFILE

Old Chang Kee Ltd. (“Old Chang Kee” or “OCK”) is a Singapore-based food manufacturer, distributor and retailer offering affordable ready-to-eat food products under the “Old Chang Kee” brand. Its signature curry puff *Curry’O* is sold alongside a wide range of seafood, chicken and dessert items. Founded in 1956, the business was acquired by Executive Chairman Mr Han Keen Juan in 1986 who revamped and expanded the business to its current state. This year, OCK celebrated its 70th anniversary and undertook brand collaborations with McDonald’s and Lenskart.

OCK positions itself as a fast-casual snack provider focusing on convenience, affordability, and product quality. Its revenue is mainly derived from retail sales and non-retail channels such as delivery and catering. Its outlets are strategically located in numerous high-traffic areas across Singapore such as shopping malls and Mass Rapid Transit (MRT) stations, providing high accessibility and reinforcing its wide-ranging brand presence. Going forward, the Group aims to increase its retail footprint in high-traffic locations, explore synergistic business opportunities and enhance its logistics and manufacturing capabilities.

(II) OPERATIONS

OCK has seventy-seven local outlets following the recent closure of Old Chang Kee @ FairPrice 712 AMK, as well as four outlets in Malaysia and two in the United Kingdom. The City Square JB outlet is temporarily closed for renovation and scheduled to reopen in February 2027. OCK's Indonesian outlets are operated by a separate company under a franchise agreement. The local and overseas outlets are listed in **Exhibit 1**.

The Group also operates complementary brands, including *Curry Times* – its curry-themed restaurant; *Curry Times Bento* – a takeaway store offering meals in convenient bento formats; and *O’ My Darling!* – its mobile food outlet providing catering services.

OCK owns two buildings in Woodlands as food factories with tenures lasting until year 2054. It also owns a freehold building in Johor, Malaysia used as an industrial building.

Exhibit 1: Old Chang Kee's Local & Overseas Outlets

Location	Country	Location	Country
313 Somerset	Singapore	Paya Lebar Quarter	Singapore
Admiralty Place	Singapore	Paya Lebar Square	Singapore
Alexandra Retail Centre	Singapore	Plaza Singapura	Singapore
Aljunied MRT	Singapore	Potong Pasir MRT	Singapore
AMK Fair Price (Closed on 31 July 2026)	Singapore	Raffles City Shopping Centre	Singapore
AMK Hub	Singapore	Raffles Hospital	Singapore
ARTRA	Singapore	Sengkang Grand Mall	Singapore
Bedok Mall	Singapore	Sentosa @ Beach Station	Singapore
Bird Of Paradise	Singapore	Shell Woodland Ave 9	Singapore
Bugis Junction	Singapore	Simei MRT	Singapore
Bukit Batok MRT	Singapore	Singapore Cruise Centre	Singapore
Bukit Merah	Singapore	SPC Punggol	Singapore
Bukit Panjang	Singapore	Sun Plaza	Singapore
Caltex Jurong West	Singapore	Tampines Hub	Singapore
Causeway Point	Singapore	Tampines MRT	Singapore
Change Alley Mall	Singapore	Tanjong Pagar Plaza	Singapore
Changi City Point	Singapore	Telok Blangah Community Club	Singapore
Changi Terminal 2 (Airside)	Singapore	The Seletar Mall	Singapore
Changi Terminal 3 (Airside)	Singapore	The Woodleigh Mall	Singapore
Changi Terminal 3 (Landside)	Singapore	Thomson Plaza	Singapore
Changi Terminal 4	Singapore	Tiong Bahru Plaza	Singapore
Chinatown Point	Singapore	Toa Payoh Hub	Singapore
City Square Mall	Singapore	Ubi	Singapore
Clementi Mall	Singapore	United Square	Singapore
Coffee House @ REX	Singapore	V Hotel @ Lavender	Singapore
Compass One	Singapore	Vivo City	Singapore
Far East Plaza	Singapore	Waterway Point	Singapore
Funan Mall	Singapore	White Sands	Singapore
Heartland Mall	Singapore	Woodlands Health	Singapore
Hillion Mall	Singapore	Yew Tee Point	Singapore

Location	Country	Location	Country
Holland Village MRT	Singapore	KSL City Mall	Malaysia
Hougang Mall	Singapore	City Square JB (Under renovation till Feb 2027)	Malaysia
IMM	Singapore	SKS City Mall JBCC	Malaysia
ION Orchard	Singapore	Aeon Mall Bukit Indah	Malaysia
Jewel Changi Airport	Singapore	Covent Garden	United Kingdom
Junction 8	Singapore	Boxhall City @ Liverpool St	United Kingdom
Jurong East Mall	Singapore		
Jurong Point	Singapore		
Kallang MRT	Singapore		
Kembangan MRT	Singapore		
Lot 1 Shopping Centre	Singapore		
National Library Board	Singapore		
Nex	Singapore		
Northpoint	Singapore		
Novena Square	Singapore		
NTUC Hub @ Benoi	Singapore		
Paragon	Singapore		
Parkway Parade	Singapore		

Source: Old Chang Kee Website, Old Chang Kee Instagram: @oldchangkeesingapore, FPA

(III) SUBSTANTIAL SHAREHOLDERS

As at 25 June 2026, OCK's largest shareholder is OCK's Executive Chairman Mr Han Keen Juan (58.61%), followed by Goodview Properties Pte Ltd (11.70%), Chief Executive Officer (CEO) Mr Lim Tao-E William (7.33%) and Research and Development Executive Mdm Ng Choi Hong (7.33%), who is also the spouse of Mr Han Keen Juan.

The top twenty largest shareholders are listed below in **Exhibit 2**.

Exhibit 2: 20 Largest Registered Shareholders*

No.	Name	No. of Shares	%
1	HAN KEEN JUAN	71,136,000	58.61
2	GOODVIEW PROPERTIES PTE LTD	14,198,000	11.7
3	LIM TAO-E WILLIAM	8,892,000	7.33
4	NG CHOI HONG	8,892,000	7.33
5	CITIBANK NOMINEES SINGAPORE PTE LTD	4,702,200	3.87
6	DBS NOMINEES (PRIVATE) LIMITED	2,153,260	1.77
7	CHEW THYE CHUAN OR TAN SEW MAI	1,360,000	1.12
8	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	425,800	0.35
9	JEN SHEK CHUEN	412,800	0.34
10	JAMES ALVIN LOW YIEW HOCK	410,000	0.34
11	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	321,500	0.26
12	RAFFLES NOMINEES (PTE.) LIMITED	320,700	0.26
13	ABN AMRO CLEARING BANK N.V.	268,000	0.22
14	TAN SZE HONG	208,000	0.17
15	PHILLIP SECURITIES PTE LTD	195,914	0.16
16	TAN BEE HUA	181,500	0.15
17	LOW FOON NGAI (LIU HUANYI)	177,600	0.15
18	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	162,610	0.13
19	GOH HAN PENG (WU HANPING)	131,700	0.11
20	ONG SWEE NAM (WANG RUINAN)	130,200	0.11
	TOTAL	114,679,784	94.48

**Goodview Properties Pte Ltd was registered as the holder of 14,198,000 shares (11.7%) in the 20-largest-shareholders table. Separately, the Register of Substantial Shareholders recorded Goodview Properties Pte Ltd as having a direct interest in 15,008,000 shares representing 12.37%.*

Source: Old Chang Kee, FPA

Through Goodview Properties Pte Ltd's direct interest, Far East Organization Centre Pte Ltd, Estate of Ng Teng Fong (the Estate), Mr Ng Chee Tat Philip and Mr Robert Ng Chee Siong are deemed to have an interest in the shares held by Goodview Properties Pte Ltd. The Estate has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd. Mr Ng Chee Tat Philip and Mr Robert Ng Chee Siong are Joint Executors and beneficiaries of the Estate and are therefore deemed to be interested in the 15,008,000 shares in which Goodview Properties Pte Ltd has an interest. Mr Ng Chee Tat Philip has a more than 20% interest in Kuang Ming Investments Pte. Limited (Kuang Ming) and thus is deemed to be interested in the 3,351,900 shares in which Kuang Ming has an interest.

The disclosed interests of substantial shareholders are summarised in **Exhibit 3**.

<u>Exhibit 3: Substantial Shareholders and Disclosed Interests</u>

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Han Keen Juan	71,136,000	58.61	8,892,000	7.33	80,028,000	65.94
Goodview Properties Pte Ltd	15,008,000	12.37	–	–	15,008,000	12.37
Far East Organization Centre Pte Ltd	–	–	15,008,000	12.37	15,008,000	12.37
Estate of Ng Teng Fong	–	–	15,008,000	12.37	15,008,000	12.37
Ng Chee Tat Philip	–	–	18,359,900	15.13	18,359,900	15.13
Ng Chee Siong	–	–	15,008,000	12.37	15,008,000	12.37
Lim Tao-E William	8,892,000	7.33	–	–	8,892,000	7.33
Ng Choi Hong	8,892,000	7.33	71,136,000	58.61	80,028,000	65.94

Source: Old Chang Kee, FPA

INDUSTRY OUTLOOK

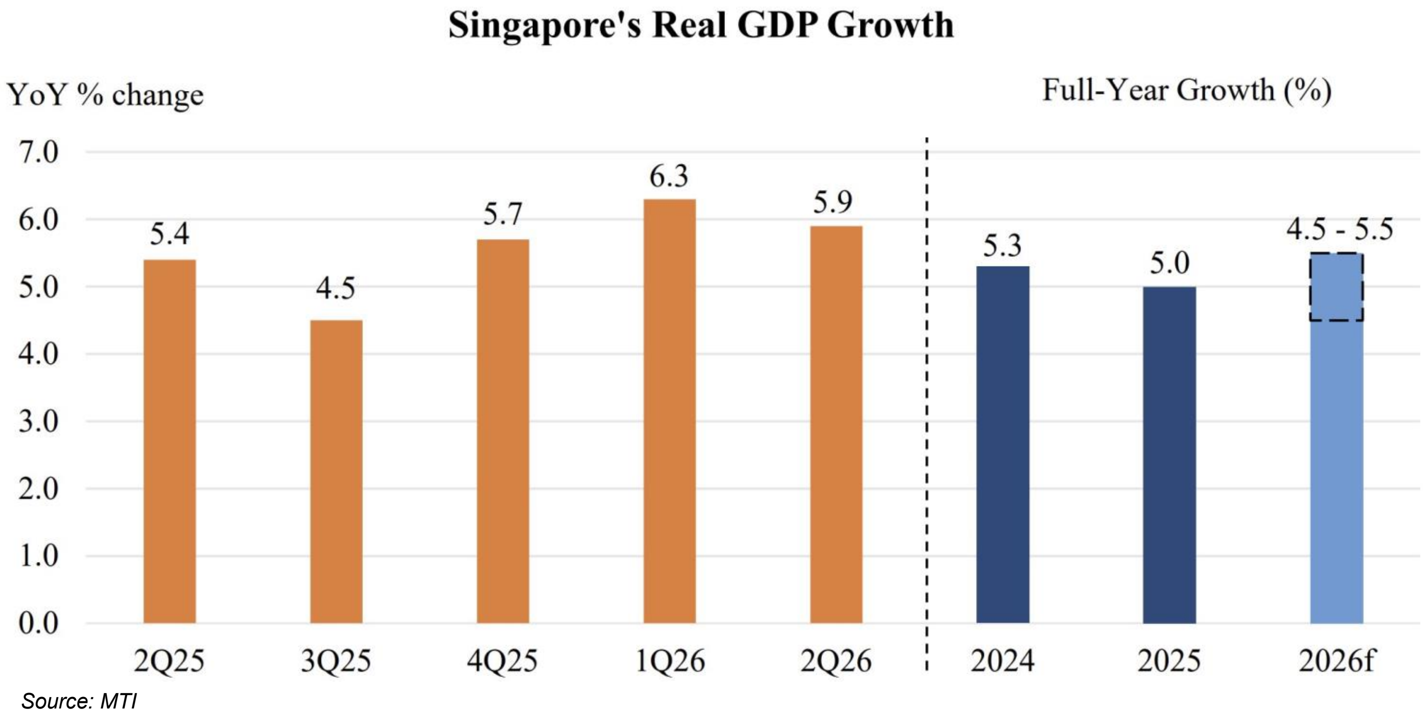
(I) SINGAPORE ECONOMY

Singapore's economy expanded by 5.9% year-on-year (y-o-y) in Q2 2026, easing from 6.3% in Q1 2026, according to the Ministry of Trade and Industry (MTI). Growth was led by manufacturing, wholesale trade and finance & insurance. Manufacturing and wholesale trade benefited from strong global demand for artificial intelligence-related electronics, precision-engineering products, and machinery & equipment, while finance & insurance was supported by credit growth and fee-generating activities. In contrast, the consumer-facing food & beverage (F&B) services sector contracted amid continued outbound travel by residents and softer visitor arrivals.

Following the stronger-than-expected first-half performance, MTI raised its 2026 gross domestic product (GDP) growth forecast to 4.5%-5.5% from 2.0%-4.0% as shown in **Exhibit 4**. The upward revision reflects the global acceleration in AI-related capital expenditure and Singapore's favourable positioning within the booming technology's value chain. However, growth remains concentrated in specific sectors and does not significantly uplift domestic F&B demand. Middle East tensions and elevated energy and other input costs also pose risks to inflation and operating costs.

Overall, Singapore's economic outlook remains positive, although conditions are less favourable for businesses that are unable to capitalise on the AI boom. Government support measures such as the Community Development Council (CDC) Vouchers should support demand for affordable food, while persistent labour, rental and food-input cost pressures remain the more immediate constraints on OCK's margins.

Exhibit 4: Singapore's Economic Performance and Outlook



Source: MTI

(II) MALAYSIA ECONOMY

Malaysia's economic outlook is positive with the Organisation for Economic Co-operation and Development (OECD) forecasting 4.2% and 4.8% real GDP growth for 2026 and 2027 as shown in **Exhibit 5**. This is underpinned by resilient domestic demand and private sector spending, strong labour market conditions and investments in technology-intensive sectors. These conditions may support consumer spending and F&B demand, although food-cost inflation, wage pressures and intense industry competition could constrain operators' margins.

Noting that OCK's Malaysian operations contribute a relatively small portion - approximately 0.3% of FY2026 revenue, their performance may be influenced more by outlet-specific developments than by national economic growth. The temporary closure of the City Square JB outlet may weigh on near-term sales, while the reopening of that outlet and the potential addition of new Johor Bahru locations could support subsequent growth.

Over the longer term, improved connectivity from the Johor Bahru-Singapore Rapid Transit System (RTS) Link and business facilitation under the Johor-Singapore Special Economic Zone (JS-SEZ) may expand OCK's addressable market and allow it to capitalise on its Malaysian manufacturing operations more effectively. However, significant earnings contribution remains contingent on customer demand, regulatory approval and successful execution.

Exhibit 5: Malaysia Economic Forecasts by OECD

Malaysia	2022	2023	2024	2025	2026	2027
	Current prices MYR billion	Percentage changes, volume (2015 prices)				
GDP at market prices	1 794.9	3.6	5.2	5.2	4.2	4.8
Private consumption	1 034.0	4.6	4.8	5.3	4.2	4.5
Government consumption	208.4	4.3	4.6	5.3	3.8	4.9
Gross fixed capital formation	326.8	5.4	12.1	9.6	5.3	5.7
Final domestic demand	1 569.3	4.7	6.3	6.3	4.4	4.9
Stockbuilding[1]	96.5	0.4	-1.0	-0.2	-0.3	0.3
Total domestic demand	1 665.8	5.1	5.1	6.0	4.0	5.2
Exports of goods and services	1 378.6	-7.9	8.6	4.9	3.7	3.6
Imports of goods and services	1 249.5	-6.8	8.7	6.3	3.3	4.2
Net exports[1]	129.1	-1.2	0.3	-0.6	0.4	-0.2
Memorandum items						
GDP deflator	_	-1.8	0.7	-0.4	2.1	2.3
Consumer price index	_	2.5	1.8	1.4	2.3	2.3
Core inflation index[2]	_	3.0	1.8	2.0	2.4	2.3
Federal government financial balance (% of GDP)	_	-5.0	-4.1	-3.7	-4.0	-3.8
Federal government gross debt (% of GDP)	_	64.2	64.5	65.2	65.3	64.8
Current account balance (% of GDP)	_	1.1	1.4	1.6	1.2	1.3

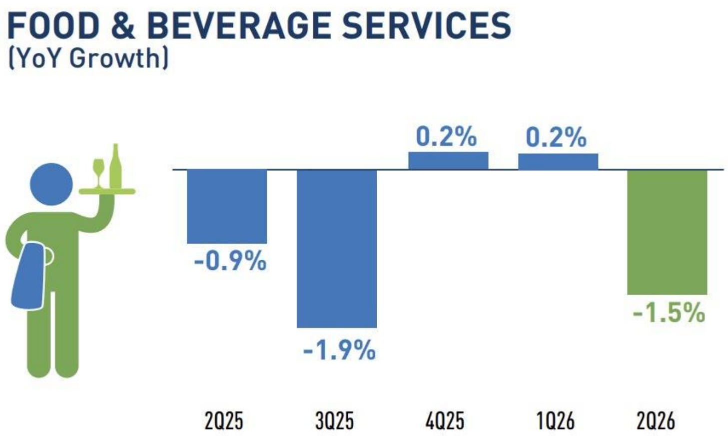
1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.

Source: OECD

(III) F&B INDUSTRY

According to MTI's Economic Survey of Singapore for Q2 2026, the F&B services sector contracted by 1.5% y-o-y, reversing the 0.2% growth recorded in Q1 2026 as shown in **Exhibit 6**. Sales volume fell by 1.8% y-o-y, compared with a 0.2% increase in the preceding quarter.

Exhibit 6: F&B Services Y-o-Y Quarterly Growth Results



Source: MTI

At the same time, food prices increased by 1.9% y-o-y in Q2 2026, accelerating from 1.4% in Q1 2026 as shown in **Exhibit 7**. The increase reflected higher prices for food-serving services, including hawker food and restaurant meals, as well as non-cooked food items such as fish and other seafood. F&B operators therefore face a difficult balance: menu-price increases may help offset higher labour, rental and food-input costs, but could also weaken sales volumes among price-sensitive consumers.

Exhibit 7: Y-o-Y Quarterly Changes in Consumer Price Index (CPI)

Per Cent

	2025			2026	
	II	III	IV	I	II
All items	0.8	0.6	1.2	1.5	**1.8**
Food	1.2	1.1	1.2	1.4	**1.9**

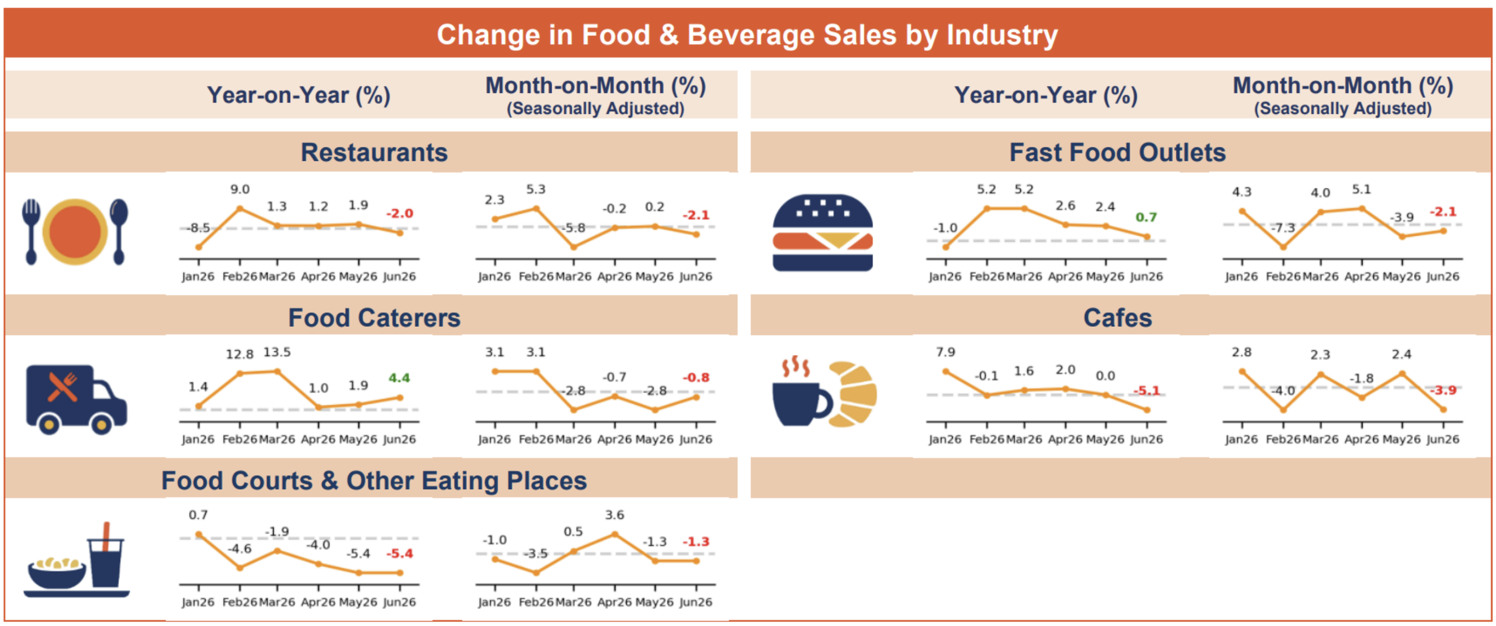
Source: MTI

Performance varied across F&B industry segments. Sales volumes for food caterers and fast-food outlets increased by 2.4% and 0.2% y-o-y respectively as shown in **Exhibit 8**. A similar pattern was recorded in June 2026, when the value of sales for food caterers and fast-food outlets increased by 4.4% and 0.7% y-o-y, respectively, while the other major F&B segments contracted as shown in **Exhibit 9**. This is favourable for OCK, whose value-oriented takeaway format resembles the fast-food category and whose non-outlet sales include catering and delivery services.

Exhibit 8: F&B Y-o-Y Sales Volume Growth by Segment in Q2 2026

Source: MTI

Exhibit 9: Monthly Change in F&B Sales by Industry



Source: SingStat

The near-term industry outlook is therefore mixed. Government measures, including CDC Vouchers, should provide some support to household consumption, while affordable and convenient formats such as fast food and catering may remain comparatively resilient. Nevertheless, weak sector-wide sales volumes, continued outbound travel and persistent labour, rental and food-input costs are likely to constrain revenue growth and margins. OCK's established brand, accessible price points and growing non-outlet contribution provide some defensiveness, but do not fully insulate the Group from these pressures.

RECENT SHARE PRICE DEVELOPMENTS

Over the past year, OCK's share price rose by 8.3% to S$1.17 on 28 August 2026 from S$1.08 on 28 August 2025, as shown in **Exhibit 10**. During the period, the share price traded between S$1.08 and S$1.29.

Exhibit 10: Share Price Performance (Past Year)

Source: Yahoo Finance, FPA

On 18 September 2025, OCK share price rose by 4.5% to S$1.15 from S$1.10 on 17 September despite the absence of any company-related news or announcements. The US Federal Reserve cut interest rates by 25 basis points the day before on 17 September.

On 9 October 2025, OCK was recognised and celebrated under the SG Heritage Business Scheme by the National Heritage Board. The scheme honours longstanding local enterprises that have made significant contributions to Singapore's heritage. OCK's share price remained at S$1.15 from 6 October to 9 October 2025.

On 12 November 2025, OCK released its 1H FY2026 results after market close. Ahead of its results release, OCK share price rose by 3.5% to S$1.19 on 11 November from S$1.15 on 7 November. Following its results release, OCK share price fell by 1.7% to S$1.16 on 13 November from S$1.18 on 12 November as net profit fell by 19.3% y-o-y despite stable revenue. There was a subsequent share price rebound of 3.4% to S$1.20 on 14 November from S$1.16 on 13 November. However, the increase was recorded on a trading volume of only 2,000 shares, suggesting that the movement may have been amplified by OCK's limited trading liquidity.

On 21 January 2026, OCK announced a change in the interest of a substantial shareholder. Kuang Ming acquired 158,700 shares for a consideration of S$182,505 on 16 January 2026 via the open market. Share price remained between S$1.15 and S$1.16 during the subsequent week.

On 1 April 2026, OCK announced a change in the interest of a substantial shareholder. Kuang Ming acquired 224,700 shares for a consideration of S$258,405 on 30 March 2026 via the open market. Share price rose by 9.6% to S$1.26 on 8 April 2026 from S$1.15 on 1 April 2026. During this period, OCK's share price reached its one-year high of S$1.29 on 7 April 2026. The share price subsequently eased to S$1.18 by the end of April.

On 21 May 2026, OCK received the Enterprise Award at the Singapore Business Awards for 'its resilience and enduring contribution to Singapore's food heritage'. Share price remained at S$1.15 the following days until 25 May 2026.

On 29 May 2026, OCK released its FY2026 results after trading hours. Revenue rose by 1.5% to S$103.5 million in FY2026 from S$102 million in FY2025. However, profit attributable to owners of the Company fell by 15.8% to S$9.6 million from S$11.3 million, mainly due to higher selling and distribution and administrative expenses, as well as lower interest income. OCK proposed a final dividend of 2.0 cents per share, comprising an ordinary final dividend of 1.0 cent and a special final dividend of 1.0 cent to commemorate its 70th anniversary. Share price fell by 2.5% to S$1.15 on 5 June 2026 from S$1.18 on 29 May 2026.

FINANCIAL ANALYSIS

(I) FINANCIAL REVIEW

Revenue:

Revenue increased by approximately S$1.5 million or 1.5% in FY2026, contributed by both retail outlet sales and other non-outlet sales services such as corporate catering and delivery sales. Revenue growth in FY2026 accelerated slightly to 1.5% from 1.0% in FY2025 but remained well below 15.9% and 12.4% recorded in FY2023 and FY2024 respectively, as shown in **Exhibit 11**. The earlier increases largely reflected normalisation of sales as COVID-19 restrictions unwound alongside outlet expansion. The slowdown in FY2025 and FY2026 reflected the dissipation of post-pandemic support and effects, and a return towards OCK's more mature underlying growth profile. Revenue from Malaysian operations has also been generally increasing over the years except for FY2023 and FY2026, which is also reflected in **Exhibit 11**.

In FY2026, OCK did not derive any revenue from Australia after ceasing operations of its sole Perth outlet when the lease expired. While it is unconfirmed whether OCK has officially exited the Australian market, the Group has stated that "it is considering alternative retail locations to re-establish its footprint in the market" in its *'Responses to shareholders' questions in connection with the annual general meeting to be held on 28 July 2025'* document. In its more recent 2026 issue, OCK has stated 'high operating costs, labour shortages, and sluggish customer footfall' as challenges faced by its Australian business and its stance to "focus (its) resources on markets and opportunities with stronger long-term growth potential". Although OCK's latest commentary indicates that restarting operations in Australia has been deprioritised, OCK continues to maintain an Australian subsidiary and discloses Australia in its financial reporting.

Exhibit 11: Total Revenue Growth & Geographical Segmentation of Revenue (FY2021 – FY2026)

	Actual					
S$'000	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Singapore	74,886	76,989	89,373	100,392	101,458	103,184
Australia	378	397	348	342	169	-
Malaysia	55	102	64	219	325	292
Total Revenue	**75,319**	**77,488**	**89,785**	**100,953**	**101,952**	**103,476**
Growth	-	*2.9%*	*15.9%*	*12.4%*	*1.0%*	*1.5%*

Source: Old Chang Kee, FPA

Over the past 5 years, non-outlet sales have been steadily contributing a higher share of OCK's total revenue, from 9.1% in FY2022 to 12.4% in FY2026 as shown in **Exhibit 12**.

Exhibit 12: Channel Segmentation of Revenue (FY2022 – FY2026)

	Actual									
S$'000	**FY2022**	**(%)**	**FY2023**	**(%)**	**FY2024**	**(%)**	**FY2025**	**(%)**	**FY2026**	**(%)**
Outlet sales	70,472	***90.9%***	80,935	***90.1%***	89,769	***88.9%***	90,066	***88.3%***	90,607	***87.6%***
Non-outlet sales	7,016	***9.1%***	8,850	***9.9%***	11,184	***11.1%***	11,886	***11.7%***	12,869	***12.4%***
Total Revenue	77,488	***100.0%***	89,785	***100.0%***	100,953	***100.0%***	101,952	***100.0%***	103,476	***100.0%***

Source: Old Chang Kee, FPA

Non-outlet sales have also been posting stronger y-o-y growth as shown in **Exhibit 13** apart from FY2022 due to the ceasing of packed-meals catering services to foreign worker dormitories. This gradual shift provides OCK with greater revenue diversification beyond its physical retail stores.

Exhibit 13: Channel Sales Growth (FY2022 – FY2026)

			Actual		
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Outlet sales growth	*14.1%*	*14.8%*	*10.9%*	*0.3%*	*0.6%*
Non-outlet sales growth	*-48.2%*	*26.1%*	*26.4%*	*6.3%*	*8.3%*

Source: Old Chang Kee, FPA

Gross profit:

OCK's gross profit increased by approximately S$1 million to S$71.6 million in FY2026 from S$70.6 million in FY2025. Gross profit margin for FY2026 was 69.2%, which was largely unchanged from FY2025 as shown in **Exhibit 14**.

Exhibit 14: Gross Profit Margin (FY2022 – FY2026)

			Actual		
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Revenue	77,488	89,785	100,953	101,952	103,476
Cost of sales	(27,687)	(31,515)	(32,722)	(31,364)	(31,888)
Gross Profit	**49,801**	**58,270**	**68,231**	**70,588**	**71,588**
Gross Profit Margin	*64.3%*	*64.9%*	*67.6%*	*69.2%*	*69.2%*

Source: Old Chang Kee, FPA

Exhibit 15 displays the semi-annual gross margin performance from 1H FY2022 to 2H FY2026 to better illustrate OCK's gross margin performance, which has been generally increasing over the past 5 years.

Exhibit 15: Semi-Annual Gross Profit Margin (FY2022 – FY2026)

					Actual					
S$'000	**1H FY2022**	**2H FY2022**	**1H FY2023**	**2H FY2023**	**1H FY2024**	**2H FY2024**	**1H FY2025**	**2H FY2025**	**1H FY2026**	**2H FY2026**
Revenue	38,522	38,966	43,662	46,123	50,239	50,714	51,828	50,124	51,931	51,545
Cost of sales	(13,748)	(13,939)	(15,163)	(16,352)	(16,849)	(15,873)	(15,814)	(15,550)	(15,968)	(15,920)
Gross profit	**24,774**	**25,027**	**28,499**	**29,771**	**33,390**	**34,841**	**36,014**	**34,574**	**35,963**	**35,625**
Gross profit margin	*64.3%*	*64.2%*	*65.3%*	*64.5%*	*66.5%*	*68.7%*	*69.5%*	*69.0%*	*69.3%*	*69.1%*

Source: Old Chang Kee, FPA

Interest income:

OCK's interest income decreased by 41.2% or approximately S$0.6 million in FY2026. The decline was primarily rate-driven with the weighted average effective interest rate on short-term fixed deposits falling to 1.27% from 2.52% in FY2025.

The Group earns interest on its cash balances based on the daily bank deposit rates. Short-term deposits are made for varying periods of between one to three months depending on the Group's immediate cash requirements and earn interest at the respective short-term deposit rates. **Exhibit 16** displays the interest income and the disclosed weighted average effective interest rate of short-term deposits over the past 5 years.

Exhibit 16: Interest Income and Weighted Average Effective Interest Rate (FY2022 – FY2026)

			Actual		
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Weighted average effective interest rates	*0.14%*	*3.62%*	*3.51%*	*2.52%*	*1.27%*
Interest income	**42**	**414**	**1,080**	**1,339**	**787**
Growth	*(6.7%)*	*885.7%*	*160.9%*	*24.0%*	*(41.2%)*

Source: Old Chang Kee, FPA

Other income:

Other income declined by 3.3% or approximately S$61,000 in FY2026 mainly due to lower government and employment grant income, which was partially offset by higher gains on disposal of assets as shown in **Exhibit 17**.

From the *Progressive Wage Credit Scheme* (PWCS), OCK received a lower amount of S$444,000 in FY2026 as compared to S$589,000 in FY2025. While OCK did not disclose the specific reason for the lower receipt, recent changes made to the PWCS may be a contributing factor to the decline as the two wage tiers, with co-funding levels of 50% for the first (monthly wage ceiling of S$2,500) and 30% for the second (monthly wage ceiling between S$2,500 and S$3,000), were consolidated into one single tier with co-funding level of 40% (monthly wage ceiling of S$3,000). From the *Senior Employment Credit*, OCK received a higher amount of S$205,000 in FY2026 as compared to S$139,000 in FY2025 despite the reduction in maximum wage offset rate to 7% from 8%.

Exhibit 17: Breakdown of Other Income Line Items (FY2025 vs FY2026)

	Actual		FY2025 vs FY2026	
S$'000	FY2025 (ended 31 Mar)	FY2026 (ended 31 Mar)	Absolute Change	Change (%)
Insurance compensation	71	90	19	26.76%
Royalty and franchise income	41	18	(23)	(56.10%)
Sale of scrap oil	272	268	(4)	(1.47%)
Government grants				
Progressive Wage Credit	589	444	(145)	(24.62%)
Senior Employment Credit	139	205	66	47.48%
Other employment related grant	27	27	-	-
Others	55	27	(28)	(50.91%)
Gain on disposal of property, plant and equipment	199	265	66	33.17%
Gain on lease modifications	8	3	(5)	(62.50%)
Sundry income	457	450	(7)	(1.53%)
Other income	**1,858**	**1,797**	**(61)**	**(3.28%)**

Source: Old Chang Kee, FPA

Other Income (cont'd):

The PWCS was introduced in Budget 2022 to help employers adjust to mandatory wage increases for lower-wage workers covered by the *Progressive Wage Model* and *Local Qualifying Salary* requirements, while encouraging voluntary wage increases for lower-wage workers. Under the new scheme, the Government co-funds qualifying wage increases for eligible resident employees from 2022 to 2026. As announced in Budget 2026, the scheme was extended to 2028 with a gradual reduction in co-funding levels. Co-funding levels in subsequent years 2027 and 2028 are 30% and 20% respectively, as detailed in **Exhibit 18**.

The *Senior Employment Credit* (SEC) introduced in 2020 helps employers adjust to the higher retirement and re-employment ages. For 2026, the Singapore Government provides wage offsets of up to 7% for employers that employ Singaporean workers aged 60 and above who earn up to S$4,000 per month.

Exhibit 18: PWCS Co-Funding Levels provided by Inland Revenue Authority of Singapore (IRAS)

Qualifying Year	First Tier Gross Monthly Wage Ceiling ≤ $2,500	Second Tier Gross Monthly Wage Ceiling > $2,500 and ≤ $3,000
2022	75%[1]	45%[1]
2023	75%[2]	45%[2]
2024	50%[3]	30%[3]
	Single Tier Gross Month Wage Ceiling ≤ $3,000[4]	
2025	40%[5]	
2026	30%[6]	
2027	30%[6]	
2028	20%[6]	

Source: IRAS

Other Income (cont'd):

Most pandemic-era government support received by OCK has tapered off. **Exhibit 19** shows the government grants recognised over the past 5 years. Other grants that OCK has benefited but have since ceased include the *Jobs Support Scheme*, *Jobs Growth Incentive* and *Rental Support Scheme.*

Exhibit 19: Breakdown of Other Income Line Items (FY2022 – FY2026)

	Actual				
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Insurance compensation	72	46	93	71	90
Royalty and franchise income	55	34	61	41	18
Sale of scrap oil	236	245	281	272	268
Government grants					
Senior Employment Credit	169	188	281	139	205
Progressive Wage Credit	171	344	872	589	444
Jobs Growth Incentive*	77	144	23	-	-
Jobs Support Scheme*	2,960	-	-	-	-
Rental Support Scheme*	1,655	-	-	-	-
Other employment related grant	-	-	16	27	27
Others	135	59	135	55	27
Gain on disposal of property, plant and equipment	111	131	14	199	265
Gain on lease modifications	3	19	-	8	3
Sundry income	482	502	427	457	450
Other income	**6,126**	**1,712**	**2,203**	**1,858**	**1,797**

**Government schemes that OCK has benefited from and since ceased.*

Source: Old Chang Kee, FPA

Selling & distribution expenses:

Selling & distribution (S&D) expenses increased by S$1.7 million or 4.1%, driven by higher staff costs from annual wage adjustments and higher local starting salaries due to the continuing progressive wage model policy. FY2026 also recorded higher depreciation of right-of-use assets and of new or refurbished outlets, as well as higher subcontractor expenses. These increases were partially offset by both lower advertising and promotion expenses and lower utility expenses. As S&D expenses grew faster than revenue, the S&D expense ratio rose slightly to 41.0% in FY2026 from 40.0% in FY2025 as shown in **Exhibit 20**.

S&D expense ratio has been increasing slightly over the past 3 years and may remain under pressure if labour and outlet-related costs continue to grow faster than revenue, especially given OCK's labour-reliant retail model.

Exhibit 20: Selling & Distribution Expenses (FY2022 – FY2026)

	Actual				
S$'000	FY2022	FY2023	FY2024	FY2025	FY2026
Revenue	77,488	89,785	100,953	101,952	103,476
Selling and distribution expenses	**(34,488)**	**(35,788)**	**(39,833)**	**(40,746)**	**(42,435)**
Selling and distribution expenses ratio	*44.5%*	*39.9%*	*39.5%*	*40.0%*	*41.0%*

Source: Old Chang Kee, FPA

Administrative expenses:

Administrative expenses increased by S$0.7 million or 4.2%, mainly due to higher staff costs, staff welfare and insurance expenses, higher bank charges arising from increased digital payment transactions and merchant rates from 1 October 2025 to 31 March 2026, and higher repairs and maintenance expenses. These increases were partially offset by lower medical, legal and professional expenses. Similar to S&D, the administrative expense ratio has increased from 15.6% in FY2023 to 16.8% in FY2026 as shown in **Exhibit 21** and upward pressure is likely to persist given the labour-reliant nature of OCK's business operations.

Exhibit 21: Administrative Expenses (FY2022 – FY2026)

	Actual				
S$'000	FY2022	FY2023	FY2024	FY2025	FY2026
Revenue	77,488	89,785	100,953	101,952	103,476
Administrative expenses	**(12,823)**	**(14,012)**	**(16,305)**	**(16,718)**	**(17,427)**
Administrative expenses ratio	*16.5%*	*15.6%*	*16.2%*	*16.4%*	*16.8%*

Source: Old Chang Kee, FPA

Finance costs:

Finance costs decreased by approximately S$0.1 million from S$1.2 million to S$1.1 million mainly due to lower interest on bank loans following repayments made in previous years and lower lease-liability interest, partially offset by finance charges on new and renewed leases. **Exhibit 22** presents OCK's finance cost and finance cost margin over the past 5 years, while **Exhibit 23** breaks down the components and shows that interest on lease liabilities accounts for most of OCK's finance costs.

Exhibit 22: Finance Costs (FY2022 – FY2026)

	Actual				
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Revenue	77,488	89,785	100,953	101,952	103,476
Finance costs	**(597)**	**(705)**	**(1,088)**	**(1,229)**	**(1,121)**
Finance costs ratio	*0.8%*	*0.8%*	*1.1%*	*1.2%*	*1.1%*

Source: Old Chang Kee, FPA

Exhibit 23: Finance Cost Breakdown (FY2022 – FY2026)

	Actual				
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Lease liabilities	492	505	869	1,074	1,041
Finance leases	26	31	44	50	49
Bank loan	79	169	175	105	31
Total	**597**	**705**	**1,088**	**1,229**	**1,121**

Source: Old Chang Kee, FPA

Other expenses:

Other expenses declined by approximately S$216,000 or 13.1% in FY2026 mainly due to higher foreign exchange gains from the revaluation of inter-company loans to the Group's Malaysian subsidiaries and lower impairment loss on amounts due from the Group's UK joint venture. These benefits were partially offset by higher impairment loss on right-of-use assets and a S$39,000 allowance for expected credit losses on other receivables. The breakdown of OCK's other expenses over the last 5 years is detailed below in **Exhibit 24**.

Exhibit 24: Other Expenses (FY2022 – FY2026)

	Actual				
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Amortisation of intangible assets	36	34	50	49	48
Depreciation of property, plant and equipment - admin	1,138	1,111	969	1,067	1,053
Impairment loss on property, plant and equipment	66	-	-	-	-
Depreciation of right-of-use assets - admin	10	10	11	9	8
Impairment loss on right-of-use assets	321	252	314	-	340
(Gain)/loss on foreign exchange, net	6	472	195	(13)	(228)
Property, plant and equipment written off	2	3	10	42	2
Allowance of expected credit losses for other receivables / Impairment loss on trade and other receivables	-	9	-	-	39
Impairment loss on amounts due from associates	102	53	-	-	-
Allowance of expected credit losses / Impairment loss on amount due from joint venture	123	292	237	495	171
Total	**1,804**	**2,236**	**1,786**	**1,649**	**1,433**

Source: Old Chang Kee, FPA

Disclosed Operating Cost Items:

OCK's annual report provides additional disclosure on selected expenses. **Exhibit 25** collates these items over the past 5 years. Depreciation of right-of-use assets has been increasing since FY2023 from S$10.1 million to S$11.3 million in FY2026. Employee benefits expenses have also generally increased, reinforcing the cost pressure in S&D and administrative expenses.

Exhibit 25: Disclosed Operating Cost Items (FY2022 – FY2026)

	Actual				
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Depreciation of property, plant and equipment	3,982	3,439	3,113	3,023	3,137
Depreciation of right-of-use assets	10,405	10,067	10,495	10,895	11,286
Inventories recognised as an expense in cost of sales	23,283	26,950	28,001	26,941	27,739
Employee benefits expense (including Directors):					
- Salaries and bonuses	23,093	23,983	28,446	28,581	29,638
- Central Provident Fund	2,845	2,841	3,015	3,209	3,277
Audit fees paid to:					
- Auditor of the Company (Audit)	94	108	115	119	123
- Other auditors – non-network firms	42	41	38	74	51
Non-audit fees paid to:					
- Auditor of the Company (Non-Audit)	16	37	19	20	20
Operating lease expenses*	1,606	2,925	3,586	3,731	3,668
Staff training and benefits	232	184	381	323	450
Utilities expenses	2,296	2,950	2,926	2,506	2,264
Packaging material expenses	1,434	1,511	1,574	1,592	1,685

Source: Old Chang Kee, FPA

Profit before tax:

Profit before tax declined by S$1.7 million, or 12.5%, to S$11.8 million in FY2026 from S$13.4 million in FY2025 as shown in **Exhibit 26**. Despite gross profit having increased by S$1.0 million, it was outweighed by the combined S$2.4 million increase in S&D and administrative expenses, a S$0.6 million decline in interest income and a modest reduction in other income. Lower finance costs and other expenses partly cushioned the decline.

Exhibit 26: Profit Before Tax Derivation (FY2025 vs FY2026)

	Actual		FY2025 vs FY2026	
S$'000	FY2025 (ended 31 Mar)	FY2026 (ended 31 Mar)	Absolute Change	Change (%)
Revenue	101,952	103,476	1,524	1.49%
Cost of sales	(31,364)	(31,888)	(524)	1.67%
Gross profit	**70,588**	**71,588**	**1,000**	**1.42%**
Other items of income				
Interest income	1,339	787	(552)	(41.22%)
Other income	1,858	1,797	(61)	(3.28%)
Other items of expenses				
Selling and distribution expenses	(40,746)	(42,435)	(1,689)	4.15%
Administrative expenses	(16,718)	(17,427)	(709)	4.24%
Finance costs	(1,229)	(1,121)	108	(8.79%)
Other expenses	(1,649)	(1,433)	216	(13.10%)
Profit before tax	**13,443**	**11,756**	**(1,687)**	**(12.55%)**

Source: Old Chang Kee, FPA

Income tax expense:

Income tax expense increased by S$0.1 million to S$2.2 million in FY2026 from S$2.1 million in FY2025, despite the decline in profit before tax. This was mainly due to the reduced deferred-tax benefit of S$144,000 in FY2026, compared with S$596,000 in FY2025. Consequently, OCK's effective tax rate increased to 18.7% in FY2026 from 15.6% in FY2025, as shown in **Exhibit 27**.

Exhibit 27: Income Tax Expense Calculation and Effective Tax Rate (FY2022 – FY2026)

	Actual				
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Current income tax:					
Current income taxation	800	1,927	2,855	2,763	2,411
Under / (over) provision in respect of previous years	(95)	(67)	38	(72)	(64)
Total current income tax	705	1,860	2,893	2,691	2,347
Deferred income tax:					
Origination and reversal of temporary differences	(124)	(268)	(59)	(596)	(144)
Over provision in respect of previous year	-	(87)	-	-	-
Total deferred income tax	(124)	(355)	(59)	(596)	(144)
Income tax expense recognised in profit or loss	**581**	**1,505**	**2,834**	**2,095**	**2,203**
Effective tax rate	*9.3%*	*19.7%*	*22.7%*	*15.6%*	*18.7%*

Source: Old Chang Kee, FPA

Net profit attributable to shareholders:

Net profit attributable to owners of the Company decreased by 15.8% to S$9.553 million in FY2026 from S$11.348 million in FY2025 as shown in **Exhibit 28**. Although revenue and gross profit increased modestly, the gains were more than offset by higher S&D and administrative expenses, lower interest income and a higher effective tax rate.

Exhibit 28: Net Profit Attributable to Shareholders (FY2025 vs FY2026)

S$'000	Actual		FY2025 vs FY2026	
	FY2025 (ended 31 Mar)	FY2026 (ended 31 Mar)	Absolute Change	Change (%)
Revenue	101,952	103,476	1,524	1.49%
Cost of sales	(31,364)	(31,888)	(524)	1.67%
Gross profit	**70,588**	**71,588**	**1,000**	**1.42%**
Other items of income				
Interest income	1,339	787	(552)	(41.22%)
Other income	1,858	1,797	(61)	(3.28%)
Other items of expenses				
Selling and distribution expenses	(40,746)	(42,435)	(1,689)	4.15%
Administrative expenses	(16,718)	(17,427)	(709)	4.24%
Finance costs	(1,229)	(1,121)	108	(8.79%)
Other expenses	(1,649)	(1,433)	216	(13.10%)
Profit before tax	**13,443**	**11,756**	**(1,687)**	**(12.55%)**
Income tax expense	(2,095)	(2,203)	(108)	5.16%
Net profit attributable to shareholders	**11,348**	**9,553**	**(1,795)**	**(15.82%)**

Source: Old Chang Kee, FPA

Earnings per share (EPS):

EPS decreased by 15.8% to 7.87 Singapore cents in FY2026 from 9.35 cents in FY2025, in line with the decline in profit attributable to owners since the weighted-average number of ordinary shares remained unchanged at approximately 121.4 million as shown in **Exhibit 29**. EPS is calculated using profit for the year of S$9.553 million, not total comprehensive income of S$9.480 million, as foreign-currency translation differences are recognised in other comprehensive income rather than profit or loss.

Exhibit 29: Earnings Per Share (FY2022 – FY2026)

			Actual		
S$'000	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Profit for the year attributable to owners of the Company used in computation of basic and diluted earnings per share	5,676	6,150	9,668	11,348	9,553
Weighted average number of ordinary shares for					
Basic earnings per share	121,374,700	121,374,700	121,374,700	121,374,700	121,374,700
Diluted earnings per share	121,374,700	121,374,700	121,374,700	121,374,700	121,374,700
Basic earnings per share (cents)	4.68	5.07	7.97	9.35	7.87
Diluted earnings per share (cents)	4.68	5.07	7.97	9.35	7.87

Source: Old Chang Kee, FPA

Dividends:

Over the last 5 years, OCK has been distributing steady dividends of 1.0 cent interim dividend and 1.0 cent final dividend per ordinary share. In commemoration of OCK's 70th anniversary, the Directors recommended an additional 1.0 cent special (final) dividend for FY2026, which was approved at the Annual General Meeting (AGM) on 21 July 2026. The total FY2026 dividend distribution amounted to 3.0 cents per ordinary share. This represents a payout ratio of approximately 38.1% as shown in **Exhibit 30**.

OCK does not maintain a fixed dividend policy, allowing the Group to retain flexibility in a rapidly changing business environment. Dividend recommendations are subject to the Group's financial performance, capital expenditure plans and working-capital requirements.

Exhibit 30: Dividend and Dividend Payout Ratio (FY2022 – FY2026)

			Actual		
S$' cents	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Interim dividend	1.00	1.00	1.00	1.00	1.00
Final dividend	1.00	1.00	1.00	1.00	1.00
Special dividend	-	-	-	-	1.00
DPS	**2.00**	**2.00**	**2.00**	**2.00**	**3.00**
Basic & diluted EPS	4.68	5.07	7.97	9.35	7.87
Dividend payout ratio	***42.7%***	***39.4%***	***25.1%***	***21.4%***	***38.1%***

Source: Old Chang Kee, FPA

Old Chang Kee's financial performance for FY2025 and FY2026 are summarised in **Exhibit 31**.

Exhibit 31: Old Chang Kee's Financial Performance (FY2025 vs FY2026):

S$'000	Actual FY2025 (ended 31 Mar)	Actual FY2026 (ended 31 Mar)	FY2025 vs FY2026 Absolute Change	FY2025 vs FY2026 Change (%)
Revenue	101,952	103,476	1,524	1.49%
Cost of sales	(31,364)	(31,888)	(524)	1.67%
Gross profit	**70,588**	**71,588**	**1,000**	**1.42%**
Other items of income				
Interest income	1,339	787	(552)	(41.22%)
Other income	1,858	1,797	(61)	(3.28%)
Other items of expenses				
Selling and distribution expenses	(40,746)	(42,435)	(1,689)	4.15%
Administrative expenses	(16,718)	(17,427)	(709)	4.24%
Finance costs	(1,229)	(1,121)	108	(8.79%)
Other expenses	(1,649)	(1,433)	216	(13.10%)
Profit before tax	**13,443**	**11,756**	**(1,687)**	**(12.55%)**
Income tax expense	(2,095)	(2,203)	(108)	5.16%
Net profit attributable to shareholders	**11,348**	**9,553**	**(1,795)**	**(15.82%)**
Exchange differences on translating foreign operations	126	(73)	(199)	(157.94%)
Other comprehensive income for the period/year, net of tax	126	(73)	(199)	(157.94%)
Total comprehensive income for the period/year, attributable to o	**11,474**	**9,480**	**(1,994)**	**(17.38%)**
Weighted average number of ordinary shares ('000)	**121,375**	**121,375**	**-**	**-**
Basic EPS (cents)	**9.35**	**7.87**	**(1.48)**	**(15.83%)**
Diluted EPS (cents)	**9.35**	**7.87**	**(1.48)**	**(15.83%)**
DPS (cents)	**2.00**	**3.00**	**1.00**	**50.00%**
Dividend payout ratio	***21.39%***	***38.12%***	**-**	**-**

Source: Old Chang Kee, FPA

FINANCIAL PROJECTIONS

This section presents our projections for OCK's revenue, earnings and dividend distribution for FY2027 & FY2028.

(I) REVENUE PROJECTION

GDP forecasts for Singapore and Malaysia for 2026 and 2027, based on our industry outlook, are summarised in **Exhibit 32**.

Exhibit 32: Real GDP Growth Forecasts for 2026 & 2027

	GDP Forecast	
	2026	2027
Singapore	4.50%	3.00%
Malaysia	4.20%	4.80%

Source: MTI, Fitch Ratings, OECD

We project OCK's revenue for FY2027 and FY2028 to grow on the lower end of Singapore's real GDP forecasts. In the absence of reliable forward estimates for Singapore's GDP deflator, we project Singapore revenue with reference to the lower end of MTI's real GDP growth forecast. This represents a conservative assumption, as it does not separately incorporate potential selling-price increases.

Recent GDP growth has been primarily driven by high global AI capital expenditure and has been skewed towards industries that have benefited directly from the AI boom, such as advanced manufacturing and financial services. As the F&B industry is not a direct beneficiary of the AI boom, we project OCK to grow more conservatively within the forecast range provided by MTI.

For Malaysia, we project OCK's revenue to grow in line with GDP forecasts at approximately 6.4% and 7.2% for FY2027 and FY2028 respectively - which were derived based on OECD's real GDP growth and GDP deflator forecasts provided in **Exhibit 5**. Below shows the derivation of the nominal GDP forecast for 2026 and 2027:

$$\text{Malaysia 2026 nominal GDP forecast} = (1 + 0.042) * (1 + 0.021) - 1$$

$$\approx 0.064 \text{ or } 6.4\%$$

$$\text{Malaysia 2027 nominal GDP forecast} = (1 + 0.048) * (1 + 0.023) - 1$$

$$\approx 0.072 \text{ or } 7.2\%$$

OCK stated during its FY2026 AGM that it was evaluating suitable locations for additional outlets in Johor Bahru, although any expansion remains subject to sufficient customer demand and the Group's business strategy. If additional outlets are successfully opened, OCK's Malaysian revenue could increase with new outlet openings.

Revenue from Australia has been excluded from projections as OCK has yet to announce definitive plans to reopen outlets in Australia.

Our revenue projections are summarised in **Exhibit 33**.

Exhibit 33: Projected Revenue for FY2027 & FY2028

	Actual	Forecast	
S$'000	**FY2026**	**FY2027**	**FY2028**
Singapore	103,184	107,827	111,062
Growth		*4.50%*	*3.00%*
Malaysia	292	311	333
Growth		*6.40%*	*7.20%*
Total Revenue	**103,476**	**108,138**	**111,395**
Growth		*4.51%*	*3.01%*

Source: FPA

(II) EARNINGS PROJECTION

Gross profit:

We project that gross margin in FY2027 and FY2028 will be 68.67%, the average from FY2024 to FY2026. Thus, we project gross profit for FY2027 and FY2028 as follows:

Projected FY2027 gross profit = S$108.1 million × 68.67%

≈ S$74.3 million

Projected FY2028 gross profit = S$111.4 million × 68.67%

≈ S$76.5 million

Our gross profit projections are summarised in **Exhibit 34**.

Exhibit 34: Projected Gross Profit for FY2027 & FY2028

	Actual			Forecast	
S$'000	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Revenue	100,953	101,952	103,476	108,138	111,395
Cost of sales	(32,722)	(31,364)	(31,888)	(33,881)	(34,901)
Gross Profit	**68,231**	**70,588**	**71,588**	**74,257**	**76,494**
Gross Profit Margin	*67.59%*	*69.24%*	*69.18%*	68.67%	68.67%

Source: Old Chang Kee, FPA

Interest income:

OCK does not disclose the financial institutions with which its short-term deposits are placed, the respective deposit rates or whether the deposits are contractually linked to Singapore Overnight Rate Average (SORA). Nevertheless, as the deposits have maturities of between one and three months and are placed in Singapore, their effective interest rates are likely to be influenced by prevailing short-term Singapore dollar interest rates, including the level and movement of SORA. SORA is, in turn, affected by global monetary conditions, particularly changes in US interest rates, although domestic liquidity and banks' funding requirements may also influence Singapore dollar deposit rates.

J.P. Morgan Global Research anticipates a rate hike of 25 basis points in December 2026 based on their revised interest rate outlook published on 5 August 2026. Accordingly, we do not anticipate further rate cuts in 2027. The timeline of the forecasted fed funds rate is shown in **Exhibit 35**.

Exhibit 35: Breakdown of Fed Funds Rate for FY2026 – FY2028

Fin Year	Date	Upper bound	Lower bound	Average Rate
FY2026	April	4.50%	4.25%	4.38%
	May	4.50%	4.25%	4.38%
	June	4.50%	4.25%	4.38%
	July	4.50%	4.25%	4.38%
	August	4.50%	4.25%	4.38%
	September	4.25%	4.00%	4.13%
	October	4.00%	3.75%	3.88%
	November	4.00%	3.75%	3.88%
	December	3.75%	3.50%	3.63%
	2026			
	January	3.75%	3.50%	3.63%
	February	3.75%	3.50%	3.63%
	March	3.75%	3.50%	3.63%
	OCK FY2026	-	-	**4.02%**
FY2027	April	3.75%	3.50%	3.63%
	May	3.75%	3.50%	3.63%
	June	3.75%	3.50%	3.63%
	July	3.75%	3.50%	3.63%
	August	3.75%	3.50%	3.63%
	September	3.75%	3.50%	3.63%
	October	3.75%	3.50%	3.63%
	November	3.75%	3.50%	3.63%
	December	4.00%	3.75%	3.88%
	2027			
	January	4.00%	3.75%	3.88%
	February	4.00%	3.75%	3.88%
	March	4.00%	3.75%	3.88%
	OCK FY2027	-	-	**3.71%**
	OCK FY2028	-	-	**3.88%**

Source: FPA

Given the projected timeline of Fed Funds Rate over OCK's FY2026 to FY2028, the proportion of decline is shown in **Exhibit 36**.

Exhibit 36: Proportion of Change for Interest Rates FY2026 – FY2028

	FY2026	FY2027	FY2028
Average Fed Funds Rate	4.02%	3.71%	3.88%
Proportion of change		*(7.77%)*	*4.63%*

Source: FPA

The projected weighted-average effective interest rate on OCK's short-term deposits is based on the historical effective interest rates disclosed by OCK as well as the expected path of SORA and the federal funds rate over the forecast period. In the absence of management guidance, we assume that short-term deposits would remain at 44.15% of revenue for both FY2027 and FY2028. The forecasted interest income is approximately S$559,000 and S$603,000 for FY2027 and FY2028, shown in **Exhibit 37.**

Exhibit 37: Projected Interest Income for FY2027 & FY2028

	Actual			Forecast	
S$'000	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Weighted average effective interest rates	*3.51%*	*2.52%*	*1.27%*	*1.17%*	*1.23%*
Proportion of change				*(7.77%)*	*4.63%*
Short-term deposits	**31,552**	**41,656**	**45,680**	**47,738**	**49,176**
Ratio of Short-term deposits to Revenue	*31.25%*	*40.86%*	*44.15%*	*44.15%*	*44.15%*
Interest income	**1,080**	**1,339**	**787**	**559**	**603**

Source: FPA

Other income:

Most other income line items do not exhibit an observable trend; thus, they are assumed to remain unchanged for FY2027 and FY2028. Line items excluded from this treatment are the Jobs Growth Incentive, which has ended in FY2024, the SEC and PWCS.

The SEC has been extended until 31 December 2027. Because OCK's FY2028 runs from April 2027 to March 2028, the scheme's extended period covers only the first nine months of FY2028. As the scheme's payout increased in FY2026 despite a lower maximum support rate of 7%, we recognise that the payout amount may be influenced by multiple factors besides the rate level, thus we have projected the amount received in FY2027 to be the average of the last 3 years (FY2024 – FY2026) and three quarters of that same amount for FY2028 to match the remaining duration of the scheme within FY2028.

The PWCS has been extended to 2028 with progressively declining co-funding levels as shown previously in **Exhibit 18** under the Financial Analysis "Other income" section. The eligibility requirements would also tighten in 2027. As the actual receipt would still depend on other factors that are non-public information such as the number of eligible employees, magnitude of wage increases and other relevant factors, the PWCS amount is instead projected to decline at the same rate observed for the last three financial years.

Other income projections are summarised in **Exhibit 38**.

Exhibit 38: Projected Other Income for FY2027 & FY2028

	Actual			Forecast	
S$'000	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Insurance compensation	93	71	90	85	85
Royalty and franchise income	61	41	18	40	40
Sale of scrap oil	281	272	268	274	274
Government grants					
Senior Employment Credit	281	139	205	208	208
Progressive Wage Credit	872	589	444	317	227
PWC's rate of decline	-	*(32.45%)*	*(24.62%)*	*(28.54%)*	*(28.54%)*
Jobs Growth Incentive*	23	-	-	-	-
Other employment related grant	16	27	27	23	23
Others	135	55	27	72	72
Gain on disposal of property, plant and equipment	14	199	265	159	159
Gain on lease modifications	-	8	3	4	4
Sundry income	427	457	450	445	445
Other income	**2,203**	**1,858**	**1,797**	**1,627**	**1,537**

Source: Old Chang Kee, FPA

Selling & distribution expenses:

We project that selling & distribution expenses in FY2027 and FY2028 will be 40.14%, the average from FY2024 to FY2026. Thus, we project selling & distribution expenses for FY2027 and FY2028 as follows:

Projected FY2027 selling & distribution expenses = S$108.1 million × 40.14%

≈ S$43.4 million

Projected FY2028 selling & distribution expenses = S$111.4 million × 40.14%

≈ S$44.7 million

Selling & distribution expenses projections are summarised in **Exhibit 39**.

Exhibit 39: Projected Selling & Distribution Expenses for FY2027 & FY2028

	Actual			Forecast	
S$'000	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Revenue	100,953	101,952	103,476	108,138	111,395
Selling and distribution expenses	**(39,833)**	**(40,746)**	**(42,435)**	**(43,411)**	**(44,719)**
Selling and distribution expenses ratio	*39.46%*	*39.97%*	*41.01%*	*40.14%*	*40.14%*

Source: Old Chang Kee, FPA

Administrative expenses:

We project that administrative expenses in FY2027 and FY2028 will be 16.46%, the average from FY2024 to FY2026. Thus, we project administrative expenses for FY2027 and FY2028 as follows:

Projected FY2027 administrative expenses = S$108.1 million × 16.46%

≈ S$17.8 million

Projected FY2028 administrative expenses = S$111.4 million × 16.46%

≈ S$18.3 million

Administrative expenses projections are summarised in **Exhibit 40**.

Exhibit 40: Projected Administrative Expenses for FY2027 & FY2028

	Actual			Forecast	
S$'000	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Revenue	100,953	101,952	103,476	108,138	111,395
Administrative expenses	**(16,305)**	**(16,718)**	**(17,427)**	**(17,803)**	**(18,340)**
Administrative expenses ratio	*16.15%*	*16.40%*	*16.84%*	*16.46%*	*16.46%*

Source: Old Chang Kee, FPA

Finance costs:

Finance costs were projected by estimating interest on the Group's respective financing obligations. Interest on lease liabilities was based on average projected lease liabilities and an implied effective interest rate of approximately 4.9%, in line with FY2025 and FY2026. Lease liabilities were assumed to remain broadly stable at S$21.8 million over FY2027 and FY2028, the average amount over the past 3 years as shown in **Exhibit 41**.

Exhibit 41: Lease Liabilities for FY2027 & FY2028

S$'000	FY2024	Actual FY2025	FY2026	Forecast FY2027	FY2028
Lease liabilities					
Current	10,309	9,924	10,914	10,382	10,382
Non-Current	13,019	10,473	10,872	11,455	11,455
Total	**23,328**	**20,397**	**21,786**	**21,837**	**21,837**

Source: Old Chang Kee, FPA

Using interest on lease liabilities for FY2025 (S$1.074 million) and FY2026 (S$1.041 million) as shown previously in **Exhibit 23** under *Financial Analysis – Finance Costs*, OCK's implied effective interest rate calculation for lease liabilities:

$$\text{FY2025 Lease liability implied rate} = \frac{1.074}{(23.328 + 20.397) / 2}$$

$$\approx 4.91\%$$

$$\text{FY2026 Lease liability implied rate} = \frac{1.041}{(20.397 + 21.786) / 2}$$

$$\approx 4.94\%$$

Applying the average of these implied rates to the projected lease liabilities, we derive the forecasted interest expense on lease liabilities to be approximately S$1.0 million for FY2027 and FY2028**.**

Finance-lease interest was projected at approximately S$48,000 per annum based on the average expense recorded from FY2024 to FY2026 as the expense has been relatively stable.

Bank-loan interest expense is projected at approximately S$1,680 in FY2027, based on the scheduled repayment of the remaining S$0.3 million loan over three monthly instalments through June 2026 and an assumed effective interest rate of 3.0%. The effective interest rate of 3.0% is selected as the loan's contractual rate is the bank's prevailing cost of funds, which is undisclosed, plus 1.0% and OCK's FY2026 implied rate of 3.12% serves as a recent reference point even if it is not precise. The remaining S$0.3 million bank loan is scheduled to be fully repaid by June 2026.

Historical implied rate calculation:

$$\text{Bank loan implied rate} = \frac{31{,}000}{(\$1.654m + \$0.336m) / 2}$$

$$\approx 3.12\%$$

Assuming equal principal repayments of approximately S$112,000 for the months of April, May and June 2026, the estimated interest expense is:

$$\text{Interest payments} = \frac{336{,}000 + 224{,}000 + 112{,}000}{12} \text{ X Assumed annual rate}$$

Assumed annual rate	FY2027 interest expense on bank loans
2.5%	S$1,400
3.0%	S$1,680
3.5%	S$1,960
4.0%	S$2,240

Overall projected finance costs are S$1.1 million in FY2027 and FY2028. Finance costs projections are summarised in **Exhibit 42.**

Exhibit 42: Projected Finance Costs for FY2027 & FY2028

		Actual		Forecast	
S$'000	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Lease liabilities	869	1,074	1,041	1,075	1,075
Finance leases	44	50	49	48	48
Bank loan	175	105	31	2	-
Total	**1,088**	**1,229**	**1,121**	**1,125**	**1,123**

Source: Old Chang Kee, FPA

Other expenses:

We assume other expenses in FY2027 and FY2028 to remain relatively unchanged and to be at average levels of the past 3 years as shown in **Exhibit 43**.

Exhibit 43: Projected Other Expenses for FY2027 & FY2028

S$'000	Actual FY2024	FY2025	FY2026	Forecast FY2027	FY2028
Amortisation of intangible assets	50	49	48	49	49
Depreciation of property, plant and equipment - admin	969	1,067	1,053	1,030	1,030
Impairment loss on property, plant and equipment	-	-	-	-	-
Depreciation of right-of-use assets - admin	11	9	8	9	9
Impairment loss on right-of-use assets	314	-	340	218	218
(Gain)/loss on foreign exchange, net	195	(13)	(228)	(15)	(15)
Property, plant and equipment written off	10	42	2	18	18
Allowance of expected credit losses for other receivables / Impairment loss on trade and other receivables	-	-	39	13	13
Impairment loss on amounts due from associates	-	-	-	-	-
Allowance of expected credit losses / Impairment loss on amount due from joint venture	237	495	171	301	301
Total	**1,786**	**1,649**	**1,433**	**1,623**	**1,623**

Source: Old Chang Kee, FPA

Net profit attributable to shareholders:

We projected an effective tax rate of 19.0% for FY2027 and FY2028, the average from FY2024 to FY2026 as shown in **Exhibit 44**. Profit after tax is projected to be S$10.1 million in FY2027 and S$10.4 million in FY2028.

Exhibit 44: Projected Net Profit Attributable to Shareholders of the Company for FY2027 & FY2028

S$'000	Actual FY2024	FY2025	FY2026	Forecast FY2027	FY2028
Profit before tax	12,502	13,443	11,756	12,482	12,829
Income tax expense	(2,834)	(2,095)	(2,203)	(2,371)	(2,437)
Net profit attributable to shareholders	**9,668**	**11,348**	**9,553**	**10,110**	**10,392**
Effective tax rate	*22.7%*	*15.6%*	*18.7%*	*19.0%*	*19.0%*

Source: Old Chang Kee, FPA

EPS:

We assume the weighted average number of ordinary shares for FY2027 and FY2028 to be 121,374,700, based on the weighted average number of ordinary shares for FY2026. Accordingly, we project basic & diluted EPS to be 8.33 cents in FY2027 and 8.56 cents in FY2028 as shown in **Exhibit 45**.

Exhibit 45: Projected EPS for FY2027 & FY2028

	Actual			Forecast	
S$'000	FY2024	FY2025	FY2026	FY2027	FY2028
Profit for the year attributable to owners of the Company used in computation of basic and diluted earnings per share	9,668	11,348	9,553	10,110	10,392
Weighted average number of ordinary shares for					
Basic earnings per share	121,374,700	121,374,700	121,374,700	121,374,700	121,374,700
Diluted earnings per share	121,374,700	121,374,700	121,374,700	121,374,700	121,374,700
Basic earnings per share (cents)	7.97	9.35	7.87	8.33	8.56
Diluted earnings per share (cents)	7.97	9.35	7.87	8.33	8.56

Source: Old Chang Kee, FPA

Dividend per share (DPS):

OCK does not have a fixed dividend policy. In FY2026, OCK declared a special dividend of 1.00 cent per share. For FY2027 and FY2028, we exclude this non-recurring special dividend and assume OCK's ordinary DPS to be unchanged at 2.00 cents per share as shown in **Exhibit 46**.

Exhibit 46: Projected DPS for FY2027 & FY2028

	Actual			Forecast	
S$ cents	FY2024	FY2025	FY2026	FY2027	FY2028
Interim dividend	1.00	1.00	1.00	1.00	1.00
Final dividend	1.00	1.00	1.00	1.00	1.00
Special dividend	-	-	1.00	-	-
DPS	**2.00**	**2.00**	**3.00**	**2.00**	**2.00**
Basic & diluted EPS	7.97	9.35	7.87	8.33	8.56
Dividend payout ratio	*25.11%*	*21.40%*	*38.12%*	24.01%	23.36%

Source: Old Chang Kee, FPA

Our projections are summarised in **Exhibit 47**.

Exhibit 47: Projected Financial Performance for FY2027 & FY2028

	Actual			Forecast	
S$'000	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Revenue	100,953	101,952	103,476	108,138	111,395
Cost of sales	(32,722)	(31,364)	(31,888)	(33,881)	(34,901)
Gross profit	**68,231**	**70,588**	**71,588**	**74,257**	**76,494**
Other items of income					
Interest income	1,080	1,339	787	559	603
Other income	2,203	1,858	1,797	1,627	1,537
Other items of expenses					
Selling and distribution expenses	(39,833)	(40,746)	(42,435)	(43,411)	(44,719)
Administrative expenses	(16,305)	(16,718)	(17,427)	(17,803)	(18,340)
Finance costs	(1,088)	(1,229)	(1,121)	(1,125)	(1,123)
Other expenses	(1,786)	(1,649)	(1,433)	(1,623)	(1,623)
Profit before tax	**12,502**	**13,443**	**11,756**	**12,482**	**12,829**
Income tax expense	(2,834)	(2,095)	(2,203)	(2,371)	(2,437)
Net profit attributable to shareholders	**9,668**	**11,348**	**9,553**	**10,110**	**10,392**
Exchange differences on translating foreign operations	12	126	(73)	22	22
Other comprehensive income for the period/year, net of tax	12	126	(73)	22	22
Total comprehensive income for the period/year, attributabl	**9,680**	**11,474**	**9,480**	**10,154**	**10,436**
Weighted average number of ordinary shares ('000)	**121,375**	**121,375**	**121,375**	**121,375**	**121,375**
Basic EPS (cents)	**7.97**	**9.35**	**7.87**	**8.33**	**8.56**
Diluted EPS (cents)	**7.97**	**9.35**	**7.87**	**8.33**	**8.56**
DPS (cents)	**2.00**	**2.00**	**3.00**	**2.00**	**2.00**
Dividend payout ratio	***25.09%***	***21.39%***	***38.12%***	***24.01%***	***23.36%***

Source: Old Chang Kee, FPA

VALUATION ANALYSIS

(I) PEER COMPARISON ANALYSIS

A peer comparison analysis was conducted to review how OCK is faring against its industry peers. Listed peer companies were selected based on their involvement in the manufacture, distribution and retail sale of food products, as well as F&B business operations. Nevertheless, differences in geographical exposure, business models and product offerings may limit the effectiveness of comparing with OCK. OCK was compared against its peers in terms of price-to-earnings (P/E) multiple, price-to-book (P/B) multiple and dividend yield.

Below are the selected peer companies to compare with OCK:

I. ABR Holdings Limited

ABR Holdings Limited is a Singapore-based F&B group engaged in restaurant operations, food manufacturing, catering and property investments. Its F&B portfolio includes Swensen's, Tip Top, Chilli Padi and Season Confectionary & Bakery.

II. QAF Limited

QAF Limited principally engages in bakery operations and the distribution and warehousing of food products. Its bakery business manufactures and distributes packaged bread, confectionery and other bakery products under brands such as Gardenia and Bonjour across Singapore, Malaysia and the Philippines.

III. Soup Holdings Limited

Soup Holdings Limited is a Singapore-based F&B group that conducts restaurant operations and food processing, distribution and procurement services. The Group operates restaurants such as Soup Restaurant, Teahouse by Soup Restaurant and Café O, with a presence primarily in Singapore and Malaysia.

IV. YKGI Limited

YKGI Limited is a Singapore-based F&B group engaged in food court management, F&B operations and franchising. Its portfolio includes Yew Kee Duck Rice, My Kampung Chicken Rice, XO Minced Meat Noodles, PastaGo and CHICHA San Chen, while it manages food courts under the My Kampung and Fine Food brands.

V. Tung Lok Restaurants (2000) Limited

Tung Lok Restaurants (2000) Limited is a Chinese restaurant group with operations in Singapore and selected overseas markets. The Group operates both fine dining and casual dining concepts and is also involved in catering and food manufacturing services.

Exhibit 48: Peer Comparison Analysis

Company	Currency	Stock Symbol	Price (S$) as at 28 Aug '26	Market Cap (S$ million)	Diluted EPS (cents)	P/E	DPS (cents)	Dividend Yield (%)	NAV per share (cents)	P/B
Old Chang Kee Limited	SGD	5ML	1.170	142.0	7.87	14.87 x	2.00	1.71%	52.98	2.21 x
Peer companies:										
ABR Holdings	SGD	533	0.400	80.4	1.67	23.99 x	1.50	3.75%	50.05	0.80 x
QAF Limited	SGD	Q01	0.975	560.9	6.58	14.83 x	5.00	5.13%	84.70	1.15 x
Soup Holdings	SGD	5KI	0.040	11.2	(0.24)	n.m.	0.03	0.63%	2.17	1.84 x
YKGI Limited	SGD	YK9	0.120	50.5	0.91	13.24 x	0.56	4.67%	4.71	2.55 x
Tung Lok Restaurants (2000) Limited	SGD	540	0.075	20.6	(0.61)	n.m.	-	-	4.08	1.84 x
Peer average						**17.35 x**		**3.54%**		**1.64 x**

Source: Singapore Exchange (SGX) Stock Screener, respective companies, FPA

(a) P/E multiple

Based on the results in **Exhibit 48**, OCK is currently trading at a P/E multiple of 14.87x which is lower than the peer average P/E multiple of 17.35x. (Note: Soup Holdings and Tung Lok are excluded as their earnings are negative) This suggests that OCK is undervalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S$1.365 if OCK is to trade at the peer average P/E of 17.35x as follows:

Estimated target price (P/E multiple) = Peer average P/E × TTM diluted EPS

= 17.35 × S$0.0787

≈ S$1.365

The estimated target price of S$1.365 represents an upside potential of 16.7% from the current share price of S$1.170.

(b) P/B multiple

Based on the results in **Exhibit 48**, OCK is currently trading at a P/B multiple of 2.21x which is higher than the peer average P/B multiple of 1.64x. This suggests that OCK is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S$0.867 if OCK is to trade at the peer average P/B of 1.64x as follows:

Estimated target price (P/B multiple) = Peer average P/B × NAV per share

= 1.64 × S$0.5298

≈ S$0.867

The estimated target price of S$0.867 represents a downside potential of 25.9% from the current share price of S$1.170.

(c) Dividend yield

Based on the results in **Exhibit 48**, OCK's current normalised dividend yield of 1.71% is less attractive than the peer average yield of 3.54%. (Note: Tung Lok is excluded as it did not declare dividends.) This suggests that OCK is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S$0.565 if OCK is to trade at the peer average yield of 3.54% as follows:

$$\text{Estimated target price (Dividend yield)} = \frac{\text{Current yield}}{\text{Peer average yield}} \times \text{Current share price}$$

$$= \frac{1.71\%}{3.54\%} \times \text{S\$1.170}$$

$$\approx \text{S\$0.565}$$

The estimated target price of S$0.565 represents a downside potential of 51.7% from the current share price of S$1.170.

(d) Target price

From our analysis, OCK seems to be undervalued in terms of its P/E but overvalued in P/B multiple and dividend yield. By averaging our target prices based on P/E multiple, P/B multiple and dividend yield, we derive an overall target price of S$0.932 as follows:

$$\text{Target price} = \frac{1}{3} \times [\text{Estimated target price (P/E multiple)} + \text{Estimated target price (P/B multiple)} + \text{Estimated target price (Dividend yield)}]$$

$$= \frac{1}{3} \times [\text{S\$1.365} + \text{S\$0.867} + \text{S\$0.565}]$$

$$\approx \text{S\$0.932}$$

The overall target price of S$0.932 represents a downside potential of 20.3% from the current share price of S$1.170.

(II) HISTORICAL VALUATION ANALYSIS

We also performed a valuation analysis using OCK's historical P/E multiple, P/B multiple and dividend yield over the past few years (H1 FY2022 – H2 FY2026) as shown in **Exhibit 49**.

Exhibit 49: Historical Share Price and Valuation Metrics

Period	Results Release Date ("RRD")	Share price (RRD + 7 days)	Profit attrib. to equity holders	WA shares	Diluted EPS (cents)	TTM EPS (cents)	P/E multiple	DPS (cents)	TTM DPS (cents)	Dividend yield	Net asset attrib.	NAV per share (cents)	P/B multiple
2H FY2026	29 May '26	1.150	4,534,000	121,374,700	3.74	7.87	14.6 x	2.0	3.0	2.61%	64,306,000	52.98	2.17 x
1H FY2026	12 Nov '25	1.170	5,019,000	121,374,700	4.14	8.36	14.0 x	1.0	2.0	1.71%	61,046,000	50.30	2.33 x
2H FY2025	26 May '25	0.935	5,128,000	121,374,700	4.22	9.35	10.0 x	1.0	2.0	2.14%	57,254,000	47.17	1.98 x
1H FY2025	08 Nov '24	0.800	6,220,000	121,374,700	5.12	9.48	8.4 x	**1.0**	2.0	2.50%	53,235,000	43.86	1.82 x
2H FY2024	30 May '24	0.740	5,288,000	121,374,700	4.36	7.97	9.3 x	1.0	2.0	2.70%	48,208,000	39.72	1.86 x
1H FY2024	14 Nov '23	0.630	4,380,000	121,374,700	3.61	6.51	9.7 x	1.0	2.0	3.17%	44,129,000	36.36	1.73 x
2H FY2023	29 May '23	0.600	3,526,000	121,374,700	2.91	5.07	11.8 x	1.0	2.0	3.33%	40,956,000	33.74	1.78 x
1H FY2023	14 Nov '22	0.640	2,624,000	121,374,700	2.16	4.07	15.7 x	1.0	2.0	3.13%	38,549,000	31.76	2.02 x
2H FY2022	30 May '22	0.670	2,310,000	121,374,700	1.90	4.68	14.3 x	1.0	2.0	2.99%	36,978,000	30.47	2.20 x
1H FY2022	11 Nov '21	0.695	3,366,000	121,374,700	2.77	4.92	14.1 x	1.0	2.0	2.88%	35,938,000	30.00	2.32 x
Maximum							**15.74 x**			**3.33%**			**2.33 x**
Minimum							**8.44 x**			**1.71%**			**1.73 x**
Average							**12.21 x**			**2.72%**			**2.02 x**

Source: Old Chang Kee, FPA

(a) P/E multiple

As shown in **Exhibit 49**, OCK's historical average P/E multiple was 12.21x which is lower than its current P/E multiple of 14.87x. This suggests that OCK is overvalued at the current share price. Based on the historical average P/E multiple of 12.21x and TTM diluted EPS of 7.87 cents, we estimate a target price of S$0.961 as follows:

Estimated target price (Historical P/E multiple) = Historical average P/E × TTM diluted EPS

= 12.21 × S$0.0787

≈ S$0.961

The target price of S$0.961 represents a downside potential of 17.9% from the current share price of S$1.170.

(b) P/B multiple

As shown in **Exhibit 49**, OCK's historical average P/B multiple was 2.02x which is lower than its current P/B multiple of 2.21x. This suggests that OCK is overvalued at the current share price. Based on the historical average P/B multiple of 2.02x and NAV per share of 53.0 cents, we estimate a target price of S$1.071 as follows:

Estimated target price (Historical P/B multiple) = Historical average P/B × NAV per share

= 2.02 × S$0.5298

≈ S$1.071

The target price of S$1.071 represents a downside potential of 8.5% from the current share price of S$1.170.

(c) Dividend yield

As shown in **Exhibit 49**, OCK's historical average dividend yield was 2.72%, which is more attractive than its current normalised yield of 1.71%. This suggests that OCK is overvalued at the current share price. Based on the historical average dividend yield of 2.72% and current normalised yield of 1.71%, we estimate a target price of S$0.736 as follows:

$$\text{Estimated target price (Historical dividend yield)} = \frac{\text{Current yield}}{\text{Historical average yield}} \times \text{Current share price}$$

$$= \frac{1.71\%}{2.72\%} \times \text{S\$1.170}$$

$$\approx \text{S\$0.736}$$

The target price of S$0.736 represents a downside potential of 37.1% from the current share price of S$1.170.

(d) Target price

From our analysis, OCK seems to be overvalued in terms of its historical average P/E multiple, P/B multiple and dividend yield. By averaging our estimated target prices, we derive a target price of S$0.923 as follows:

$$\text{Target price} = \frac{1}{3} \times [\text{Estimated target price (H. P/E multiple)} + \text{Estimated target price (H. P/B multiple)} + \text{Estimated target price (H. dividend yield)}]$$

$$= \frac{1}{3} \times [\text{S\$0.961} + \text{S\$1.071} + \text{S\$0.736}]$$

$$\approx \text{S\$0.923}$$

The target price of S$0.923 represents a downside potential of 21.1% from the current share price of S$1.170.

POTENTIAL CATALYSTS

(I) EXPANSION OF MALAYSIAN OPERATIONS

The JS-SEZ may provide OCK with opportunities to expand its Malaysian operations and improve cross-border supply-chain efficiency. OCK currently has a Malaysian manufacturing subsidiary located within the Iskandar Malaysia region covered by the JS-SEZ.

OCK is evaluating suitable locations for additional outlets in Johor Bahru in anticipation of the completion of the RTS link, although expansion remains subject to sufficient customer demand and the Group’s business strategy. OCK is also working with the relevant authorities to obtain approval to import meat products from Malaysia and intends to commence imports once the necessary approvals are obtained.

The successful receipt of regulatory approval, coupled with the opening of additional Johor Bahru outlets, could enable OCK to make greater use of its Malaysian operations by improving supply-chain efficiency and enhancing its revenue diversification geographically. Further announcements concerning regulatory approval or new Johor Bahru outlets may serve as potential catalysts for OCK’s earnings and share price.

(II) POTENTIAL INCREASE IN DIVIDEND PAYOUT

OCK’s dividend payout ratio remains relatively modest compared to its listed peers and its own higher payout ratios before the COVID-19 pandemic. Despite earnings having recovered and surpassed pre-pandemic levels, OCK’s ordinary dividend per share has remained broadly unchanged, resulting in a decline in its recurring dividend payout ratio as earnings have grown.

Given OCK’s healthy cash position, consistent operating cash flow generation and lower bank borrowings, OCK may have the financial capacity to return a greater proportion of its earnings to shareholders, subject to its working-capital requirements and expansion plans. A higher ordinary dividend payout would allow OCK’s dividend yield to compare more favourably with those of its peers and improve its attractiveness to income-oriented investors. Therefore, the adoption of a higher recurring dividend payout ratio could serve as a potential catalyst for OCK’s share price.

(III) EXPANSION OF NON-OUTLET SERVICES AND PACKAGED PRODUCTS

OCK’s non-outlet sales accounted for approximately 12.4% of FY2026 revenue. OCK currently supplies products to golf clubs, private catering operators and other corporate customers, while its existing frozen products are sold directly to consumers through online sales channels.

During the FY2026 AGM, OCK stated that it is exploring the development of packaged and frozen products with longer shelf lives for distribution through supermarkets. A successful expansion into supermarket channels could broaden the availability of OCK’s products, increase the utilisation of its manufacturing capabilities and enable the Group to reach more customers without incurring the rental and staffing costs associated with operating additional retail outlets. This initiative is contingent on OCK’s research and development efforts to meet the required quality standards.

The successful rollout of longer-shelf-life products through supermarkets coupled with securing new corporate supply contracts could increase the contribution of non-outlet sales to OCK’s overall revenue. Announcements concerning supermarket distribution agreements, new B2B partnerships or major supply contracts may serve as potential catalysts for OCK’s earnings and share price.

INVESTMENT RECOMMENDATION

Singapore's F&B sector continues to lag overall economic growth, contracting by 1.5% y-o-y compared to GDP growth of 5.9% y-o-y in Q2 2026. Nevertheless, the Group's longstanding brand, extensive outlet network and value-oriented product offerings provide some resilience to the local business. We project profit attributable to owners of the Company to increase from S$9.6 million in FY2026 to S$10.1 million in FY2027 and S$10.4 million in FY2028, supported by revenue growth and broadly stable margins.

Our peer-comparison analysis derives a target price of S$0.932 based on OCK's relative P/E multiple, P/B multiple and normalised dividend yield. Our historical-valuation analysis derives a target price of S$0.923 based on OCK's historical average P/E multiple, P/B multiple and dividend yield. By assigning equal weight to both valuation approaches, we derive an overall target price of S$0.928.

$$\text{Target price} = \frac{1}{2} \times [\text{Estimated target price (Peer Comparison)} + \text{Estimated target price (Historical Valuation)}]$$

$$= \frac{1}{2} \times [\text{S\$0.932} + \text{S\$0.923}]$$

$$\approx \text{S\$0.928}$$

The target price of S$0.928 represents a downside potential of 20.7% from the current share price of S$1.170. While potential upside catalysts include the expansion of OCK's Malaysian operations, a higher recurring dividend payout and growth in non-outlet and supermarket distribution channels, downside risks remain from rising wage costs, intensifying business competition and prolonged weakness in domestic F&B consumption.

Accordingly, we initiate coverage on OCK with a HOLD recommendation and a target price of S$0.928.

Downside risks to the target price are addressed on the next page.

RISKS TO TARGET PRICE

(I) WAGE COST PRESSURES

OCK's extensive retail outlet network requires significant manpower for food preparation and daily outlet operations, leaving it exposed to rising labour costs and persistent manpower shortages in Singapore. During its FY2026 AGM, OCK stated that the Progressive Wage Model had resulted in increases of approximately 5%–10% in gross basic starting wages. Although the PWCS provides transitional government co-funding, OCK continues to bear most of these wage increases.

Further wage increases, together with continued constraints on the availability of local and foreign workers, could cause employee benefits expenses to grow faster than revenue. This could place downward pressure on OCK's margins, particularly if OCK is unable to offset the additional costs through higher outlet productivity, operational improvements or price adjustments.

(II) INCREASED BUSINESS COMPETITION

Singapore's F&B industry remains highly competitive as consumers enjoy a wide range of affordable takeaway and quick-service dining options. The entry and expansion of new F&B operators may intensify competition for consumer spending, suitable high-traffic retail locations and manpower. Although many Chinese F&B operators currently compete in different product categories, takeaway snack and quick-service brands may still compete for similar price-sensitive customers by offering comparable convenience, value or product quality.

OCK's established brand, extensive outlet network and distinctive product offerings serve as OCK's competitive advantages. However, greater competition could weaken outlet traffic, limit OCK's ability to raise selling prices and require additional promotional expenditure to defend its market position. Competition for attractive outlet locations could also increase rental costs or hinder the Group's retail expansion. Should outlet sales or margins fall below our projections, OCK's earnings could underperform expectations and pose a downside risk to our target price.

(III) PROLONGED WEAKNESS IN DOMESTIC F&B CONSUMPTION

OCK derives most of its revenue from Singapore and is therefore highly exposed to domestic consumer spending and footfall at high-traffic locations. A slowdown in Singapore's economy, weaker consumer sentiment or higher cost-of-living pressures could cause consumers to reduce discretionary F&B spending, dine out less frequently or switch to cheaper alternatives. Increased overseas travel by Singapore residents could also divert spending away from the domestic F&B sector.

Lower domestic demand could reduce outlet traffic and affect same-store sales growth. Should revenue growth fail to rise at least in tandem with operating costs, OCK's margins and earnings could underperform expectations and pose a downside risk.

CORPORATE GOVERNANCE

(I) BOARD OF DIRECTORS

As at 21 July 2026, the Board comprises six directors:

- Mr Han Keen Juan: Executive Chairman
- Mr Lim Tao-E William: Executive Director and CEO
- Ms Chow Hui Shien: Executive Director and Deputy CEO
- Mr Tan Han Beng: Lead Independent Director
- Ms Audrey Yap Su Ming: Non-Executive and Non-Independent Director
- Mr Hawazi Bin Daipi: Independent Director

Mr Han Keen Juan was appointed to OCK's Board on 16 December 2004 and currently serves as the Group's Executive Chairman. He is responsible for the overall management of the Group and leads the formulation of its mission, objectives and overall business strategies. With more than 40 years of sales experience, Mr Han has played an instrumental role in the establishment, development and expansion of the Group's business.

Mr Lim Tao-E William was appointed to OCK's Board on 16 December 2004 and currently serves as the Group's Executive Director and CEO. Having joined the Group in 1995, he is responsible for new-product development, overseas business expansion and the Group's business and sales development strategies. Mr Lim has more than 30 years of sales experience. Previously, he worked at a Big Four accounting firm, where he performed and led financial, internal and special audit engagements. He holds a Bachelor of Commerce from Curtin University of Technology in Australia.

Ms Chow Hui Shien was appointed to OCK's Board on 27 July 2012 and currently serves as the Group's Executive Director and Deputy CEO. She joined the Group in 2004 with more than seven years of general-management experience. Ms Chow oversees the Group's production, logistics, marketing and retail operations and participates in its branding initiatives, business development and selection of strategic locations for new retail outlets. Before joining OCK, she assisted in the incorporation of Hainan Treats Pte. Ltd. and subsequently served as its manager, overseeing its retail, production, sales and marketing activities. She holds a Bachelor of Business from Monash University in Melbourne.

Mr Tan Han Beng was appointed as OCK's Lead Independent Director on 25 July 2019. He is also Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees. Mr Tan is a Chartered Accountant of Singapore with more than 20 years of professional financial experience. He is currently a Senior Vice President in Corporate Finance at UOB Kay Hian, bringing financial, accounting and corporate-finance expertise to the Board.

Ms Audrey Yap Su Ming was redesignated as OCK's Non-Executive and Non-Independent Director on 29 July 2024. She is a member of the Audit, Nominating and Remuneration Committees. Ms Yap is the Managing Director of Yusarn Audrey LLC, an intellectual-property and commercial law firm headquartered in Singapore. She is qualified as a lawyer in Singapore and Malaysia, a solicitor in England and Wales and a registered patent attorney in Singapore. She is also a certified management consultant, certified patent-valuation analyst, Notary Public and Commissioner for Oaths. Ms Yap holds Bachelor of Laws with Honours and Master of Laws qualifications and has held the Senior Accredited Director designation from the Singapore Institute of Directors since January 2024. She also serves as a board member of the Singapore Food Agency and Chairman of the Singapore Innovation and Productivity Institute Pte. Ltd.

Mr Hawazi Bin Daipi was appointed as OCK's Independent Director on 24 October 2019. He is Chairman of the Nominating and Remuneration Committees and a member of the Audit Committee. Mr Hawazi is Singapore's Non-Resident Representative to the Palestinian Authority and Non-Resident High Commissioner to the Republic of Ghana. He is also the non-executive chairman and independent director of Hor Kew Corporation Limited and holds appointments with the Singapore Press Holdings Foundation and the Middle East Institute at the National University of Singapore.

Mr Hawazi previously served as a Member of Parliament for Sembawang Group Representation Constituency from 1996 to 2015 and held Senior Parliamentary Secretary appointments in the Ministries of Manpower, Health and Education. He holds a Bachelor of Arts with Honours in Economics and Geography from the University of Singapore and a Diploma in Education from the Institute of Education.

Audit Committee:

- Mr Tan Han Beng: Chairman
- Ms Audrey Yap Su Ming: Member
- Mr Hawazi Bin Daipi: Member

Nominating Committee:

- Mr Hawazi Bin Daipi: Chairman
- Ms Audrey Yap Su Ming: Member
- Mr Tan Han Beng: Member

Remuneration Committee:

- Mr Hawazi Bin Daipi: Chairman
- Mr Tan Han Beng: Member
- Ms Audrey Yap Su Ming: Member

(II) REMUNERATION

The remuneration of Directors and CEO is shown in **Exhibit 50**.

Exhibit 50: Remuneration of Directors and CEO

Table 8.1(a) – Directors' and CEO's Remuneration

Name	Fixed Remuneration[(1)] S$	Performance Bonus[(1)] S$	Directors' Fees S$	Benefits-in-kind S$	Total S$
Band X: Between S$2,250,001 to S$2,500,000					
Han Keen Juan	41%	58%	–	1%	100% 2,461,188
Band IX: Between S$2,000,001 to S$2,250,000					
Lim Tao-E William	40%	59%	–	1%	100% 2,000,353
Band VII: Between S$1,500,001 to S$1,750,000					
Chow Hui Shien	29%	69%	–	2%	100% 1,598,821
Band I: Below S$250,000					
Tan Han Beng (Chen Hanming)	–	–	100%	–	100% 58,000
Audrey Yap Su Ming	–	–	100%	–	100% 53,000
Hawazi Bin Daipi	–	–	100%	–	100% 53,000

Source: OCK

The top five key management personnel who are not Directors are:

- Mr Song Yeow Chung – Chief Financial Officer
- Mr Philip Chow Phee Liat – Director of Malaysia Operations
- Mr Jacky Lee Ah Huat – Head of Production and R&D
- Mr Don Soh – Head of Strategic Business Development
- Mr Tang Jia Jun – Head of Logistics

Remuneration for each of the top five key management personnel in FY2026 fell within the band of S$250,000 and below, except for two who fell within the band of S$250,001 to S$500,000. Mr Philip Chow is the brother of Ms Chow Hui Shien - OCK's Deputy CEO and Executive Director. His remuneration was between S$200,000 and S$250,000. Mdm Ng Choi Hong - Research and Development Executive, substantial shareholder and spouse of Mr Han Keen Juan – OCK's Executive Chairman and Executive Director, received between S$150,000 and S$200,000 remuneration in FY2026. Further details are not disclosed for competitive reasons and to maintain confidentiality in OCK's own interest.

SUSTAINABILITY INFORMATION

Sustainability governance:

OCK's sustainability governance structure is shown in **Exhibit 51**. The Board of Directors, supported by the CEO, has ultimate responsibility for the Group's sustainability strategies, policies and performance. The Audit Committee reviews material sustainability and climate-related risks, while the Sustainability Steering Committee ("SSC"), led by the Deputy CEO and comprising department heads across the Group, manages the sustainability agenda and reports to the Audit Committee half-yearly. Employees implement the Group's sustainability initiatives and collect the environmental, social and governance ("ESG") data used to monitor performance.

Exhibit 51: OCK's Sustainability Governance Structure

Source: Old Chang Kee Ltd.

Stakeholder engagement:

OCK maintains regular engagement with its key stakeholders through formal and informal channels to understand their expectations, address concerns and support mutually beneficial relationships. Its principal stakeholder groups comprise customers and business partners, employees, suppliers, investors, government institutions and local communities. The Group's engagement methods and frequencies are shown in **Exhibit 52**.

Exhibit 52: OCK's Stakeholder Engagement

Key Stakeholders	Areas of Concern	Means of Engagement	Frequency of Engagements
Customers and Business Partners	• Quality of customer service • Consistency of food quality • Depth of customer service training • Rigorous food safety systems in place • Product innovation and customer satisfaction • Timely response to customer feedback	• Frontline interaction at stores, including necessary safety measures and food hygiene safeguards • Timely response to feedback received across all channels	Daily
		• Advertising and media relations through mainstream and digital avenues (i.e. social media campaigns) • Training for business partners like franchisees to be familiar with Standard Operating Procedures ("**SOPs**")	Periodic
		• In-house customer service training for all staff (including sub-contractors and cleaners)	As required
Employees	• Depth of employee engagement with top management • Appropriate linkage between staff performance and rewards • Employee health, safety and wellbeing	• Induction and orientation programmes • Comprehensive training and development programmes • Employee recognition programmes, including Long Service Awards • Team bonding and employee engagement activities, including company-sponsored cruise and overseas trips	As required

Source: Old Chang Kee Ltd.

Exhibit 52: OCK's Stakeholder Engagement (cont'd)

Key Stakeholders	Areas of Concern	Means of Engagement	Frequency of Engagements
	• Learning and development opportunities • Career progression and talent retention	• Regular briefings and correspondences by the Company's compliance manager on the latest food safety measures and hygiene safeguards	
		• Performance evaluation, appraisal and staff recognition programmes	Yearly
Suppliers	• Maintenance of food safety and quality standards • Consistency and quality of suppliers' products • Compliance with regulatory and food safety requirements • Review the resilience of key supplier networks, including alternative suppliers both in Singapore and overseas, to cope with any unexpected food crisis	• Supplier audit	As required
		• Introduction of new suppliers • Calls and email correspondence prior to selection of suppliers • Review the reliability of supply chain to cope with any unexpected food crisis • Meetings with approved suppliers to review feedback and performance	As required
Investors	• Financial performance and future direction for the Company • Operational efficiency and corporate strategy	• Annual General Meeting (AGM)	Yearly
		• Corporate announcements • Investor relations website at http://oldchangkee.listedcompany.com	Half yearly and as required

Source: Old Chang Kee Ltd.

Exhibit 52: OCK's Stakeholder Engagement (cont'd)

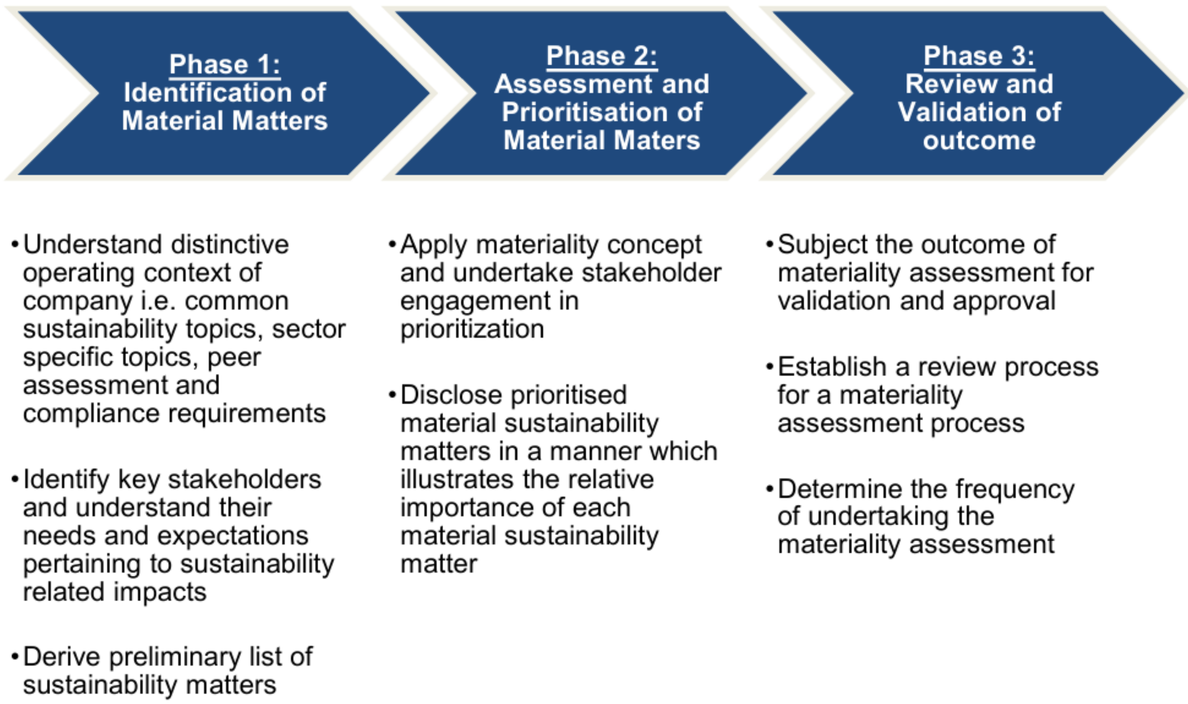
Key Stakeholders	Areas of Concern	Means of Engagement	Frequency of Engagements
Government Institutions	• Maintenance of quality and hygiene standards • Robustness of maintenance regimes	• Spot checks by the internal compliance team across all outlets and Central Kitchen • Implementation of self-evaluation through checklists at store fronts	Daily
		• Mandatory training to raise awareness of government requirements and to ensure compliance	Periodic
Communities	• Extent of employees' outreach and involvement	• Employee volunteerism	Periodic
		• Sponsorships • Corporate donations • Promotions to support national causes such as food give-aways to the medical community	Periodic

Source: Old Chang Kee Ltd.

Materiality assessment:

OCK conducts a comprehensive materiality assessment once every three years and reviews its material topics annually. The assessment considers the significance of the Group’s actual and potential economic, environmental and social impacts and the importance of each topic to stakeholders. OCK’s three-phase materiality assessment process is shown in **Exhibit 53**.

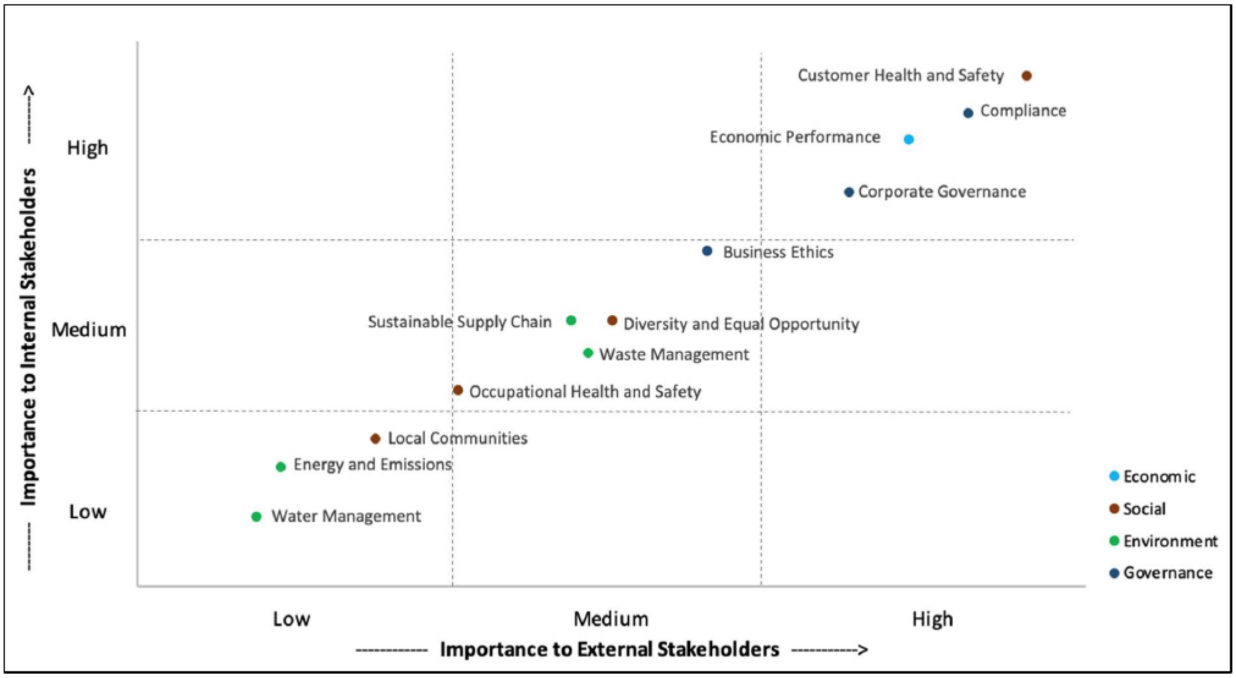
Exhibit 53: Materiality Assessment Process



Source: Old Chang Kee Ltd.

Following peer benchmarking and management review, OCK identified 12 material topics for FY2026 across its economic, environmental, social and governance pillars. The Group consolidated its previous materials and supplier-environmental-assessment topics into a single sustainable-supply-chain topic and ceased presenting enterprise risk management as a standalone topic because its principles are embedded across the broader report. The resulting material topics are shown in **Exhibit 54**.

Exhibit 54: FY2026 Material ESG Factors



Economic	Environmental	Social	Governance
• Economic Performance	• Energy and Emissions • Water Management • Waste Management • Sustainable Supply Chain	• Diversity and Equal Opportunity • Occupational Health and Safety • Customer Health and Safety • Local Communities	• Corporate Governance • Business Ethics • Compliance

Source: Old Chang Kee Ltd.

(I) ECONOMIC

OCK aims to generate sustainable long-term value through operational efficiency, technology, cost management, strategic innovation and the development of additional revenue streams. The Group targets a return on equity of at least 10% and achieved an ROE of 14.9% in FY2026. OCK has retained the same target for FY2027.

(II) ENVIRONMENTAL

OCK recognises that its food-manufacturing and retail operations consume electricity, liquefied petroleum gas and water and generate greenhouse-gas emissions and waste. The Group has therefore identified energy and emissions, water, waste and sustainable supply chain management as its material environmental topics. Its climate disclosures are aligned with the Task Force on Climate-related Financial Disclosures framework, while selected elements of the International Sustainability Standards Board standards have been adopted voluntarily in preparation for Singapore Exchange climate-reporting requirements.

In FY2026, OCK consumed 10,870 MWh of energy and recorded combined Scope 1 and Scope 2 emissions of 4,122 tCO_2e. Energy intensity increased to 87.99 kWh per square foot and emissions intensity rose to 33.4 $kgCO_2e$ per square foot. Consequently, the Group did not meet its annual targets of reducing energy and emissions intensity by 3%. OCK attributed the higher intensities principally to business growth and increased operational activity. The Group has retained its annual 3% reduction targets for FY2027 and aims to reduce Scope 1 and Scope 2 emissions intensity by 10% from the FY2026 baseline by FY2030.

Water consumption increased to 40,219 cubic metres, with water intensity rising to 0.326 cubic metres per square foot, and the Group therefore did not meet its 3% water-intensity reduction target. OCK generated 386.5 tonnes of waste, of which 252.5 tonnes were diverted from landfill. All used cooking oil was collected by accredited collectors, while 100% of the Group’s used oil was treated by licensed collectors for recycling. OCK also maintained the use of Roundtable on Sustainable Palm Oil-certified palm oil and Forest Stewardship Council-certified paper packaging for its puff products, supporting more responsible sourcing across its supply chain.

(III) SOCIAL

OCK places emphasis on employee development, workplace safety, diversity and equal opportunity, customer health and safety and community participation. The Group employed 689 people in FY2026, of whom approximately 77% were female. Employees received 2,756 hours of training during the year, equivalent to an average of four hours per employee. Recruitment and employment practices are based on merit, and the Group reported zero incidents of discrimination in FY2026.

OCK maintains workplace safety procedures covering hazard identification, incident reporting and employee training. The Group recorded zero work-related fatalities, zero high-consequence injuries and zero cases of recordable work-related ill health in FY2026. However, two recordable work-related injuries occurred and the Group did not meet its target of maintaining zero recordable injuries. OCK intends to maintain its zero-incident target and continue reinforcing safety awareness and preventive measures in FY2027.

Food safety remains central to OCK's operations and brand reputation. All food handlers are required to pass the Workforce Skills Qualifications Food Safety Course Level 1, supported by hygiene procedures and product-quality controls. The Group reported no significant incidents of non-compliance concerning customer health and safety during FY2026. OCK also achieved its community-engagement target by participating in at least two charitable or non-profit activities during the year.

(IV) GOVERNANCE

OCK regards effective corporate governance, ethical conduct and regulatory compliance as foundations for maintaining stakeholder confidence. The Group applies practices consistent with the Code of Corporate Governance 2018. The Board oversees the Group's strategic direction and risk-governance framework, while the Audit Committee reviews internal controls, material sustainability matters and risk-management activities on a semi-annual basis.

The Group adopts a zero-tolerance position towards corruption, bribery and fraud. Its Whistleblowing Policy provides employees and external stakeholders with a confidential channel to report suspected misconduct and protects good-faith reporters from reprisals. Reports are subject to independent investigation under the oversight of the Audit Committee. OCK recorded zero confirmed incidents of corruption in FY2026 and met its business-ethics target.

OCK also conducts compliance monitoring and training covering applicable laws, regulations and internal policies. The Group reported no incidents of regulatory non-compliance that resulted in significant fines or non-monetary sanctions in FY2026. While its FY2026 Sustainability Report was not externally assured, OCK is strengthening its data-management, documentation and reporting controls and intends to evaluate limited external assurance as future SGX climate-disclosure requirements take effect.

OCK's FY2026 ESG performance and FY2027 targets are shown in **Exhibit 55**.

Exhibit 55: FY2026 ESG Performance and FY2027 Targets

Our Sustainability Targets

Material Topics	FY2026 Targets	FY2026 Performance	FY2027 Targets
Economic Performance (GRI 201)	Maintain return on equity at or above 10%.	Achieved target as return on equity recorded 14.9%.	Maintain return on equity at or above 10%.
Energy and Emissions (GRI 302 and GRI 305)	Reduce our energy consumption intensity by 3%. Reduce our emissions (Scope 1 and Scope 2) intensity by 3% annually.	Requires improvement as we recorded an intensity of 87.99 kWh per square foot, a slight increase from FY2025 Measured an emissions intensity of 33.4 $kgCO_2$ per square foot, a slight increase from FY2025	Reduce our energy consumption intensity by 3%. Reduce our emissions (Scope 1 and Scope 2) intensity by 3% annually. Reduce our emissions (Scope 1 and Scope 2) intensity by 10% by FY2030 from FY2026 baseline.
Water Management (GRI 303)	Reduce our water consumption intensity by 3%.	Recorded water consumption intensity of 0.326 m^3 per square foot, slight increase from FY2025	Reduce our water consumption intensity by 3%.
Waste Management (GRI 306)	100% of our used cooking oil to be treated by accredited collectors before being recycled.	Achieved target, as 100% of our used cooking oil were treated by accredited collectors before being recycled.	100% of our used cooking oil to be treated by accredited collectors before being recycled.
Sustainable Supply Chain (GRI 301, 308)	Maintain our RSPO Supply Chain Certification for palm oil used. Main suppliers for packaging materials and cooking oil continue to hold sustainability certifications.	Achieved target as we maintained our RSPO Supply Chain Certification for palm oil used. Achieved target as main suppliers for packaging materials and cooking oil held sustainability certifications.	Maintain our RSPO Supply Chain Certification for palm oil used.
Diversity and Equal Opportunity (GRI 405)	Maintain zero records or reports of discrimination. Hold at least 3 activities or events for employees.	There were zero incidents of discrimination in the workplace during the financial year. Achieved, as at least 3 events were held for employees.	Maintain zero records or reports of discrimination. Hold at least 3 activities for employees.
Occupational Health and Safety (GRI 403)	Maintain zero work-related health and safety incidents	Requires improvement as we recorded two cases of work-related injury incidents.	Maintain zero work-related health and safety incidents.
Customer Health and Safety (GRI 416)	Zero significant incidents of non-compliance concerning the health and safety	There were zero significant incidents of non-compliance concerning the health and safety impacts of	Zero significant incidents of non-compliance concerning the health and safety

Source: Old Chang Kee Ltd.

Exhibit 55: FY2026 ESG Performance and FY2027 Targets (cont'd)

Material Topics	FY2026 Targets	FY2026 Performance	FY2027 Targets
	impacts of products and services.	our products and services.	impacts of products and services.
Local Communities (GRI 413)	Participate in at least two charity or non-profit activities each year.	Achieved, as the Group participated in at least two charity or non-profit activities.	Participate in at least two charity or non-profit activities each year.
Corporate Governance (GRI 2)	Continue to adopt corporate governance practices consistent with the Code of Corporate Governance 2018.	Continued to adopt corporate governance practices consistent with the Code of Corporate Governance 2018.	Continue to adopt corporate governance practices consistent with the Code of Corporate Governance 2018.
Business Ethics (GRI 205)	Maintain zero incidents of corruption.	Achieved target as there were zero incidents of corruption.	Maintain zero incidents of corruption.
Compliance (GRI 2)	Maintain zero incidents of non-compliance resulting in significant fines or non-monetary sanctions.	Achieved target as there were zero incidents of non-compliance resulting in significant fines or non-monetary sanctions.	Maintain zero incidents of non-compliance resulting in significant fines or non-monetary sanctions.

Source: Old Chang Kee Ltd.

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