Qian Hu Corporation Limited
FY 2003 Results
12 January 2004
We survived the perfect storm!
Corporate Achievements

- For the 3rd year running – Most Transparent Company Award – SIAS
- Golden Circle (Special Merit Award) from SIAS
- Best Managed Board – Special Mention Award
Audited FY 2003 Results
## Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>2003 (S$m)</th>
<th>2002 (S$m)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>67.7</td>
<td>62.7</td>
<td>8.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>11.5</td>
<td>10.2</td>
<td>13.1</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>7.0</td>
<td>6.5</td>
<td>7.2</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>6.68 cents</td>
<td>6.58 cents</td>
<td></td>
</tr>
<tr>
<td>(fully diluted)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on equity</td>
<td>19.2%</td>
<td>23.5%</td>
<td></td>
</tr>
<tr>
<td>Debt-to-Equity Ratio</td>
<td>0.45</td>
<td>0.56</td>
<td></td>
</tr>
<tr>
<td>NAV per share</td>
<td>38.33 cents</td>
<td>27.41 cents</td>
<td></td>
</tr>
</tbody>
</table>
Turnover By Activities
Full year ended 31 December

2002

- Aquarium & Pet Accessories: 51%
- Ornamental Fish: 38%
- Plastics & Others: 11%

2003

- Aquarium & Pet Accessories: 49%
- Ornamental Fish: 41%
- Plastics & Others: 10%
Turnover By Regions
Full year ended 31 December

2002

- Overseas: 45%
- Singapore: 55%

2003

- Overseas: 44%
- Singapore: 56%
Profit By Activities
Full year ended 31 December

2002
- Aquarium & Pet Accessories: 72%
- Ornamental Fish: 25%
- Plastics & Others: 3%

2003
- Aquarium & Pet Accessories: 48%
- Ornamental Fish: 50%
- Plastics & Others: 2%
Profit By Regions
Full year ended 31 December

2002

Overseas 47%
Singapore 53%

2003

Singapore 45%
Overseas 55%
Growth Indicators

Turnover
S$m

142.128

Net Profit
S$m

0 1
2 3 4 5
6 7 8 9
10 11

1998 1999 2000 2001 2002 2003

Turnover  Net Profit

S$m

0 1 2 3 4 5 6 7 8 9 10 11

2002 2003
Growth Indicators

Net Profit Margin (%) - EPS (cts)

1998 1999 2000 2001 2002 2003

Net Profit Margin (%) - EPS (cts)
## Comparing Q3 vs Q4

<table>
<thead>
<tr>
<th></th>
<th>Q3/2003 (S$m)</th>
<th>Q4/2003 (S$m)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>17.8</td>
<td>16.7</td>
<td>(6.3)</td>
</tr>
<tr>
<td>Net Profit</td>
<td>2.5</td>
<td>2.9</td>
<td>14.1</td>
</tr>
</tbody>
</table>
## Q4/2003 vs Q4/2002

<table>
<thead>
<tr>
<th></th>
<th>Q4/2003 (S$m)</th>
<th>Q4/2002 (S$m)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>16.7</td>
<td>17.4</td>
<td>(4.2)</td>
</tr>
<tr>
<td>Net Profit</td>
<td>2.9</td>
<td>2.5</td>
<td>15.2</td>
</tr>
</tbody>
</table>
## Balance Sheet Highlights

<table>
<thead>
<tr>
<th></th>
<th>31/12/02 (S$m)</th>
<th>31/12/03 (S$m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>43.7</td>
<td>57.2</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>15.5</td>
<td>16.5</td>
</tr>
<tr>
<td>Total Shareholders’ Funds</td>
<td>28.2</td>
<td>40.7</td>
</tr>
</tbody>
</table>
## Cash Flow Statement

<table>
<thead>
<tr>
<th></th>
<th>2002 (S$m)</th>
<th>2003 (S$m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash generated from operating activities</td>
<td>4.7</td>
<td>1.0</td>
</tr>
<tr>
<td>Cash used in investing activities</td>
<td>(1.7)</td>
<td>(3.7)</td>
</tr>
<tr>
<td>Cash generated from (used in) financing activities</td>
<td>3.5</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Net increase (decrease) in cash and equivalents</td>
<td>6.5</td>
<td>(3.7)</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7.8</td>
<td>4.1</td>
</tr>
</tbody>
</table>
## Inventory & Trade Debtors Turnover

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inventory Turnover</strong></td>
<td>88 days</td>
<td>125 days</td>
</tr>
<tr>
<td><strong>Trade Debtors Turnover</strong></td>
<td>62 days</td>
<td>69 days</td>
</tr>
</tbody>
</table>
Dividend & Bonus Issue

**Dividend:**
- 6% gross per share
- If approved, to be paid on 2 April 2004

**Bonus Issue:**
- 1 Bonus Share for every 5 existing Shares
Latest Developments
Joint Venture in Indonesia

55% stake in PT Qian Hu Aquarium & Pets Indonesia
- Acquisition of PD Natura Indonesia’s assets
- $475,000 from internal cash resources

Rationale:
- Increase distribution channels in Indonesia and export markets
- Opportunities for retail chain stores in Jakarta
Retail Chain Stores

Brand: Qian Hu - The Pet Family

- Different from franchise model - fully-owned by Qian Hu
- To launch 10 – 20 stores in 2004
  - CHINA: Shanghai, Tianjin, Beijing
  - INDONESIA: Jakarta
  - THAILAND: Bangkok
  - MALAYSIA: Penang, Johor Bahru

TARGET: OVER 100 STORES IN 5 YEARS!
Collaborative agreement:

- To conduct proprietary research on Asian Arowana in the next few years, including studies on its breeding behaviour
- Enable Qian Hu to conduct selective breeding – enhance quality & quantity of future generations of Asian Arowana
- Qian Hu-TLL Life Sciences Scholarship – to train researchers for ornamental fish R&D
  - First Scholar: Mr Alex Chang
  - To be supervised by Dr Laszlo Orban from Laboratory of Reproductive Genomics in TLL
Signing Ceremony
Q&A
Wishing you a Happy and Prosperous New Year