



**Interim Financial Information
For the Second Half and Financial Year Ended
31 December 2024**

QIAN HU CORPORATION LIMITED

Incorporated in the Republic of Singapore
Company Registration Number – 199806214N

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QIAN HU CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. : 199806124N)

INTERIM FINANCIAL INFORMATION
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2024

STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 31 Dec 2024 \$	As at 31 Dec 2023 \$	As at 31 Dec 2024 \$	As at 31 Dec 2023 \$
ASSETS					
Property, plant and equipment	3	8,601,905	8,602,010	2,545,205	3,036,543
Biological assets - brooder stocks	4	119,250	132,750	119,250	132,750
Intangible assets	5	6,541,403	6,664,872	2,493,022	2,615,022
Subsidiaries	6	-	-	3,627,287	3,524,387
Trade and other receivables	9	-	-	5,661,492	4,850,220
Non-current assets		15,262,558	15,399,632	14,446,256	14,158,922
Biological assets - breeder stocks	4	41,753	-	-	-
Financial asset at fair value through profit or loss ("FVTPL")	7	1,451,687	1,379,181	1,451,687	1,379,181
Inventories	8	11,847,481	12,239,635	4,919,999	4,716,185
Trade and other receivables	9	14,814,386	14,368,173	15,704,658	16,931,561
Cash and cash equivalents		14,631,327	15,546,221	7,720,877	8,168,917
Current assets		42,786,634	43,533,210	29,797,221	31,195,844
Total assets		58,049,192	58,932,842	44,243,477	45,354,766
EQUITY					
Share capital	10	30,772,788	30,772,788	30,772,788	30,772,788
Reserves		9,004,932	8,720,552	606,550	897,582
Equity attributable to owners of the Company		39,777,720	39,493,340	31,379,338	31,670,370
Non-controlling interests		2,265,499	2,238,288	-	-
Total equity		42,043,219	41,731,628	31,379,338	31,670,370
LIABILITIES					
Loans and borrowings	11	526,818	1,562,395	105,712	216,920
Deferred tax liabilities		37,200	47,936	-	-
Non-current liabilities		564,018	1,610,331	105,712	216,920
Loans and borrowings	11	5,910,712	6,387,150	4,639,011	5,125,682
Trade and other payables	12	9,125,336	8,855,519	7,911,959	8,134,337
Current tax payable		405,907	348,214	207,457	207,457
Current liabilities		15,441,955	15,590,883	12,758,427	13,467,476
Total liabilities		16,005,973	17,201,214	12,864,139	13,684,396
Total equity and liabilities		58,049,192	58,932,842	44,243,477	45,354,766
Inventory turnover (days)		116	122	80	74
Trade receivables turnover (days)		64	63	75	67
Debt equity ratio (times)		0.38	0.41	0.41	0.43



QIAN HU CORPORATION LIMITED
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group			Group		
		6 months ended 31 Dec		Change	Financial year ended 31 Dec		Change
		2024	2023		2024	2023	
		\$	\$	%	\$	\$	%
Revenue	13	36,266,835	35,969,199	0.8	71,417,783	70,313,787	1.6
Cost of sales		(23,282,378)	(24,191,090)	(3.8)	(46,099,839)	(46,748,038)	(1.4)
Gross profit		12,984,457	11,778,109	10.2	25,317,944	23,565,749	7.4
Other income	14	1,636,719	1,918,055	(14.7)	3,065,642	3,544,255	(13.5)
Other expense	15	-	(7,391,199)	NM	-	(7,391,199)	NM
Selling & distribution expenses		(1,395,333)	(1,283,096)	8.7	(2,665,294)	(2,553,603)	4.4
General & administrative expenses		(12,827,649)	(13,891,165)	(7.7)	(24,728,330)	(25,669,560)	(3.7)
Impairment loss on trade receivables		(102,547)	(136,659)	(25.0)	(183,687)	(154,010)	19.3
Results from operating activities		295,647	(9,005,955)	NM	806,275	(8,658,368)	NM
Finance income		95,656	76,604	24.9	168,976	140,680	20.1
Finance costs		(160,722)	(225,739)	(28.8)	(354,779)	(451,051)	(21.3)
Net finance costs	16	(65,066)	(149,135)	(56.4)	(185,803)	(310,371)	(40.1)
Profit (loss) before tax	17	230,581	(9,155,090)	NM	620,472	(8,968,739)	NM
Tax expense	18	(128,998)	(81,561)	58.2	(203,760)	(157,546)	29.3
Profit (loss) for the period/year		101,583	(9,236,651)	NM	416,712	(9,126,285)	NM
Profit (loss) attributable to:							
Owners of the Company		106,124	(9,306,602)	NM	356,656	(9,276,853)	NM
Non-controlling interests		(4,541)	69,951	NM	60,056	150,568	(60.1)
Profit (loss) for the period/year		101,583	(9,236,651)	NM	416,712	(9,126,285)	NM
Earnings (loss) per share (cents)							
Basic		0.09	(8.20)		0.31	(8.17)	
Diluted		0.09	(8.20)		0.31	(8.17)	
Gross profit margin		35.8%	32.7%		35.5%	33.5%	
Net profit (loss) margin		0.3%	(25.7%)		0.6%	(13.0%)	
Effective tax rate					32.9%	NM	
Return on equity					0.9%	(23.5%)	

NM: Not meaningful



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<u>Group</u>			<u>Group</u>		
	<u>6 months ended 31 Dec</u>		<u>Change</u>	<u>Financial year ended 31 Dec</u>		<u>Change</u>
	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>	
	\$	\$	%	\$	\$	%
Profit (loss) for the period/year	101,583	(9,236,651)	NM	416,712	(9,126,285)	NM
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences - foreign operations, net of tax	605,189	(37,431)	NM	350,958	(167,461)	NM
Other comprehensive income for the period/year, net of tax	605,189	(37,431)	NM	350,958	(167,461)	NM
Total comprehensive income for the period/year	706,772	(9,274,082)	NM	767,670	(9,293,746)	NM
Total comprehensive income attributable to:						
Owners of the Company	537,337	(9,361,457)	NM	624,959	(9,421,085)	NM
Non-controlling interests	169,435	87,375	93.9	142,711	127,339	12.1
Total comprehensive income for the period/year	706,772	(9,274,082)	NM	767,670	(9,293,746)	NM

NM: Not meaningful



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STATEMENTS OF CHANGES IN EQUITY

Group	Attributable to owners of the Company				Non-Controlling interests	Total equity
	Share capital	Retained earnings	Translation reserve	Total		
	\$	\$	\$	\$	\$	\$
At 1 January 2023	30,772,788	18,995,161	(512,945)	49,255,004	2,295,749	51,550,753
Total comprehensive income for the year						
(Loss) Profit for the year	-	(9,276,853)	-	(9,276,853)	150,568	(9,126,285)
Other comprehensive income						
Foreign currency translation differences - foreign operations, net of tax	-	-	(144,232)	(144,232)	(23,229)	(167,461)
Total other comprehensive income	-	-	(144,232)	(144,232)	(23,229)	(167,461)
Total comprehensive income for the year	-	(9,276,853)	(144,232)	(9,421,085)	127,339	(9,293,746)
Transactions with owners of the Company, recognised directly in equity						
<i>Distributions to owners</i>						
Dividends paid	-	(340,579)	-	(340,579)	(184,800)	(525,379)
Total transactions with owners of the Company	-	(340,579)	-	(340,579)	(184,800)	(525,379)
At 31 December 2023	30,772,788	9,377,729	(657,177)	39,493,340	2,238,288	41,731,628



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STATEMENTS OF CHANGES IN EQUITY (cont'd)

Group	Attributable to owners of the Company			Total	Non-Controlling interests	Total equity
	Share capital	Retained earnings	Translation reserve			
	\$	\$	\$	\$	\$	\$
At 1 January 2024	30,772,788	9,377,729	(657,177)	39,493,340	2,238,288	41,731,628
Total comprehensive income for the year						
Profit for the year	-	356,656	-	356,656	60,056	416,712
Other comprehensive income						
Foreign currency translation differences - foreign operations, net of tax	-	-	268,303	268,303	82,655	350,958
Total other comprehensive income	-	-	268,303	268,303	82,655	350,958
Total comprehensive income for the year	-	356,656	268,303	624,959	142,711	767,670
Transactions with owners of the Company, recognised directly in equity						
<i>Distributions to owners</i>						
Dividends paid	-	(340,579)	-	(340,579)	(159,600)	(500,179)
Total distributions to owners	-	(340,579)	-	(340,579)	(159,600)	(500,179)
<i>Changes in ownership interests</i>						
Incorporation of subsidiary with non-controlling interest	-	-	-	-	44,100	44,100
Total changes in ownership interests	-	-	-	-	44,100	44,100
Total transactions with owners of the Company	-	(340,579)	-	(340,579)	(115,500)	(456,079)
At 31 December 2024	30,772,788	9,393,806	(388,874)	39,777,720	2,265,499	42,043,219



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STATEMENTS OF CHANGES IN EQUITY (cont'd)

Company	Share capital \$	Retained earnings \$	Translation reserve \$	Total equity \$
At 1 January 2023	30,772,788	8,749,818	88,737	39,611,343
Total comprehensive income for the year				
Loss for the year	-	(7,601,209)	-	(7,601,209)
Other comprehensive income				
Foreign currency translation differences - foreign operations, net of tax	-	-	815	815
Total other comprehensive income	-	-	815	815
Total comprehensive income for the year	-	(7,601,209)	815	(7,600,394)
Transactions with owners of the Company, recognised directly in equity				
<i>Distributions to owners</i>				
Dividends paid	-	(340,579)	-	(340,579)
Total transactions with owners of the Company	-	(340,579)	-	(340,579)
At 31 December 2023	30,772,788	808,030	89,552	31,670,370
Total comprehensive income for the year				
Profit for the year	-	49,547	-	49,547
Other comprehensive income				
Foreign currency translation differences - foreign operations, net of tax	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	49,547	-	49,547
Transactions with owners of the Company, recognised directly in equity				
<i>Distributions to owners</i>				
Dividends paid	-	(340,579)	-	(340,579)
Total transactions with owners of the Company	-	(340,579)	-	(340,579)
At 31 December 2024	30,772,788	516,998	89,552	31,379,338



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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Group		Group	
	6 months ended 31 Dec 2024	2023	Financial year ended 31 Dec 2024	2023
	\$	\$	\$	\$
Cash flows from operating activities				
Profit (loss) before tax	230,581	(9,155,090)	620,472	(8,968,739)
Adjustments for:				
Amortisation of intangible assets	61,880	61,782	123,672	123,316
Bad trade receivables written off	10,858	51,322	9,752	49,390
Impairment loss on trade receivables	102,547	136,659	183,687	154,010
Allowance for inventory obsolescence	-	1,567,783	-	1,517,783
Depreciation of				
- property, plant and equipment	1,501,652	1,364,232	2,947,571	2,747,322
- biological assets - brooder stocks	6,750	59,848	13,500	144,817
Property, plant and equipment written off	55,122	364	55,122	364
Gain on disposal of property, plant and equipment	(4,822)	(51,864)	(6,490)	(44,254)
Loss on biological assets	-	7,391,199	-	7,391,199
Net change in fair value of				
- biological assets	(16,554)	-	(16,554)	-
- financial asset at FVTPL	(38,083)	(304,521)	(72,506)	(329,521)
Gain on derecognition of right-of-use assets and lease liabilities	(3,128)	(12,703)	(3,128)	(12,703)
Finance costs	160,722	225,739	354,779	451,051
Finance income	(95,656)	(76,604)	(168,976)	(140,680)
	1,971,869	1,258,146	4,040,901	3,083,355
Changes in:				
Inventories	2,956	547,516	356,329	1,770,994
Biological assets - breeder stocks	6,640	183,090	(25,199)	183,090
Trade and other receivables	608,791	848,199	(482,194)	(771,761)
Trade and other payables	1,119,485	550,415	303,021	(614,219)
Cash generated from operations	3,709,741	3,387,366	4,192,858	3,651,459
Tax paid	(54,438)	(86,988)	(163,411)	(296,012)
Net cash from operating activities	3,655,303	3,300,378	4,029,447	3,355,447
Cash flows from investing activities				
Acquisition of				
- property, plant and equipment	(2,096,494)	(333,921)	(2,489,592)	(692,016)
- intangible asset	-	-	-	(4,736)
Deposit for purchase of property, plant and equipment	-	(849,680)	-	(849,680)
Interest received	95,656	76,604	168,976	140,680
Proceeds from disposal of property, plant and equipment	4,706	109,960	6,495	109,960
Net cash used in investing activities	(1,996,132)	(997,037)	(2,314,121)	(1,295,792)



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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

	Group		Group	
	6 months ended 31 Dec 2024	2023	Financial year ended 31 Dec 2024	2023
	\$	\$	\$	\$
Cash flows from financing activities				
Dividends paid to				
- owners of the Company	-	-	(340,579)	(340,579)
- non-controlling interests	(159,600)	(184,800)	(159,600)	(184,800)
Interest paid	(161,338)	(228,064)	(355,370)	(464,505)
Repayment of				
- lease liabilities	(769,635)	(702,547)	(1,476,533)	(1,337,293)
- bank term loans	(500,000)	(1,500,000)	(500,000)	(4,000,000)
Capital contribution from non-controlling interest	-	-	44,100	-
Net cash used in financing activities	(1,590,573)	(2,615,411)	(2,787,982)	(6,327,177)
Net increase (decrease) in cash and cash equivalents	68,598	(312,070)	(1,072,656)	(4,267,522)
Cash and cash equivalents at beginning of period/year	14,318,550	15,946,342	15,546,221	20,116,838
Effect of exchange rate fluctuations on cash held	244,179	(88,051)	157,762	(303,095)
Cash and cash equivalents at end of period/year				
(Note i)	14,631,327	15,546,221	14,631,327	15,546,221

(i) Cash and cash equivalents comprised:

	Group	
	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$
Short-term deposits	1,763,125	426,764
Cash and bank balances	12,868,202	15,119,457
	14,631,327	15,546,221



QIAN HU CORPORATION LIMITED
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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Corporate information

Qian Hu Corporation Limited (the Company) is incorporated in the Republic of Singapore.

These condensed interim financial statements as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Group and the Company are those relating to import, export, farming, breeding and distribution of ornamental fish, aquaculture products and aquarium and pet accessories, as well as the manufacturing and distribution of aquarium accessories and plastic bags (see Notes 13 and 23).

2. Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements as at and for the financial year ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last annual financial statements for the year ended 31 December 2023.

Other than the adoption of the amended standards as set out in Note 2.5, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2023, which were in accordance with SFRS(I)s.

2.2 Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

The condensed interim financial statements have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group’s ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period.

2.3 Functional and presentation currencies

The condensed interim financial statements are presented in Singapore dollars, which is the Company’s functional currency.

2.4 Uses of estimates and judgements

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

2.4 Uses of estimates and judgements (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next reporting period are included in the following note:

- Note 8 – allowance for inventory obsolescence
- Note 9 – measurement of expected credit loss (ECL) allowance for trade and other receivables: key assumptions in determining the weighted-average loss rate

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team led by the Finance Director that has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the team assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I)s, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques (see Note 24).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

2.5 Changes in accounting policies

New standards and amendments adopted by the Group

During the current financial year, the Group and the Company have adopted the following amendments to SFRS(I)s which took effect from financial year beginning 1 January 2024:

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*

The adoption of the above amendments to SFRS(I)s is assessed to have no material financial effect on the results and financial position of the Group and of the Company for the year ended 31 December 2024. Accordingly, it has no material impact on the earnings per share of the Group and of the Company.

3 Property, plant and equipment

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$2,927,167 (2023: \$4,110,414), of which \$68,088 (2023: \$57,000) were acquired under finance leases and \$369,487 (2023: \$3,361,398) relates to right-of-use assets. Cash payments of \$2,489,592 (2023: \$692,016) were made to purchase property, plant and equipment.

4 Biological assets

(i) Brooder stocks

Brooder stocks are parent stocks of dragon fish, held by the Group and the Company for use in the breeding of dragon fish. Due to the uniqueness of each dragon fish and as an active market does not exist for the brooder stocks, the brooder stocks are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The depreciation method, useful lives and residual values are reviewed at each reporting date.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4 Biological assets

(i) Brooder stocks (cont'd)

	Group and Company	
	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$
Brooder stocks		
Cost		
At 1 January	135,000	9,568,000
Additions during the year	-	135,000
Loss during the year	-	(9,568,000)
At 31 December	135,000	135,000
Accumulated depreciation		
At 1 January	2,250	1,899,234
Depreciation charge for the year	13,500	144,817
Loss during the year	-	(2,041,801)
At 31 December	15,750	2,250
Net carrying amount		
At 31 December	119,250	132,750

(ii) Breeder stocks

As at 31 December 2024, breeder stocks are farm-raised marble goby grown to biomass ready for harvest. The fair value is determined based on the biomass volume and the size distribution of similar fishes that can be purchased from suppliers.

Breeder stocks in the previous financial year were off-springs of the brooder stocks held for trading purposes. These stocks were measured based on their fair value, which are determined based on the age, breed and genetic merit of similar fish that can be purchased from another supplier.

	Group and Company	
	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$
Breeder stocks		
At 1 January	-	183,090
Net increase due to births	-	252,840
Decreases due to sales/write offs	-	(435,930)
Purchases	82,561	-
Net change in fair value	16,554	-
Harvest	(29,106)	-
Incident-based mortality	(28,256)	-
At 31 December	41,753	-



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4 Biological assets (cont'd)

Impairment tests for cash-generating units (“CGU”) containing biological assets – brooder stocks

The recoverable amount of the biological assets – brooder stocks is based on value-in-use (“VIU”) and is determined by discounting the future cash flows to be generated from the continuing use of the CGU. No impairment loss was required for the carrying amount of biological assets – brooder stocks as at 31 December 2024 and 31 December 2023 as the recoverable amount was in excess of the carrying amount.

Key assumptions used in the calculation of recoverable amount of biological assets – brooder stocks are discount rates, production yield and growth rates.

Discount rate

The discount rates used are pre-tax based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities and the systemic risk of the specific business activities.

Production yield

Management estimates the production yield based on the actual breeder production for the past 12 months adjusted for the expected production yield.

Budgeted revenue growth

The anticipated annual revenue growth included in the cash flow projections was based on past performance and its expectation for market development.

5 Intangible assets

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$	\$	\$
Trademarks/customer acquisition costs/formulation rights	3,802,822	3,802,542	3,717,806	3,717,806
Goodwill on consolidation	4,046,430	4,046,430	-	-
	<u>7,849,252</u>	<u>7,848,972</u>	<u>3,717,806</u>	<u>3,717,806</u>
Less Accumulated amortisation	(1,307,849)	(1,184,100)	(1,224,784)	(1,102,784)
	<u>6,541,403</u>	<u>6,664,872</u>	<u>2,493,022</u>	<u>2,615,022</u>

Trademarks/customer acquisition costs/formulation rights relate to costs paid to third parties in relation to: -

- acquisition of trademarks rights of certain brands of pet food. Such costs were determined to have indefinite lives and are tested for impairment annually;
- acquisition of customer base, which is amortised over three years; and
- acquisition of trademarks and formulation rights of certain products, which are amortised over 25 years.

Goodwill on consolidation represents the excess of the cost of acquisition over the fair value of the Group’s share of the identifiable net assets of the subsidiary acquired. The goodwill balance is subject to annual impairment testing.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

5 Intangible assets (cont'd)

(i) *Impairment tests for CGU containing trademarks/customer acquisition costs*

The recoverable amount of the costs paid in relation to the acquisition and registration of trademarks and brands of pet food is based on the VIU and are determined by discounting the future cash flows to be generated from the continuing use of the CGU. No impairment is required for the carrying amount of trademarks/customer acquisition costs as at 31 December 2024 and 31 December 2023 as the recoverable amount was in excess of the carrying amount.

Key assumptions used in the calculation of recoverable amounts of trademarks/customer acquisition costs are discount rates and growth rates.

Discount rate

The discount rates used are pre-tax based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities and the systemic risk of the specific business activities.

Terminal value growth rate

Management includes five years of cash flows based on financial budgets approved by the directors in their discounted cash flow models. A long-term growth rate into perpetuity has been determined as the lower of the nominal GDP rates for Singapore in which the division is based and the long-term compound annual growth rate in earnings before interest, taxation, depreciation and amortisation (EBITDA) estimated by management.

Budgeted revenue growth

The anticipated annual revenue growth included in the cash flow projections was based on past performance and its expectation for market development.

(ii) *Impairment tests for goodwill arising from the business combination of Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd (“GZQH”)*

The goodwill is attributable mainly to the synergies expected to be achieved from integrating GZQH into the Group’s existing accessories business. The recoverable amount of this CGU is based on its VIU and are determined by discounting the future cash flows to be generated from the continuing use of the CGU. No impairment loss was required for the carrying amount of goodwill as at 31 December 2024 and 31 December 2023 as the recoverable amount was in excess of the carrying amount.

Key assumptions used in discounted cash flow projection calculations used in the estimation of value in use are discount rate, growth rate and net profit margin.

Discount rate

The discount rates used are pre-tax based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities and the systemic risk of the specific business activities.

Terminal growth rate

A long-term growth rate into perpetuity has been determined as the lower of the nominal GDP rates for People’s Republic of China in which GZQH operates and the long-term compound annual growth rate in EBITDA estimated by management.



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5 Intangible assets (cont'd)

(ii) ***Impairment tests for goodwill arising from the business combination of Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd (“GZQH”) (cont'd)***

Net profit margin

The net profit margin is determined by comparing against the Group’s historical performance in similar business segment, future business plans and consideration of other external and internal factors.

6 Subsidiaries

During the financial year, the Company incorporated a subsidiary in Malaysia known as Qian Hu Aquaculture (M) Sdn. Bhd. (“QHAM”). As at 31 December 2024, the issued and paid up capital in QHAM amounted to RM513,000 (approximately \$147,000), of which 70% is held by the Company. The principal activities of QHAM are relating to the farming and distribution of aquaculture products.

The incorporation of QHAM was funded through internal resources of the Group and has no material impact on the consolidated net tangible assets and earnings per share of the Group or of the Company for the financial year ended 31 December 2024.

7 Financial asset at fair value through profit or loss (“FVTPL”)

	Group and Company	
	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$
Non-listed debt instrument - convertible loan		
At 1 January	1,379,181	1,049,660
Net change in fair value	72,506	329,521
At 31 December	<u>1,451,687</u>	<u>1,379,181</u>

On 20 December 2021, the Company entered into a \$1 million unsecured convertible loan (“USCL”) agreement with AquaEasy Pte Ltd (“AquaEasy”). The USCL, paid in January 2022, bore interest at 5% per annum from the date of disbursement of the loan to AquaEasy to 30 June 2023. On 22 May 2023, the Company agreed with AquaEasy to extend the maturity date of the USCL to 31 December 2024. The subsequent tenure bore interest at 6% per annum.

On 18 October 2024, the maturity date of the USCL was further extended to 31 December 2025 with a revised interest rate of 7% per annum.

The fair value of the financial asset was valued by an independent valuation firm as at the reporting dates. The valuation techniques used to derive at the fair value is the income approach, using the Probability Weighted Expected Return Method.

The currency profile of the financial asset at FVTPL as at the end of the reporting period is Singapore dollar.



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8 Inventories

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$	\$	\$
Fish	1,741,698	1,608,042	996,228	919,534
Accessories	8,831,414	9,416,363	3,923,771	3,796,651
Plastics products - raw materials	427,501	466,283	-	-
Plastics products - finished goods	846,868	748,947	-	-
	11,847,481	12,239,635	4,919,999	4,716,185

The Group assesses the net realisable value of its inventories on annual basis. Estimates of net realisable value are based on the most reliable evidence available at the statement of financial position date. These estimates take into consideration of market demand, selling price and cost directly relating to events occurring after the end of financial year to the extent that such events confirm conditions existing at the end of the financial year.

9 Trade and other receivables

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$	\$	\$
Trade receivables	12,646,287	12,202,442	7,449,357	7,157,646
Loss allowance	(1,464,254)	(1,463,910)	(781,000)	(820,000)
Net receivables	11,182,033	10,738,532	6,668,357	6,337,646
Deposits	631,671	665,601	147,570	152,610
Tax recoverable	99,329	120,991	-	-
Other receivables	1,455,422	1,666,259	737,277	650,164
Amount due from subsidiaries:				
- trade	-	-	10,083,934	11,367,259
- non-trade	-	-	3,188,560	2,892,703
Amortised cost	13,368,455	13,191,383	20,825,698	21,400,382
Prepayments	523,784	614,910	37,562	116,701
Advances to suppliers	922,147	561,880	502,890	264,698
	14,814,386	14,368,173	21,366,150	21,781,781
Non-current	-	-	5,661,492	4,850,220
Current	14,814,386	14,368,173	15,704,658	16,931,561
	14,814,386	14,368,173	21,366,150	21,781,781

Included in the amount due from subsidiaries is an amount due from Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd (“GZQH”) of approximately \$7.7 million as at 31 December 2024 (2023: \$8.1 million). Based on the revised repayment arrangement made with GZQH during the current financial year, \$2.0 million (2023: \$3.2 million) of the outstanding amount as at 31 December 2024 is due on 31 December 2025 and the remaining amount of approximately \$5.7 million (2023: \$4.9 million) is neither planned and is not expected to be repaid within the next 12 months.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

9 Trade and other receivables (cont'd)

Expected credit loss (“ECL”) assessment

An allowance matrix was used to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

The allowance matrix is based on actual credit loss experience over the past 3 years (2023: 3 years). The ECL computed is solely derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date.

10 Share capital

	Number of shares	\$
Fully paid ordinary shares with no par value:		
At 1 January 2024 and 31 December 2024	113,526,467	30,772,788

There was no movement in the issued and paid-up capital of the Company since 31 December 2023.

There were no outstanding convertibles as at 31 December 2024 (2023: Nil).

The Company did not hold any treasury shares as at 31 December 2024 (2023: Nil). There was no sale, transfer, disposal, cancellation and use of treasury shares during the financial year ended 31 December 2024.

11 Loans and borrowings

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$	\$	\$
Non-current liabilities				
Lease liabilities	526,818	1,562,395	105,712	216,920
Current liabilities				
Bank term loans (unsecured)	4,500,000	5,000,000	4,500,000	5,000,000
Bills payable to banks (unsecured)	73,511	-	-	-
Lease liabilities	1,337,201	1,387,150	139,011	125,682
	<u>5,910,712</u>	<u>6,387,150</u>	<u>4,639,011</u>	<u>5,125,682</u>
Total borrowings	<u>6,437,530</u>	<u>7,949,545</u>	<u>4,744,723</u>	<u>5,342,602</u>

The unsecured bank term loans are revolving bank loans that bear interest at rates ranging from 4.08% to 4.14% (2023: 4.75% to 5.01%) per annum and are repayable within the next 12 months from the reporting date.

The weighted average effective interest rate relating to bills payable to banks of the Group is 4.90% per annum. These bills mature within one to three months from the reporting date.

As at 31 December 2024, there were corporate guarantees given by the Company to financial institutions for banking facilities extended to subsidiaries amounting to approximately \$5.0 million (2023: \$1.6 million).



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12 Trade and other payables

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
	\$	\$	\$	\$
Trade payables	3,338,345	3,409,407	1,497,547	1,846,501
Accrued operating expenses	869,806	830,023	617,509	653,388
Accrued interest payable	7,290	7,881	7,290	7,881
Other payables	1,985,152	1,324,818	1,370,255	964,049
Accrued staff costs	2,530,276	2,724,496	2,097,978	2,278,904
Advance received from customers	394,467	558,894	192,958	236,994
Amounts due to subsidiaries:				
- trade	-	-	1,163,218	831,416
- non-trade	-	-	965,204	1,315,204
	9,125,336	8,855,519	7,911,959	8,134,337

13 Revenue

	Group		Group	
	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	Financial year ended 31 Dec 2024	Financial year ended 31 Dec 2023
	\$	\$	\$	\$
Sales of goods				
- Fish	14,875,199	13,470,081	29,324,378	27,646,128
- Accessories	17,298,020	18,384,430	34,031,889	34,650,097
- Plastics	4,093,616	4,114,688	8,061,516	8,017,562
	36,266,835	35,969,199	71,417,783	70,313,787

(i) Disaggregation of revenue

The following table set out the Group's revenue disaggregated by primary geographical markets and major products. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 23).

Group	Fish		Accessories		Plastics		Total	
	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Primary geographical markets								
Singapore	3,085,514	3,435,185	5,810,534	5,885,006	3,758,940	3,896,902	12,654,988	13,217,093
Other Asian countries	6,625,527	5,242,153	9,551,600	10,279,868	305,090	127,495	16,482,217	15,649,516
Europe	2,188,009	2,127,604	129,283	148,437	5,670	6,825	2,322,962	2,282,866
Others	2,976,149	2,665,139	1,806,603	2,071,119	23,916	83,466	4,806,668	4,819,724
	14,875,199	13,470,081	17,298,020	18,384,430	4,093,616	4,114,688	36,266,835	35,969,199



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13 Revenue (cont'd)

(i) Disaggregation of revenue (cont'd)

Group	Fish		Accessories		Plastics		Total	
	Financial year ended 31 Dec		Financial year ended 31 Dec		Financial year ended 31 Dec		Financial year ended 31 Dec	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Primary geographical markets								
Singapore	6,557,306	7,674,136	11,483,597	11,608,369	7,610,759	7,566,805	25,651,662	26,849,310
Other Asian countries	12,371,115	10,327,375	18,856,620	19,238,572	372,570	292,220	31,600,305	29,858,167
Europe	4,543,216	4,375,197	466,617	244,470	36,225	46,667	5,046,058	4,666,334
Others	5,852,741	5,269,420	3,225,055	3,558,686	41,962	111,870	9,119,758	8,939,976
	29,324,378	27,646,128	34,031,889	34,650,097	8,061,516	8,017,562	71,417,783	70,313,787

(ii) Seasonality of operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

14 Other income

	Group		Group	
	6 months ended 31 Dec 2024	2023	Financial year ended 31 Dec 2024	2023
	\$	\$	\$	\$
Gain on disposal of property, plant and equipment	4,822	51,864	6,490	44,254
Gain on derecognition of right-of-use assets and lease liabilities	3,128	12,703	3,128	12,703
Net change in fair value of				
- biological assets	16,554	-	16,554	-
- financial asset at FVTPL	38,083	304,521	72,506	329,521
Compensation income	653,593	-	653,593	-
Handling income (net)	773,441	1,519,523	2,088,215	3,035,303
Sundry income	147,098	29,444	225,156	122,474
	1,636,719	1,918,055	3,065,642	3,544,255

15 Other expenses

	Group		Group	
	6 months ended 31 Dec 2024	2023	Financial year ended 31 Dec 2024	2023
	\$	\$	\$	\$
Loss on biological assets	-	(7,391,199)	-	(7,391,199)



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

16 Net finance costs

	Group		Group	
	6 months ended 31 Dec		Financial year ended 31 Dec	
	2024	2023	2024	2023
	\$	\$	\$	\$
Interest income				
- bank deposits	95,656	76,604	168,976	140,680
Interest expense				
- bank loans and overdrafts	(102,919)	(154,864)	(226,567)	(336,279)
- bills payable to banks	(1,016)	(1,121)	(1,897)	(3,467)
- lease liabilities	(56,787)	(69,754)	(126,315)	(111,305)
	(160,722)	(225,739)	(354,779)	(451,051)
Net finance costs	(65,066)	(149,135)	(185,803)	(310,371)

17 Profit (loss) before tax

The followings items have been included in arriving at profit (loss) before tax:

	Group		Group	
	6 months ended 31 Dec		Financial year ended 31 Dec	
	2024	2023	2024	2023
	\$	\$	\$	\$
Allowance for inventory obsolescence	-	1,567,783	-	1,517,783
Auditors' remuneration				
- auditors of the Company	87,000	89,000	166,000	158,000
- other auditors	12,596	10,479	22,407	19,706
Non-audit fees				
- auditors of the Company	63,000	55,000	63,000	55,000
- other auditors	29,758	22,430	33,065	25,737
Directors' fees	40,000	40,000	80,000	80,000
Bad trade receivables written off	10,858	51,322	9,752	49,390
Depreciation of				
- property, plant and equipment	1,501,652	1,364,232	2,947,571	2,747,322
- biological assets	6,750	59,848	13,500	144,817
Amortisation of intangible assets	61,880	61,782	123,672	123,316
Exchange loss (gain), net	84,372	69,802	(165,769)	29,913
Short term leases	225,393	67,469	292,047	141,020
Property, plant and equipment written off	55,122	364	55,122	364
Staff costs				
- salaries and bonus*	7,122,355	6,802,549	13,917,493	13,284,249
- provident fund contributions*	504,001	478,997	1,007,577	958,453
- staff welfare benefits	475,693	525,417	1,057,617	955,070
- foreign worker levy	213,827	193,714	414,160	392,654
	7,122,355	6,802,549	13,917,493	13,284,249

* Include directors' remuneration.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

18 Tax expense

	Group		Group	
	6 months ended 31 Dec 2024	2023	Financial year ended 31 Dec 2024	2023
	\$	\$	\$	\$
Current tax expense				
Current year	140,490	73,645	216,239	150,175
Under (over) provision in respect of prior year	306	12,982	(681)	12,437
Deferred tax credit				
- origination and reversal of temporary differences	(11,798)	(5,066)	(11,798)	(5,066)
	128,998	81,561	203,760	157,546

19 Earnings (loss) per share

	Group		Group	
	6 months ended 31 Dec 2024	2023	Financial year ended 31 Dec 2024	2023
Profit (loss) attributable to owners of of the Company (\$)	106,124	(9,306,602)	356,656	(9,276,853)
Weighted average number of ordinary shares in issue for calculation of basic and diluted earnings per share	113,526,467	113,526,467	113,526,467	113,526,467
Basic earnings (loss) per share (cents)	0.09	(8.20)	0.31	(8.17)

The calculation of basic earnings (loss) per share was based on profit (loss) attributable to owners of the Company and the weighted average number of ordinary shares outstanding.

The Group has no dilution in its earnings (loss) per share as at 31 December 2024 and 31 December 2023.

20 Net asset value per share

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Net asset value per share based on existing issued share capital as at the respective dates (cents)	35.04	34.79	27.64	27.90

Net asset value per share for both periods is computed based on the number of shares in issue of 113,526,467.



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21 Dividends

The directors have proposed a final dividend of \$0.004 (2023: \$0.003) per ordinary share, one-tier exempt, totalling \$454,106 (2023: \$340,579) in respect of the financial year ended 31 December 2024. This proposed final tax-exempt dividend has not been recognised as at year end and will be submitted to shareholders' approval at the forthcoming Annual General Meeting of the Company in 2025.

During the financial year, there was dividend paid by a subsidiary to non-controlling interests amounting to \$159,600 (2023: \$184,800).

22 Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

There was no interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered by the Group during the financial year ended 31 December 2024.

23 Operating segments

(a) Business segments

The Group's operating segments are its strategic business units which offer different products and are managed separately. The reportable segment presentation is based on the Group's management and internal reporting structure used for its strategic decision-making purposes.

The Group's activities comprise the following reportable segments:

- (i) Fish - includes fish farming, breeding, distribution and trading of ornamental fish and aquaculture products;
- (ii) Accessories - includes manufacturing and distribution of aquarium and pet accessories;
- (iii) Plastics - includes manufacturing and distribution of plastic bags; and
- (iv) Others - includes corporate office and consolidation adjustments which are not directly attributable to a particular business segment above.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

23 Operating segments (cont'd)

(a) Business segments (cont'd)

Group	Financial year ended 31 Dec 2024				
	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
Revenue					
External revenue	29,324	34,032	8,062	-	71,418
Inter-segment revenue	2,930	6,536	130	(9,596)	-
Total Revenue	32,254	40,568	8,192	(9,596)	71,418
Results					
EBITDA *	3,124	2,409	1,538	(3,180)	3,891
Depreciation and amortisation	(1,125)	(1,403)	(511)	(46)	(3,085)
Interest expense	(13)	(76)	(39)	(227)	(355)
Interest income	62	89	-	18	169
Profit before tax	2,048	1,019	988	(3,435)	620
Tax expense	(145)	(31)	-	(27)	(203)
Profit for the year	1,903	988	988	(3,462)	417
Net profit margin	6.5%	2.9%	12.3%		0.6%
Assets and Liabilities					
Segment assets	21,776	26,407	5,672	4,194	58,049
Segment liabilities	5,245	4,065	1,530	5,166	16,006
Other Segment Information					
Expenditures for non-current assets **	657	174	43	1,684	2,558
Other non-cash items:					
Bad trade receivables written off	10	-	-	-	10
Gain on disposal of property, plant and equipment	-	(6)	-	-	(6)
Gain on derecognition of right-of-use assets and lease liabilities	-	(3)	-	-	(3)
Property, plant and equipment written off	42	13	-	-	55
Impairment loss (Reversal of impairment loss) on trade receivables	211	(27)	-	-	184
Net change in fair value of					
- biological assets	(17)	-	-	-	(17)
- financial asset at FVTPL	-	-	-	(73)	(73)

* EBITDA – Earnings Before Interest, Taxation, Depreciation and Amortisation.

** This includes capital expenditure and additions to other non-current assets.

*** Amount less than \$1,000.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

23 Operating segments (cont'd)

(a) Business segments (cont'd)

Group	Financial year ended 31 Dec 2023				
	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
Revenue					
External revenue	27,646	34,650	8,018	-	70,314
Inter-segment revenue	2,872	8,689	175	(11,736)	-
Total Revenue	30,518	43,339	8,193	(11,736)	70,314
Results					
EBITDA *	(4,163)	248	1,386	(3,115)	(5,644)
Depreciation and amortisation	(1,183)	(1,268)	(518)	(46)	(3,015)
Interest expense	(8)	(70)	(37)	(336)	(451)
Interest income	65	33	-	43	141
(Loss) Profit before tax	(5,289)	(1,057)	831	(3,454)	(8,969)
Tax expense	(111)	(8)	-	(38)	(157)
(Loss) Profit for the year	(5,400)	(1,065)	831	(3,492)	(9,126)
Net (loss) profit margin	(19.5%)	(3.1%)	10.4%		(13.0%)
Assets and Liabilities					
Segment assets	21,360	28,021	5,964	3,588	58,933
Segment liabilities	4,264	5,197	2,087	5,653	17,201
Other Segment Information					
Expenditures for non-current assets **	454	174	121	-	749
Other non-cash items:					
Bad trade receivables written off	32	16	1	-	49
(Gain) Loss on disposal of property, plant and equipment	(47)	***	3	-	(44)
Loss on biological assets	7,391	-	-	-	7,391
Gain on derecognition of right-of-use assets and lease liabilities	-	(13)	-	-	(13)
Property, plant and equipment written off	***	-	-	-	***
Impairment loss on trade receivables	137	17	-	-	154
Allowance for inventory obsolescence	-	1,518	-	-	1,518
Net change in fair value of financial asset at FVTPL	-	-	-	(330)	(330)

* EBITDA – Earnings Before Interest, Taxation, Depreciation and Amortisation.

** This includes capital expenditure and additions to other non-current assets.

*** Amount less than \$1,000.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

23 Operating segments (cont'd)

(b) Geographical segments

Geographical segments are analysed by four principal geographical areas, namely Singapore, other Asian countries, Europe and Others (i.e. the rest of the world).

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the customers which the sales are made to regardless of where the sales originate. Segment non-current assets and total assets are based on the geographical location of the assets.

Group	Revenue		Segment non-current assets		Segment assets	
	Financial year		Financial year		Financial year	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	25,652	26,849	9,989	11,032	37,054	37,518
Other Asian countries	31,600	29,858	5,274	4,368	20,995	21,415
Europe	5,046	4,667	-	-	-	-
Others	9,120	8,940	-	-	-	-
Total	71,418	70,314	15,263	15,400	58,049	58,933

(c) Major customers

There are no customers contributing more than 10 percent to the revenue of the Group.

24 Financial risk management

(i) Accounting classification and fair values

The carrying amounts of financial assets and financial liabilities are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Mandatorily at FVTPL	Amortised cost	Other financial liabilities	Total carrying amount
	\$	\$	\$	\$
Group				
31 Dec 2024				
Financial assets measured at fair value				
Financial assets at FVTPL	1,451,687	-	-	1,451,687
Financial assets not measured at fair value				
Trade and other receivables #	-	13,368,455	-	13,368,455
Cash and cash equivalents	-	14,631,327	-	14,631,327
	-	27,999,782	-	27,999,782

Excludes prepayments and advances to suppliers.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

24 Financial risk management (cont'd)

(ii) Accounting classification and fair values (cont'd)

	Mandatorily at FVTPL \$	Amortised cost \$	Other financial liabilities \$	Total carrying amount \$
Group				
31 Dec 2024				
Financial liabilities not measured at fair value				
Lease liabilities	-	-	(1,864,019)	(1,864,019)
Bank term loans	-	-	(4,500,000)	(4,500,000)
Bills payable to banks	-	-	(73,511)	(73,511)
Trade and other payables *	-	-	(6,200,593)	(6,200,593)
	-	-	(12,638,123)	(12,638,123)
31 Dec 2023				
Financial assets measured at fair value				
Financial assets at FVTPL	1,379,181	-	-	1,379,181
Financial assets not measured at fair value				
Trade and other receivables #	-	13,191,383	-	13,191,383
Cash and cash equivalents	-	15,546,221	-	15,546,221
	-	28,737,604	-	28,737,604
Financial liabilities not measured at fair value				
Lease liabilities	-	-	(2,949,545)	(2,949,545)
Bank term loans	-	-	(5,000,000)	(5,000,000)
Trade and other payables *	-	-	(5,572,129)	(5,572,129)
	-	-	(13,521,674)	(13,521,674)
Company				
31 Dec 2024				
Financial assets measured at fair value				
Financial assets at FVTPL	1,451,687	-	-	1,451,687
Financial assets not measured at fair value				
Trade and other receivables #	-	20,825,698	-	20,825,698
Cash and cash equivalents	-	7,720,877	-	7,720,877
	-	28,546,575	-	28,546,575
Financial liabilities not measured at fair value				
Lease liabilities	-	-	(244,723)	(244,723)
Bank term loans	-	-	(4,500,000)	(4,500,000)
Trade and other payables *	-	-	(5,621,023)	(5,621,023)
	-	-	(10,365,746)	(10,365,746)

Excludes prepayments and advances to suppliers.

* Excludes advance received from customers and accrued staff costs.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

24 Financial risk management (cont'd)

(i) Accounting classification and fair values (cont'd)

	Mandatorily at FVTPL \$	Amortised cost \$	Other financial liabilities \$	Total carrying amount \$
Company				
31 Dec 2023				
Financial assets measured at fair value				
Financial assets at FVTPL	1,379,181	-	-	1,379,181
Financial assets not measured at fair value				
Trade and other receivables #	-	21,400,382	-	21,400,382
Cash and cash equivalents	-	8,168,917	-	8,168,917
	-	29,569,299	-	29,569,299
Financial liabilities not measured at fair value				
Lease liabilities	-	-	(342,602)	(342,602)
Bank term loans	-	-	(5,000,000)	(5,000,000)
Trade and other payables *	-	-	(5,618,439)	(5,618,439)
	-	-	(10,961,041)	(10,961,041)

Excludes prepayments and advances to suppliers.

* Excludes advance received from customers and accrued staff costs.

(ii) Measurement of fair values

The Group's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Financial assets at fair value through profit or loss ("FVTPL")

The fair value of the financial asset is its expected value based on the probability weighted average present value of expected future net cash flows, considering each of the possible future events and the terms under the various situations.

Interest-bearing bank loans

The carrying value of interest-bearing bank loans that reprice within six months of the reporting date is assumed to approximate their fair values.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, bills payable to banks and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

24 Financial risk management (cont'd)

(ii) Measurement of fair values (cont'd)

Biological assets - breeder stocks

Breeder stocks are farm-raised marble goby grown to biomass ready for harvest. As at the reporting date, these stocks are measured based on their fair value with any change therein recognised in profit or loss. The fair value is determined based on the biomass volume and the size distribution of similar fishes that can be purchased from suppliers as at the reporting date.

Fair value hierarchy

The table below analyses the fair value measurements for recurring financial assets and non-financial assets and the level in the fair value hierarchy based on the inputs used in the valuation techniques. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Group				
31 Dec 2024				
Unsecured convertible loan	–	–	1,451,687	1,451,687
Biological assets - breeder stocks	–	–	41,753	41,753
	–	–	1,493,440	1,493,440
31 Dec 2023				
Unsecured convertible loan	–	–	1,379,181	1,379,181
Company				
31 Dec 2024				
Unsecured convertible loan	–	–	1,451,687	1,451,687
31 Dec 2023				
Unsecured convertible loan	–	–	1,379,181	1,379,181

The Group's policy is to recognise transfers out of Level 3 as of the end of the reporting period during which the transfer occurred.

There were no transfers or reclassifications between various levels in the fair value hierarchy during the current financial year.



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SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

25 Commitments

There were the following commitments as at the reporting date:

- (i) In December 2021, the Company obtained approval from the relevant authorities for the increase in the registered capital of its wholly owned subsidiary, GZQH, by approximately USD1.0 million (equivalent to \$1.37 million). As at 31 December 2024, the Company has not made any capital contribution into this subsidiary.
- (ii) The Group has entered into a Sale and Purchase Agreement on 12 March 2024 with an independent and unrelated third party on the acquisition of a property under construction in Malaysia at a purchase consideration of RM14.5 million (approximately \$4.1 million). As at 31 December 2024, the Group has paid approximately RM4.7 million (approximately \$1.5 million) of the purchase consideration.

26 Subsequent event

There was no known subsequent event which has led to adjustments to this set of condensed interim financial statements.

OTHER INFORMATION

AUDIT

The full year financial statements have been audited by the Company's auditors.

AUDITORS' REPORT

See attached auditors' report.

REVIEW OF GROUP PERFORMANCE

Consolidated Statement of Profit or Loss

(a) **Revenue by business segment**

Financial Year 2024 vs Financial Year 2023

	Group		Increase (Decrease)	
	Financial year ended 31 Dec 2024	2023	\$'000	%
	\$'000	\$'000		
Fish	29,324	27,646	1,678	6.1
Accessories	34,032	34,650	(618)	(1.8)
Plastics	8,062	8,018	44	0.5
	71,418	70,314	1,104	1.6



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OTHER INFORMATION (cont'd)

REVIEW OF GROUP PERFORMANCE (cont'd)

Consolidated Statement of Profit or Loss (cont'd)

(a) **Revenue by business segment (cont'd)**

Financial Year 2024 vs Financial Year 2023 (cont'd)

For the year ended 31 December 2024 (“FY 2024”), our fish and accessories activities continued to be the core business segments, which together accounted for 88.7% of the total revenue. The overall revenue registered of \$71.4 million in FY 2024 was approximately \$1.1 million or 1.6% higher than that reported in FY 2023. Although the revenue from our fish and plastics activities recorded healthy growth, it was partially offset by the reduction in revenue contribution from the accessories segment.

On a geographical basis, revenue from Singapore dipped by approximately 4.5% while revenue from overseas grew by 5.3%, in FY 2024 as compared to FY 2023.

6 months ended 31 December 2024 vs 6 months ended 31 December 2023

	Group		Increase	
	6 months ended 31 Dec	2023	(Decrease)	
	2024	2023	\$'000	%
	\$'000	\$'000		
Fish	14,875	13,470	1,405	10.4
Accessories	17,298	18,384	(1,086)	(5.9)
Plastics	4,094	4,115	(21)	(0.5)
	36,267	35,969	298	0.8

Fish

Notwithstanding the on-going trade tensions and geopolitical landscape, our revenue contribution from our fish exports has since stabilised in the current financial period. Our aquaculture business, with a wider product range and offerings, saw an increase in customers' orders. This has also given rise to the improvement in revenue contribution from our fish segment in the current financial period, as compared to its corresponding period in 2023.

We will continue our efforts to increase our export of ornamental fish by diversifying to more customers and more countries around the world from our export hubs in Singapore, Malaysia, Thailand and Indonesia.

Accessories

The revenue contribution from our accessories business declined by approximately \$1.1 million or 5.9% in the current financial period as compared to its corresponding period in 2023.

Despite our conscientious efforts made to focus on selling more of our proprietary brand of innovative products, our revenue from the accessories export activities was affected by the weakening and conservative purchasing sentiments experienced globally. Our customers grew to be more vigilant in their procurement requirements due to trade disruptions, geopolitical tensions and economic uncertainties during the current financial period.



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OTHER INFORMATION (cont'd)

REVIEW OF GROUP PERFORMANCE (cont'd)

Consolidated Statement of Profit or Loss (cont'd)

(a) **Revenue by business segment (cont'd)**

6 months ended 31 December 2024 vs 6 months ended 31 December 2023 (cont'd)

Plastics

Our plastics activities registered a flat growth in the current financial period as compared to its corresponding period in 2023. We managed to secure our customer base, focusing on generating revenue through selling products with sustainable margins, such as essential items used to enhance hygiene protocols for the healthcare and waste management sectors, as well as the hospitality segment.

- (b) **Other income** mainly consists of handling income derived from the handling of transshipments in relation to our aquaculture business. The decrease in handling income was in tandem with the decrease in transshipments activities during the current financial year. The reduction was partially mitigated by a one-time compensation income following a land expropriation by the local government in China.
- (c) **Other expense** was related to loss on biological assets (brooder stocks) amounted to approximately \$7.4 million, arose from the disposal of a substantial portion of brooder stocks following the Group's strategic decision to reduce its efforts in the breeding of dragon fish during the previous financial year.
- (d) The moderate increase in **selling and distribution expenses** in the 2nd half of 2024 and for the financial year ended 31 December 2024 was in line with the gradual increase in revenue contribution during the current financial periods.
- (e) Included in the **general and administrative expenses** in FY 2023 was an allowance for obsolete and slow-moving inventory of approximately \$1.5 million arose from an inventory profiling and assessment exercise undertaken by the Group to streamline and optimise its inventory holding.

Excluding the above one-off allowance made for obsolete and slow-moving inventory in FY 2023, the overall general and administrative expenses was approximately \$0.5 million or 4.1% and \$0.6 million or 2.4% higher in the 2nd half of 2024 and for the financial year ended 31 December 2024 respectively, as compared to its corresponding periods in 2023. This was mainly due to higher personnel expenses as a result of the increase in overall headcount and annual salary revision, as well as start-up costs incurred by the newly incorporated business units in Malaysia and Indonesia during the current financial periods.

- (f) The **impairment loss on trade receivables** were derived at by ascertaining the amount of expected credit losses that would result from all possible default events over the expected life of these receivables during both periods, which was in compliance with SFRS(I) 9 *Financial Instruments*.



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OTHER INFORMATION (cont'd)

REVIEW OF GROUP PERFORMANCE (cont'd)

Consolidated Statement of Profit or Loss (cont'd)

- (g) The decrease in **net finance costs** by approximately \$0.1 million or 56.4% and \$0.1 million or 40.1% in the 2nd half of 2024 and for the financial year ended 31 December 2024 respectively, as compared to the corresponding periods in 2023 was mainly due to lower interest rates charged by the financial institutions, coupled with an increase in finance income during the current financial periods.
- (h) The **tax expense** was mainly in relation to the operating profits registered by the profitable entities within the Group.

Despite the utilisation of tax credits, the effective tax rate registered for the year ended 31 December 2024 was higher than the amount obtained by applying the statutory tax rate of 17% on profit before tax mainly due to losses incurred by some entities which cannot be offset against profits earned by other companies within the Group and the varying statutory tax rates of the different countries in which the Group operates.

- (i) **Profit (Loss) before tax by business segment**

Financial Year 2024 vs Financial Year 2023

	Group		Increase (Decrease)	
	Financial year ended 31 Dec			
	2024	2023	\$'000	%
Fish	2,048	2,102	(54)	(2.6)
Accessories	1,019	461	558	121.0
Plastics	988	831	157	18.9
Unallocated corporate expenses	(3,435)	(3,454)	19	0.6
	620	(60)	680	NM
Loss on biological assets	-	(7,391)	7,391	NM
Allowance for inventory obsolescence	-	(1,518)	1,518	NM
	620	(8,969)	9,589	NM

NM: Not meaningful

In tandem with the higher revenue contribution, our overall profitability recovered in FY 2024. The increase in profit contribution from our accessories and plastics segments has fueled the growth in profitability in FY 2024 as compared to FY 2023.



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OTHER INFORMATION (cont'd)

REVIEW OF GROUP PERFORMANCE (cont'd)

(i) **Profit (Loss) before tax by business segment (cont'd)**

6 months ended 31 December 2024 vs 6 months ended 31 December 2023

	Group		Increase (Decrease)	
	6 months ended 31 Dec 2024	2023	\$'000	%
	\$'000	\$'000	\$'000	
Fish	602	1,056	(454)	(43.0)
Accessories	869	88	781	887.5
Plastics	514	479	35	7.3
Unallocated corporate expenses	(1,755)	(1,819)	64	3.5
	230	(196)	426	NM
Loss on biological assets	-	(7,391)	7,391	NM
Allowance for inventory obsolescence	-	(1,568)	1,568	NM
	230	(9,155)	9,385	NM

NM: Not meaningful

Fish

In spite of the higher revenue registered in the 2nd half of 2024, the noticeable lower handling fees derived from the handling of transhipments in relation to our aquaculture business has sliced off the profitability of this segment by approximately \$0.5 million or 43.0% as compared to the corresponding period in 2023.

Accessories

Included in the profitability from the accessories segment was a one-time compensation income of approximately \$0.7 million following a land expropriation by the local government in China.

Notwithstanding the dip in revenue contribution from the accessories business, operating profit (excluding compensation income) derived was approximately \$0.1 million higher in the current financial period as compared to its corresponding period in 2023. Our on-going effort to review and streamline inventory management processes, coupled with better margins from selling more of our in-house proprietary products, have lifted the profitability of this business segment.

Plastics

Despite the flat growth in revenue registered in the 2nd half of 2024, profit generated from plastic activities improved as compared to its corresponding period in 2023. It was mainly due to better margins yielded and the difference in sales mix recorded in both periods.

Unallocated corporate expenses

These were staff costs and corporate/administrative expenses incurred in relation to the overseeing of both the Group's local and overseas operations. The lower unallocated corporate expenses registered in the 2nd half of 2024 as compared to its corresponding period in 2023 was mainly attributed to lower finance costs incurred during the current financial period.



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OTHER INFORMATION (cont'd)

REVIEW OF GROUP PERFORMANCE (cont'd)

Consolidated Statement of Financial Position

Total assets (Group) as at 31 December 2024 were \$58.0 million, decreased by approximately \$0.9 million from \$58.9 million as at 31 December 2023.

The reduction was mainly due to –

- decrease in inventory by \$0.4 million as a result of the continuous review carried out to streamline our inventory management processes so as to better and effectively manage our inventory holding.
- decrease in cash and cash equivalents of approximately \$0.9 million mainly utilised for the repayment of bank borrowings and lease liabilities during the current financial year.

The above decreases were partially offset by the increase in trade and other receivables amounting to approximately \$0.4 million mainly due to higher credit sales, as well as the increase in advance payment to suppliers for purchases made to be delivered in the coming quarter. Trade receivables turnover days increased marginally from 63 days as at 31 December 2023 to 64 days as at 31 December 2024.

Total liabilities (Group) as at 31 December 2024 were \$16.0 million, decreased by approximately \$1.2 million from \$17.2 million as at 31 December 2023.

The reduction was mainly due to the decrease in loans and borrowings by approximately \$1.5 million resulting from the repayment of bank borrowings of \$0.5 million, as well as the settlement of lease liabilities on a monthly basis during the current financial year.

The above decrease was partially offset by the increase in purchases from non-trade suppliers amounting to approximately \$0.3 million.

Consolidated Statement of Cash Flows

The improvement in **net cash from operating activities** during the 2nd half of 2024 and in FY 2024 as compared to its corresponding periods in 2023 was mainly due to higher profit registered, coupled with lower inventory held during the financial periods. In addition, we were able to better manage our cash flow by extending our credit terms with our non-trade suppliers for purchases made.

Net cash used in investing activities was mainly related to capital expenditure incurred in relation to the purchase of motor vehicles and equipment, as well as ongoing enhancements made to the farm and other facilities in Singapore and overseas. In addition, there was partial payment made for a new building acquired in the current financial year.

Net cash used in financing activities was for the settlement of bank loans and lease liabilities, payment of dividend to the non-controlling shareholder of a subsidiary, as well as servicing of the monthly interest payments. In addition, there was payment of dividend made to the shareholders of the Company in April 2024.



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OTHER INFORMATION (cont'd)

VARIANCE FROM PROSPECT STATEMENT

There is no variance from the previous prospect statement released via the SGXNET on 19 July 2024.

PROSPECTS

Qian Hu projects that the challenging global business environment will persist as the Group moves into FY 2025, given the current macroeconomic and geopolitical developments.

The US Federal Reserve has dampened expectations for more rate cuts in 2025 in view of inflation risks as US trade tariffs with various countries increase with intensity under the Trump administration. The ongoing US-China trade tensions are expected to escalate and continue to put a damper on China's economic performance and consumer spending despite efforts to stimulate domestic economy. The outlook on Europe's economy is equally hazy given its domestic and external challenges. Despite headwinds, ASEAN remains a global growth driver with resilient domestic demands buoyed by sectors such as tourism, manufacturing, information technology, communications and financial services.

Notwithstanding, we believe that Qian Hu's business strategy – with an optimal product mix, its culture of innovation and robust distribution network – is well positioned to forge ahead.

- **Ornamental Fish business**

We remain optimistic that the Group's ornamental fish exports will extend its growth trajectory for both its basic and premium categories given the strength of the US economy.

The rising demand for bio-secure fish augurs well for our Recirculating Aquaculture system (RAS). In addition, we have expanded on our use of the land-based Aqua-Ring Technology (ART) system which facilitates intensive farming in Singapore.

The ART is an environmentally friendly and energy-efficient integrated system with zero waste discharge and enhances biosecurity by minimizing the risk of spreading diseases. As the use of the ART expanded with promising results, we intend to continue to focus on the breeding and farming of certain essential ornamental fish species, such as guppies and goldfish, using this revolutionary technology.

Moving forward, we will fortify our supply chain management and continue to invest in research and development.

- **Aquaculture business**

In FY 2024, the Group's aquaculture segment has been exporting more of the highly popular Marble Goby from our Hainan farm to Singapore and Malaysia.

Our newly incorporated aquaculture farm in Malaysia, which focuses on cultivating Marble Goby, has commenced operations in the 2nd half of 2024 and will be able to ramp up the supply of Marble Goby to meet the growing demand in the region. This new farm in Malaysia will also look to expand its edible seafood offerings in the near future.

We are also exploring a collaboration with a Guangzhou-based company which specializes in laboratory diagnostics services, water conditioning and medication to help farmers improve water quality and yields in Malaysia.



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OTHER INFORMATION (cont'd)

PROSPECTS (cont'd)

- **Aquarium and Pet Accessories business**

The rising demand for pet foods, medications and accessories for dogs, cats and small animals is fueling the Group's expansion in this segment. While our main markets in Singapore, Malaysia and Thailand remains relatively stable, we are in the midst of developing more diverse markets in the regional countries, such as Indonesia.

Towards the end of FY 2024, Qian Hu has teamed up with N&E Innovations Pte Ltd, a Singapore-based deep technology company with an established patented antimicrobial resistance ("AMR") technology – a biodegradable, food-based solution derived from fruit waste which is approved for human consumption. In the coming year, we plan to launch an AMR-based pet product line comprising of cat litter, wet wipes, anti-odour sprays and other related products containing these sustainable ingredients.

- **Plastics business**

With its stable operations in Singapore, our plastics business segment is looking to expand its operations into Malaysia and venture into new products variety, such as biodegradable plastics products.

OUTLOOK

While unrelentless in pursuing new growth opportunities and capabilities, we remain steadfast in enhancing our competitiveness and agility, as well as focusing on our core strengths and long-term business sustainability.

We have completed our cloud based "One Qian Hu" digital platform in FY 2024 as we successfully rolled out to all of our subsidiaries in the region which enable us to automate all processes on a single platform across the Group. Going forward, Qian Hu will continue to explore how better we can incorporate artificial intelligence (AI) into our operations and how it can enhance efficiency and effectiveness.

Backed by the Group's culture of resilience, we have been diligent in the strengthening of our balance sheet and business fundamentals. Throughout the years, Qian Hu's priority has been to generate healthy cash flow while managing evolving risks. Meanwhile, we will also lookout for suitable investment opportunities while reducing bank borrowings when appropriate.

Barring any unforeseen circumstances, the Group expects FY 2025 to be a profitable year despite external challenges.



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OTHER INFORMATION (cont'd)

DIVIDENDS

(a) **Present period**

<u>Name of dividend</u>	<u>First & final</u>
Dividend type	Cash
Dividend rate	0.4 cents per ordinary share
Tax rate	One-tier tax exempt

(b) **Previous corresponding period**

<u>Name of dividend</u>	<u>First & final</u>
Dividend type	Cash
Dividend rate	0.3 cents per ordinary share
Tax rate	One-tier tax exempt

(c) **Total annual dividend**

	Latest year (\$'000)	Previous year (\$'000)
Ordinary	454	341
Preference	Nil	Nil
Total:	454	341

(d) **Date payable**

Subject to shareholders' approval at the Annual General Meeting to be held on 3 April 2025, the dividend will be paid on 30 April 2025.

(e) **Record date for dividend payment**

Duly registrable transfers received by the Company's Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77, Singapore 068896, up to 5:00 p.m. on 16 April 2025 will be registered to determine shareholders' entitlements to the proposed dividend. The Register of Transfer and the Register of Members of the Company will be closed on 17 April 2025 for the preparation of dividend warrants.



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OTHER INFORMATION (cont'd)

HALF-YEARLY REVENUE AND PROFIT CONTRIBUTION

	Group		Increase (Decrease) %
	Financial year ended 31 Dec		
	2024	2023	
	\$'000	\$'000	
Revenue			
1st Half	35,151	34,345	2.3
2nd Half	36,267	35,969	0.8
	<u>71,418</u>	<u>70,314</u>	1.6
Profit (Loss) before tax			
1st Half	390	186	109.7
2nd Half	230	(9,155)	NM
	<u>620</u>	<u>(8,969)</u>	NM
Profit (Loss) attributable to Owners of the Company			
1st Half	251	30	736.7
2nd Half	106	(9,307)	NM
	<u>357</u>	<u>(9,277)</u>	NM

NM: Not meaningful

CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

**PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO THE DIRECTORS,
CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDERS**

Pursuant to Rule 704(13) of the Listing Manual of SGX-ST, we set out below the persons holding managerial positions in the Group who are related to the Directors, Chief Executive Officer or substantial shareholders of the Company or of any of its principal subsidiaries:

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Alvin Yap Ah Seng	59	Substantial shareholder and cousin of Kenny Yap Kim Lee	Division head of Yi Hu division (since 1989) Duties : Oversees the Group's accessories business and manages the daily operations of Yi Hu division	No change



QIAN HU CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. : 199806124N)

OTHER INFORMATION (cont'd)

PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO THE DIRECTORS, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDERS (cont'd)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Andy Yap Ah Siong	58	Substantial shareholder and cousin of Kenny Yap Kim Lee	Division head of Qian Hu division (since 1988) Duties : Oversees the Group's fish business and manages the daily operations of Qian Hu division	No change
Tan Boon Kim	59	Brother-in-law of Alvin Yap Ah Seng and Andy Yap Ah Siong	Managing Director of - Thai Qian Hu Company Limited (since 2002) - P.T. Qian Hu Joe Aquatic Indonesia (since 2012) Duties : Oversees the business operations and business development of Thai Qian Hu Company Limited & P.T. Qian Hu Joe Aquatic Indonesia	No change
Lee Kim Hwat	70	Brother-in-law of Kenny Yap Kim Lee	Managing Director of Qian Hu Tat Leng Plastic Pte Ltd (since 1996) Duties : Oversees the daily operations and business development of Qian Hu Tat Leng Plastic Pte Ltd	No change



QIAN HU CORPORATION LIMITED
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OTHER INFORMATION (cont'd)

PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO THE DIRECTORS, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDERS (cont'd)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Yap Kay Wee	46	Son of Yap Ping Heng and cousin of Yap Kok Cheng	Head of Accessories Business, China Operations (since 2016) Duties : Oversees and manages the accessories business in China	No change
Lim Yik Kiang	48	Son-in-law of Yap Hock Huat and brother-in-law of Yap Kok Cheng	Division head of Wan Hu division (appointed in August 2024) Duties : Oversees and manages the daily operations of Wan Hu division	Head of Fish Business, China Operations (since 2016 to August 2024)
Yap Kok Fong	43	Son of Yap Hock Huat and brother of Yap Kok Cheng	General Manager of - Qian Hu Aquaculture (Hainan) Co., Ltd (appointed in January 2024) - Qian Hu Aquaculture (M) Sdn Bhd (appointed in April 2024) Duties : Oversees and manages the Group's aquaculture business in China and Malaysia	No change

Kenny Yap Kim Lee (retired as Executive Chairman on 31 December 2024), Alvin Yap Ah Seng, Andy Yap Ah Siong, Yap Ping Heng and Yap Hock Huat are substantial shareholders of the Company.

Yap Ping Heng, Yap Hock Huat and Kenny Yap Kim Lee are brothers. They are cousins to Alvin Yap Ah Seng and Andy Yap Ah Siong who are brothers.

Yap Kok Cheng is the Executive Chairman and Chief Executive Officer of the Company (from 1 January 2025). He is the nephew of Kenny Yap Kim Lee and the son of Yap Hock Huat.

BY ORDER OF THE BOARD

Yap Kok Cheng
Executive Chairman and Chief Executive Officer
15 January 2025



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Independent auditors' report

Members of the Company
Qian Hu Corporation Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Qian Hu Corporation Limited (the 'Company') and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of profit or loss, statement of comprehensive income and statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS75.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of profit or loss, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and the financial performance and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Directors' Statement prior to the date of this auditors' report. The other information except for the Directors' Statement in the Annual Report ("the Report") are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Tan Khai Boon.

A handwritten signature in black ink, appearing to read 'KPMG LLP'.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
15 January 2025