



**PRESS RELEASE**

**Contact Information:**

Tishrei Communications

Ho See Kim, [seekim@tishrei.sg](mailto:seekim@tishrei.sg)

Tel: 96313602

## All-round growth and contribution from new edible fish business boost Qian Hu’s 3Q17 net profit

- Group posts 3Q17 net profit of \$142,000 on the back of a 14.4% increase in revenue to \$22.5M

\$'000	3Q2017	3Q2016	Change (%)	9M2017	9M2016	Change (%)
<b>Revenue</b>	22,482	19,647	14.4	65,782	58,358	12.7
<b>Gross Profit</b>	6,773	5,918	14.4	19,347	17,685	9.4
<b>Net Profit</b>	142	5	NM	203	32	534.4

*Period ended 30 September  
NM = Not Meaningful*

**SINGAPORE – 17 October 2017** – Mainboard-listed integrated ornamental fish service provider **Qian Hu Corporation Limited** (“**Qian Hu**”) today announced that its 3Q17 net profit attributable to shareholders rose to \$142,000 for the period ended 30 September 2017.

This was achieved on the back of a 14.4% increase in Group revenue to \$22.5 million, boosted by strong growth in all of its core business segments – namely Fish, Accessories and Plastics.

For the first nine months of FY2017, the Group turned in a whopping 534% jump in net profit attributable to shareholder to \$203,000 as Group revenue rose 12.7% to \$65.8 million.

## Revenue By Segments

\$'000	3Q2017	3Q2016	Change (%)
<b>Fish</b>	8,976	7,647	17.4
<b>Accessories</b>	10,440	9,184	13.7
<b>Plastics</b>	3,066	2,816	8.9
	22,482	19,647	14.4

*Period ended 30 September*

In the latest third quarter, revenue from the Fish segment jumped 17.4% to nearly \$9.0 million, led by first-time contributions from the Group's new antibiotic-free Edible Fish aquaculture business in Hainan, as well as continued improvements to Dragon Fish sales which lifted the business segment.

Its Accessories business, which has become more export-oriented, scored a 13.7% higher revenue to \$10.4 million as it expanded its reach overseas through the Group's existing overseas distribution network, particularly in Malaysia, China and Thailand.

Meanwhile, the expansion of its customer base and a different product mix led to its Plastics unit posting 8.9% higher sales to \$3.1 million.

As at 30 September 2017, the Group's cash and cash equivalents grew to \$9.3 million.

## Operating Profit By Segments

\$'000	3Q2017	3Q2016	Change (%)
<b>Fish</b>	295	164	79.9
<b>Accessories</b>	497	274	81.4
<b>Plastics</b>	290	239	21.3
<b>Unallocated Corporate Expenses</b>	(751)	(584)	(28.6)
	331	93	255.9

*Period ended 30 September*

#### *Fish*

The Group's new Edible Fish business managed to contribute positively to the Fish segment's earnings, despite the initial start-up costs incurred by the new business in Hainan. Coupled with continued improved sales of its Dragon Fish, the Group's Fish segment posted an 80% jump in operating profit to \$295,000 in the latest third quarter.

#### *Accessories*

Operating profit generated by the Accessories segment - which registered an 81.4% gain to \$497,000 - was in line with the significantly higher revenue and better margin achieved from own-brands.

#### *Plastics*

The Plastics segment similarly benefited from the higher revenue and different sales mix achieved in the latest third quarter. Its operating profit grew 21.3% to \$290,000.

### **EPS and NAV Per Share**

As at 30 September 2017, the Group generated earnings per share on a fully diluted basis of 0.13 Singapore cents and net asset value per share of 45.14 Singapore cents.

**Kenny Yap, Qian Hu's Executive Chairman and Managing Director**, said: "We are pleased that our new business of edible fish farming in Hainan has contributed to the Group's earnings so soon after its commencement, despite the initial start-up expenses. We intend to excel in this new area of sustainable farming for the consumer markets in China, as our Edible Fish business has the potential of being many times bigger than our existing Ornamental Fish business. We are off to a very good start, and we look forward to its full-year contribution in FY2018, even as our other core businesses continue to improve. These initiatives position us favourably as we move ahead to achieve our vision of being the world's number 1 ornamental fish exporting company."

###

### **About Qian Hu Corporation Limited**

*Incorporated in 1998, Qian Hu is an integrated ornamental fish service provider – providing a spectrum of services involving distribution of well over 1,000 species and varieties of ornamental fish from all around the world as well as the manufacturing and distribution of a wide range of aquarium accessories, including pet foods and medications.*

*In January 2017, the Group announced that it has set up a 51%-owned subsidiary, Qian Hu Aquaculture (Hainan) Co., Ltd, to farm antibiotic-free edible fish, such as groupers, in Hainan Province, China. The edible*

*fish farm, which occupies a land area of approximately 0.4 hectares with a lease tenure of 16.5 years, is expected to farm varieties of edible fish, primarily for the China market.*

*Since its listing in 2000, Qian Hu (which means "Thousand Lakes" in Chinese), has been recognised for its best practices in corporate transparency and governance – such as the Securities Investors Association of Singapore's Most Transparent Company Awards, and various accolades by the organisers of the Singapore Corporate Awards - Best Managed Board, Chief Financial Officer of the Year, Best Investor Relations and Best Annual Report Awards. Since the inception of Singapore Corporate Awards, Qian Hu has been the only listed company to have bagged the most number of awards – 13 awards in total (eight Gold, two Bronze, two Merit and the Best Chief Financial Officer Award). Most recently, the Group was a runner-up in the Singapore Corporate Governance Award 2017 (Consumer Discretionary category) organised by the Securities Investors Association of Singapore.*

*In 2012, the Group won top honours amongst SMEs at the Singapore Sustainability Awards organised by the Singapore Business Federation, and attained "Application Level C" from Global Reporting Initiative (GRI), the international standard for sustainability reporting.*