



PRESS RELEASE

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Strong export demand spurs 33.7% jump in Qian Hu's 1Q08 net profit to \$1.3 million

SS'000	1Q08 ended 31/3/08	1Q07 ended 31/3/07	Growth (%)
Revenue	23,014	21,981	↑4.7
Gross Profit	8,413	7,463	↑12.7
Profit Before Tax	2,126	1,668	↑27.5
Net Profit Attributable to Shareholders	1,266	947	↑33.7

SINGAPORE – 21 April 2008 – Mainboard-listed integrated ornamental fish service provider **Qian Hu Corporation Limited** reported today that its net profit attributable to shareholders for the first quarter of FY2008 jumped 33.7% to \$1.3 million on sales of \$23.0 million.

Revenue growth was largely boosted by improvements in its sales of ornamental fish, particularly Dragon Fish, which grew by 5.9% to \$11.6 million, as well as the Group's continued efforts to increase exports to more customers and countries around the world from Singapore, Malaysia and Thailand.

Its Accessories business similarly grew 6.4% to \$8.7 million, due to higher exports as well as increased sales through an expanding distribution network through its subsidiaries in Malaysia, Thailand and China.

Revenue from its Plastics Manufacturing business, however, dipped by 5.3% to 2.6 million due to lower sales of plastic products to the electronic sector in the current quarter. Notwithstanding, the Group foresees that the demand of our plastic products from the food industries and our plastic export business will gradually escalate in the coming quarters.

On a geographical basis, revenue from overseas grew by 7.0% through the Group's continual effort in expanding its distribution network into untapped markets overseas, whilst revenue from Singapore registered flat growth.

From Mr Kenny Yap, Qian Hu's Executive Chairman and Managing Director

"Whilst we are pleased that our ornamental fish performance continued to contribute strongly to our Group's profitability, we are particularly pleased with the heightened profitability of our Accessories business, boosted by our conscientious effort to gradually revive our accessories business margin back to a respectable level with its higher export volume."

In the latest first quarter results, the Group achieved gross profit margin improved from 34.0% in 1Q07 to 36.6% in 1Q08, whilst net profit margin grew from 5.6% to 7.0%.

"Going forward, we expect our Accessories business to contribute to a faster pace of growth in profit margin," Kenny added.

In spite of a decline in operating profit from the Group's plastics activities which was in line with the marginal reduction in revenue, its plastics activities managed to generate consistent profit margins in 1Q08 compared to the same period in 2007.

Per Share Data

Based on the Group's latest first quarter results, earnings per share on a fully diluted basis grew quarter-on-quarter from 0.23 Singapore cents to 0.28 cents, while net assets backing per share rose from 13.51 cents (as at 31 December 2007) to 13.85 cents (as at 31 March 2008).

PROSPECTS

Moving ahead, the Directors expect that the Group's revenue and profit will continue to increase in the current FY2008, boosted by the increase in revenue from its ornamental fish operations, improvement in its accessories export business and positive contributions from our Group's overseas operations in Malaysia, Thailand and China.

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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 1000 species 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.

Qian Hu (which means “Thousand Lakes” in Chinese), has received several awards from the Securities Investors Association of Singapore since 2001 for its commitment to corporate transparency. The Company was the first small cap company to win the Best Managed Board Award at the recent Singapore Corporate Awards in February 2008.

Over the years, the Group achieved a number of “firsts” in the ornamental fish industry:

- *The first company in the ornamental fish industry in Singapore to be listed on the mainboard of the Singapore Exchange.*
- *The first integrated ornamental fish service provider in Singapore, Malaysia and Thailand to be awarded the ISO 9002 certification for its quality management system;*
- *The first in the ornamental fish industry to obtain ISO 14001 certification for its environmental management system;*
- *One of the first ornamental fish operations in Singapore to have successfully bred the Dragon Fish and Arapaima for commercial sale; and*
- *The first SME to receive the Singapore Quality Award in 2004.*
- *First SME to receive Singapore Corporate Award for best managed board in 2008*