

# PRESS CLIPPING

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Section Business

Page B2

## Qian Hu taps into Indonesia market

SINGAPORE — Ornamental fish company Qian Hu says its full-year net profit declined 35.7 per cent to \$4.2 million.

That is on the back of a 3.6-per-cent dip in revenue over the 12-month period to \$91.2 million. The group says its sales of ornamental fish dropped 3.9 per cent to \$45.2 million. This was due to weakened purchasing sentiment in European markets,

due to expected curbs in Budget spending by several governments in the continent.

Qian Hu also attributed the lower sales to unusually heavy snowfall in North America and Europe, which had impacted export deliveries due to airport closures in December.

Drought conditions in Singapore and Malaysia in the early part of last year also affected the breeding of Dragon Fish which

caused a dent in the group's production.

Going forward, Qian Hu executive chairman and managing director Kenny Yap remains optimistic that the firm will remain profitable in the current financial year. Mr Yap added that the company is focused on generating stronger cash flow from operations, with an internal target of turning half of its profit into cash. Qian Hu adds that it has formed a new subsidiary in Indonesia with an initial paid-up capital of \$1 million.

The subsidiary, called PT Qian Hu Joe Aquatic Indonesia, will be 55-per-cent owned by Qian Hu and 35 per cent held by its Indonesian partner Joe Aquatic Indonesia, an exporter of marine and ornamental fish.

Mr Yap said that the investment will enable the company to tap the diversity of ornamental fish resources in Indonesia and provide a platform for Qian Hu to extend its Dragon Fish research beyond Singapore and Malaysia. JULIE QUEK