



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

THIRD QUARTER & NINE MONTHS FINANCIAL STATEMENTS ANNOUNCEMENT

1(a) **INCOME STATEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED**
30 SEPTEMBER 2015

		Group			Group		
		3 months ended 30 Sep		Change %	9 months ended 30 Sep		Change %
		2015 \$'000	2014 \$'000		2015 \$'000	2014 \$'000	
Revenue		17,840	20,461	(12.8)	58,635	62,228	(5.8)
Cost of sales		(12,892)	(14,557)	(11.4)	(42,155)	(43,823)	(3.8)
Gross profit		4,948	5,904	(16.2)	16,480	18,405	(10.5)
Other income	i	34	34	-	152	103	47.6
		4,982	5,938	(16.1)	16,632	18,508	(10.1)
Selling & distribution expenses	ii	(184)	(322)	(42.9)	(911)	(1,109)	(17.9)
General & administrative expenses	ii	(4,514)	(5,324)	(15.2)	(14,991)	(16,494)	(9.1)
Results from operating activities	iii	284	292	(2.7)	730	905	(19.3)
Financial income	iv	1	1	-	4	7	(42.9)
Financial expenses	iv	(80)	(66)	21.2	(220)	(192)	14.6
		205	227	(9.7)	514	720	(28.6)
Share of profits of associates		4	16	(75.0)	27	20	35.0
Profit before tax		209	243	(14.0)	541	740	(26.9)
Tax expense	v	(51)	(91)	(44.0)	(148)	(287)	(48.4)
Profit for the period		158	152	3.9	393	453	(13.2)
Profit attributable to:							
Equity holders of the Company		93	79	17.7	217	216	0.5
Non-controlling interests		65	73	(11.0)	176	237	(25.7)
Profit for the period		158	152	3.9	393	453	(13.2)
Gross profit margin		27.7%	28.9%		28.1%	29.6%	
Net profit margin		0.9%	0.7%		0.7%	0.7%	
Effective tax rate		31.6%	37.4%		33.8%	37.2%	



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STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2015

	<u>Group</u>			<u>Group</u>		
	<u>3 months ended 30 Sep</u>		<u>Change</u>	<u>9 months ended 30 Sep</u>		<u>Change</u>
	<u>2015</u>	<u>2014</u>		<u>2015</u>	<u>2014</u>	
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period	158	152	3.9	393	453	(13.2)
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Translation differences relating to financial statements of foreign subsidiaries, net of tax	(253)	130	(294.6)	(432)	82	(626.8)
Other comprehensive income for the period, net of tax	(253)	130	(294.6)	(432)	82	(626.8)
Total comprehensive income for the period	(95)	282	(133.7)	(39)	535	(107.3)
Total comprehensive income attributable to:						
Equity holders of the Company	(137)	178	(177.0)	(176)	275	(164.0)
Non-controlling interests	42	104	(59.6)	137	260	(47.3)
Total comprehensive income for the period	(95)	282	(133.7)	(39)	535	(107.3)

Notes to Income Statement

(i) **Other income**

Other income comprises:

	<u>Group</u>		<u>Group</u>	
	<u>3 months ended 30 Sep</u>		<u>9 months ended 30 Sep</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
(Loss) Gain on disposal of property, plant and equipment	(2)	5	32	11
Sundry income	36	29	120	92
	34	34	152	103



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Notes to Income Statement (cont'd)

(ii) **Selling & distribution expenses**
General & administrative expenses

The operating expenses incurred in the current quarter and for the nine months ended 30 September 2015 were lower than the corresponding periods in 2014 mainly due to conscientious efforts made to contain operating costs, which was in accordance with the Group's objective to be more productive and efficient in the long run.

(iii) **Profit from operations**

This is determined after charging (crediting) the following:

	Group		Group	
	3 months ended 30 Sep	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Auditors' remuneration				
- auditors of the Company	30	28	84	79
- other auditors	2	4	7	8
Non-audit fees				
- other auditors	11	11	14	18
Directors' fees				
- directors of the Company	25	20	65	60
Directors' remuneration				
- directors of the Company	282	280	845	839
- directors of subsidiaries	83	113	295	339
Bad trade receivables written off	13	25	45	58
Depreciation of				
- property, plant and equipment	360	354	1,066	1,056
- brooder stocks	47	47	142	142
Property, plant and equipment written off	-	1	-	5
Allowance for (Write back of allowance for)				
- doubtful trade receivables	22	123	166	422
- inventory obsolescence	-	(54)	(50)	-
Operating lease expenses	263	328	840	953
Personnel expenses *	3,136	3,330	9,799	9,992
Exchange gain, net	(329)	(213)	(534)	(141)
Change in fair value less estimated point-of-sale costs of breeder stocks	9	10	17	20

* Include directors' remuneration.



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Notes to Income Statement (cont'd)

(iv) **Financial income**
Financial expenses

	Group		Group	
	3 months ended 30 Sep		9 months ended 30 Sep	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Interest expense				
- bank loans and overdrafts	65	49	176	149
- bills payable	6	9	15	23
- finance lease liabilities	9	8	29	20
	80	66	220	192
Interest income				
- bank deposits	(1)	(1)	(4)	(7)
Net financial expenses	79	65	216	185

The increase in net interest expense by approximately 21.5% and 16.8% in the current quarter and for the nine months ended 30 September 2015 respectively as compared to its corresponding periods in 2014 was mainly due to higher interest rates charged by the financial institutions as well as an increase in the amount of bank borrowings outstanding during the current reporting period.

(v) **Tax expense**

	Group		Group	
	3 months ended 30 Sep		9 months ended 30 Sep	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current tax				
- current year	66	91	183	275
- (over) under provision in respect of prior years	(15)	-	(35)	12
	51	91	148	287

Despite the tax incentives granted for qualifying expenditures, the effective tax rate registered in the 3rd quarter of 2015 and nine months ended 30 September 2015 were 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. In addition, there were higher profit contributions from entities with a higher tax rate.



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1(b)(i) **STATEMENTS OF FINANCIAL POSITION**

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	\$	\$	\$	\$
Equity attributable to equity holders of the Company				
Share capital	30,772,788	30,772,788	30,772,788	30,772,788
Reserves	18,144,955	18,775,333	11,420,751	11,581,698
	48,917,743	49,548,121	42,193,539	42,354,486
Non-Controlling Interests	1,564,349	1,505,172	-	-
Total Equity	50,482,092	51,053,293	42,193,539	42,354,486
Non-Current Assets				
Property, plant and equipment	7,924,223	7,737,925	5,335,894	5,313,275
Brooder stocks	8,412,958	8,555,082	8,412,958	8,555,082
Investments in subsidiaries	-	-	2,295,785	2,295,785
Investment in associate	380,502	353,112	412,600	412,600
Intangible assets	343,048	343,048	343,048	343,048
Other receivables	1,240,000	1,240,000	1,240,000	1,240,000
Current Assets				
Inventories	17,558,127	16,539,943	7,538,124	7,223,770
Breeder stocks	25,590	44,440	25,590	44,440
Trade receivables	24,297,826	25,918,617	18,192,512	19,617,127
Other receivables, deposits and prepayments	7,043,700	6,747,002	5,268,925	5,284,609
Due from				
- subsidiaries (trade)	-	-	6,861,359	6,871,287
- subsidiaries (non-trade)	-	-	1,276,078	1,276,078
- associate (trade)	1,118,035	651,581	1,118,035	651,581
Cash and bank balances	7,976,416	8,557,302	4,657,055	5,011,121
	58,019,694	58,458,885	44,937,678	45,980,013
Current Liabilities				
Trade payables	7,176,875	6,388,559	2,921,410	2,738,546
Bills payable to banks (unsecured)	346,036	408,515	315,342	345,986
Other payables and accruals	4,095,928	4,420,092	3,114,745	3,606,202
Due to				
- subsidiaries (trade)	-	-	291,615	147,005
- subsidiaries (non-trade)	-	-	529,700	1,304,410
Finance lease liabilities	112,958	132,075	20,003	36,556
Bank term loans	13,232,064	13,295,872	13,000,000	13,000,000
Current tax payable	337,482	424,154	207,457	207,457
	25,301,343	25,069,267	20,400,272	21,386,162
Net Current Assets	32,718,351	33,389,618	24,537,406	24,593,851
Non-Current Liabilities				
Finance lease liabilities	(126,990)	(155,492)	(4,152)	(19,155)
Deferred tax liabilities	(410,000)	(410,000)	(380,000)	(380,000)
Net Assets	50,482,092	51,053,293	42,193,539	42,354,486



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1(b)(i) **STATEMENTS OF FINANCIAL POSITION (cont'd)**

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
Inventory turnover (days)	111	101	80	73
Trade receivables turnover (days)	113	113	144	145
Trade receivables turnover (days) (without GZQH balances)	73	74	76	79
Debt equity ratio	0.51	0.50	0.49	0.51

Note - With the disposal of Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd (“GZQH”), a former subsidiary, in December 2011, the Group’s and the Company’s trade balances with GZQH have been reclassified as trade receivables. Accordingly, it has resulted in a higher trade receivables turnover days.

Notes to Statements of Financial Position

(1) The details of subsidiaries are as follows:

Name of subsidiary	Effective equity interest held by the Group		Cost of investment by the Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	%	%	\$	\$
Qian Hu Tat Leng Plastic Pte Ltd (Singapore)	100	100	57,050	57,050
Qian Hu Aquarium and Pets (M) Sdn Bhd and its subsidiary: (Malaysia)	100	100	171,951	171,951
- Qian Hu The Pet Family (M) Sdn Bhd (Malaysia)	100	100	-	-
Beijing Qian Hu Aquarium & Pets Co., Ltd (People's Republic of China)	100	100	171,824	171,824
Shanghai Qian Hu Aquarium and Pets Co., Ltd (People's Republic of China)	100	100	1,086,516	1,086,516
Guangzhou Qian Hu OF Feed Co., Ltd (People's Republic of China)	100	100	126,170	126,170
Qian Hu Marketing Co Ltd (Thailand)	74	74	148,262	148,262
Thai Qian Hu Company Limited and its subsidiary: (Thailand)	60	60	121,554	121,554
- Advance Aquatic Co., Ltd (Thailand)	60	60	-	-
NNTL (Thailand) Limited (Thailand)	49 *	49 *	30,999	30,999
P.T. Qian Hu Joe Aquatic Indonesia (Indonesia)	90	90	381,459	381,459
			2,295,785	2,295,785

* The Company has voting control at general meetings & Board meetings of NNNTL (Thailand) Limited.



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Notes to Statements of Financial Position (cont'd)

(2) The details of associate is as follows:

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	\$	\$	\$	\$
Unquoted equity investment	812,600	812,600	812,600	812,600
Less				
Share of post-acquisition losses	(210,319)	(237,709)	-	-
Impairment loss on investment	(221,779)	(221,779)	(400,000)	(400,000)
	380,502	353,112	412,600	412,600

Name of associate	Principal activities	Effective equity held by the Group	
		30 Sep 2015	31 Dec 2014
		%	%
Arcadia Products PLC (United Kingdom)	Manufacture and distribution of aquarium lamps	20	20

The Group recorded an impairment loss relating to its investment in Arcadia Products PLC (“Arcadia”) as the carrying amount of the investment was affected by the depreciation of Sterling Pound (£) against Singapore Dollar (\$S) since its acquisition. The Group will continue to equity account for its share of results in Arcadia.

(3) Intangible assets comprise:

	Group and Company	
	30 Sep 2015	31 Dec 2014
	\$	\$
Trademarks/customer acquisition costs	921,497	921,497
Product listing fees	196,153	196,153
	1,117,650	1,117,650
Less accumulated amortisation	(774,602)	(774,602)
	343,048	343,048

Trademarks/customer acquisition costs relate to costs paid to third parties in relation to the acquisition of trademarks rights and existing customer base of two brands of pet food. Such costs were determined to have indefinite lives and are tested for impairment annually.

Product listing fees relate to cost paid to third parties in relation to the entitlements to list and sell the Company’s products in certain supermarkets, and are amortised over 3 years.



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Notes to Statements of Financial Position (cont'd)

- (4) Other receivables (non-current portion) as at 30 September 2015 consist of the outstanding amounts due from the purchasers of Kim Kang Aquaculture Sdn Bhd (“Kim Kang”) of \$877,500 and the advances extended by the Company to Kim Kang before its disposal of \$362,500, totalling \$1.24 million.

In accordance with the Sale and Purchase Agreement (“SPA”) entered into between the Company and the purchasers of Kim Kang (the “Purchasers”) dated 17 October 2012, the total consideration of \$9.4 million arising from the disposal of Kim Kang is to be satisfied by \$3.9 million in cash and \$5.5 million of brooder stocks. Upon the execution of the SPA, a payment of 10% of the cash consideration, being \$390,000, has been made by the Purchasers, together with the transfer of all brooder stocks. The balance of the cash portion of the consideration of \$3.51 million will be settled in four equal annual instalments, on the first (FY 2013), second (FY 2014), third (FY 2015) and fourth (FY 2016) anniversaries of the SPA date, of \$877,500 each.

In addition, the Company, being a shareholder of Kim Kang previously, had from time to time, given advances to Kim Kang. As at the SPA date, the total amount of the advances extended by the Company to Kim Kang was \$2 million. The Company has entered into an Advances Repayment Agreement dated 17 October 2012, such that upon the execution of the SPA, Kim Kang has repaid \$550,000 of the advances extended by the transfer of 100 pieces of brooder stocks. The balance of the advances of \$1.45 million will be settled in four equal annual instalments, on the first, second, third and fourth anniversaries of the SPA date, of \$362,500 each.

The first instalment in relation to the above, amounting to \$1.24 million, had been fully repaid in October 2013.

For the second instalment due on 17 October 2014, the Purchasers (“Mortgagor”) had offered a piece of land parcel situated in Batu Pahat (“Property”) as collateral for an extension of time till 31 March 2015 to repay the outstanding amount due of \$1.24 million. In the event that the Mortgagor failed to repay the outstanding amount due by 31 March 2015, the Property would be transferred to the Company (“Mortgagee”) and the Mortgagee would be entitled to have the Property sold and to realise and receive the outstanding amount due out of the net sale proceeds of the Property.

As at 30 September 2015, the Mortgagee is in the process of taking over the Property from the Mortgagor as deemed repayment of the outstanding amount due since no cash payment was received as at 31 March 2015. The Mortgagee intends to dispose off the Property for cash upon the completion of the transfer. It will also explore the various alternatives in utilising the Property while awaiting for it to be disposed. Based on an independent valuation exercise performed in September 2014, the market value of the Property is considerably higher than the outstanding amount due from the Mortgagor as at balance sheet date. As such, we do not foresee any collectability issue in relation to the receivables due.



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Notes to Statements of Financial Position (cont'd)

(5) Inventories comprise:

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	\$	\$	\$	\$
Fish	3,729,339	3,706,347	2,598,114	2,673,101
Accessories	12,950,887	12,469,341	5,265,010	4,925,669
Plastics products - raw materials	706,305	299,332	-	-
Plastics products - finished goods	590,386	533,713	-	-
	17,976,917	17,008,733	7,863,124	7,598,770
Less allowance for inventory obsolescence	(418,790)	(468,790)	(325,000)	(375,000)
	17,558,127	16,539,943	7,538,124	7,223,770

The increase in accessories inventory balance as at 30 September 2015 was mainly due to higher stock holding in relation to the new innovative accessories products launched in the current financial year. There were also additional raw materials for plastics products purchased in the current quarter in view of the favourable pricing.

(6) Breeder stocks are off-springs of the brooder stocks, held for trading purposes. As at the reporting date, these stocks are measured based on their fair value, which is determined based on the age, breed and genetic merit of similar fish that can be purchased from another supplier. The decrease in breeder stocks balance as at 30 September 2015 was mainly due to difference in quantity, valuation and product mix in relation to the breeder stocks held as at both reporting dates.

(7) Trade receivables comprise:

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	\$	\$	\$	\$
Trade receivables	27,103,019	28,634,479	20,923,921	22,240,593
Less allowance for doubtful trade receivables	(2,805,193)	(2,715,862)	(2,731,409)	(2,623,466)
	24,297,826	25,918,617	18,192,512	19,617,127

Our conscientious efforts made in monitoring and collection of trade receivables balances has resulted in the decrease in the amount of trade receivables as at 30 September 2015. The trade receivables turnover days have remained relatively consistent for both reporting periods.

The Group and the Company have reclassified their trade balances with GZQH, a former subsidiary, as trade receivables following the disposal in December 2011. The recoverability of the amount due from GZQH is guaranteed by a major shareholder of the Company.



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Notes to Statements of Financial Position (cont'd)

- (8) Other receivables, deposits and prepayments comprise:

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	\$	\$	\$	\$
Other receivables	2,836,064	2,748,572	2,647,456	2,648,327
Deposits	546,184	353,735	221,169	77,520
Prepayments	656,183	751,682	194,476	313,410
Advances to suppliers	2,232,717	2,354,421	2,019,971	2,230,636
Deposits for purchase of property, plant and equipment	731,274	523,241	185,853	14,716
Tax recoverable	41,278	15,351	-	-
	7,043,700	6,747,002	5,268,925	5,284,609

Other receivables (current portion) as at 30 September 2015 consist of the outstanding amounts due from the purchasers of Kim Kang of \$1,755,000 (31/12/14: \$1,755,000) and the advances extended by the Company to Kim Kang before its disposal of \$725,000 (31/12/14: \$725,000), totalling \$2.48 million (31/12/14: \$2.48 million).

- (9) The increase in amount due from associate as at 30 September 2015 was mainly due to higher trade activities with the associate in the current quarter.
- (10) The increase in trade payables as at 30 September 2015 was a result of the increase in purchases of accessories and plastics inventory, coupled with the extended credit terms granted by our regular suppliers for purchases made during the financial period.
- (11) Other payables and accruals comprise:

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	\$	\$	\$	\$
Accrued operating expenses	330,373	290,670	226,258	185,923
Accrued staff costs	1,161,514	1,668,803	712,002	1,326,128
Other payables	2,221,178	2,071,464	1,938,479	1,811,409
Advance received from customers	382,863	389,155	238,006	282,742
	4,095,928	4,420,092	3,114,745	3,606,202

The decrease in other payables and accruals as at 30 September 2015 was mainly due to the reduction of accrued staff costs as a result of bonus payment made in January 2015. The reduction was partially offset by the increase in payments due to non-trade suppliers.



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1(b)(ii) **GROUP BORROWINGS**

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
	\$	\$	\$	\$
Term loans				
- short-term (unsecured)	13,000,000	13,000,000	13,000,000	13,000,000
- long-term (secured)	232,064	295,872	-	-
	13,232,064	13,295,872	13,000,000	13,000,000

The unsecured short-term loans are revolving bank loans that bear interest at rates ranging from 1.78% to 2.04% (31/12/2014: 1.28% to 1.78%) per annum and are repayable within the next 12 months from the reporting date.

The long-term loan is a bank loan of Baht 8.0 million, drawdown by a subsidiary, secured by a mortgage on the subsidiary's freehold land and is callable on demand. It bears interest at 6.75% (31/12/2014: 6.75%) per annum and is payable in 50 monthly instalments commencing September 2014.

As at 30 September 2015, there were corporate guarantees given by the Company to financial institutions for banking facilities extended to subsidiaries amounting to approximately \$1.7 million (31/12/2014: \$1.8 million).



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1(c) **STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER AND NINE MONTHS ENDED**
30 SEPTEMBER 2015

	Group		Group	
	3 months ended 30 Sep	2014	9 months ended 30 Sep	2014
	2015	2014	2015	2014
	\$	\$	\$	\$
Cash flows from operating activities				
Profit before tax	209,554	242,991	541,449	740,110
Adjustments for:				
Bad trade receivables written off	12,555	24,877	44,886	58,251
Depreciation of				
- property, plant and equipment	360,387	353,956	1,066,402	1,056,077
- brooder stocks	47,375	47,375	142,125	142,125
Loss (Gain) on disposal of property, plant and equipment	1,934	(5,403)	(32,125)	(11,491)
Property, plant and equipment written off	-	1,275	-	5,003
Change in fair value less estimated point-of-sale costs of breeder stocks	8,600	10,200	17,200	20,450
Allowance for (Write back of allowance for)				
- doubtful trade receivables	22,093	123,071	165,637	422,070
- inventory obsolescence	-	(54,000)	(50,000)	-
Share of profits of associates	(3,996)	(16,722)	(27,390)	(20,361)
Interest expense	80,075	66,587	220,389	192,801
Interest income	(896)	(1,124)	(4,275)	(7,492)
Operating profit before working capital changes	737,681	793,083	2,084,298	2,597,543
(Increase) Decrease in:				
Inventories	(401,525)	(306,273)	(1,085,013)	(1,484,080)
Breeder stocks	(650)	10,100	1,650	4,160
Trade receivables	866,235	777,997	1,248,893	1,478,838
Other receivables, deposits and prepayments	(481,878)	170,258	(352,344)	(161,106)
Due from associate (trade)	(366,773)	(231,284)	(466,454)	(480,644)
Increase (Decrease) in:				
Trade payables	480,574	113,048	835,217	1,171,897
Bills payable to banks	(309,019)	(138,215)	(53,240)	(51,581)
Other payables and accruals	327,357	542,158	(299,012)	482,861
Cash generated from operating activities	852,002	1,730,872	1,913,995	3,557,888
Tax paid	(84,452)	(133,794)	(260,365)	(356,407)
Net cash from operating activities	767,550	1,597,078	1,653,630	3,201,481
Cash flows from investing activities				
Purchase of property, plant and equipment	(337,913)	(622,347)	(1,281,128)	(1,374,301)
Proceeds from disposal of property, plant and equipment	(820)	12,485	34,310	19,531
Interest received	896	1,124	4,275	7,492
Net cash used in investing activities	(337,837)	(608,738)	(1,242,543)	(1,347,278)



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1(c) **STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2015 (cont'd)**

	<u>Group</u>		<u>Group</u>	
	<u>3 months ended 30 Sep</u>	<u>2014</u>	<u>9 months ended 30 Sep</u>	<u>2014</u>
	2015	2014	2015	2014
	\$	\$	\$	\$
Cash flows from financing activities				
Drawdown of bank term loans	-	500,000	-	2,000,000
Repayment of				
- finance lease liabilities	(35,760)	(38,496)	(107,984)	(115,214)
- bank term loans	(18,240)	-	(56,448)	(1,000,000)
- advance from a major shareholder of the Company	-	-	-	(500,000)
Payment of dividends to				
- equity holders of the Company	-	-	(454,106)	(454,106)
- non-controlling shareholder of a subsidiary	-	(50,360)	(78,400)	(204,360)
Interest paid	(80,330)	(66,717)	(219,903)	(193,987)
Net cash (used in) from financing activities	<u>(134,330)</u>	<u>344,427</u>	<u>(916,841)</u>	<u>(467,667)</u>
Net increase (decrease) in cash and cash equivalents	295,383	1,332,767	(505,754)	1,386,536
Cash and cash equivalents at beginning of period	7,721,770	6,734,888	8,557,302	6,712,349
Effect of exchange rate changes on cash balances held in foreign currencies	(40,737)	53,310	(75,132)	22,080
Cash and cash equivalents at end of period	<u>7,976,416</u>	<u>8,120,965</u>	<u>7,976,416</u>	<u>8,120,965</u>

Notes to Statement of Cash Flows

- (i) The decrease in **net cash from operating activities** for the nine months ended 30 September 2015 as compared to its corresponding period in 2014 was mainly due to lower profit generated, coupled with prompt settlement of trade and other payables utilising cash collections from trade receivables.

Net cash used in investing activities was mainly related to capital expenditure incurred for on-going enhancement to the infrastructure and farm facilities in Singapore and overseas.

Net cash used in financing activities was mainly related to the payment of dividends to the non-controlling shareholder of a subsidiary and the settlement of finance lease liabilities on a monthly basis, as well as the servicing of interest payments. In addition, there was payment of final dividend made to the shareholders of the Company in April 2015.



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1(d)(i) **STATEMENTS OF CHANGES IN EQUITY**

Group	Equity attributable to equity holders of the Company				Non-Controlling interests	Total Equity
	Share capital	Accumulated profits	Currency translation reserve	Total		
	\$	\$	\$	\$	\$	\$
Balance at 1 Jan 2014	30,772,788	19,466,582	(730,156)	49,509,214	1,485,309	50,994,523
Total comprehensive income for the year						
Profit for the year	-	391,881	-	391,881	300,528	692,409
Other comprehensive income						
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	101,132	101,132	57,015	158,147
Total other comprehensive income	-	-	101,132	101,132	57,015	158,147
Total comprehensive income for the year	-	391,881	101,132	493,013	357,543	850,556
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Payment of first and final dividend	-	(454,106)	-	(454,106)	-	(454,106)
Payment of dividend to non-controlling shareholder of a subsidiary	-	-	-	-	(337,680)	(337,680)
Total transactions with owners	-	(454,106)	-	(454,106)	(337,680)	(791,786)
Balance at 31 Dec 2014	30,772,788	19,404,357	(629,024)	49,548,121	1,505,172	51,053,293
Total comprehensive income for the period						
Profit for the period	-	217,095	-	217,095	175,797	392,892
Other comprehensive income						
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	(393,367)	(393,367)	(38,220)	(431,587)
Total other comprehensive income	-	-	(393,367)	(393,367)	(38,220)	(431,587)
Total comprehensive income for the period	-	217,095	(393,367)	(176,272)	137,577	(38,695)
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Payment of first and final dividend	-	(454,106)	-	(454,106)	-	(454,106)
Payment of dividend to non-controlling shareholder of a subsidiary	-	-	-	-	(78,400)	(78,400)
Total transactions with owners	-	(454,106)	-	(454,106)	(78,400)	(532,506)
Balance at 30 Sep 2015	30,772,788	19,167,346	(1,022,391)	48,917,743	1,564,349	50,482,092



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1(d)(i) **STATEMENTS OF CHANGES IN EQUITY (cont'd)**

Company	Share capital \$	Accumulated profits \$	Currency translation reserve \$	Total \$
Balance at 1 Jan 2014	30,772,788	11,574,672	(26,493)	42,320,967
Total comprehensive income for the year				
Profit for the year	-	496,520	-	496,520
Other comprehensive income				
Translation differences relating to financial statements of foreign operations, net of tax	-	-	(8,895)	(8,895)
Total other comprehensive income	-	-	(8,895)	(8,895)
Total comprehensive income for the year	-	496,520	(8,895)	487,625
Transactions with owners, recognised directly in equity				
Contributions by and distributions to owners				
Payment of first and final dividend	-	(454,106)	-	(454,106)
Total transactions with owners	-	(454,106)	-	(454,106)
Balance at 31 Dec 2014	30,772,788	11,617,086	(35,388)	42,354,486
Total comprehensive income for the period				
Profit for the period	-	310,866	-	310,866
Other comprehensive income				
Translation differences relating to financial statements of foreign operations, net of tax	-	-	(17,707)	(17,707)
Total other comprehensive income	-	-	(17,707)	(17,707)
Total comprehensive income for the period	-	310,866	(17,707)	293,159
Transactions with owners, recognised directly in equity				
Contributions by and distributions to owners				
Payment of first and final dividend	-	(454,106)	-	(454,106)
Total transactions with owners	-	(454,106)	-	(454,106)
Balance at 30 Sep 2015	30,772,788	11,473,846	(53,095)	42,193,539

1(d)(ii) **CHANGES IN COMPANY'S SHARE CAPITAL**

	Group and Company			
	30 Sep 2015 Number of shares	31 Dec 2014 Number of shares	30 Sep 2015 \$	31 Dec 2014 \$
Share capital				
Ordinary shares issued and fully paid	113,526,467	454,106,350	30,772,788	30,772,788



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1(d)(ii) **CHANGES IN COMPANY'S SHARE CAPITAL (cont'd)**

On 6 August 2015, the Company completed a share consolidation exercise to consolidate every four ordinary shares in the capital of the Company held by the shareholders into one consolidated share, so as to comply with the Minimum Trading Price ("MTP") requirement as implemented by the SGX-ST as an additional continuing listing requirement. The issued share capital of the Company now comprises 113,526,467 consolidated shares, after disregarding any fractions of consolidated shares arising from the share consolidation exercise.

There were no outstanding convertibles as at 30 September 2015 (30/9/2014: Nil).

The Company did not hold any treasury shares as at 30 September 2015 (30/9/2014: Nil). There were no sale, transfer, disposal, cancellation and use of treasury shares during the nine months ended 30 September 2015.

1(e) **NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We, the undersigned, hereby confirm to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results for the third quarter and nine months ended 30 September 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors

KENNY YAP KIM LEE
Executive Chairman and
Managing Director

ALVIN YAP AH SENG
Deputy Managing Director

Singapore
16 October 2015

1(f) **CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

2 **AUDIT**

The financial statements have not been audited or reviewed by the Company's auditors.

3 **AUDITORS' REPORT**

Not applicable.



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4 **ACCOUNTING POLICIES**

Other than the adoption of the new and revised Financial Reporting Standards (FRS) which took effect from the current financial year, 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 2014.

5 **CHANGES IN ACCOUNTING POLICIES**

The adoption of the new and revised FRSs is assessed to have no material impact to the results of the Group and of the Company for the year ending 31 December 2015.

6 **EARNINGS PER ORDINARY SHARE (EPS)**

	<u>Group</u>		<u>Group</u>	
	<u>3 months ended 30 Sep</u>	<u>2014</u>	<u>9 months ended 30 Sep</u>	<u>2014</u>
Earnings Per Ordinary Share (based on consolidated net profit attributable to equity holders)				
- on weighted average number of ordinary shares on issue (cents)	0.08	0.07	0.19	0.19
- on a fully diluted basis (cents)	0.08	0.07	0.19	0.19

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue of 113,526,467 (after share consolidation exercise) for both periods.

There is no difference between the basic and diluted earnings per share.

7 **NET ASSET VALUE PER SHARE**

	<u>Group</u>		<u>Company</u>	
	<u>30 Sep 2015</u>	<u>31 Dec 2014</u>	<u>30 Sep 2015</u>	<u>31 Dec 2014</u>
Net asset value per share based on existing issued share capital as at the respective dates (cents)	44.47	44.97	37.17	37.31

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

8 **REVIEW OF GROUP PERFORMANCE**

(a) **Revenue**

9 months 2015 vs 9 months 2014

	<u>Group</u>		<u>Increase (Decrease)</u>	
	<u>9 months ended 30 Sep</u>	<u>2014</u>	<u>\$'000</u>	<u>%</u>
	<u>2015</u>	<u>2014</u>		
	\$'000	\$'000	\$'000	%
Fish	23,677	26,661	(2,984)	(11.2)
Accessories	26,568	27,706	(1,138)	(4.1)
Plastics	8,390	7,861	529	6.7
	<u>58,635</u>	<u>62,228</u>	<u>(3,593)</u>	<u>(5.8)</u>



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8 **REVIEW OF GROUP PERFORMANCE (cont'd)**

(a) **Revenue (cont'd)**

9 months 2015 vs 9 months 2014 (cont'd)

For the nine months ended 30 September 2015, the ornamental fish and accessories activities continued to be our core business segments, which together accounted for 85.7% of the total revenue. Our revenue decreased by approximately \$3.6 million or 5.8% from \$62.2 million for the nine months ended 30 September 2014 to \$58.6 million for the nine months ended 30 September 2015.

On a geographical basis, revenue from Singapore and overseas dipped by approximately 1.5% and 7.4% respectively for the nine months ended 30 September 2015 as compared to its corresponding period in 2014.

3Q 2015 vs 3Q 2014

	Group		Increase (Decrease)	
	3Q 2015	3Q 2014		
Fish	6,879	8,351	(1,472)	(17.6)
Accessories	8,163	9,456	(1,293)	(13.7)
Plastics	2,798	2,654	144	5.4
	<u>17,840</u>	<u>20,461</u>	<u>(2,621)</u>	(12.8)

Despite marginally higher revenue contribution from our plastics business, our overall revenue decreased significantly by \$2.6 million or 12.8% in the 3rd quarter of 2015 as compared to its corresponding period in 2014 mainly due to the substantial reduction in ornamental fish and accessories revenue registered during the current quarter.

Fish

The reduction in our ornamental fish revenue by approximately \$1.5 million or 17.6% in the 3rd quarter of 2015, as compared to its corresponding period in 2014, was mainly due to the persistent sluggish global economy. As the Eurozone continues to struggle to resolve its long unsettled crisis, such as the financial glitches surrounding Greece, it has affected the purchasing sentiments of our European customers. In addition, our ornamental fish export to Russia has steadily decreased as sanctions and falling oil prices take a toll on the Russian economy. The existing prolonged recession in Europe, which is unprecedented, has a negative impact on our ornamental fish revenue as more than 20% of the Group's ornamental fish business is derived from European countries.

In order to mitigate these setbacks, moving forward, we will strive to sustain 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, while awaiting market conditions to improve in order to seize the opportunities when relevant.



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8 REVIEW OF GROUP PERFORMANCE (cont'd)

(a) Revenue (cont'd)

3Q 2015 vs 3Q 2014 (cont'd)

Accessories

Revenue from our accessories business slumped in the current quarter as compared to its corresponding period in 2014. The reduction was mainly due to substantial lower revenue contribution from our Malaysia subsidiaries as retailers were not keen to stock-up citing lower consumer traffic across all states in Malaysia. The customers are more careful in making spending decisions seeing the vulnerability of the Malaysian ringgit and sentiments were further compounded by rising domestic political concerns and economic predicament during the current quarter. In addition, the depreciation of the Malaysian ringgit against Singapore dollar by more than 15% since the beginning of the financial year has resulted in a lower revenue contribution registered by the Malaysia entities when translated into Singapore dollar (reporting currency).

Plastics

Since the beginning of the previous financial year, the revenue contribution from our plastics business was affected by a temporary reduction in market demand as a result of the upward revision in selling prices of our plastic products in view of the increase in raw material prices then. With the stabilisation of market selling prices, we saw gradual resumption in demand of our plastic products since the 2nd half of 2014.

3Q 2015 vs 2Q 2015

	<u>Group</u>		<u>Increase (Decrease)</u>	
	<u>3Q 2015</u>	<u>2Q 2015</u>		
Fish	6,879	7,770	(891)	(11.5)
Accessories	8,163	9,389	(1,226)	(13.1)
Plastics	2,798	2,867	(69)	(2.4)
	<u>17,840</u>	<u>20,026</u>	<u>(2,186)</u>	<u>(10.9)</u>

Our revenue decreased by approximately \$2.2 million or 10.9% from \$20.0 million in the 2nd quarter of 2015 to \$17.8 million in the 3rd quarter of 2015 as all business segment registered a reduction in revenue in the current quarter as compared to the previous quarter.

Fish

During the 3rd quarter of 2015, we continue to see a decline in our ornamental fish revenue contribution as compared to the previous quarter. This was mainly due to the purchasing sentiments of our European customers being compelled by its sluggish economy. In addition, our ornamental fish export to Russia has steadily decreased as sanctions and falling oil prices take a toll on the Russian economy.

In addition, traditionally, the 3rd quarter of each year has been a relatively low season for our ornamental fish export business due to the summer holidays in Europe whereby our European customers would mostly take off for their own vacation which would result in a lower ornamental fish revenue contribution in the current quarter.



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8 REVIEW OF GROUP PERFORMANCE (cont'd)

(b) **Profitability**

3Q 2015 vs 2Q 2015 (cont'd)

Accessories

Despite our conscientious efforts made to focus on selling more of our proprietary brand of innovative products, our revenue from the accessories activities was affected by the weakening purchasing sentiments, mainly from the Malaysia market, in view of the vulnerability of its local currency, its domestic political concerns and economic predicament as mentioned above. In addition, the depreciation of the Malaysian ringgit against Singapore dollar by approximately 10% within the current quarter has resulted in a lower revenue contribution registered by the Malaysia entities when translated into Singapore dollar.

Plastics

Revenue from our plastic business remained relatively consistent in the current quarter, comparable to that of the previous quarter.

9 months 2015 vs 9 months 2014

	Group		Increase	
	9 months ended 30 Sep 2015	2014	(Decrease)	
	\$'000	\$'000	\$'000	%
Fish	714	804	(90)	(11.2)
Accessories	1,003	1,244	(241)	(19.4)
Plastics	540	311	229	73.6
Unallocated corporate expenses	(1,716)	(1,619)	(97)	(6.0)
	541	740	(199)	(26.9)

In line with the lower revenue contribution, our operating profit decreased by approximately \$0.2 million or 26.9% in the 3rd quarter of 2015 as compared to its corresponding period in 2014, mainly due to the reduction in profit generated from our core business segments.

3Q 2015 vs 3Q 2014

	Group		Increase	
	3Q 2015	3Q 2014	(Decrease)	
	\$'000	\$'000	\$'000	%
Fish	318	261	57	21.8
Accessories	311	424	(113)	(26.7)
Plastics	155	97	58	59.8
Unallocated corporate expenses	(575)	(539)	(36)	(6.7)
	209	243	(34)	(14.0)

Fish

The improvement in profitability by 21.8% despite a reduction in revenue registered by the ornamental fish business in the 3rd quarter of 2015 as compared to its corresponding period in 2014 was a result of the difference in sales mix, coupled with the better profit margins yielded from the ornamental fish export business.



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8 **REVIEW OF GROUP PERFORMANCE (cont'd)**

(b) **Profitability (cont'd)**

3Q 2015 vs 3Q 2014 (cont'd)

Accessories

The decline in profitability from our accessories business in the 3rd quarter of 2015 as compared to the corresponding period in 2014 was in line with the lower revenue contribution due to reasons as mentioned above. The profitability of our Malaysia subsidiaries was also trimmed down by the adverse impact on the depreciation of its local currency during the current quarter.

Plastics

The higher revenue registered by the plastic business, coupled with the improved profit margins following the stabilisation of both the raw material prices as well as the selling prices of our plastic products had given rise to the improvement in profit contribution in the 3rd quarter of 2015, as compared to the corresponding period in 2014.

Unallocated corporate expenses

These were staff costs and administrative expenses incurred in relation to the overseeing of both the Group's local and overseas operations.

3Q 2015 vs 2Q 2015

	Group		Increase (Decrease)	
	3Q 2015	2Q 2015	\$'000	%
Fish	318	84	234	278.6
Accessories	311	367	(56)	(15.3)
Plastics	155	204	(49)	(24.0)
Unallocated corporate expenses	(575)	(576)	1	0.2
	209	79	130	164.6

Fish

As mentioned above, notwithstanding the reduction in revenue contribution from our ornamental fish business registered in the 3rd quarter of 2015, the difference in sales mix, coupled with the improved profit margins yielded from the ornamental fish export business has lifted the profitability of the ornamental fish business during the current quarter as compared to the previous quarter.

Accessories

Despite the various reasons mentioned above which have affected the revenue contribution from the accessories segment in the current quarter, our conscientious efforts made to focus on selling more of our proprietary brand of innovative products with better margins has tapered the reduction in profitability from our accessories business in the current quarter as compared to the previous quarter.



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8 **REVIEW OF GROUP PERFORMANCE (cont'd)**

(b) **Profitability (cont'd)**

3Q 2015 vs 2Q 2015 (cont'd)

Plastics

The relatively lower revenue registered by the plastic business in the current quarter, coupled with the gradual increase in overall operational costs has given rise to the decline in its profitability quarter-on-quarter.

9 **VARIANCE FROM PROSPECT STATEMENT**

There is no variance from the previous prospect statement.

10 **PROSPECTS**

The prospects of our Group are:

- to be the world's Number 1 ornamental fish exporter;
- to improve productivity using technology and automation;
- to widen our distribution network and strengthen our market capability;
- to reinforce our commitment in research & development ("R&D") and enhance growth by means of innovation; and
- to build a company that last through generations.

The above-mentioned prospects of the Group were announced in detail in our Full Year Financial Statements and Dividend Announcement dated 12 January 2015.

Our business model remains robust and the diversity of our business has put us in good standing. We will be more aggressive in the strengthening of our fundamentals and financial positions as well as in enhancing our ability to generate cash. In addition, we will continue to leverage on innovation and advance technology to transform Qian Hu into a next generation ornamental fish company with a strong pipeline of new innovative accessories products. We believe that by doing so, it will enable Qian Hu to be more resilient and sustainable in the long run.

Our Group expects challenging market conditions to persist, plagued by the volatility of the regional and international currencies. We will continue to undertake the necessary transformation and adjustments, focusing on higher margin products and managing our overheads and other operating costs in order to improve our operating performance.

11 **DIVIDEND**

No interim dividend for the quarter ended 30 September 2015 is recommended.



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12 **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”).

During the financial period, there were interested person transactions based on terms agreed between the parties as follows:-

	<u>Group</u>		<u>Company</u>	
	<u>30 Sep 2015</u>	<u>30 Sep 2014</u>	<u>30 Sep 2015</u>	<u>30 Sep 2014</u>
	\$	\$	\$	\$
Fees paid to a company in which a director has an interest	8,600	14,500	8,600	14,500
Guarantee fee paid to a major shareholder of the Company *	32,200	35,100	32,200	35,100
Consultancy fees paid to a company in which a director has a substantial interest	8,300	8,300	8,300	8,300

* The Group and the Company are charged a guarantee fee of 0.5% per annum on the average balance of the outstanding amounts due from GZQH, a former subsidiary. The guarantee fee is payable to a major shareholder of the Company, for guaranteeing the payment of the outstanding amounts.

Except for the above, there was no other interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into by the Group or by the Company during the third quarter and the nine months ended 30 September 2015.

13 **SEGMENT INFORMATION**

(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;
- (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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13 **SEGMENT INFORMATION (cont'd)**

(a) **Business segments (cont'd)**

Group	9 months ended 30 Sep 2015				
	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
Revenue					
External revenue	23,677	26,568	8,390	-	58,635
Inter-segment revenue	1,582	4,875	188	(6,645)	-
Total Revenue	25,259	31,443	8,578	(6,645)	58,635
Results					
EBITDA *	1,479	1,365	634	(1,540)	1,938
Depreciation and amortisation	(747)	(368)	(93)	-	(1,208)
Interest expense	(21)	(22)	(1)	(176)	(220)
Interest income	3	1	-	-	4
	714	976	540	(1,716)	514
Share of profit of associate	-	27	-	-	27
Profit before tax	714	1,003	540	(1,716)	541
Tax expense	(120)	(28)	-	-	(148)
Profit for the period	594	975	540	(1,716)	393
Net profit margin	2.5%	3.7%	6.4%		0.7%
Assets and Liabilities					
Segment assets	31,734	37,547	4,151	2,888	76,320
Investment in associate	-	381	-	-	381
Segment liabilities	5,175	5,295	2,002	13,366	25,838
Other Segment Information					
Expenditures for non-current assets **	908	360	88	-	1,356
Other non-cash items:					
Bad trade receivables written off	35	10	-	-	45
Gain on disposal of property, plant and equipment	-	(29)	(3)	-	(32)
Allowance for (Write back of allowance for)					
- doubtful trade receivables	147	19	-	-	166
- inventory obsolescence	-	(50)	-	-	(50)
Change in fair value less estimated point-of-sale costs of breeder stocks					
	17	-	-	-	17

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

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



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13 **SEGMENT INFORMATION (cont'd)**

(a) **Business segments (cont'd)**

Group	9 months ended 30 Sep 2014				
	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
Revenue					
External revenue	26,661	27,706	7,861	-	62,228
Inter-segment revenue	1,414	5,000	123	(6,537)	-
Total Revenue	28,075	32,706	7,984	(6,537)	62,228
Results					
EBITDA *	1,512	1,695	373	(1,477)	2,103
Depreciation and amortisation	(695)	(441)	(62)	-	(1,198)
Interest expense	(18)	(32)	-	(142)	(192)
Interest income	5	2	-	-	7
	804	1,224	311	(1,619)	720
Share of profits of associates	-	20	-	-	20
Profit before tax	804	1,244	311	(1,619)	740
Tax expense	(198)	(62)	(27)	-	(287)
Profit for the period	606	1,182	284	(1,619)	453
Net profit margin	2.3%	4.3%	3.6%		0.7%
Assets and Liabilities					
Segment assets	31,562	39,189	3,733	3,294	77,778
Investments in associates	-	632	-	-	632
Segment liabilities	5,474	6,101	1,960	13,373	26,908
Other Segment Information					
Expenditures for non-current assets **	1,111	251	73	-	1,435
Other non-cash items:					
Bad trade receivables written off	48	8	2	-	58
Gain on disposal of property, plant and equipment	-	(11)	-	-	(11)
Property, plant and equipment written off	-	5	-	-	5
Allowance for doubtful trade receivables	336	82	4	-	422
Change in fair value less estimated point-of-sale costs of breeder stocks	20	-	-	-	20

(b) **Geographical segments**

Geographical segments are analysed by four principal geographical areas, namely Singapore, Asia, 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.



QIAN HU CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. : 199806124N)

13 **SEGMENT INFORMATION (cont'd)**

(b) **Geographical segments (cont'd)**

Group	Revenue		Segment non-current assets		Segment assets	
	9 months ended 30 Sep		9 months ended 30 Sep		9 months ended 30 Sep	
	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	16,985	17,245	15,605	16,492	56,283	56,846
Other Asian countries	28,965	33,133	2,315	2,654	19,656	20,574
Europe	7,422	6,861	381	358	381	358
Others	5,263	4,989	-	-	-	-
Total	58,635	62,228	18,301	19,504	76,320	77,778

(c) **Major customers**

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

14 **BREAKDOWN OF REVENUE**

Group	Fish \$'000	Accessories \$'000	Plastics \$'000	Total \$'000
3Q 2015				
Singapore (including domestic sales & sales to Singapore)	953	2,068	2,774	5,795
Overseas (including export to & sales in overseas)	5,926	6,095	24	12,045
Total revenue	6,879	8,163	2,798	17,840
3Q 2014				
Singapore	1,095	2,093	2,617	5,805
Overseas	7,256	7,363	37	14,656
Total revenue	8,351	9,456	2,654	20,461
9 months ended 30 Sep 2015				
Singapore (including domestic sales & sales to Singapore)	2,927	5,829	8,229	16,985
Overseas (including export to & sales in overseas)	20,750	20,739	161	41,650
Total revenue	23,677	26,568	8,390	58,635
9 months ended 30 Sep 2014				
Singapore	3,414	6,069	7,762	17,245
Overseas	23,247	21,637	99	44,983
Total revenue	26,661	27,706	7,861	62,228

BY ORDER OF THE BOARD

Kenny Yap Kim Lee
Executive Chairman and Managing Director
16 October 2015