**Title** : **Qian Hu's full-year net profit down**
**By** :
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SINGAPORE: Ornamental fish company Qian Hu said its full-year net profit declined 35.7 per cent to S$4.2 million.

That's on the back of a 3.6 per cent dip in revenue over the 12-month period to S$91.2 million.

The group said its sales of ornamental fish dropped 3.9 per cent to S$45.2 million.

This was due to weakened purchasing sentiment in European markets because of 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's executive chairman and managing director Kenny Yap said he 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 also said it has formed a new subsidiary in Indonesia with an initial paid-up capital of S$1 million.

The subsidary, 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.

Joe Aquatic Indonesia is an exporter of marine and ornamental fish.

Mr Yap said 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.

Qian Hu has also proposed a first and final dividend of 0.5 Singapore cents a share and if approved by shareholders, it will be paid out on April 8, 2011.

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