



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

**FIRST QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT**

1(a) **STATEMENT OF PROFIT OR LOSS FOR THE THREE MONTHS ENDED 31 MARCH 2019**

	Note	Group		Change %
		3 months ended 31 Mar		
		2019 \$'000	2018 \$'000	
Revenue		18,852	21,610	(12.8)
Cost of sales		(13,124)	(15,082)	(13.0)
<b>Gross profit</b>		<b>5,728</b>	<b>6,528</b>	<b>(12.3)</b>
Other income	i	549	148	270.9
		<b>6,277</b>	<b>6,676</b>	<b>(6.0)</b>
Selling & distribution expenses	ii	(518)	(467)	10.9
General & administrative expenses	ii	(5,546)	(5,936)	(6.6)
<b>Results from operating activities</b>	iii	<b>213</b>	<b>273</b>	<b>(22.0)</b>
Finance income	iv	6	1	500.0
Finance costs	iv	(151)	(110)	37.3
<b>Profit before tax</b>		<b>68</b>	<b>164</b>	<b>(58.5)</b>
Tax expense	v	(10)	(89)	(88.8)
<b>Profit for the period</b>		<b>58</b>	<b>75</b>	<b>(22.7)</b>
Profit attributable to:				
<b>Owners of the Company</b>		<b>37</b>	<b>35</b>	<b>5.7</b>
Non-controlling interests		21	40	(47.5)
<b>Profit for the period</b>		<b>58</b>	<b>75</b>	<b>(22.7)</b>
Gross profit margin		30.4%	30.2%	
Net profit margin		0.3%	0.3%	
Effective tax rate		23.5%	54.3%	



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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2019**

	<u>Group</u>		
	<u>3 months ended 31 Mar</u>		
	<b>2019</b>	<b>2018</b>	<b>Change</b>
	\$'000	\$'000	%
<b>Profit for the period</b>	58	75	(22.7)
<b>Other comprehensive income</b>			
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences - foreign operations, net of tax	99	139	(28.8)
<b>Other comprehensive income for the period, net of tax</b>	99	139	(28.8)
<b>Total comprehensive income for the period</b>	157	214	(26.6)
Total comprehensive income attributable to:			
<b>Owners of the Company</b>	<b>113</b>	<b>195</b>	(42.1)
Non-controlling interests	44	19	131.6
<b>Total comprehensive income for the period</b>	157	214	(26.6)

**Notes to Statement of Profit or Loss**

(i) **Other income**

Other income comprises:

	<u>Group</u>	
	<u>3 months ended 31 Mar</u>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
(Loss) Gain on disposal of property, plant and equipment	(2)	12
Handling income (net)	529	87
Sundry income	22	49
	549	148

Handling income was derived from the handling of transhipments in relation to our aquaculture business.

(ii) **Selling & distribution expenses** – increased by \$51K or 10.9%

**General & administrative expenses** – decreased by \$390K or 6.6%

With the disposal of the Group's entire equity interest in Shanghai Qian Hu Aquarium and Pets Co., Ltd ("SHQH") in the 4<sup>th</sup> quarter of 2018, its operating expenses decreased accordingly in the current quarter as compared to the corresponding period in 2018. The reduction was partially offset by higher personnel expenses as a result of the increase in headcount and annual salary revision. In addition, there were more expenses incurred to enhance our marketing efforts, including the participation in trade shows to promote and showcase our products.



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**Notes to Statement of Profit or Loss (cont'd)**

(iii) **Profit from operations**

This is determined after charging the following:

	<b>Group</b>	
	<b>3 months ended 31 Mar</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Auditors' remuneration		
- auditors of the Company	29	29
- other auditors	7	5
Non-audit fees		
- other auditors	5	7
Directors' fees		
- directors of the Company	30	22
Directors' remuneration		
- directors of the Company	284	284
- directors of subsidiaries	94	93
Amortisation of intangible assets	37	31
Bad trade receivables written off	178	39
Depreciation of		
- property, plant and equipment	713	440
- brooder stocks	60	54
Property, plant and equipment written off	-	1
Impairment loss on trade receivables	5	1
Operating lease expenses	42	312
Personnel expenses *	3,631	3,778
Exchange (gain) loss, net	(133)	7

\* Include directors' remuneration.

The increase in depreciation of property, plant and equipment during the 1<sup>st</sup> quarter of 2019 as compared to its corresponding period in 2018 was mainly due to additional depreciation charge incurred upon the recognition of the right-of-use assets as a result of the adoption of the new Singapore Financial Reporting Standards (International) – SFRS(I) 16 *Leases*. Correspondingly, there was a decrease in operating lease expenses during the period.  
(Please refer to page 6 for more details)

The increase in bad trade receivables written off recognised in 1<sup>st</sup> quarter of 2019 as compared to its corresponding period in 2018 was a result of certain trade receivables which were no longer collectible during the current quarter.



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**Notes to Statement of Profit or Loss (cont'd)**

(iv) **Financial income**

**Financial costs**

	<b>Group</b>	
	<b>3 months ended 31 Mar</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest expense		
- bank loans and overdrafts	129	95
- bills payable to banks	6	7
- finance lease liabilities	16	8
	<u>151</u>	<u>110</u>
Interest income		
- bank deposits	(6)	(1)
Net finance costs	<u>145</u>	<u>109</u>

The increase in interest expenses arising from bank loans and overdrafts by approximately 35.8% in the current quarter as compared to the corresponding period in 2018 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.

The increase in interest expenses on finance lease liabilities was in relation to lease liabilities taken up upon the recognition of the right-of-use assets as mentioned earlier.

(v) **Tax expense**

	<b>Group</b>	
	<b>3 months ended 31 Mar</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Current tax expense		
- current year	16	89
- over provision in respect of prior year	(6)	-
	<u>10</u>	<u>89</u>

The effective tax rate registered for the current quarter and its corresponding period in 2018 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.



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

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
	\$	\$	\$	\$
<b>Assets</b>				
Property, plant and equipment	9,447,110	9,535,743	4,370,057	4,488,095
Right-of-use assets	1,028,847	-	238,915	-
Intangible assets	3,251,546	3,288,713	3,198,213	3,228,713
Brooder stocks	10,460,597	10,520,663	10,460,597	10,520,663
Investments in subsidiaries	-	-	3,888,402	3,888,402
Trade and other receivables	8,998,265	8,998,265	8,998,265	8,998,265
<b>Non-current assets</b>	<b>33,186,365</b>	<b>32,343,384</b>	<b>31,154,449</b>	<b>31,124,138</b>
Breeder stocks	120,300	121,260	120,300	121,260
Inventories	14,978,765	15,863,663	5,936,996	6,646,226
Trade receivables	15,757,323	16,543,561	9,145,173	10,321,681
Other receivables, deposits and prepayments	3,756,337	3,444,150	2,235,061	1,866,870
Due from				
- subsidiaries (trade)	-	-	6,609,238	6,825,763
- subsidiaries (non-trade)	-	-	1,849,890	1,857,548
Fixed deposits	677,525	683,275	677,525	683,275
Cash and bank balances	11,205,341	10,808,138	5,518,151	4,990,209
<b>Current assets</b>	<b>46,495,591</b>	<b>47,464,047</b>	<b>32,092,334</b>	<b>33,312,832</b>
<b>Total assets</b>	<b>79,681,956</b>	<b>79,807,431</b>	<b>63,246,783</b>	<b>64,436,970</b>
<b>Equity</b>				
Share capital	30,772,788	30,772,788	30,772,788	30,772,788
Reserves	17,801,293	17,688,335	8,985,556	9,268,764
<b>Equity attributable to owners of the Company</b>	<b>48,574,081</b>	<b>48,461,123</b>	<b>39,758,344</b>	<b>40,041,552</b>
<b>Non-controlling interests</b>	<b>2,390,683</b>	<b>2,346,476</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>50,964,764</b>	<b>50,807,599</b>	<b>39,758,344</b>	<b>40,041,552</b>
<b>Liabilities</b>				
Loans and borrowings	735,592	215,515	318,500	148,246
Deferred tax liabilities	45,737	45,595	-	-
<b>Non-current liabilities</b>	<b>781,329</b>	<b>261,110</b>	<b>318,500</b>	<b>148,246</b>
Trade payables	6,336,821	7,177,536	1,950,505	3,029,951
Other payables and accruals	3,782,924	3,880,274	2,857,538	2,768,216
Due to				
- subsidiaries (trade)	-	-	181,581	249,541
- subsidiaries (non-trade)	-	-	1,115,606	785,646
Loans and borrowings	17,457,408	17,330,590	16,857,252	17,206,361
Current tax payable	358,710	350,322	207,457	207,457
<b>Current liabilities</b>	<b>27,935,863</b>	<b>28,738,722</b>	<b>23,169,939</b>	<b>24,247,172</b>
<b>Total liabilities</b>	<b>28,717,192</b>	<b>28,999,832</b>	<b>23,488,439</b>	<b>24,395,418</b>
<b>Total equity and liabilities</b>	<b>79,681,956</b>	<b>79,807,431</b>	<b>63,246,783</b>	<b>64,436,970</b>



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

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
Inventory turnover (days)	107	97	96	77
Trade receivables turnover (days)	112	103	173	145
Trade receivables turnover (days) (without GZQH balances)	72	67	88	72
Debt equity ratio	0.56	0.57	0.59	0.61

Note - With the disposal of Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd (“GZQH”), a former subsidiary of the Group, 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 Group has adopted the new Singapore Financial Reporting Standards (International) (“SFRS(I)”) 16 *Leases*, which took effect on 1 January 2019, using the modified retrospective approach. SFRS(I) 16 introduces a single, on-balance sheet lease accounting model. The rationale of the change is to better reflect the economic substance of lease transactions. It requires a lessee to recognise a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

In compliance with SFRS(I) 16, the Group and the Company has applied the practical expedient to recognise the amount of ROU assets equal to the lease liabilities as at 1 January 2019. Subsequent to initial recognition, the Group and the Company depreciate the ROU assets over the shorter of the useful life of the ROU assets and the lease term, and recognise interest expenses on the lease liabilities.

The ROU assets as at 31 March 2019 were mainly related to leases of the offices, warehouses, retail spaces and farm facilities occupied by the Group in the various locations. Accordingly, there was a corresponding increase in finance lease liabilities (included in loans and borrowings) of approximately \$1.0 million as at 31 March 2019.

- (2) Intangible assets comprise:

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
	\$	\$	\$	\$
Trademarks/customer acquisition costs/formulation rights	4,051,497	4,051,497	3,971,497	3,971,497
Product listing fees	196,153	196,153	196,153	196,153
	<b>4,247,650</b>	<b>4,247,650</b>	<b>4,167,650</b>	<b>4,167,650</b>
Less accumulated amortisation	(996,104)	(958,937)	(969,437)	(938,937)
	<b>3,251,546</b>	<b>3,288,713</b>	<b>3,198,213</b>	<b>3,228,713</b>



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**Notes to Statements of Financial Position (cont'd)**

Trademarks/customer acquisition costs/formulation rights relate to costs paid to third parties in relation to: -

- acquisition of trademarks rights of certain brands of pet food. Such costs were determined to have indefinite lives and are tested for impairment annually;
- acquisition of customer base, which is amortised over three years; and
- acquisition of trademarks and formulation rights of certain products, which are amortised over 25 years.

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

(3) The details of subsidiaries are as follows:

Name of subsidiary	Effective equity interest held by the Group		Cost of investment by the Company	
	31 Mar 2019	31 Dec 2018	31 Mar 2019	31 Dec 2018
	%	%	\$	\$
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	-	-
Qian Hu Development Sdn Bhd (Malaysia)	100	100	16,000	16,000
Beijing Qian Hu Aquarium and Pets Co., Ltd (People's Republic of China)	100	100	171,824	171,824
Guangzhou Qian Hu OF Feed Co., Ltd (People's Republic of China)	100	100	126,170	126,170
Guangzhou Qian Hu Aquarium and Pets Co., Ltd (People's Republic of China)	100	100	69,000	69,000
Qian Hu Aquaculture (Hainan) Co., Ltd (People's Republic of China)	100	100	1,240,393	1,240,393
Tian Tian Fisheries (Hainan) Co., Ltd (People's Republic of China)	60	60	377,683	377,683
Qian Hu Marketing Co Ltd (Thailand)	74	74	148,262	148,262
	Balance carried forward		2,378,333	2,378,333



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**Notes to Statements of Financial Position (cont'd)**

Name of subsidiary	Effective equity interest held by the Group		Cost of investment by the Company	
	31 Mar 2019	31 Dec 2018	31 Mar 2019	31 Dec 2018
	%	%	\$	\$
	Balance brought forward		2,378,333	2,378,333
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)	97.25	97.25	1,357,516	1,357,516
			<u>3,888,402</u>	<u>3,888,402</u>

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

As part of the Group's strategic plan to streamline its existing accessories operations in China, the Company has entered into a Sale and Purchase Agreement to acquire the entire equity interest in Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd ("GZQH"), a former subsidiary of the Group. The rationale of the acquisition was disclosed in the SGXNET announcement released on 22 March 2019.

As mentioned in the SGXNET announcement, the GZQH acquisition is subject to the completion of all legal and financial due diligence on GZQH, the results of which must be satisfactory to Qian Hu, as well as the necessary approval from all relevant regulatory authorities. Upon the successful completion of the acquisition, GZQH will become a wholly-owned subsidiary of the Company.

- (4) Trade and other receivables (non-current) relates to amount due from GZQH. Based on a repayment arrangement entered into with GZQH in FY 2018, \$1.0 million of the receivables as at 31 December 2018 is due on 31 December 2019 and the remaining amount of \$9.0 million is not expected to be repaid within the next 12 months.

The recoverability of the amount due from GZQH of approximately \$7.3 million (31/12/2018: \$7.3 million) is guaranteed by a major shareholder of the Company and a director of the Company.

- (5) 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 are determined based on the age, breed and genetic merit of similar fish that can be purchased from another supplier. The marginal increase in breeder stocks balance as at 31 March 2019 was mainly due to difference in quantity, valuation and product mix in relation to the breeder stocks held as at both reporting dates.





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**Notes to Statements of Financial Position (cont'd)**

(6) Inventories comprise:

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
	\$	\$	\$	\$
Fish	2,929,603	3,295,601	1,583,460	1,871,894
Accessories	11,417,604	12,013,991	4,629,036	5,049,832
Plastics products - raw materials	412,977	308,458	-	-
Plastics products - finished goods	587,871	614,903	-	-
	<b>15,348,055</b>	<b>16,232,953</b>	<b>6,212,496</b>	<b>6,921,726</b>
Less allowance for inventory obsolescence	(369,290)	(369,290)	(275,500)	(275,500)
	<b>14,978,765</b>	<b>15,863,663</b>	<b>5,936,996</b>	<b>6,646,226</b>

The decrease in accessories inventory balance as at 31 March 2019 was mainly a result of the consolidation of the various China accessories operations into a single location with the intention to attain a more efficient and effective inventory management and logistic system.

(7) Trade receivables comprise:

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
	\$	\$	\$	\$
Trade receivables	17,226,944	18,027,466	10,242,140	11,418,648
Less impairment loss on trade receivables	(1,469,621)	(1,483,905)	(1,096,967)	(1,096,967)
	<b>15,757,323</b>	<b>16,543,561</b>	<b>9,145,173</b>	<b>10,321,681</b>

Our conscientious effort made in monitoring and collection of trade receivables balances has resulted in the decrease in the amount of trade receivables as at 31 March 2019.

(8) Other receivables, deposits and prepayments comprise:

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
	\$	\$	\$	\$
Other receivables	1,602,729	1,569,898	1,407,244	1,390,345
Deposits	262,822	342,966	55,850	56,697
Prepayments	1,044,429	933,785	191,066	165,003
Advances to suppliers	768,079	304,498	580,901	254,825
Deposits for purchase of property, plant and equipment	-	222,666	-	-
Tax recoverable	78,278	70,337	-	-
	<b>3,756,337</b>	<b>3,444,150</b>	<b>2,235,061</b>	<b>1,866,870</b>



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**Notes to Statements of Financial Position (cont'd)**

Notwithstanding the decrease in deposits for purchase of property, plant and equipment, which was mainly in relation to the infrastructure construction work undertaken by our Hainan and Thailand subsidiaries that has been capitalised as property, plant and equipment upon the completion of the construction work in the current quarter, the higher amount of other receivables, deposits and prepayments balance as at 31 March 2019 was mainly due to:-

- increase in prepayments made as we have made payments for certain expenses at the beginning of the year. Such amounts will be charged to the statement of profit or loss throughout the current financial year.
- increase in advance payments made to suppliers for purchases which are due for delivery in the coming quarters.

(9) Other payables and accruals comprise:

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
	\$	\$	\$	\$
Accrued operating expenses	396,599	439,799	304,279	322,934
Accrued staff costs	1,061,853	1,482,211	715,410	1,054,961
Other payables	1,959,290	1,681,913	1,510,538	1,149,306
Advance received from customers	365,182	276,351	327,311	241,015
	<b>3,782,924</b>	<b>3,880,274</b>	<b>2,857,538</b>	<b>2,768,216</b>

The decrease in other payables and accruals as at 31 March 2019 was mainly due to the reduction of accrued staff costs as a result of bonus payment made in January 2019. The reduction was partially offset by the increase in payments due to non-trade suppliers.

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

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
	\$	\$	\$	\$
<b>Non-current liabilities</b>				
Finance lease liabilities	735,592	215,515	318,500	148,246
	<b>735,592</b>	<b>215,515</b>	<b>318,500</b>	<b>148,246</b>
<b>Current liabilities</b>				
Short-term loans (unsecured)	16,550,000	16,700,000	16,550,000	16,700,000
Bills payable to banks (unsecured)	181,476	407,351	97,417	370,630
Finance lease liabilities	725,932	223,239	209,835	135,731
	<b>17,457,408</b>	<b>17,330,590</b>	<b>16,857,252</b>	<b>17,206,361</b>
Total borrowings	<b>18,193,000</b>	<b>17,546,105</b>	<b>17,175,752</b>	<b>17,354,607</b>

The unsecured short-term loans are revolving bank loans that bear interest at rates ranging from 2.83% to 3.15% (31/12/2018: 2.53% to 3.00%) per annum and are repayable within the next 12 months from the reporting date.

As at 31 March 2019, there were corporate guarantees given by the Company to financial institutions for banking facilities extended to subsidiaries amounting to approximately \$1.7 million (31/12/2018: \$1.7 million).



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1(c) **STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2019**

	<b>Group</b>	
	<b>3 months ended 31 Mar</b>	
	<b>2019</b>	<b>2018</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Profit before tax	67,755	164,613
Adjustments for:		
Bad trade receivables written off	178,483	39,212
Depreciation of		
- property, plant and equipment	712,887	439,826
- brooder stocks	60,066	54,027
Amortisation of intangible assets	37,167	30,500
Loss (Gain) on disposal of property, plant and equipment	2,044	(12,251)
Property, plant and equipment written off	40	759
Impairment loss on trade receivables	4,512	1,338
Interest expense	151,235	110,558
Interest income	(6,322)	(1,163)
<b>Operating profit before working capital changes</b>	<b>1,207,867</b>	<b>827,419</b>
(Increase) Decrease in:		
Inventories	875,568	(313,939)
Breeder stocks	960	(1,500)
Trade receivables	635,838	(50,288)
Other receivables, deposits and prepayments	(279,893)	(534,058)
Increase (Decrease) in:		
Trade payables	(870,145)	(157,655)
Bills payable to banks	(226,210)	(107,864)
Other payables and accruals	(105,878)	(2,278,995)
<b>Cash generated from (used in) operating activities</b>	<b>1,238,107</b>	<b>(2,616,880)</b>
Tax paid	(10,566)	(66,513)
<b>Net cash from (used in) operating activities</b>	<b>1,227,541</b>	<b>(2,683,393)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(319,308)	(215,225)
Proceeds from disposal of property, plant and equipment	8,945	25,422
Interest received	6,322	1,163
<b>Net cash used in investing activities</b>	<b>(304,041)</b>	<b>(188,640)</b>



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1(c) **STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2019**  
**(cont'd)**

	<b>Group</b>	
	<b>3 months ended 31 Mar</b>	
	<b>2019</b>	<b>2018</b>
	\$	\$
<b>Cash flows from financing activities</b>		
Drawdown of bank term loans	-	1,200,000
Repayment of		
- finance lease liabilities	(280,720)	(54,206)
- bank term loans	(150,000)	(70,160)
Payment of dividend to non-controlling interests	-	(84,000)
Interest paid	(149,988)	(107,923)
<b>Net cash (used in) from financing activities</b>	<b>(580,708)</b>	<b>883,711</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>342,792</b>	<b>(1,988,322)</b>
Cash and cash equivalents at beginning of period	11,491,413	11,123,954
Effect of exchange rate changes on cash balances held in foreign currencies	48,661	82,519
<b>Cash and cash equivalents at end of period</b>	<b>11,882,866</b>	<b>9,218,151</b>

**Notes to Statement of Cash Flows**

- (i) Cash and cash equivalents comprise:

	<b>Group</b>	
	<b>31 Mar 2019</b>	<b>31 Mar 2018</b>
	\$	\$
Fixed deposits	677,525	-
Cash and bank balances	11,205,341	9,218,151
	<b>11,882,866</b>	<b>9,218,151</b>

- (ii) **Net cash from operating activities** in the 1<sup>st</sup> quarter of 2019 was a result of lower inventory held and the realisation of trade receivables into cash during the period.

**Net cash used in investing activities** was mainly related to capital expenditure incurred for on-going enhancements to farm facilities in Singapore and overseas, as well as the infrastructure construction work for our new aquaculture business.

**Net cash used in financing activities** in the current quarter was for the settlement of bank loans and finance lease liabilities, as well as the servicing of interest payments on a monthly basis.



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

Group	Attributable to owners of the Company				Non-Controlling interests	Total Equity
	Share capital	Retained earnings	Translation reserve	Total		
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 Jan 2018</b>	30,772,788	18,101,960	43,720	48,918,468	2,716,178	51,634,646
Effect on adoption of SFRS(I) 9 (Note 1)	-	(722,340)	-	(722,340)	(65,660)	(788,000)
<b>Total comprehensive income for the year</b>						
Profit for the year	-	401,791	-	401,791	166,687	568,478
<b>Other comprehensive income</b>						
Foreign currency translation differences for foreign operations, net of tax	-	-	90,256	90,256	(709,529)	(619,273)
Total other comprehensive income	-	-	90,256	90,256	(709,529)	(619,273)
Total comprehensive income for the year	-	401,791	90,256	492,047	(542,842)	(50,795)
<b>Transactions with owners, recognised directly in equity</b>						
<b>Distributions to owners</b>						
Payment of first and final dividend	-	(227,052)	-	(227,052)	-	(227,052)
Total distributions to owners	-	(227,052)	-	(227,052)	-	(227,052)
<b>Changes in ownership interests</b>						
Incorporation of subsidiary with non-controlling interests	-	-	-	-	238,800	238,800
Total changes in ownership interests	-	-	-	-	238,800	238,800
Total transactions with owners	-	(227,052)	-	(227,052)	238,800	11,748
<b>Balance at 31 Dec 2018</b>	30,772,788	17,554,359	133,976	48,461,123	2,346,476	50,807,599
<b>Total comprehensive income for the period</b>						
Profit for the period	-	37,291	-	37,291	21,047	58,338
<b>Other comprehensive income</b>						
Foreign currency translation differences for foreign operations, net of tax	-	-	75,667	75,667	23,160	98,827
Total other comprehensive income	-	-	75,667	75,667	23,160	98,827
Total comprehensive income for the period	-	37,291	75,667	112,958	44,207	157,165
<b>Balance at 31 Mar 2019</b>	30,772,788	17,591,650	209,643	48,574,081	2,390,683	50,964,764

**Note 1 –**

SFRS(I) 9 *Financial Instruments* which took effect for the financial year ended 31 December 2018 replaced the current ‘incurred loss’ model with a forward-looking expected credit loss (“ECL”) model. The new impairment model applies to financial assets measured at amortised cost or fair value through other comprehensive income (“FVOCI”), except for investments in equity instruments, and certain loan commitments and financial guarantee contracts.

In compliance with SFRS(I) 9, the Group has applied the simplified approach and has recorded the amount of loss allowance on all trade and other receivables by ascertaining the amount of ECLs that would result from all possible default events over the expected life of a financial instrument (lifetime ECLs). Based on the assessment made, there was an increase in impairment for trade and other receivables of approximately \$0.8 million and \$0.4 million for the Group and for the Company respectively as at 1 January 2018 with the adoption of SFRS(I) 9.



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

The changes in accounting policies resulting from the adoption of SFRS(I) 9 has been applied by the Group and the Company retrospectively. However, the Group and the Company have adopted the exemption in SFRS(I) 1 *First-time Adoption of International Financial Reporting Standards* allowing it not to restate the comparative information in the FY 2018 financial statements. The differences in the carrying amounts of financial assets resulting from the adoption of SFRS(I) 9 are recognised in retained earnings and reserves as at 1 January 2018.

<b>Company</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Translation reserve</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Balance at 1 Jan 2018 (FRS)</b>	30,772,788	9,668,079	9,305	40,450,172
Effect on adoption of SFRS(I) 9 (Note 1)	-	(401,000)	-	(401,000)
<b>Total comprehensive income for the year</b>				
Profit for the year	-	200,765	-	200,765
<b>Other comprehensive income</b>				
Foreign currency translation differences for foreign operations, net of tax	-	-	18,667	18,667
Total other comprehensive income	-	-	18,667	18,667
Total comprehensive income for the year	-	200,765	18,667	219,432
<b>Transactions with owners, recognised directly in equity</b>				
<b>Distributions to owners</b>				
Payment of first and final dividend	-	(227,052)	-	(227,052)
Total transactions with owners	-	(227,052)	-	(227,052)
<b>Balance at 31 Dec 2018</b>	30,772,788	9,240,792	27,972	40,041,552
<b>Total comprehensive income for the period</b>				
Loss for the period	-	(266,342)	-	(266,342)
<b>Other comprehensive income</b>				
Foreign currency translation differences for foreign operations, net of tax	-	-	(16,866)	(16,866)
Total other comprehensive income	-	-	(16,866)	(16,866)
Total comprehensive income for the period	-	(266,342)	(16,866)	(283,208)
<b>Balance at 31 Mar 2019</b>	30,772,788	8,974,450	11,106	39,758,344



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

	Number of shares	\$
<b>Share capital</b>		
<b>Ordinary shares issued and fully paid</b>		
Balance as at 1 Jan 2019 and 31 Mar 2019	<u>113,526,467</u>	<u>30,772,788</u>

There was no movement in the issued and paid-up capital of the Company since 31 December 2018.

There were no outstanding convertibles as at 31 March 2019 (31/3/2018: Nil).

The Company did not hold any treasury shares as at 31 March 2019 (31/3/2018: Nil). There were no sale, transfer, disposal, cancellation and use of treasury shares during the three months ended 31 March 2019.

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 first quarter ended 31 March 2019 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  
17 April 2019

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

The Company has procured undertakings from all its directors and executive officers 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 SFRS(I)s, amendments and interpretations of SFRS(I)s as mentioned in paragraph 5 below, 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 2018.

### 5 CHANGES IN ACCOUNTING POLICIES

During the current financial year, the Group and the Company have adopted the following new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2019:

- SFRS(I) 16 *Leases*
- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- Amendments to SFRS(I) 3 and SFRS(I) 11 *Previously Held Interest in a Joint Operation*
- Amendments to SFRS(I) 9 *Prepayment Features with Negative Compensation*
- Amendments to SFRS(I) 1-19 *Plan Amendment, Curtailment or Settlement*
- Amendments to SFRS(I) 1-23 *Borrowing Costs Eligible for Capitalisation*
- Amendments to SFRS(I) 1-28 *Long-Term Interests in Associates and Joint Ventures*

The adoption of the above new SFRS(I)s, amendments and interpretations of SFRS(I)s is assessed to have no material financial effect on the results and financial position of the Group and of the Company for the year ending 31 December 2019. Accordingly, it has no material impact on the earnings per share of the Group and of the Company.

### 6 EARNINGS PER ORDINARY SHARE (EPS)

	<u>Group</u>	
	<u>3 months ended 31 Mar</u>	
	<u>2019</u>	<u>2018</u>
Earnings Per Ordinary Share		
(based on consolidated net profit attributable to owners)		
- on weighted average number of ordinary shares on issue (cents)	0.03	0.03
- on a fully diluted basis (cents)	0.03	0.03

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 for both periods.

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





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7 **NET ASSET VALUE PER SHARE**

	<u>Group</u>		<u>Company</u>	
	<u>31 Mar 2019</u>	<u>31 Dec 2018</u>	<u>31 Mar 2019</u>	<u>31 Dec 2018</u>
Net asset value per share based on existing issued share capital as at the respective dates (cents)	44.89	44.75	35.02	35.27

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

8 **REVIEW OF GROUP PERFORMANCE**

(a) **Revenue**

**1Q 2019 vs 1Q 2018**

	<u>Group</u>		<u>Increase (Decrease)</u>	
	<u>1Q 2019</u>	<u>1Q 2018</u>	<u>\$'000</u>	<u>%</u>
Fish	8,378	9,468	(1,090)	(11.5)
Accessories	7,614	9,526	(1,912)	(20.1)
Plastics	2,860	2,616	244	9.3
	<u>18,852</u>	<u>21,610</u>	<u>(2,758)</u>	<u>(12.8)</u>

In the 1<sup>st</sup> quarter of 2019, our fish and accessories activities continued to be our core business segments, which together accounted for 84.8% of the total revenue. Our overall revenue of \$18.9 million for the 1<sup>st</sup> quarter ended 31 March 2019 was \$2.8 million or 12.8% lower than that of its corresponding period in 2018.

On a geographical basis, revenue from Singapore grew by approximately 4.2%, while revenue from overseas dipped by 19.2% in the 1<sup>st</sup> quarter of 2019 as compared to its corresponding period in 2018.

**Fish**

With the improved revenue generated from the aquaculture business in the Hainan Province (China), as well as our continuous efforts to increase 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, it had given rise to a positive growth in our fish revenue contribution. The improvement, however, was offset by the intense price competition from the sales of Dragon Fish since the previous financial year, which had resulted in a continuous decline in its selling price throughout the year. This had, to some extent, affected the overall fish revenue contribution in the current quarter as compared to its corresponding period in 2018.

Nonetheless, with more efforts focused on the emerging aquaculture business and the probability in the stabilisation of the selling prices of Dragon Fish by 1<sup>st</sup> half of 2019, we envisage that the revenue and profitability of the Group's fish business will gradually revive in the coming quarters.



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

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

**Accessories**

The revenue contribution from our accessories business plunged by approximately \$1.9 million or 20.1% in the current quarter as compared to its corresponding period in 2018. This was mainly a result of the disposal of our subsidiary in Shanghai during the 4<sup>th</sup> quarter of 2018, with the intention to consolidate and to streamline the Group's accessories operations in China, so as to trim down operating costs and work towards a more efficient and effective inventory management and logistic system.

In addition, despite our conscientious efforts made to focus on selling more of our proprietary brand of innovative products, our revenue from the accessories export activities was affected by the weakening purchasing sentiments experienced globally. Our customers grew to be more vigilant in their procurement requirements citing the volatility of the trading currencies and sentiments were further compounded by the unpredictable outcome of the on-going trade war during the current quarter.

**Plastics**

Revenue from plastics activities continued its growth momentum into the 1<sup>st</sup> quarter of 2019. With the enlarged customer base and the sales of more varieties of plastic products, the revenue contribution from our plastic activities managed to register a steady increase of approximately \$0.2 million or 9.3% in the current quarter as compared to its corresponding period in 2018.

**1Q 2019 vs 4Q 2018**

	Group		Increase (Decrease)	
	1Q 2019	4Q 2018		
Fish	8,378	7,557	821	10.9
Accessories	7,614	9,801	(2,187)	(22.3)
Plastics	2,860	3,315	(455)	(13.7)
	18,852	20,673	(1,821)	(8.8)

Although the revenue from our fish activities registered a growth of \$0.8 million or 10.9% quarter-on-quarter, the decrease in our accessories and plastics revenue by approximately \$2.2 million and \$0.4 million respectively had resulted in a reduction in overall revenue by approximately \$1.8 million or 8.8% in the current quarter as compared to the previous quarter.

**Fish**

Moving into 1<sup>st</sup> quarter of 2019, our fish revenue resumed its growth momentum. We saw sustainable growth in revenue contribution generated from our aquaculture operations as we managed to deploy more resources into growing the business. In addition, our continuous efforts to increase our export of ornamental fish to more countries and new markets around the world from our export hubs in Singapore, Malaysia, Thailand and Indonesia have generated higher revenue as compared to the previous quarter.



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

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

##### Accessories

During the current quarter, revenue from our accessories business dived by approximately \$2.2 million or 22.3% as compared to the previous quarter. The reduction was mainly due to lower revenue contribution registered by the accessories export activities as a result of the weakening purchasing sentiments experienced globally. Our customers grew to be more vigilant in their procurement requirements citing the volatility of the trading currencies and sentiments were further compounded by the unpredictable outcome of the on-going trade war since the previous quarters.

In addition, traditionally, during the 1<sup>st</sup> quarter of each year, revenue contribution is lower from our China operations as they are closed for operations during the week-long Chinese New Year holidays. This has attributed to the slide in accessories revenue in the current quarter as compared to the previous quarter.

##### Plastics

Revenue from our plastics activities registered a decrease of approximately \$0.5 million or 13.7% in the 1<sup>st</sup> quarter of 2019 as compared to the previous quarter as its revenue contribution was escalated by a one-off increase in orders from a major customer in the 4<sup>th</sup> quarter of 2018. In addition, the decline was due to a slowdown in demand during the Chinese New Year period.

#### (b) **Profitability**

##### 1Q 2019 vs 1Q 2018

	Group		Increase (Decrease)	
	1Q 2019	1Q 2018		
Fish	237	365	(128)	(35.1)
Accessories	321	310	11	3.5
Plastics	219	178	41	23.0
Unallocated corporate expenses	(709)	(689)	(20)	(2.9)
	68	164	(96)	(58.5)

With lower revenue contribution registered, our operating profit in the 1<sup>st</sup> quarter of 2019 decreased by \$0.1 million or 58.5% as compared to its corresponding period in 2018. The reduction in profit contribution was mainly from our fish business.

##### Fish

Operating profit from our fish business dipped by approximately \$0.1 million or 35.1% as compared to its corresponding period in 2018 mainly due to lower revenue registered as well as the intense price competition from the sales of Dragon Fish since the previous financial year. The profit margins were dilapidated as a result of the swift decline in its selling price over the past year. Nevertheless, the reduction in profitability was partially offset by the increase in profit contribution from the aquaculture business.

The reliance and resilient of our ornamental fish export business continued to turn in improved revenue and generate respectable profit margins.



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

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

**Accessories**

Despite the lower revenue contributions in the current quarter, the difference in sales mix, as well as our conscientious efforts made to capture more market through the selling of our proprietary brand of innovative products with better margins, had enhanced the profitability of our accessories business for the 1<sup>st</sup> quarter of 2019 as compared to its corresponding period in 2018.

**Plastics**

The profitability of the plastics business was lifted by higher revenue contribution, despite the gradual increase in overall operational costs in the 1<sup>st</sup> quarter of 2019, as compared to the corresponding period in 2018.

**Unallocated corporate expenses**

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

**1Q 2019 vs 4Q 2018**

	<u>Group</u>		<u>Increase</u>	
	<u>1Q</u>	<u>4Q</u>	<u>(Decrease)</u>	
	<u>2019</u>	<u>2018</u>	<u>\$'000</u>	<u>%</u>
	\$'000	\$'000	\$'000	%
Fish	237	70	167	238.6
Accessories	321	447	(126)	(28.2)
Plastics	219	236	(17)	(7.2)
Unallocated corporate expenses	(709)	(701)	(8)	(1.1)
	<u>68</u>	<u>52</u>	<u>16</u>	<u>30.8</u>

**Fish**

The difference in sales mix recorded in both quarters, coupled with the improved revenue contributions from our aquaculture and ornamental fish export business had lifted the profitability of the fish business during the current quarter as compared to the previous quarter.

**Accessories**

The shrink in operating profit of our accessories business in the 1<sup>st</sup> quarter of 2019 as compared to the previous quarter was mainly due to the considerably lower revenue contribution, as well as our on-going efforts to capture more sales, which had sliced off the profit margin of our accessories business in the current quarter.

**Plastics**

The decrease in profitability from our plastic business in the current quarter as compared to the previous quarter was in line with the reduction in revenue contribution.

9 **VARIANCE FROM PROSPECT STATEMENT**

There is no variance from the previous prospect statement.



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### 10 **PROSPECTS**

The visions of our Group are:

- to be the world's Number 1 ornamental fish exporter;
- to breed Ornamental Fish of the highest value;
- to establish our "Ocean Free" and "OF" brands as the most recognisable amongst aquarium accessories brands in Asia;
- to be an innovative technology company; and
- to produce antibiotic-free, sustainable edible fish for the benefit of our consumers and the environment.

The above-mentioned visions of the Group were announced in detail in our Full Year Financial Statements and Dividend Announcement dated 11 January 2019.

**The business landscape continues to be challenging, requiring us to be continually innovative, nimble and agile. We believe that we have the right combination of quality products, an innovative and creative mindset, a strategic roadmap and a strong business network that will drive our performance. Over the years, we have shown ourselves to be resilient, sparing no effort to transform ourselves so as to stay ahead of the competition and to strengthen our business fundamentals. We will continue to focus on innovation to expand our pipeline of compelling products particularly in the areas of filtration, fish nutrition and genetic breeding of unique Dragon Fish, as well as the sustainable farming of edible fish/seafood for the China consumer market. These initiatives will continue to position us favourably as we move ahead to achieve our vision of being the world's largest ornamental fish company.**

### 11 **DIVIDEND**

No interim dividend for the quarter ended 31 March 2019 is recommended.

### 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").

Except for guarantee fee amounting to \$9,000 (31/3/2018: \$9,100) paid by the Group and by the company to a major shareholder of the Company for guaranteeing the outstanding payment due from GZQH (a former subsidiary), 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 quarter ended 31 March 2019.

### 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.



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

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

The Group's activities comprise the following reportable segments:

- (i) Fish - includes fish farming, breeding, distribution and trading of ornamental and edible 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.

Group	3 months ended 31 Mar 2019				
	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
<b>Revenue</b>					
External revenue	8,378	7,614	2,860	-	18,852
Inter-segment revenue	484	446	46	(976)	-
<b>Total Revenue</b>	<b>8,862</b>	<b>8,060</b>	<b>2,906</b>	<b>(976)</b>	<b>18,852</b>
<b>Results</b>					
EBITDA *	644	608	352	(581)	1,023
Depreciation and amortisation	(406)	(272)	(132)	-	(810)
Interest expense	(5)	(15)	(1)	(130)	(151)
Interest income	4	-	-	2	6
Profit before tax	237	321	219	(709)	68
Tax expense	(4)	(6)	-	-	(10)
<b>Profit for the period</b>	<b>233</b>	<b>315</b>	<b>219</b>	<b>(709)</b>	<b>58</b>
<b>Net profit margin</b>	<b>2.8%</b>	<b>4.1%</b>	<b>7.7%</b>		<b>0.3%</b>
<b>Assets and Liabilities</b>					
Segment assets	36,983	35,816	5,293	1,590	79,682
Segment liabilities	4,765	4,953	2,077	16,922	28,717
<b>Other Segment Information</b>					
Expenditures for non-current assets **	274	85	-	-	359
Other non-cash items:					
Bad trade receivables written off	178	-	-	-	178
Loss on disposal of property, plant and equipment	1	1	-	-	2
Impairment loss on trade receivables	3	2	-	-	5

\* 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	3 months ended 31 Mar 2018				
	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
<b>Revenue</b>					
External revenue	9,468	9,526	2,616	-	21,610
Inter-segment revenue	514	1,274	40	(1,828)	-
<b>Total Revenue</b>	<b>9,982</b>	<b>10,800</b>	<b>2,656</b>	<b>(1,828)</b>	<b>21,610</b>
<b>Results</b>					
EBITDA *	712	455	224	(593)	798
Depreciation and amortisation	(345)	(135)	(45)	-	(525)
Interest expense	(3)	(10)	(1)	(96)	(110)
Interest income	1	-	-	-	1
Profit before tax	365	310	178	(689)	164
Tax expense	(56)	(33)	-	-	(89)
<b>Profit for the period</b>	<b>309</b>	<b>277</b>	<b>178</b>	<b>(689)</b>	<b>75</b>
<b>Net profit margin</b>	<b>3.3%</b>	<b>2.9%</b>	<b>6.8%</b>		<b>0.3%</b>
<b>Assets and Liabilities</b>					
Segment assets	37,474	37,409	4,826	215	79,924
Segment liabilities	4,719	5,623	1,761	16,570	28,673
<b>Other Segment Information</b>					
Expenditures for non-current assets **	62	138	15	-	215
Other non-cash items:					
Bad trade receivables written off	35	4	-	-	39
Gain on disposal of property, plant and equipment	(8)	(4)	-	-	(12)
Property, plant and equipment written off	-	1	-	-	1
Impairment loss on trade receivables	-	1	-	-	1

(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	
	3 months ended 31 Mar		3 months ended 31 Mar		3 months ended 31 Mar	
	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	6,160	5,909	27,869	27,233	54,994	52,805
Other Asian countries	9,236	11,784	5,317	5,838	24,688	27,119
Europe	2,089	2,151	-	-	-	-
Others	1,367	1,766	-	-	-	-
<b>Total</b>	<b>18,852</b>	<b>21,610</b>	<b>33,186</b>	<b>33,071</b>	<b>79,682</b>	<b>79,924</b>

(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
<b>3 months ended 31 Mar 2019</b>				
Singapore (including domestic sales & sales to Singapore)	1,153	2,207	2,800	6,160
Overseas (including export to & sales in overseas)	7,225	5,407	60	12,692
<b>Total revenue</b>	<b>8,378</b>	<b>7,614</b>	<b>2,860</b>	<b>18,852</b>
<b>3 months ended 31 Mar 2018</b>				
Singapore	1,279	2,022	2,608	5,909
Overseas	8,189	7,504	8	15,701
<b>Total revenue</b>	<b>9,468</b>	<b>9,526</b>	<b>2,616</b>	<b>21,610</b>

**BY ORDER OF THE BOARD**

Kenny Yap Kim Lee  
Executive Chairman and Managing Director  
17 April 2019