



PURPOSE PROGRESS PERFORMANCE



Annual Report 2025

VISION

1. To be the world's biggest Ornamental Fish exporter.
2. To establish our "Ocean Free" and "OF" brands as the most recognisable amongst aquarium Accessories brands in Asia.
3. To be an innovative technology company.
4. To produce antibiotic-free, sustainable Aquaculture products for the benefit of our consumers and the environment.

MISSION

By focusing on technology, innovation and quality, we aspire to be the world's most value-adding and productive provider of sustainable solutions across Ornamental Fish, aquarium and pet Accessories, Aquaculture and Plastics.

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Purpose. Progress. Performance.

In an ever-changing landscape, clarity of purpose has never been more vital. For Qian Hu, **Purpose** is the anchor that guides our every decision and ambition. It shapes how we scale, how we invest, and how we create value responsibly. Our commitment to grow with clear intent ensures that every step we take is built on a foundation of trust and accountability to our stakeholders, communities and partners.

This sense of purpose comes alive through our **Progress**. Our momentum is defined by decisive, strategic moves that have expanded our reach and sharpened our edge. We are making healthy strides across our multiple business segments, while exploring new ways to deliver value.

Together, our Purpose and Progress power our **Performance**. While FY 2025 presented a challenging environment, the Group remained resilient, with stable revenue and disciplined cost management supporting our core operations. The trust of our stakeholders, coupled with our ability to adapt to changing market conditions, has enabled us to strengthen our foundations and position the business for sustainable long-term growth. By staying true to our core, acting decisively, and delivering on our commitments, we have built a resilient business that continues to grow sustainably and responsibly.

These are the pillars that define Qian Hu's journey today, and the trajectory we are setting for tomorrow.

GLOSSARY:

AMT:	Antimicrobial Technology	IPCC:	Intergovernmental Panel on Climate Change
ART:	Aqua-Ring Technology	ISSB:	International Sustainability Standards Board
CSA:	Climate Scenario Analysis	NDCs:	Nationally Determined Contributions
ERM:	Enterprise Risk Management	PV:	Photovoltaic
ESG:	Environmental, Social & Governance	RAS:	Recirculating Aquaculture Systems
GHG:	Greenhouse Gases	TCFD:	Task Force on Climate-related Financial Disclosures
GWP:	Global Warming Potentials	UN SDGs:	United Nations Sustainable Development Goals
GRI:	Global Reporting Initiative		
IFRS:	International Financial Reporting Standards		
IFRS S1:	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information		
IFRS S2:	IFRS S2 Climate-related Disclosures		

OUR PROFILE



For over three decades, Qian Hu has honed its reputation as a trusted expert in aquatic and petcare solutions. From a humble fish farm in 1988, we have grown our global presence to span 80 cities and countries, while staying true to our roots of relentless improvement in breeding, fish care and product development.

Today, our multi-faceted business ecosystem thrives on innovation, technology and sustainability. As a pioneer in breeding, farming and distribution of Ornamental Fish, Qian Hu has earned the trust of fish lovers worldwide. Our emphasis on precision and innovation ensures that every fish we cultivate meets the highest standards.

Our aquarium and pet Accessories – endorsed by hobbyists and enthusiasts worldwide – are thoughtfully designed to elevate the fishkeeping and pet care experience.

In Aquaculture, we continue to amplify our efforts with farms in China and Malaysia. By enhancing breeding techniques and increasing the supply of antibiotic-free edible fish fingerlings, we aim to play a key role in meeting the growing demand for sustainable seafood.

At the same time, our Plastics division is evolving to meet the demands of a changing world. While continuing to produce essential packaging solutions for healthcare, waste management and hospitality, we will explore new segments such as biodegradable plastics to drive the next phase of sustainable growth.

As an SGX-listed company since 2000, Qian Hu remains a trusted name in corporate governance, transparency and reporting. With an eye on the future, we will continue to innovate, challenge conventions and set new benchmarks across our businesses.



Singapore

- Our home market
- Extensive global distribution network and established domestic customer base
- Leading Ornamental Fish and aquarium and pet Accessories distributor



Asia

- Incorporated subsidiaries in Malaysia, China, Thailand and Indonesia as export hubs and domestic distributors
- More than 69 distribution points across various cities in China
- Other major customers' presence in India, Japan, Philippines, Taiwan, Korea and the Middle East countries
- Biggest Ornamental Fish distributor in Thailand



Europe

- Exporting from our five export hubs in Asia to major customers in Germany, United Kingdom, France, Spain and the Netherlands



Rest of the World

- Growth in revenue contribution from the USA, Canada and Australia



Exports
ornamental fish
to more than

80

cities and countries

Exports
aquarium and pet
accessories to

40

cities and countries

CORPORATE INFORMATION

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BOARD OF DIRECTORS

Executive Chairman and Chief Executive Officer

Yap Kok Cheng

Members

Soong Wee Choo

Lead Independent Non-Executive Director

Chew Mok Lee

Independent Non-Executive Director

Yap Beng Tat, Richard

Independent Non-Executive Director

COMPANY SECRETARY

Nor Hafiza Alwi

Fellow of the Chartered Secretaries Institute of Singapore

BOARD COMMITTEES

Audit & Risk Management Committee

Chairman

Soong Wee Choo

Members

Yap Beng Tat, Richard

Chew Mok Lee

Nominating Committee

Chairman

Chew Mok Lee

Members

Soong Wee Choo

Yap Beng Tat, Richard

Remuneration Committee

Chairman

Yap Beng Tat, Richard

Members

Soong Wee Choo

Chew Mok Lee

PRINCIPAL BANKERS

DBS Bank Ltd

Oversea-Chinese Banking Corporation Limited

United Overseas Bank Limited

OTHER CORPORATE INFORMATION

Registered Office

No. 71 Jalan Lekar

Singapore 698950

Tel: (65) 6766 7087

Fax: (65) 6766 3995

Website: www.qianhu.com

Auditors

KPMG LLP

12 Marina View

#15-01 Asia Square Tower 2

Singapore 018961

Partner-in-charge

Tan Khai Boon

(Appointed in financial year 2022)

Share Registrar

B.A.C.S. Private Limited

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

Investor Relations

Yap Kok Cheng

kokcheng@qianhu.com

Stock Data

Counter name: Qian Hu

SGX code: BCV

Bloomberg code: QIAN:SP

GROUP STRUCTURE

DIVISIONS

Qian Hu Fish Farm Trading

Yi Hu Fish Farm Trading

Wan Hu Fish Farm Trading

SUBSIDIARIES

Singapore

100%

Qian Hu Tat Leng Plastic Pte. Ltd.
2 Woodlands Sector 1
#03-35 Woodlands Spectrum 1
Singapore 738068

100%

Aquaeasy Pte. Ltd.
No. 71 Jalan Lekar
Singapore 698950

Malaysia

100%

Qian Hu Aquarium and Pets (M) Sdn. Bhd.
No. 54, Jalan 6/2
Seksyen 6, Bandar Rinching
43500 Semenyih
Selangor, Malaysia

100%

Qian Hu The Pet Family (M) Sdn. Bhd.
No. 54, Jalan 6/2
Seksyen 6, Bandar Rinching
43500 Semenyih
Selangor, Malaysia

100%

Qian Hu Development Sdn. Bhd.
No. 54, Jalan 6/2
Seksyen 6, Bandar Rinching
43500 Semenyih
Selangor, Malaysia

70%

Qian Hu Aquaculture (M) Sdn. Bhd.
No. 54, Jalan 6/2
Seksyen 6, Bandar Rinching
43500 Semenyih
Selangor, Malaysia

China

100%

Beijing Qian Hu Aquarium and Pets Co., Ltd
北京市朝阳区金盏乡
北马房东鱼场
Dong Fish Farm
Bei Ma Fang Village, Jinzhang Town
Chao Yang District
Beijing, China

100%

Guangzhou Qian Hu OF Feed Co., Ltd
广州市花都区炭步镇汽车城
东风大道12号
No.12, Dongfeng Road
Qichecheng Tanbu Town
Huadu District
Guangzhou, China

100%

Guangzhou Qian Hu Aquarium and Pets Co., Ltd
广州市花都区炭步镇汽车城
东风大道12号
No.12, Dongfeng Road
Qichecheng Tanbu Town
Huadu District
Guangzhou, China

100%

Guangzhou Qian Hu Aquarium & Pets Accessories Manufacturing Co., Ltd
广州市花都区炭步镇汽车城
东风大道12号
No.12, Dongfeng Road
Qichecheng Tanbu Town
Huadu District
Guangzhou, China

100%

Guangzhou Qian Hu Platinum Choice Co., Ltd
广州市花都区炭步镇汽车城
东风大道12号
No.12, Dongfeng Road
Qichecheng Tanbu Town
Huadu District
Guangzhou, China

100%

Qian Hu Aquaculture (Hainan) Co., Ltd
海南省文昌市会文镇
烟墩文园村
Yan Dun Wen Yuan Village
Hui Wen Town
Wen Chang City
Hainan, China

Thailand

74%

Qian Hu Marketing Co., Ltd.
82/2 Moo 11, Phahonyothin Road
Khlongnueng Khlongluang
Pathumthani 12120 Thailand

60%

Thai Qian Hu Company Limited
30/25 Moo 8
Khlongnueng Khlongluang
Pathumthani 12120 Thailand

60%

Advance Aquatic Co., Ltd.
30/24 Moo 8
Khlongnueng Khlongluang
Pathumthani 12120 Thailand

49%

NNTL (Thailand) Limited
942/56 Charn Issara Tower
2nd Fl. Rama 4 Road
Suriyawongse Sub-district
Bangrak District
Bangkok 10500 Thailand
(The Group has voting control at general meeting and Board meetings)

Indonesia

97.25%

P.T. Qian Hu Joe Aquatic Indonesia
JL. Raya Brantamulya Tengsaw
No. 9 Tarik Kolot Kecamatan
Citeureup Bogor
Indonesia 16810

99.5%

PT Aquaeasy Technology Indonesia
JL. Raya Brantamulya Tengsaw
No. 9 Tarik Kolot Kecamatan
Citeureup Bogor
Indonesia 16810



PURPOSE

Everything we do at Qian Hu is shaped by our commitment to scale with intent, direction, and social responsibility. Each step we take is guided by our long-term vision for sustainable value.



LETTER FROM THE CHAIRMAN



Dear Shareholders,

As we reflect on the year under review, it is evident that Qian Hu has reached an important inflection point. 2025 was not defined by a single breakthrough or growth figure, but by a series of deliberate decisions that have sharpened our direction for our next phase of development and growth.

Last year, I spoke about the need for discipline, diversification and long-term thinking amid an increasingly uncertain operating environment. Those priorities remain unchanged. What has evolved is the clarity with which we now see where Qian Hu's strengths lie – across aquaculture, sustainable technologies, ornamental fish, and pet care solutions that are increasingly science-led and purpose-driven.

Our theme “**Purpose, Progress, Performance**” reflects how we invest, innovate and execute across our businesses. These concepts are deeply interconnected. Purpose is shaped by what we do and our intent.

Progress determines how effectively we adapt. Performance reflects the outcomes of those choices over time.

In FY 2025, the Group recorded a modest increase in overall revenue amid a mixed and uneven operating backdrop. While demand in certain segments remained resilient, overall performance for the year was shaped by the absence of a one-off compensation income recognised in FY 2024, as well as fair value movements on certain financial assets. As a result, the Group reported a net loss for the year. Notwithstanding this, our underlying operations remained stable and our working capital position continues

to be healthy, providing a solid foundation as we position the Group for its next phase of development.

Building Meaningful, Sustainable Value

Qian Hu's purpose has always been rooted in bringing joy and connection, whether by bringing healthy aquatic produce to the table, rearing ornamental fish, or caring for pets as part of the family. Over time, our purpose has expanded to include a deeper responsibility to operate more sustainably to support healthier ecosystems and deliver solutions that are relevant to how people live today.

In aquaculture, this purpose is increasingly clear. Traditional farming methods alone are no longer sufficient today. Labour constraints, disease risks, traceability demands and climate volatility have accelerated the shift toward indoor, smart and technology-enabled farming systems.

Therefore, our decision to take over Aquaeasy marks a significant milestone in our ongoing journey to transform aquaculture through technology-driven solutions. The move also aligns with Qian Hu's strategic objectives to strengthen our presence in this sector by leveraging cutting-edge AI, IoT technologies, and digital farm management systems.

Having invested in Aquaeasy since December 2021, it was a natural progression when the opportunity arose for Qian Hu to acquire the business this year. Over the past few years, we have actively supported the development of Aquaeasy's customer pipeline, and facilitated the implementation of its solutions across various farming environments.

Given our longstanding involvement and shared vision for sustainable aquaculture, Qian Hu is well-positioned to take the business forward. With greater flexibility and control over overall operations and execution, this will enable us to accelerate innovation, scale adoption and deliver enhanced value to our stakeholders.

This acquisition represents a new business pillar for the Group. Through Aquaeasy, we aim to deepen our presence across Southeast Asia, beginning with Indonesia, Malaysia and Thailand, while building scalable service-based revenue streams beyond traditional farming.

Our purpose also extends to our Accessories segment. Over the past year, we advanced our AMT applications for pets, guided by the fundamental belief that caring for pets should be safe, science-based and environmentally responsible.

Pet-related products continue to account for a significant share of our Accessories revenue, supported by shifting demand patterns as consumers prioritise essentials such as food, litter and healthcare products for their furry companions.

This belief underpins our "Natureal" range, which incorporates slow-release AMT to provide longer-lasting protection without harsh residues. Heavy chemicals may deliver short-term effects, but they are toxic to pets, families and the environment. Natureal's 100% food-grade, non-toxic formula powered by Vikang™ technology, breaks down pet odours and residue such as drool, while killing 99.9% of bacteria and viruses naturally.

Progressing Through Innovation and Regional Expansion

In FY 2025, our progress at Qian Hu has been deliberate. As global demand remained uneven and markets faced price pressures, we focused on strengthening operational capabilities and expanding our product breadth.

Singapore's position as a global exporter of Ornamental Fish has softened in recent years, reflecting broader behavioural and structural shifts in the post-Covid environment. In response, we redeployed resources by converting our existing Arowana facilities to breed bread-and-butter species, including a greater focus on higher-value Albino varieties.

We also continued deploying additional ART systems across our farms, with 12 systems in place to enhance breeding efficiency, consistency and husbandry standards. Our research and breeding programmes also continue across 15 ornamental fish species to maintain differentiation and quality leadership.

In our Aquaculture business, we strengthened our operational capabilities through the use of RAS. This has supported the expansion of our seafood range to include lobsters, abalone and oysters for distribution to restaurants. In parallel, we expanded contract farming in Malaysia to ensure supply continuity for our operations.

We are also preparing to adopt Aquaeasy systems within our own farms to enhance traceability, particularly for shrimp farming. As consumers and regulators demand greater transparency, digital traceability will become a baseline requirement rather than a differentiator.

Progress is also evident in our joint ventures and partnerships. Working with the Singapore Agro-Food Enterprises Federation, we are aggregating the supply of Vannamei shrimp from 'kelongs' and small farmers so as to help address market access challenges, while promoting local produce.

Our collaboration with Liyang Aquatic in Malaysia expands our offerings into fish diagnostics, probiotics and aquaculture medication. The launch of our first on-site diagnostic service with Polymerase Chain Reaction ("PCR") testing for aquatic diseases ensures accurate diagnosis of diseases by identifying specific pathogens.

With this, Qian Hu is bringing higher-value, service-led capabilities closer to farmers, particularly in key farming regions such as Perak, Malaysia. This integrated ecosystem approach reflects where aquaculture is heading – with tangible and sustainable solutions, rather than just focusing on supply alone.

LETTER FROM THE CHAIRMAN



Strengthening Foundations for Sustainable Returns

Our Ornamental Fish exports showed signs of recovery in selected markets, with the United States remaining a key destination despite tariff-related headwinds. Malaysia and Indonesia continue to offer long-term growth potential, supported by favourable policies and cost structures. However, even as the Ornamental Fish segment remains our largest contributor, growth has moderated in line with global trends.

Pet-related products continue to account for a significant share of our Accessories revenue, supported by shifting demand patterns as consumers prioritise essentials such as food, litter and healthcare products for their furry companions.

Encouragingly, the launch of our new pet products provides an additional performance lever. With six new "Natureal" products, early feedback has been positive as our products have demonstrated real benefits such as extended litter usage cycles without odour. We have started distribution in Singapore, Malaysia, Thailand and

Indonesia, and are actively marketing the brand at regional exhibitions. While we remain disciplined in pacing expansion, initial overseas interest from markets such as Taiwan and the Philippines is encouraging.

Looking ahead, we are also exploring AMT applications in biodegradable, food-grade plastics, with the potential to extend shelf life for perishables, aligning with both our sustainability and commercial objectives.

Appreciation & Looking Forward

On behalf of the Board, I would like to express our sincere appreciation to Ms Lai Chin Yee for her dedication and invaluable contributions to Qian Hu over the past 25 years. Ms Lai has relinquished her appointments as Finance Director and Company Secretary with effect from 31 January 2026.

She joined Qian Hu in May 2000 and played a pivotal role in the Company's successful listing on the Singapore Exchange, as well as in strengthening the Group's financial management, corporate reporting and governance frameworks.

Her leadership underpinned consistently high standards of disclosure, contributing to multiple Best Annual Report awards and her recognition as Chief Financial Officer of the Year at the Singapore Corporate Awards in 2009.

Her dedication, professionalism, steady counsel and long-standing service have been deeply valued by the Board and management.

I would also like to thank the Board, our employees, partners and shareholders for their continued trust in FY 2025. While challenges persist in the broader environment, we are cautiously optimistic that our investments in technology, services and essential pet products will continue to strengthen over time. We will continue to move forward with prudence, focus and a long-term perspective as we navigate the path ahead.

YAP KOK CHENG

Executive Chairman and Chief Executive Officer

主席的话

各位股东们：

回顾本年度，我们清楚地看到，仟湖已迈入一个重要的转折点。2025年并非由单一的突破或亮眼的增长数字所定义，而是通过一系列深思熟虑的决策，持续校准方向、强化能力，为集团下一阶段的发展与增长奠定了基础。

去年，我曾提及在日益不确定的经营环境中，保持纪律性、多元化以及长期思维的重要性。这些核心原则至今未曾改变。不同的是，我们如今对仟湖自身优势所在有了更清晰的认知——涵盖水产养殖、可持续技术、观赏鱼业务，以及日益以科学为导向、以使命为驱动的宠物护理解决方案。

“使命、精进与绩效 (Purpose, Progress, Performance)” 是贯穿我们投资、创新与执行的核心主题。这三者彼此紧密相连：使命源于我们所从事的事业及其初衷；精进体现我们在变化环境中持续提升能力、优化系统并增强适应力的过程；绩效则反映这些选择在时间推移中所带来的实际成果。

在 2025 财年，尽管整体经营环境复杂且复苏不均，集团整体收入仍录得温和增长。然而，由于本年度未再确认 2024 财年一次性补偿收入，以及若干金融资产的公允价值变动，集团全年录得净亏损。尽管如此，我们的核心业务运营依然保持稳定，营运资金状况持续稳健，为集团迈向下一阶段的发展提供了坚实基础。

构建有意义且可持续的价值

仟湖的使命始终根植于为人们带来喜悦与连结——无论是将健康的水产品端上餐桌、培育观赏鱼，还是将宠物视为家庭一员来悉心照料。随着业务的发展，我们的使命进一步延伸，涵盖以更可持续的方式经营业务，以支持更健康的生态系统，并提供贴合当代生活方式的解决方案。

在水产养殖领域，这一使命日益清晰。单靠传统养殖方式已难以应对当今的挑战。劳动力短缺、疾病风险、可追溯性要求以及气候波动，正持续推动行业向室内化、智能化及科技赋能的养殖系统转型。

因此，集团完成对 Aquaeasy 的收购，标志着我们在以科技驱动水产养殖转型进程中的重要里程碑。该举措亦与仟湖强化水产养殖业务布局的战略目标高度一致，通过整合人工智能 (AI)、物联网 (IoT) 及数字化农场管理系统，系统性提升整体运营能力。

自 2021 年 12 月起，仟湖已对 Aquaeasy 进行投资，并在其客户拓展及解决方案落地方面提供持续支持。随着今年收购机会的出现，这一举措顺理成章。基于我们长期的参与以及对可持续水产养殖的共同愿景，仟湖已具备条件推动该业务进一步精进与规模化发展。

通过在运营与执行层面取得更大的灵活性与掌控力，我们将加快创新步伐，提升系统整合效率，扩大解决方案的应用范围，并为各相关方创造更高价值。

此次收购亦为集团打造了新的业务支柱。依托 Aquaeasy，我们将以印尼、马来西亚及泰国为起点，深化在东南亚的布局，同时构建超越传统养殖模式、具备可扩展性的服务型收入来源。

在配件业务方面，我们的使命同样不断深化。过去一年，我们持续推进抗菌技术 (AMT) 在宠物领域的应用，并将研发重点聚焦于安全性、科学性 & 环境责任的平衡。

这一理念体现在我们的 “Natureal” 产品系列中。该系列采用缓释型 AMT 技术，在不残留刺激性化学物质的前提下，提供更持久的防护效果。相较短期见效却对宠物、家庭及环境有害的重化学成分，Natureal 采用由 Vikang™ 技术支持的 100% 食品级、无毒配方，可自然分解宠物异味及唾液残留，并有效杀灭 99.9% 的细菌与病毒。

通过创新与区域布局持续精进

2025 财年，仟湖在业务推进上保持审慎而有序的节奏。在全球需求复苏不均、市场价格承压的背景下，我们将重点放在强化核心运营能力、优化资源配置及拓展产品深度上。

近年来，新加坡作为全球观赏鱼出口枢纽的地位有所减弱，反映出后疫情时代消费者行为及行业结构的变化。对此，我们主动调整布局，将原有龙鱼养殖设施转用于培育更具市场基础的常规品种，并加大对白化高价值品种的投入。同时，我们在各养殖场持续部署 Aqua-Ring Technology (ART) 系统，目前已投入 12 套系统，以系统性提升繁育效率、一致性 & 饲养标准。集团亦持续开展 15 个观赏鱼品种的研发与育种项目，以保持差异化优势及质量领导地位。

在水产养殖业务方面，我们继续通过循环水产养殖系统 (RAS) 强化运营基础，并将海鲜产品线拓展至龙虾、鲍鱼及生蚝，以供应餐饮市场。同时，我们在马来西亚扩大合约养殖规模，以确保养殖业务的供给稳定性与可持续性。

我们亦正准备在自有养殖场中引入 Aquaeasy 系统，特别是在虾类养殖方面，以提升产品可追溯性。随着消费者与监管机构对透明度要求不断提高，数字化溯源将逐步成为行业的基本要求，而非差异化优势。

集团在合资企业 & 合作伙伴关系方面的精进同样清晰可见。我们与新加坡农粮企业联合会合作，整合来自渔排及小型养殖户的南美白对虾供应，协助解决市场准入问题，并推动本地农产品的发展。

此外，我们与马来西亚 Liyang Aquatic 的合作，进一步拓展至鱼类诊断、益生菌及水产

用药领域。集团推出首项现场聚合酶链式反应 (PCR) 水产疾病检测服务，通过识别特定病原体，实现更精准的疾病诊断。

通过将高附加值、以服务为导向的能力带到养殖户身边，尤其是在马来西亚霹靂州等关键养殖区域，仟湖正逐步构建一个更完整的水产养殖生态体系，体现行业由单一供给向系统化、可持续解决方案转型的方向。

夯实基础，迈向可持续绩效

观赏鱼出口业务在部分市场出现复苏迹象，其中美国尽管面临关税相关压力，仍为主要出口市场。马来西亚及印尼在政策环境及成本结构支持下，继续展现长期增长潜力。尽管观赏鱼业务仍为集团最大收入来源，其增长速度已随全球趋势趋于温和。

宠物相关产品仍占配件业务收入的重要比重，受益于消费者对宠物食品、猫砂及健康护理等必需品的持续关注。

令人鼓舞的是，新推出的宠物产品为集团带来了新的增长动力。六款全新 Natureal 产品获得积极的初步市场反馈，显示其在延长猫砂使用周期及抑制异味方面具备实际成效。目前产品已在新加坡、马来西亚、泰国及印尼展开销售，并于区域性展会上积极推广品牌。在保持稳健扩张节奏的同时，我们亦观察到来自台湾及菲律宾等市场的初步兴趣。

展望未来，集团亦正探索将 AMT 应用于可生物降解、食品级塑料材料，以延长易腐食品的保质期，实现可持续发展目标与商业价值的双重契合。

致谢与展望

谨代表董事会，衷心感谢黎静仪女士在过去 25 年间对仟湖所作出的卓越贡献。黎女士已于 2026 年 1 月 31 日卸任财务总监及公司秘书的职务。

黎女士于 2000 年 5 月加入仟湖，在集团成功于新加坡交易所上市，以及持续强化财务管理、企业报告及公司治理体系方面发挥了关键作用。她的领导为集团建立了高度透明及严谨的信息披露标准，并多次荣获“最佳年报奖”，亦于 2009 年新加坡企业大奖中获评“年度首席财务官”。

董事会及管理层对她的敬业精神、专业素养、稳健判断及长期服务深表敬意。

我亦谨向董事会、全体员工、合作伙伴及股东致以诚挚谢意，感谢大家在 2025 财年持续给予的信任与支持。尽管外部环境仍存挑战，我们对集团在科技、服务及必需型宠物产品方面的持续精进持审慎乐观态度。未来，我们将继续以稳健、专注及长期视角前行，稳步推进集团的长期发展。

叶国清
执行主席兼首席执行官

BOARD OF DIRECTORS



Yap Kok Cheng, 47

Executive Chairman and Chief Executive Officer

*Bachelor's degree in Commerce,
University of New South Wales, Australia*

DATE OF FIRST APPOINTMENT AS DIRECTOR

1 April 2022

DATE OF LAST RE-APPOINTMENT AS DIRECTOR

29 March 2023

LENGTH OF SERVICE AS DIRECTOR

3 years 9 months (as at 31 December 2025)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES

Nil

MAJOR APPOINTMENTS (OTHER THAN DIRECTORSHIPS IN OTHER LISTED COMPANIES)

- President, Singapore Aquarium Fish Exporters Association
- Vice President, Kranji Countryside Association
- Chairman, Youth Committee, Singapore Hokkien Huay Kuan

PAST DIRECTORSHIPS IN OTHER LISTED COMPANIES HELD OVER THE PRECEDING THREE YEARS

Nil

BACKGROUND AND EXPERIENCE

- Responsible for implementing and reviewing the business directions and strategies of the Group, providing leadership and overseeing the day-to-day operations
- Joined the Group in January 2005 as management trainee
- Appointed as the General Manager of China Operations in 2016 to oversee and drive the Group's Aquaculture business and the entire business development in China

Soong Wee Choo, 58

Lead Independent Non-Executive Director

*Bachelor's degree in Accountancy, National University of Singapore
Fellow Chartered Accountant of Singapore
Member of the Singapore Institute of Directors*



DATE OF FIRST APPOINTMENT AS DIRECTOR

1 April 2020

DATE OF LAST RE-APPOINTMENT AS DIRECTOR

29 March 2023

LENGTH OF SERVICE AS DIRECTOR

5 years 9 months (as at 31 December 2025)

SERVED ON THE FOLLOWING BOARD COMMITTEES

- Audit & Risk Management Committee (Chairperson)
- Remuneration Committee (Member)
- Nominating Committee (Member)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES

Nil

MAJOR APPOINTMENTS (OTHER THAN DIRECTORSHIPS IN OTHER LISTED COMPANIES)

Member, Investigation & Disciplinary Panel of Institute of Singapore Chartered Accountants (ISCA)

PAST DIRECTORSHIPS IN OTHER LISTED COMPANIES HELD OVER THE PRECEDING THREE YEARS

Nil

BACKGROUND AND EXPERIENCE

- Director, Wizcorp Advisory Pte Ltd (2019 – Present)
- Chief Financial Officer, No Signboard Holdings Limited (2017-2018)
- Chief Financial Officer, Chosen Holdings Limited (1998 – 2016)
- Executive Director, Chosen Holdings Limited (2008 – 2016)
- Member, Continuing Professional Education Committee of ISCA (2018 -2020)



Chew Mok Lee, 63

Independent Non-Executive Director

Bachelor's degree in Arts (Economics & Statistics),
National University of Singapore
Master of Science, University of Strathclyde, UK
Master of Business Administration, Nanyang Fellows Programme -
Executive MBA, National Technological University

DATE OF FIRST APPOINTMENT AS DIRECTOR

1 April 2024

DATE OF LAST RE-APPOINTMENT AS DIRECTOR

3 April 2025

LENGTH OF SERVICE AS DIRECTOR

1 year 9 months (as at 31 December 2025)

SERVED ON THE FOLLOWING BOARD COMMITTEES

- Nominating Committee (Chairperson)
- Audit & Risk Management Committee (Member)
- Remuneration Committee (Member)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES

Nil

MAJOR APPOINTMENTS (OTHER THAN DIRECTORSHIPS IN OTHER LISTED COMPANIES)

- Advisor, Federation of Singapore Merchants Association (FMAS)
- Advisor, Singapore Furniture Industries Council (SFIC) and the Singapore Furniture Institute

PAST DIRECTORSHIPS IN OTHER LISTED COMPANIES HELD OVER THE PRECEDING THREE YEARS

Nil

BACKGROUND AND EXPERIENCE

- Enterprise Fellow, Enterprise Singapore (2021 - 2025)
- Assistant Chief Executive (ICM & Digitalisation, Enterprise Services & New Industries), Enterprise Singapore (2018 - 2021)
- Assistant Chief Executive (Capabilities & Partnership), SPRING Singapore (2012 - 2018)
- Group Director (Entrepreneurship & Innovation Group), SPRING Singapore (2007 - 2012)
- Deputy Group Director (Entrepreneurship Promotion Group), SPRING Singapore (2006 - 2007)

Yap Beng Tat, Richard, 44

Independent Non-Executive Director

Bachelor of Accountancy, Nanyang Technological University
Chartered Financial Analyst
Chartered Accountant of Singapore
Chartered Valuer and Appraiser



DATE OF FIRST APPOINTMENT AS DIRECTOR

7 April 2025

LENGTH OF SERVICE AS DIRECTOR

9 months (as at 31 December 2025)

SERVED ON THE FOLLOWING BOARD COMMITTEES

- Remuneration Committee (Chairperson)
- Audit & Risk Management Committee (Member)
- Nominating Committee (Member)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES

Delixy Holdings Limited

MAJOR APPOINTMENTS (OTHER THAN DIRECTORSHIPS IN OTHER LISTED COMPANIES)

Founder and CEO, NAVI Group

PAST DIRECTORSHIPS IN OTHER LISTED COMPANIES HELD OVER THE PRECEDING THREE YEARS

Independent Non-Executive Director, Singapore Paincare Holdings Limited (2020 - 2024)

BACKGROUND AND EXPERIENCE

- Founder and CEO, NAVI Group (2022 - Present)
- Senior Director*, Head of Business Valuation, SEA, Cushman & Wakefield Group (2017 - 2022)
- Director*, Valuation and Advisory, Censere Group (2011 - 2017)

*Last position held

KEY MANAGEMENT

Singapore



Kenny Yap
Advisor
Qian Hu Corporation Limited

Previously the Executive Chairman of the Group, Mr Yap is now an Advisor to Qian Hu since his retirement on 31 December 2024.

He had previously been at the helm of Qian Hu since 1998 and through his leadership, vision and passion for the industry, he led the company through over two decades of growth and transformation.

Mr Yap's focus on innovation, sustainable practices and strategic partnerships was instrumental in maintaining Qian Hu's competitive edge in the global market as the first Mainboard listed ornamental fish company on the Singapore Exchange.

During his tenure, Qian Hu evolved from a family-owned fish farm into an integrated global player in ornamental fish, aquaculture aquarium and pet accessories, with a market reach of over 80 countries and cities.

Mr Yap graduated from Ohio State University (USA) with a degree in Business Administration (Summa Cum Laude).



Alvin Yap Ah Seng
Division Head
Yi Hu Fish Farm Trading

Mr Yap, a founding member of the Group, heads the Group's aquarium and pet accessories operations.

He was the Managing Partner for Yi Hu Fish Farm Trading from 1988 to 1998.

In 2000, Mr Yap, together with Kenny Yap and Andy Yap, was honoured as one of the Top 12 Entrepreneurs of the 12th Rotary-ASME Entrepreneur of the Year as well as a finalist at the 10th Rotary-ASME Entrepreneur of the Year in 1998.

Mr Yap holds a diploma in Mechanical Engineering from the Singapore Polytechnic.



Lim Yik Kiang
Division Head
Wan Hu Fish Farm Trading

Mr Lim joined the Group in 2000 as a Retail Supervisor, overseeing the retail operations in Singapore. He specialises in the sales and operations of Dragon Fish and other ornamental fish.

In 2004, Mr Lim was assigned to manage the Group's Dragon Fish operations in Shanghai. He was appointed in January 2016 to oversee the Group's ornamental fish and aquaculture operations in China. In 2024, Mr Lim returned to Singapore to oversee the daily operations of Wan Hu Fish Farm Trading.



Andy Yap Ah Siong
Division Head
Qian Hu Fish Farm Trading

Mr Yap, a founding member of the Group, heads the Group's ornamental fish operations.

Mr Yap was the Managing Partner for Qian Hu Fish Farm Trading from 1989 to 1998.

In 2000, Mr Yap together with Kenny Yap and Alvin Yap, was honoured as one of the Top 12 Entrepreneurs of the 12th Rotary-ASME Entrepreneur of the Year awards as well as a finalist at the 10th Rotary-ASME Entrepreneur of the Year awards in 1998.

Mr Yap holds a diploma in Business Studies from the Ngee Ann Polytechnic.



Karen Lim Mong Ai
Group Financial Controller
Qian Hu Corporation Limited

Ms Lim joined the Group in October 2024 as its Group Financial Controller.

She has over 20 years of experience in finance, accounting and audit, spanning SGX-listed companies, private enterprises and international accounting firms. Her experience includes regulatory and corporate reporting, internal controls, treasury and budgeting. She has held senior finance roles in organisations with regional operations, working with Boards and management on corporate and operational matters.

Ms Lim is a Certified Practising Accountant with CPA Australia and holds a bachelor's degree in Business (Accountancy) from the Royal Melbourne Institute of Technology University.



Li Bin Hao
General Manager
Qian Hu Tat Leng Plastic
Pte. Ltd.

Mr Li is responsible for overseeing the operations and business development of the Group's plastic business. He brings over 20 years of experience across retail, marketing and general management.

Mr Li holds a master's degree in Business Studies, specialising in Supply Chain Management, from the University of Southern Queensland, Australia.

Malaysia

Lim Si Loon

Director

- Qian Hu Aquarium and Pets (M) Sdn. Bhd.
- Qian Hu The Pet Family (M) Sdn. Bhd.
- Qian Hu Development Sdn. Bhd.



Mr Lim first joined the Group in 2003 as an Accountant and was subsequently promoted to General Manager in 2013 and is currently responsible for the operations and development of the Group's business in Malaysia.

Prior to joining the Group, Mr Lim was working as a Finance and Administration Manager with Ossia World Of Golf (M) Sdn Bhd from 2001 to 2003.

Mr Lim is a Fellow Member with the Association of Chartered Certified Accountants (FCCA), as well as a Member of the Malaysian Institute of Accountants (MIA).

China

Yap Kay Wee

Head of Accessories Business, China Operations



Mr Yap joined the Group in January 2005 as a management trainee in Guangzhou office, where he ran the Group's accessories sales and marketing initiatives in Southern China.

He also spearheaded various innovative projects with the Group's Integrated R&D team, such as the revolutionary HYDROPURE technology. He was appointed to his current role in January 2016 to take charge of the Group's accessories business in China.

Mr Yap holds a bachelor's degree in Commerce from the University of New South Wales, majoring in Marketing and International Business.

Thailand / Indonesia

Jimmy Tan Boon Kim

Managing Director

- Thai Qian Hu Company Limited
- Advance Aquatic Co., Ltd.
- P.T. Qian Hu Joe Aquatic Indonesia



Mr Tan oversees the business operations and business development of the Group's ornamental fish business in Thailand and Indonesia.

Prior to his current appointments, Mr Tan was the head of Daudo division in Singapore, overseeing the import, export and wholesale of ornamental fish.

Yap Kok Fong

General Manager

- Qian Hu Aquaculture (Hainan) Co., Ltd
- Qian Hu Aquaculture (M) Sdn. Bhd.



Mr Yap has over 20 years of experience in operations and sales management within the ornamental fish and aquaculture industry.

He joined the Group in 2003 as a management trainee in Beijing office, where he was involved in sales and operations. In 2023, Mr Yap was appointed to oversee the Group's aquaculture operations and business growth.

Mr Yap holds a diploma in Electrical Engineering from the Singapore Polytechnic.

Low Eng Hua

Managing Director

Qian Hu Marketing Co., Ltd.



Mr Low joined the Group in 2001 as the Group's General Manager. Over the years, he was assigned to manage the Group's various overseas operations and projects in China, Thailand and India. At present, Mr Low is responsible for the business collaboration and development of the Group's accessories business in Thailand.

Prior to joining the Group, Mr Low worked in Engage Electronics (S) Pte Ltd from 1993 to 2001 where he rose through the ranks from Application Engineer to Deputy Operations Manager.

Mr Low holds a bachelor's degree in Engineering from the National University of Singapore.

AWARDS & ACCOLADES

Our journey of excellence has been recognised through consistent industry awards spanning over two decades, reflecting our strong commitment to business innovation, sustainability, governance and transparency.

In 2025, this commitment was reaffirmed through multiple external recognitions, including **Gold for Best Annual Report, Silver for Best Risk Management and Bronze for Best Managed Board** at the Singapore Corporate Awards (Companies with less than S\$300 million in market capitalisation), as well as being named **Winner in the Small Caps category** at the SIAS Shareholder Communications Excellence Award.

BUSINESS EXCELLENCE

- **Excellent Service (Silver Award) (2012)**
- **Global Performance Excellence Award (2011) – Best in Class 2011 (Small Service Organisation)**
- **Innovation Excellence Award (2013)**
- **Midas Touch Asia Enterprise Award (2013)**
- **People Developer Standard (2006)**
- **People Excellence Award (2009)**
- **Pro-Family Business Mark Certification (2008)**
- **Professional Enterprise Award (2007)**
- **SBR Listed Companies Awards (2015) – Winner in Agriculture category**
- **Singapore Quality Awards (2004, 2009)**
- **Singapore Sustainability Awards (2012) – Top Honours (Small & Medium Enterprise)**
- **SQC Innovation Class (2008)**

GOVERNANCE & TRANSPARENCY

Singapore Corporate Awards

Companies with less than \$500 million in market capitalisation

- Best Annual Report – Gold (2006)
- Best Investor Relations – Gold (2006)
- Best Managed Board – Merit (2008)

Companies with less than \$300 million in market capitalisation

- Chief Financial Officer of the Year – Ms Lai Chin Yee (2009)
- Best Annual Report – Gold (2009, 2012, 2015, 2018, 2022, 2025)
- Best Investor Relations – Gold (2011, 2014)
- Best Investor Relations – Bronze (2009, 2022)
- Best Managed Board – Gold (2010, 2022)
- Best Managed Board – Bronze (2013, 2025)
- Best Managed Board – Merit (2009)
- Best Risk Management – Silver (2024, 2025)
- Best Risk Management – Bronze (2023)

SID Best Managed Board Award (2003)

- Special Mention

SIAS Singapore Corporate Governance Award

- Merit in Small Caps category (2013)
- Runner-up in Small Caps category (2017)
- Runner-up in Consumer Discretionary category (2017)

SIAS Most Transparent Company Award

- Winner in SESDAQ & Small Caps category (2001, 2002)
- Winner in Services/Utilities/Agriculture category & Golden Circle Special Merit Award (2003)
- Winner in Mainboard Small Caps category & Runner-up in Services/Utilities/Agriculture category (2004)
- Runner-up in Mainboard Small Caps category (2005, 2006)
- Winner in Mainboard Small Caps category (2007 to 2011)
- Runner-up in Food and Beverages category (2015)
- Runner-up in Consumer Discretionary category (2021)

SIAS Shareholder Communications Excellence Award

- Winner in Small Caps category (2021, 2023, 2024, 2025)

IR Magazine Southeast Asia Awards

Small or Mid-Cap category

- Winner in Best Corporate Governance (2007)
- Winner in Grand Prix for Best Overall Investor Relations (2007)
- Highly Recommended in Best Financial Reporting (2007)
- Highly Recommended in Most Progress in Investor Relations (2007)





PROGRESS

Through strategic initiatives that have propelled Qian Hu forward, we continued to make meaningful strides this year by driving greater value across our businesses. With these milestones, we are delivering tangible results on the ground.





Singapore

Singapore continued to strengthen its role as a key hub for the Group this year, balancing innovation with disciplined execution amid persistent cost pressures and shifting consumer preferences. Our diversified portfolio across Ornamental Fish, Accessories, Aquaculture and Plastics remained resilient, supported by a sharp focus on operational efficiency and long-term sustainability.

The Ornamental Fish segment delivered steady performance, with growth underpinned by a broad customer base and healthy demand across its core product range. The eco-friendly ART systems remained central to our transformation efforts, enhancing breeding efficiency, water quality management and scalability. Building on earlier investments, these modular systems allow better scalabilities and more consistent yields despite rising labour and utility costs.

The redeployment of our Arowana ponds supports a more balanced species mix. We continued to breed popular, mass-market varieties such as goldfish, swordtails and mollies, while still maintaining a curated range of premium Arowana - including higher-value albino varieties - to serve specialist demand. By recalibrating our capacity and infrastructure to align with market trends, we aim to strengthen the long-term economics of the Ornamental Fish business.

Over the past decade, global aquarium markets in regions like Australia and the US have shifted to chain store dominance, favouring basic fish breeds such as guppies, goldfish, tetras and mollies over exotic varieties. In response, we have focused on scalable breeding of these essential fish varieties, with ART systems supporting higher efficiency.

In the Accessories segment, Singapore benefited from the continued rise in cat ownership, with cat food remaining the core focus of the business. Our flagship brands such as Aristo-Cats YIHU Premium Plus and the Tuna Series sustained their strong performance, supported by ongoing development of functional formulations addressing specific health and wellness needs, such as digestion, and skin and coat care.

A key area of growth was the expansion of our “Natureal” range, which represents the next phase of development in our pets portfolio. “Natureal” is a plant-based antimicrobial solution incorporating ViKang™ technology, derived from upcycled food ingredients. Designed to support cleaner and healthier indoor environments, the solution delivers 99.9% antimicrobial protection, is human food-grade, and is free from harsh chemicals and alcohol. This aligns with growing consumer preference for safe and environmentally responsible pet care products. The “Natureal” portfolio includes pet care solutions such as odour eliminator sprays, wet wipes, ear care products, skin relief solutions and cat litter.

Our curated Pet Retail Corner at the Singapore farm continued to support consumer engagement by showcasing new launches, strengthening brand visibility and serving as a direct channel for customer interaction and feedback.

Aquaculture remains an important business pillar, with our marble goby joint venture progressing well in FY 2025. Our supply of marble goby to high-value banquet and restaurant channels in Singapore has been well received, and we have plans to steadily grow our distribution volume in the coming years.

This year, the Plastics division in Singapore continued to serve a stable base of customers, with demand supported by essential packaging applications. With the anticipated growth of Singapore’s population, efforts will be focused on products with sustainable margins and growing relevance, such as solutions for waste management and hospitality. The government’s plans to develop more hospital facilities and beds by 2030 will also drive greater need for plastics-related materials in the healthcare segment.

Going forward, the Group aims to advance its transition toward more innovation, sustainable materials and alternative applications. We may explore AMT for our Plastics products, including the potential application in food-contact packaging products. We are currently evaluating how such technologies could support the development of safer and more environmentally responsible materials, in response to tightening regulatory requirements and rising consumer awareness around hygiene and sustainability.

Across the Singapore operations, continued investment in R&D, digitalisation and strategic partnerships is laying the groundwork for the next phase of growth. By strengthening core capabilities, broadening our product mix and embracing sustainable, technology-enabled solutions, the team aims to drive steady performance while stewarding animal welfare, environmental responsibility and regional food security.

“Anchored by our deep industry expertise and enduring brands, our focus remains on ensuring that innovation, governance, and performance move forward in step.”



Malaysia



Malaysia has witnessed a more subdued macroeconomic environment with more cautious consumer spending this year. Against this backdrop, we continued to deepen our presence in the Accessories, Ornamental Fish and Aquaculture segments.

Our efforts focused on strengthening our core pet food and pet accessories portfolio, expanding our digital reach and enhancing operational efficiency to capture emerging opportunities. In Aquaculture, our efforts were centred on strengthening production capabilities, improving farm productivity and resource efficiency, and supporting supply reliability to serve demand in both the Malaysia and Singapore markets.

Our collaborative efforts, such as technology-enabled shrimp-farming trials and data-driven farm management solutions through Aquaeasy, have improved our overall productivity and resource optimisation. As part of our efforts to advance fish health solutions, we also expanded our scope through a collaboration with Liyang Aquatic in Malaysia. This includes the introduction of on-site PCR testing, which enables accurate detection of aquatic diseases, alongside a wider range of probiotics and treatment options. These developments support both environmental objectives and economic viability, positioning our Aquaculture portfolio for potential expansion in the region.

The trend of pet humanisation continues to influence Malaysian consumer behaviour, with pet owners increasingly prioritising wellness-focused, high-quality and affordable products. This shift presents both challenges and opportunities in an increasingly competitive landscape.

Amidst increasing interest in smart, tech-enabled and lifestyle-oriented pet products, including smart feeders, designer leashes and fashionable accessories, we continue to prioritise innovation within our core strength in core pet food offerings. This year, we introduced the “Aristo-Cats YIHU” Functional Cat Kibble series, which provides targeted nutrition for growth, digestion and coat health.

As indoor pet ownership rises in Malaysia and households place greater emphasis on cleanliness and hygiene, demand for safe and effective pet care solutions has growth. In response, we introduced the “Natureal” range within our pet care portfolio. The plant-based antimicrobial formulations have been well received in selected channels, reflecting growing consumer preference for practical, wellness-oriented products that balance efficacy with environmental considerations.

“Leveraging our operational continuity and regional connectivity, we build value through disciplined operations, trusted partnerships, and steady performance across both traditional and emerging channels.”

Digital platforms, especially TikTok remain a major sales driver in Malaysia. This year, our live-selling and video driven campaigns continued to deliver strong growth, with momentum expected to carry into 2026 as we step up initiatives to push our diverse aquarium accessories range and strengthen brand awareness across other online platforms. We plan to deepen engagement on digital and live platforms by working more closely with pet clubs and key opinion leaders to build our brand presence in the digital pet community.

Our Ornamental Fish segment is expected to grow further into 2026, supported by rising demand from both local and export markets amid active efforts from the local Fisheries Department to develop new export channels into markets such as China, Europe, and selected Middle Eastern countries. This underpins our efforts to enhance Malaysia’s role as a competitive ornamental fish hub while we refine our processes and maintain strong quality standards.

Our recently acquired Selangor property plays a strategic role in consolidating our Accessories and Ornamental Fish segments under one roof, improving shared-service efficiency and enhancing long-term scalability. We have also begun leveraging this hub to offer logistics solutions for smaller pet food vendors, enabling them to ride on our sales and delivery network across Peninsular Malaysia via our operational portal. These initiatives position us well to manage demand while reducing costs over the long term.

Looking ahead, we will continue expanding our Accessories portfolio, with a particular focus on cat food and adjacent pet care categories, while sharpening our focus on digital and live platforms to strengthen brand visibility. By staying close to evolving consumer behaviour, investing in wellness-oriented products, and leveraging our consolidated operations, we aim to deepen our presence in Malaysia’s pet and aquarium markets and sustain growth in a more cautious spending environment.



MARKET UPDATES

China



Over the past year, the Accessories market in China has continued to evolve significantly, driven by the tastes and expectations of younger, digitally native consumers who prioritise personalisation, aesthetics, functionality, intelligent control and sustainability in their aquarium products. These tech-savvy consumers actively seek products that meet high quality standards while also balancing affordability and ease of use.

This shift has accelerated the transformation of consumption patterns with digital platforms such as Douyin, WeChat and Xiaohongshu emerging as key online channels. By engaging consumers through immersive video content, live-streaming and trusted recommendations from key opinion leaders, these platforms play a central role in shaping purchasing decisions and driving continuous market growth.

Digital marketing remains a cornerstone of our strategy, where we have built a comprehensive content ecosystem involving short videos, scenario-based product demonstrations to foster user engagement and trust. Daily live-streaming sessions on our flagship Douyin store enhance brand exposure and conversion rates through targeted promotions, limited-time discounts and interactive gifting.

The China market itself remains distinctly stratified, with high-end consumers focused on premium brands, innovative designs and integrated technologies such as intelligent power accessories. The broader mass market, on the other hand, prefers cost-effective and practical aquarium solutions.

In response to these evolving demands, we have introduced various product ranges; notably the “Lotus” series, which targets the mid-to-low-end home decoration tank market, and the premium “Joyful” series.

The “Lotus” series has demonstrated steady growth by delivering high cost-effectiveness coupled with practical features such as optimised filtration and low-noise operation. This series meets the needs of younger consumers and aquarium beginners, especially in second-tier cities and smaller towns, effectively solving common challenges such as maintenance difficulty and noise pollution.

At the premium end, our “Joyful” series has gained popularity among style-conscious customers who value exquisite craftsmanship, aesthetic design and high-end positioning that complements modern interiors. With upgraded designs, improved filtration systems and reduced noise levels, the “Joyful” series resonates with younger, style-conscious consumers.

Building on this momentum, we have introduced the upgraded ultra-narrow stream models under the “Lotus Pond Moonlight” and “Elegance” series this year, enhancing both design appeal and functionality.

“**Scale, technology, and consumer insight come together to evolve our business beyond traditional aquatics, as we leverage innovation and digital channels to unlock new demand.**”

By harnessing advanced data analytics, we can leverage precise user behaviour insights that enable personalised recommendations, boosting traffic efficiency and repeat purchases. Another strategic focus was our omni-channel integration, where we collaborate with physical distributors to localise marketing efforts and create seamless consumer experiences that link online traffic with offline retail and service touchpoints.

Operationally, we have enhanced our supply chain resilience by deepening partnerships with core suppliers and expanding our supplier base. With ongoing technical trainings and support to improve production efficiency and product quality, we maintain stringent quality control systems at every stage of our supply chain.

China remains one of our key markets. Despite an increasingly competitive and fast-changing environment, we are dedicated to advancing product and technological innovation that is tailored to customer needs.



MARKET UPDATES

26



Year in Review



Amidst an evolving market landscape, we continue to adapt to changing consumer behaviour and economic conditions in Thailand. The domestic market has emerged as the primary growth driver, now accounting for almost 50% of our business, while export demand has softened due to ongoing geopolitical tensions and prolonged disruptions to global air freight routes. We continue to focus on operational efficiency and deepening partnerships to strengthen our Ornamental Fish and Accessories segments, while selectively advancing longer-term Aquaculture initiatives.

Domestic sales for the Ornamental Fish segment continue to grow steadily, while export sales have declined as shipments to key markets were affected by flight cancellations and regional conflicts. To mitigate these challenges, we are expanding our product range and working closely with local breeders to develop exclusive varieties.

Recent growth has been driven by goldfish and betta varieties, alongside strong consumer interest in fancy guppies and the emerging trend for balloon molly, which has gained rapid popularity in the local market. Overall, the segment remains stable, and we expect current demand patterns to continue.

We have expanded sourcing beyond traditional suppliers in Singapore and China to include alternative markets such as South America, Myanmar and India, allowing us to remain cost-competitive while broadening our range.

Following several trial cycles, our pilot Aquaculture project to breed hybrid marble goby for export encountered challenges associated with captive breeding, including low fry survival rates and heightened susceptibility to disease.

As such, we are currently focused on developing our own pure-strain broodstock locally and continuing trials on selected variants. Separately, shrimp-related activities will be driven by the newly acquired Aquaeasy business, where AI- and IoT-based solutions will be deployed to support data-driven farm management, disease monitoring and productivity optimisation.

“Our strong operational discipline and product quality underpin steady advancement, as we translate operational excellence into enduring customer trust.”

In the Accessories segment, price sensitivity has intensified across the market, particularly in mass categories such as aquarium and pet accessories. Consumers continue to favour smaller, lower-priced items, prompting ongoing adjustments to our product mix and sourcing strategy.

The pet Accessories market remains a key growth area despite margin pressures. Cat-related products, particularly food and cat litter, continue to dominate volumes, due to rising ownership. While sales volumes have held up, intense price competition has led to lower average selling prices across the market. To remain competitive, we have sharpened our pricing and segmentation strategy, balancing volume-driven products with differentiated offerings.

Our newly launched “Natureal” range is a major strategic focus. Leveraging advanced natural AMT, “Natureal” is a high-performance, premium line across multiple categories including cat litter and pet care products, with further extensions planned.

Reptile accessories remain niche but promising. Demand has been stable, particularly in reptile tanks and turtle-related products, supported by record-high sales of turtle food this year. Recent launches of reptile cages and turtle tanks have been well received. Our strategy focuses on providing a comprehensive range; including cages, lighting, temperature control, and habitat accessories, while expanding into smaller-format reptile and turtle enclosures.

In the online space in Thailand, digital channels continue to grow in importance, although they remain volatile and account for a small proportion of sales. Social media platforms such as Facebook, Instagram, TikTok, and Line are increasingly used to promote ornamental fish through videos and livestreams. Rising platform commissions and rapidly changing algorithms present challenges, but we continue to build capabilities by enhancing service standards, refreshing product listings, improving online content, and collaborating with suppliers and influencers.

By building enhanced sourcing networks and closer supplier partnerships, we have improved operational efficiency and product quality. Our approach has shifted from transactional sourcing to strategic collaboration, including technical support and selective investment in partner farms to secure consistent quality and exclusive supply.

Looking ahead, pet Accessories are expected to be the main growth driver for Qian Hu Thailand, alongside a stable Ornamental Fish business. New product developments, such as improved pumps, lighting, and premium koi-related products will complement existing offerings as competition continues to intensify. Our strategy will centre on balancing affordability and quality, leveraging first-mover advantages in selected niches, and further strengthening our quarantine, holding, and service capabilities to differentiate ourselves and capture market share.





Indonesia continues to present strong growth potential for the Group as we deepen our foothold in this vibrant and rapidly expanding ornamental fish market. We witnessed healthy progress in Indonesia this year, supported by a resourceful ecosystem of local breeders and sustained hobbyist interest. We have been strengthening our local partnerships and expanding market reach, while adapting to evolving preferences in both the Ornamental Fish and pet care segments.

Our Ornamental Fish business saw robust demand for goldfish and molly varieties, buoyed by Indonesia's resourceful network of breeders who are able to provide consistent quality and supply. This year, our priority was to widen our market presence and reach more hobbyists.

In 2026, the focus will shift towards offering premium and rare species, with greater emphasis on fish health and overall aquarium experience. To support this, we strengthened our breeding and quality-control capabilities through enhanced broodstock selection, improved rearing environments with automated filtration, and stricter health screening during receiving and holding.

We also worked closely with our partners to strengthen conditioning and treatment protocols. Biosecurity

and disease control protocols were enhanced through improved quarantine practices, upgraded filtration systems, and standardised conditioning procedures implemented together with approved suppliers. In addition, we provided targeted technical and operational support to key partners to upgrade quarantine facilities and farming infrastructure, contributing to higher productivity and more consistent supply.

Our partnerships have also enabled stock diversification through new brooder introductions. This year, new brooder stock items such as longfin cherry barb and black line tetra were sourced externally and are now successfully bred by approved local breeders for both domestic and export markets. These initiatives allow us to differentiate our offering while supporting the broader breeder ecosystem.

“ In a fast-growing market, disciplined expansion and local responsiveness position our businesses to capture and progress on long-term opportunities. ”

With cat ownership continuing to drive growth in Indonesia’s pet market, we plan to focus on cat segment with accessories including cat litter, food, and toys. Demand is rising for functional food, pharmaceutical products and antimicrobial litter, alongside a broader trend of ‘premiumisation’, even as the market remains highly competitive and saturated. Our positioning remains in the mid-to-high range, driven by the continued importance of value-driven categories.

Our pet Accessories business is still at a nascent stage, as we build the operations from the ground up. This includes hiring local talent, strengthening local partnerships, and shaping our strategy around Indonesia’s unique market dynamics.

We remain in the early stages of introducing our in-house brands, including “Sumo Cat”, “Platinum Choice”, “Natureal” and “Bark”. While “Sumo Cat” retains some market recognition from prior distribution, additional effort is required to build more awareness and confidence in these products. Moving forward, we will step up our branding and marketing efforts across both offline and online platforms, with “Natureal” being a key growth driver as the market develops.

Digital platforms play an increasingly important role in our go-to-market approach, and Tokopedia and TikTok are central to our digital engagement strategy. We utilise Tokopedia Play livestreaming, affiliate programmes, and integrated TikTok–Tokopedia campaigns, alongside content development on Facebook, Instagram and TikTok. These channels allow us to engage Indonesia’s growing digital consumer base while supporting dealer and distribution development by driving brand awareness, customer traffic and sell-through across partner channels.

Looking ahead, our focus will be on strengthening execution and building a scalable operating foundation across both Ornamental Fish and pet Accessories segments, leveraging Indonesia’s market potential. This includes further refining breeding and quality-control processes, improving supply chain management, and deepening digital engagement. As we progress, we will continue to introduce selected new products, in a measured manner aligned with regulatory readiness and market conditions. These include functional cat products such as hairball and urinary care formulas, antimicrobial litter and new pharmaceutical items like safe grooming sprays and skin treatments.





PERFORMANCE

At Qian Hu, we remain committed to strengthening resilience, seizing opportunities in core markets, and charting steady, responsible growth. Our proven track record underpins our ability to create value, adapt, and chart our path ahead with confidence.

GROWTH

RESULTS



FINANCIAL HIGHLIGHTS

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Year in Review

	2025	2024	2023	2022	2021
FOR THE YEAR (\$'000)					
Revenue	71,903	71,418	70,314	75,265	80,003
Gross profit	25,675	25,318	23,566	24,443	26,817
Earnings (loss) before interest, taxation, depreciation and amortisation (EBITDA)	2,974	3,891	(5,644)	5,407	6,128
(Loss) profit before tax	(379)	620	(8,969)	1,896	2,311
Net (loss) profit attributable to owners of the Company (PATMI)	(751)	357	(9,277)	1,400	1,720
Operating cashflow	3,825	4,029	3,355	6,039	8,517
Capital expenditure	5,334	2,558	749	1,103	1,550
AT YEAR END (\$'000)					
Total assets	60,882	58,049	58,933	72,391	74,794
Total liabilities	20,001	16,006	17,201	20,840	24,163
Equity attributable to owners of the Company	38,590	39,778	39,494	49,255	48,320
Net current assets	21,778	27,345	27,942	29,827	27,761
Cash and cash equivalents	14,152	14,631	15,546	20,117	21,671
KEY FINANCIAL RATIOS					
Revenue growth (%)	0.7%	1.6%	(6.6%)	(5.9%)	6.3%
Net profit growth (%)	NM	103.9%	NM	18.6%	218.4%
Gross profit margin (%)	35.7%	35.5%	33.5%	32.5%	33.5%
Net (loss) profit margin (%)	(0.8%)	0.6%	(13.0%)	2.2%	2.5%
Debt-to-equity ratio (times)	0.49	0.38	0.41	0.40	0.48
Return on shareholders' equity (%)	(1.9%)	0.9%	(23.5%)	2.8%	3.6%
Return on total assets (%)	(1.2%)	0.6%	(15.7%)	1.9%	2.3%
Dividend payout ratio (%)	NM	127.2%	NM	24.3%	19.8%
PER SHARE INFORMATION (CENTS)					
(Loss) earnings per share	(0.66)	0.31	(8.17)	1.23	1.51
Net assets per share	33.99	35.04	34.79	43.39	42.56
Cash per share	12.47	12.89	13.69	17.72	19.09
Dividend per share	0.00	0.40	0.30	0.30	0.30
MARKET CAPITALISATION (\$'MILLION)					
At close of business on the first trading day after the announcement of audited results	16.12	21.00	18.73	26.11	25.54

Revenue
\$71.9
 million
 \$71.4 million in 2024

EBITDA
\$3.0
 million
 \$3.9 million in 2024

PATMI
\$(0.8)
 million
 \$0.4 million in 2024

Total Assets
\$60.9
 million
 \$58.0 million in 2024

Total Liabilities
\$20.0
 million
 \$16.0 million in 2024

Cash and Cash Equivalents
\$14.2
 million
 \$14.6 million in 2024

NM: Not Meaningful

VALUE-ADDED STATEMENTS

(\$'000)	2025	2024	2023	2022	2021
Revenue earned	71,903	71,418	70,314	75,265	80,003
Less : Purchase of goods and services	(54,013)	(53,861)	(54,485)	(58,188)	(60,984)
Gross value-added from operations	17,890	17,557	15,829	17,077	19,019
Other income	2,031	3,066	3,544	4,282	3,524
Loss on biological assets	–	–	(7,391)	(4)	–
Exchange (loss) gain	(133)	166	(30)	(179)	508
Total value-added available for distribution	19,788	20,789	11,952	21,176	23,051
Distribution of Group's value-added:					
To employees					
- Salaries and other related costs	16,280	16,397	15,590	15,728	15,469
To government					
- Corporate and other taxes	417	341	300	385	431
To providers of capital					
- Interest paid on borrowings	364	355	451	352	252
- Dividends to shareholders	454	341	341	341	227
Retained for re-investment and future growth					
- Depreciation and amortisation	3,058	3,085	3,015	3,194	3,596
- Accumulated (loss) profit	(1,205)	16	(9,617)	1,059	1,493
- Non-controlling interests	149	60	151	239	281
Non-production costs and income					
- Bad trade receivables written off	30	10	49	27	207
- Impairment loss on trade receivables	182	184	154	91	485
- Allowance for (Write back of allowance for) inventory obsolescence	59	–	1,518	(240)	610
Total distribution	19,788	20,789	11,952	21,176	23,051

PRODUCTIVITY DATA

Number of employees	502	520	522	524	563
Value-added per employee (\$'000)	39	40	23	40	41
Value-added per dollar of employment cost	1.22	1.27	0.77	1.35	1.49
Value-added per dollar of revenue	0.28	0.29	0.17	0.28	0.29
Value-added per dollar of investment in property, plant & equipment and brooder stocks	0.49	0.56	0.35	0.47	0.47

FINANCIAL REVIEW

Statement of Profit or Loss

REVENUE – Increased by approximately \$0.5 million or 0.7% mainly due to higher revenue contribution from the Fish business activities, partially offset by revenue reduction from the Accessories and Plastics segment.

Notwithstanding the ongoing trade tensions and geopolitical landscape, revenue from our Fish segment recorded healthy growth. Our aquaculture business continued to benefit from a broader range of products and offerings, which supported an increase in customers' orders, and contributed to the stronger revenue performance in the Fish segment.

Revenue from Accessories business was affected by the weakening and conservative purchasing sentiments experienced globally due to trade disruptions and economic uncertainties.

Despite a decrease in revenue from the Plastics segment, we maintained a stable customer base by focusing on the sale of products with sustainable margins, including essential items supporting hygiene protocols in the healthcare and waste management sectors, as well as products serving the hospitality segment.

GROSS PROFIT – Increased by \$0.4 million or 1.4% mainly due to higher revenue generated as mentioned above and better gross profit margin registered with the differences in sales mix during the financial year. Gross profit margin improved from 35.5% in FY 2024 to 35.7% in FY 2025.

OTHER INCOME – Mainly consisted of handling income of \$1.8 million (FY 2024: \$2.1 million) derived from the handling of transshipments in relation to the aquaculture business, which was lower in tandem with the decrease in transshipments activities in FY 2025. The reduction was coupled with the non-recurrence of the one-time compensation income following a land expropriation by the local government in China in FY 2024.

(LOSS) PROFIT BEFORE TAX – The reduction in profitability of \$1.0 million was mainly attributable to the non-recurrence of a one-off compensation income of \$0.7 million recognised in FY 2024, as well as a net change in fair value of financial asset of \$0.2 million recognised in FY 2025.

Notwithstanding the above, the Group have maintained stable gross margins, delivered revenue growth in our core businesses, and continued to drive operational efficiency, highlighting the resilience of the underlying operations.

TAX EXPENSE – The tax expense was mainly in relation to the operating profits registered by the profitable entities within the Group.

The effective tax rate registered was 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 was higher profit contribution from entities with a higher tax rate.

(LOSS) PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY – Resulted from the (loss) profit registered in FY 2025 and FY 2024 respectively.

	2025 \$'000	2024 \$'000	Change %
REVENUE			
- Fish	30,651	29,324	4.5
- Accessories	33,497	34,032	(1.6)
- Plastics	7,755	8,062	(3.8)
TOTAL REVENUE	71,903	71,418	0.7
Less : Cost of sales	(46,228)	(46,100)	0.3
GROSS PROFIT	25,675	25,318	1.4
Add : Other income	2,031	3,066	(33.8)
Less : Operating expenses	(28,085)	(27,764)	1.2
(LOSS) PROFIT BEFORE TAX	(379)	620	NM
Less : Tax expense	(223)	(203)	9.9
(LOSS) PROFIT FOR THE YEAR	(602)	417	NM
(LOSS) PROFIT ATTRIBUTABLE TO:			
Owners of the Company	(751)	357	NM
Non-controlling interests	149	60	148.3
(LOSS) PROFIT FOR THE YEAR	(602)	417	NM

NM: Not Meaningful

Statement of Financial Position

TOTAL ASSETS – Increased by \$2.8 million or 4.9% as at 31 December 2025.

Increase in property, plant and equipment was primarily due to capital expenditure incurred for the acquisition of a freehold office-cum-warehouse building in Selangor, Malaysia, as well as ongoing enhancements to farms and other facilities both in Singapore and overseas, which was partially offset by depreciation charges recognised during the financial year.

Increase in intangible assets was due to the recognition of the fair value of patented AI- and IoT-based technology and the goodwill on consolidation resulting from the acquisition of Aquaeasy, which was partially offset by amortisation charges recorded during the current financial year.

Increase in biological assets was primarily driven by changes in biomass volume and the size distribution of breeder stocks.

Decrease in financial assets at fair value through profit and loss was mainly due to the derecognition of a convertible loan, partially offset by the grant of an unsecured convertible loan and the purchase of a life insurance policy for key management personnel.

Decrease in inventory resulted from ongoing efforts to streamline our inventory management processes so as to better and efficiently manage our inventory holding.

Decrease in trade and other receivables was primarily due to a receipt of the grant reimbursement following the completion of an IT digitalisation project, coupled with a reduction in advance payments to suppliers for purchases.

Decrease in cash and cash equivalents mainly attributed to payments for purchases, settlement of trade and non-trade liabilities, dividend payments, and the cash outflows related to the acquisition of the property in Selangor, Malaysia.

TOTAL LIABILITIES – Increased by \$4.0 million or 25.0% as at 31 December 2025.

Decrease in trade and other payables was mainly due to lower provision for bonuses during the current financial year, in line with the Group's performance.

Increase in tax liabilities was mainly due to movements in deferred tax arising from the recognition of certain intangible assets.

Increase in loans and borrowings was mainly attributable to higher loans and borrowings, arising from the drawdown of bank borrowings primarily to finance the acquisition of the property in Selangor, Malaysia, as well as increase in lease liabilities following the recognition of additional right-of-use (ROU) assets during the financial year under review, notwithstanding regular monthly repayments of lease liabilities.

TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY – Decreased by \$1.2 million or 3.0% as at 31 December 2025. This was mainly a result of loss attributable to owners of the Company for the financial year, coupled with the payment of dividends to shareholders of the Company in April 2025.

TOTAL NON-CONTROLLING INTERESTS – Increased by 1.1% as at 31 December 2025 as a result of the profit contributions from the non-wholly owned subsidiaries for the financial year, offset by the payment of dividends by one of these subsidiaries.

	2025 \$'000	2024 \$'000	Change %
TOTAL ASSETS	60,882	58,049	4.9
- Property, plant and equipment	12,792	8,602	48.7
- Intangible assets	7,182	6,541	9.8
- Biological assets	312	161	93.8
- Financial asset at fair value through profit or loss	614	1,452	(57.7)
- Inventories	11,757	11,848	(0.8)
- Trade and other receivables	14,073	14,814	(5.0)
- Cash and cash equivalents	14,152	14,631	(3.3)
TOTAL LIABILITIES	20,001	16,006	25.0
- Trade and other payables	8,702	9,125	(4.6)
- Tax liabilities	520	443	17.4
- Loans and borrowings	10,779	6,438	67.4
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	38,590	39,778	(3.0)
TOTAL NON-CONTROLLING INTERESTS	2,291	2,265	1.1

FINANCIAL REVIEW

Business Segment Performance

Qian Hu Group has its main presence in five countries, namely, Singapore, Malaysia, Thailand, Indonesia and China, which consists of 18 subsidiaries (collectively known as the “Group”) as at 31 December 2025.

The Group has three main business activities - Fish, Accessories and Plastics. For the financial year ended 31 December 2025 (“FY 2025”), the Group recorded revenue of \$71.9 million, of which approximately 89% was contributed by the core businesses (Fish and Accessories), while Plastics contributed the remaining 11%.



Fish

includes fish farming, breeding, distribution and trading of ornamental fish and aquaculture products;



Accessories

includes manufacturing and distribution of aquarium and pet accessories;



Plastics

includes manufacturing and distribution of plastic bags; and



Others

includes Corporate Office and consolidation adjustments which are not directly attributable to a particular business segment above.

Fish

Revenue



Profitability



Accessories

Revenue



Profitability



Plastics

Revenue



Profitability



	Fish	Accessories	Plastics	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
FY 2025					
Revenue	30,651	33,497	7,755	–	71,903
(Loss) Profit before tax	1,836	505	871	(3,591)	(379)
FY 2024					
Revenue	29,324	34,032	8,062	–	71,418
Profit (Loss) before tax	2,048	1,019	988	(3,435)	620



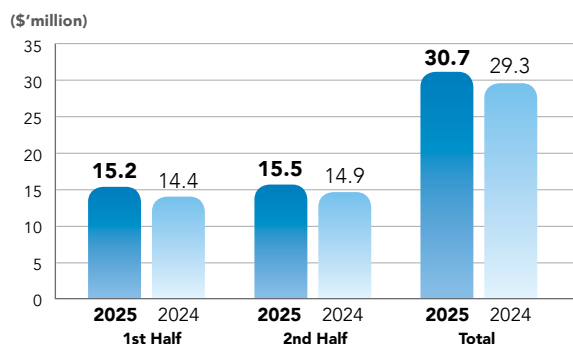
Fish

The Group engages in the total ornamental fish process, which includes import, export, breeding, quarantine, conditioning, farming, wholesales and distribution activities.

Through its distribution hubs in Singapore, Malaysia, Thailand and Indonesia, Qian Hu exports over 1,000 species and varieties of ornamental fish directly to more than 80 countries and cities as well as distributes to domestic retailers and exporters.

In 2017, the Group kick-started its aquaculture business, farming antibiotic-free edible fish fingerlings in Hainan Province, China. It also deals in the export of edible fish and seafood from Hainan to Southeast Asia, and the import of other edible fish and seafood from the rest of the world into China.

REVENUE



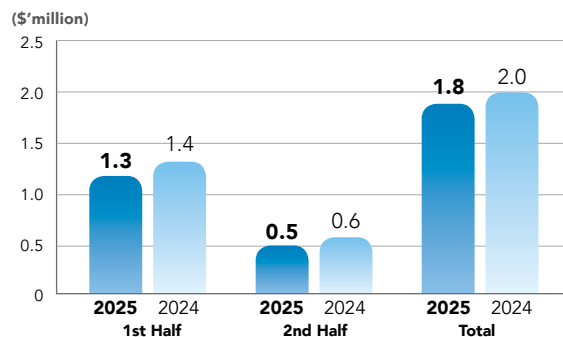
Notwithstanding ongoing trade tensions and a challenging geopolitical landscape, revenue contribution from the fish export business increased in FY 2025. In the aquaculture business, a broader product range and expanded offerings led to an increase in customers' orders. These have contributed to an improvement in fish revenue in FY 2025 as compared to FY 2024.

The Group will continue strengthening resilience across its Ornamental Fish and Aquaculture supply chains by optimising species mix, enhancing biosecurity standards and expanding the use of controlled farming technologies to improve operational efficiency and supply consistency.

In Ornamental Fish, selective investments in breeding, research and quality control will support product standards and global export expansion through established hubs in Singapore, Malaysia, Thailand and Indonesia.

In Aquaculture, disciplined scaling and the integration of Aquaeasy's digital farm management systems will enhance real-time monitoring, traceability and resource optimisation, with measured expansion in selected seafood categories pursued in line with market conditions and operational readiness.

PROFITABILITY



Despite an increase in overall revenue in FY 2025, overall profitability for the fish segment declined due to lower handling fees from transshipment activities related to our aquaculture business in the current financial year.

Notwithstanding the lower absolute profit, gross margins remained stable, reflecting the segment's operational efficiency and resilient customer demand, which helped mitigate the overall impact on performance.

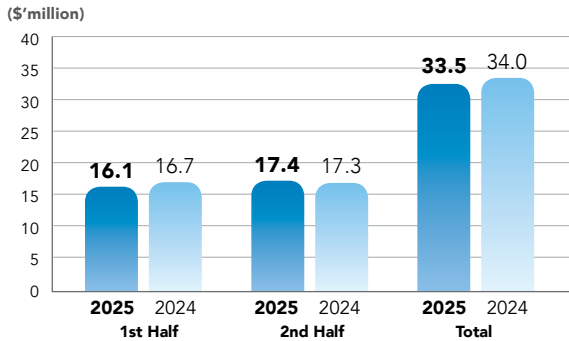
FINANCIAL REVIEW



The distribution of accessories complements the ornamental fish operations by providing a “one-stop” shop to meet customers’ aquarium needs.

The Group distributes more than 3,000 types of aquarium and pet accessories of our own proprietary brands, as well as products from 10 major manufacturers and principals to local retailers and wholesalers mainly in Asia and Singapore.

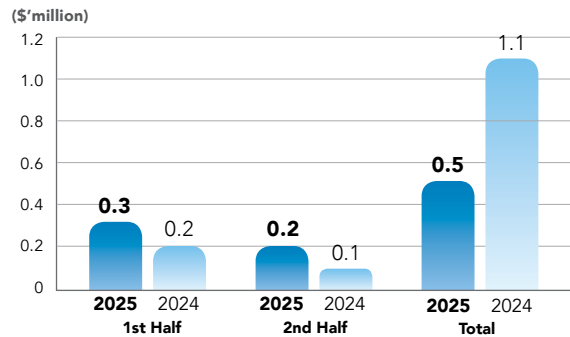
REVENUE



Revenue from the accessories segment declined in the first half of 2025, primarily due to weaker and more cautious purchasing sentiment in certain overseas markets, particularly softer order volume from the China domestic market. Customers adopted a more prudent approach to procurement amid ongoing trade disruptions, geopolitical tensions and broader economic uncertainties during the period.

The impact on full year performance was partially mitigated by a modest recovery in the second half of FY 2025, supported by the launch of new product lines and the enhancement of distribution channels. These initiatives facilitated entry into selected new markets and contributed to a gradual expansion of the customer base.

PROFITABILITY



Profitability from the accessories segment in FY 2024 included a one-time compensation income of approximately \$0.7 million arising from a land expropriation by the local government in China.

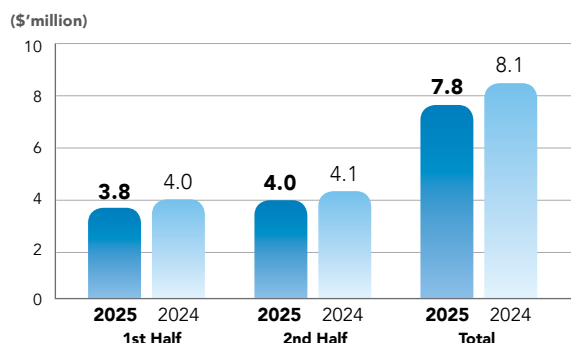
Excluding this one-off item, underlying profitability in FY 2025 improved marginally year-on-year. The launch of new product lines and strengthened distribution efforts in the second half of 2025 supported entry into selected new markets and contributed to a gradual expansion of the customer base.



The Group manufactures plastic packaging products at its dedicated facility in Woodlands, primarily for internal use in the packing and transportation of ornamental fish.

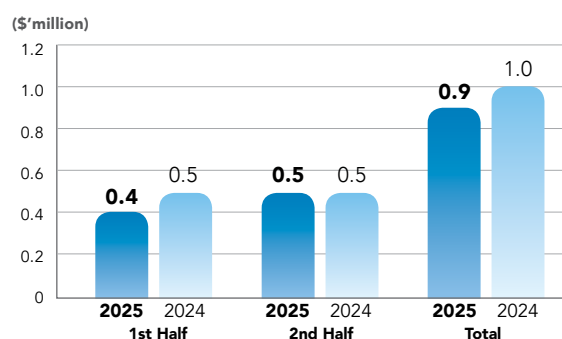
In addition, these products are supplied to third parties across the ornamental fish, food, electronics and healthcare sectors, supporting essential hygiene and packaging requirements.

REVENUE



Revenue from our plastics activities recorded a slight decrease in FY 2025. Despite this, we maintained a stable customer base, focusing on generating revenue through products with sustainable margins. These include essential items used to enhance hygiene protocols in the healthcare and waste management sectors, as well as in the hospitality segment.

PROFITABILITY



Profitability from the plastics segment declined marginally in FY 2025, in line with the slightly lower revenue recorded during the year. Second-half performance remained stable compared to the prior year, reflecting resilient demand and disciplined cost management. Overall, the segment continued to deliver steady returns despite a softer revenue environment.

FINANCIAL REVIEW

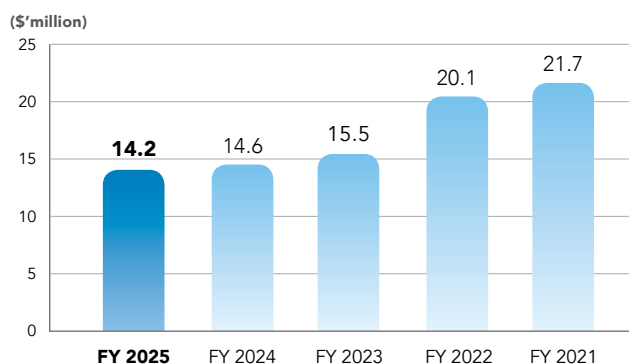
Capital Management

The Group maintains a strong balance sheet (Statement of Financial Position) and an efficient capital structure to support its operational and strategic objectives while maximising long-term shareholder value. The Group has sufficient cash and cash equivalents and an adequate amount of standby credit facilities. Working capital requirements and capital expenditures are financed through a combination of short-term money market borrowings and long-term loans.

As at 31 December 2025, credit facilities in the form of short-term loans, bank overdrafts, letter of credit and other banking facilities provided by major banks to the Group amounted to approximately \$20.7 million (2024: \$20.6 million) of which approximately \$8.4 million (2024: \$4.5 million) was utilised. Certain borrowings during the year were secured by corporate guarantees and charges over specific assets of the Group.

CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents decreased by approximately \$0.4 million in FY 2025 to \$14.2 million as compared to approximately \$14.6 million a year ago. The decrease was primarily attributable to payments for purchases, settlement of trade and non-trade liabilities, dividend payments, and the cash outflows related to the acquisition of the property in Selangor, Malaysia.



The movements in cash and cash equivalents during both financial years are set out as follows:

Net cash from operating activities for FY 2025 remained broadly comparable to the prior year. Operating cash flows benefited from lower inventory holdings and the receipt of a grant reimbursement in the first half of FY 2025, which were partially offset by higher cash outflows relating to payments to non-trade suppliers.

Net cash used in investing activities in FY 2025 was mainly attributable to capital expenditure incurred for the acquisition of the property in Selangor, Malaysia, as well as ongoing enhancements to farms and other facilities both in Singapore and overseas. In addition, the Group granted an unsecured convertible loan to N&E Innovations Pte. Ltd. and made payment for the purchase of a life insurance policy for a key management personnel during the current financial year.

Net cash generated from financing activities in FY 2025 was largely derived from the drawdown of bank loans obtained from financial institutions, mainly to finance the acquisition of the property in Selangor, Malaysia. These inflows were partially offset by the repayment of lease liabilities, payment of dividends to the non-controlling shareholder of a subsidiary, as well as servicing of monthly interest payments. In addition, there was payment of dividend made to the shareholders of the Company in April 2025.

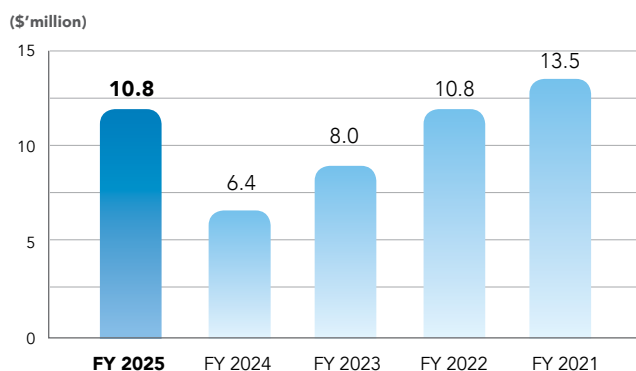
	2025 \$'000	2024 \$'000
• Net cash from operating activities	3,825	4,029
• Net cash used in investing activities	(5,781)	(2,314)
• Net cash from (used in) financing activities	1,472	(2,788)
Net decrease in cash and cash equivalents	(484)	(1,073)
Cash and cash equivalents as at end of year	14,152	14,631

LOANS AND BORROWINGS

The Group borrows from local and foreign banks mainly in the form of short-term loans.

As at 31 December 2025, there were corporate guarantees given by the Company to financial institutions for banking facilities extended to subsidiaries amounting to approximately \$5.1 million (2024: \$5.0 million).

The Group uses gross gearing ratio (total liabilities as a percentage of total equity) to measure the debt leverage. As at 31 December 2025, the gross gearing ratio increased to 0.49 times, from 0.38 times in FY 2024, primarily due to an increase in external borrowings.



The amounts of Group's borrowings for both financial years are as set out below:

Bank term loans (unsecured) The unsecured bank term loans are revolving loans with several banks, bearing interest rates ranging from 2.26% to 2.85% (2024: 4.08% to 4.14%) per annum, and are repayable within the next 12 months from the financial year end.

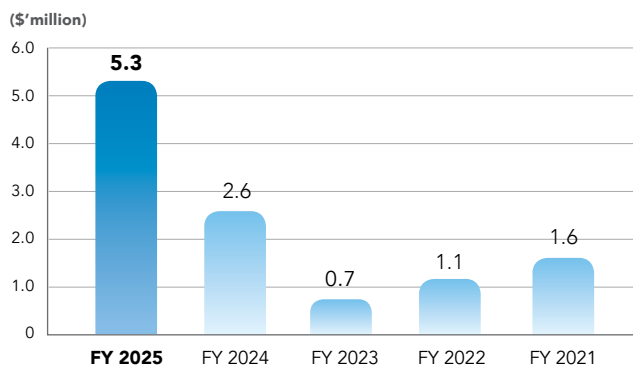
Bank term loans (secured) The secured bank loans are secured by corporate guarantees provided by the holding company and a related company, and are secured over the land and building and a keyman insurance contract.

	2025 \$'000	2024 \$'000
Current liabilities:		
Bank term loans (unsecured)	5,000	4,500
Bank term loans (secured)	3,407	-
Bills payable to banks (unsecured)	-	74
Lease liabilities	877	1,337
	9,284	5,911
Non-current liabilities:		
Lease liabilities	1,495	527
Total loans and borrowings	10,779	6,438

CAPITAL EXPENDITURE

In FY 2025, the noticeable increase in capital expenditure was mainly due to payment made to complete the acquisition for the purchase of an office cum warehouse building in Selangor, Malaysia, as well as investment in office equipment and motor vehicles.

In addition, there were ongoing enhancements made to the farm and other facilities in Singapore and overseas to improve productivity and operational efficiency.



FINANCIAL REVIEW

Dividends and Shareholders' Return

Qian Hu remains committed to long-term capital growth for the benefit of its shareholders. Accordingly, profits generated are primarily retained to support reinvestment in the Group's strategic initiatives and strengthen its balance sheet. At the same time, the Company recognises the importance of providing shareholders with returns where appropriate and has historically sought to distribute dividends when financial performance and cash flows permit.

The Company has formalised its dividend policy to provide returns to shareholders at least once a year, subject to financial performance, cash flow generation, capital requirements and prevailing economic conditions. The form, frequency and amount of dividends declared are determined by the Directors with due consideration to the long-term interests of the Company.

In light of the accumulated losses at the company level, which restrict the ability to declare dividends in accordance with applicable regulations, the Directors have decided not to propose a dividend for the financial year ended 31 December 2025. The Group will also prioritise prudent cash management to support key initiatives in FY 2026, including the renewal of the land leases in Singapore and other strategic projects aimed at strengthening long-term sustainability and growth.

Notwithstanding the above, the Company has maintained a consistent dividend track record since its Initial Public Offer in 2000.



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SUSTAINABILITY REPORT

1. INTRODUCTION

This Sustainability Report (“**Report**”) forms an integral part of Qian Hu Corporation Limited’s Annual Report for the financial year ended 31 December 2025 (“**FY 2025**”). These disclosures relate directly to, and should be read alongside, the Group’s audited consolidated financial statements for FY 2025. The alignment ensures that stakeholders can connect our sustainability-related risks and opportunities with the financial position, performance and cash flows of the Group. All monetary values in this Report are presented in Singapore Dollars unless otherwise specified.

Our Report Scope & Framework

Unless otherwise stated, this Report covers Qian Hu’s global operations for FY 2025. The reporting scope includes our Fish, Accessories and Plastics segments in Singapore as well as overseas subsidiaries.

FY 2025 marks a pivotal year in Qian Hu’s sustainability reporting journey. While we had previously aligned selected disclosures with Task Force on Climate-related Financial Disclosures and International Sustainability Standards Board principles, this is the first year we are preparing our Report with reference to, and applying the relevant requirements of the ISSB Standards – namely IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, taking into account applicable transition reliefs for first-time adopters.

Qian Hu is scheduled to adopt mandatory ISSB-aligned reporting in accordance with SGX’s phased implementation timeline. Notwithstanding this, we have voluntarily adopted ISSB-aligned disclosures ahead of the mandatory timeline to enhance transparency, strengthen the linkage between sustainability-related risks and financial performance, and meet evolving stakeholder expectations.

We have applied the following transition relief in FY 2025, which allow us to focus on establishing a strong and reliable foundation for ISSB-aligned disclosures while ensuring the accuracy, relevance, and decision-usefulness of information for our stakeholders:

1. **Comparative Information:** Full comparative sustainability-related financial disclosures have not been presented. However, where reliable and consistent prior-year sustainability data is available, comparative metrics have been voluntarily included to provide stakeholders with continuity and context.
2. **Scope of Reporting:** In this initial year, our disclosures focus on climate-related risks and opportunities. Broader sustainability-related risks and opportunities will be progressively incorporated. Other ESG topics will continue to be disclosed to ensure continuity. This phased approach allows us to build a robust foundation for ISSB-aligned reporting, while ensuring accuracy, relevance, and decision-usefulness for stakeholders.
3. **Scope 2 Methodology:** We will continue to report Scope 2 GHG emissions on a location-based basis only in FY 2025.



In addition, this Report has also been prepared with reference to the following frameworks and regulatory requirements:

- Singapore Exchange Listing Rules 711A, 711B, Practice Note 7.6 of the Sustainability Reporting Guide and the SGX Core Environmental, Social and Governance Metrics
- Global Reporting Initiative Standards (2021) framework: Applied selectively as a reference for disclosures on impact materiality and for continuity of comparability with prior years
- Task Force on Climate-related Financial Disclosures: Referenced to ensure continuity with past reports and to provide investors with clear, decision-useful information on climate-related risks and opportunities.
- United Nations Sustainable Development Goals: Selected UN SDGs are referenced to demonstrate Qian Hu's contribution towards global sustainable development priorities, and to ensure continuity with prior reporting years.

This Report has not undergone external assurance for FY 2025. However, our disclosures are supported by internal validation processes to uphold completeness, accuracy, and consistency. While external assurance is not mandated at this stage, we recognise its growing importance in strengthening stakeholder trust and credibility, and we are actively exploring the adoption of external assurance in future reporting cycles as our sustainability framework matures.

We value your feedback as it plays a crucial role in shaping and enhancing our sustainability practices and reporting efforts. If you have any comments, questions, or insights regarding this Report, we invite you to share them with us at feedback@qianhu.com.



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Message from our Board

Dear Stakeholders,

FY 2025 marks an important year in Qian Hu's sustainability journey. As we present our 15th Sustainability Report, the Group continues to navigate an increasingly complex environmental and regulatory landscape.

Against this backdrop, the Board continues to embed sustainability considerations into the Group's long-term strategy, governance frameworks and decision-making processes, while strengthening the robustness of our disclosures.

In this regard, FY 2025 represents the first time Qian Hu has prepared its Sustainability Report with reference to, and applied the relevant requirements of, the ISSB Standards. This strengthens the link between sustainability-related risks, financial performance and long-term enterprise value.

Another key highlight during the year was the completion of our first Quantitative Climate Scenario Analysis, which identified both physical and transition risk exposures, with rising temperatures, water stress and energy demand emerging as key operational vulnerabilities.

These insights informed the prioritisation of our investments towards resilience, including infrastructure upgrades, aquaculture systems innovation and resource-efficiency measures.

Purposeful in Approach, Progressing Stewardship, Driving Performance

Our sustainability journey is guided by a balanced focus across environmental responsibility, governance and performance, supported by clear accountability across the organisation.

We have made steady progress in operationalising our Decarbonisation Roadmap, advancing renewable energy adoption, energy-efficiency initiatives and value-chain engagement.

During the year, we also formalised our emissions reduction targets and long-term net-zero ambition, establishing clearer pathways across Scope 1 and Scope 2 operations. Together, these efforts position Qian Hu to manage emissions responsibly while strengthening operational resilience in a lower-carbon transition environment.

Innovation continues to drive our sustainable performance. The integration of Aquaeasy as our wholly-owned subsidiary has embedded Artificial Intelligence ("AI")- and Internet of Things ("IoT")-enabled aquaculture technologies into our operations while extending digital solutions across our ecosystem. Through these investments, we aim to enhance farming efficiency, optimise resource use and reduce environmental impact.

At the same time, we remain steadfast in safeguarding animal welfare, strengthening biosecurity standards and upholding responsible livestock management practices across our farms.

Our people remain equally critical to this journey. We continue to invest in capability development, leadership training and workplace wellbeing, recognising that long-term sustainability is underpinned by a resilient and engaged workforce. Alongside this, we maintain strong governance, ethical business conduct and transparent stakeholder engagement, ensuring that trust and accountability remain foundational to our operations.

Looking Ahead

Sustainability is an ongoing journey. While we have made meaningful progress in strengthening our foundations, we recognise that expectations, regulatory requirements and reporting standards will continue to evolve.

The Board remains committed to enhancing governance, strengthening data integrity and progressively advancing towards full ISSB alignment over time.

We would like to express our appreciation to our employees, partners, customers and stakeholders for their continued trust and collaboration as we work together towards a more sustainable and resilient future.

Sincerely,

The Board of Directors

Qian Hu Corporation Limited

2. PURPOSEFUL IN OUR APPROACH

Structuring Our Governance Framework

Qian Hu has continued to strengthen its governance framework to ensure that sustainability and climate-related matters are embedded in our corporate agenda. Our governance structure is designed to provide clear accountability, effective oversight, and integration of sustainability into decision-making at all levels of the organisation.

QIAN HU SUSTAINABILITY GOVERNANCE STRUCTURE



The **Board of Directors** retains ultimate responsibility for shaping and overseeing the Group’s sustainability strategy. Its role includes reviewing the long-term implications of climate change, ensuring that material ESG issues are considered in strategic planning, and guiding management in balancing financial performance with sustainability outcomes. Since FY 2024, the Board’s oversight has expanded beyond climate change to encompass broader sustainability-related risks and opportunities.

The Board’s oversight is supported by regular updates from the Executive Chairman and CEO and the **Sustainability Committee**, which ensures that sustainability remains a standing consideration within broader strategic and operational discussions. In FY 2025, three sessions were convened with the Board to discuss on key initiatives such as the development of new products incorporating biodegradable antimicrobial technology, as well as the integration of AI and IoT solutions to strengthen aquaculture efficiency and resilience. These initiatives demonstrate the Group’s commitment to sustainability while reinforcing our long-term business priorities.

To reinforce accountability, the Sustainability Committee – chaired by the Executive Chairman and CEO – drives sustainability integration across business segments. The Sustainability Committee plays a central role in steering the Group’s sustainability efforts. Its responsibilities include:

- Identifying and prioritising material sustainability topics.
- Setting targets and key performance indicators across climate, environmental, and social dimensions.
- Reviewing progress of ongoing sustainability projects and initiatives, including climate risk scenario analysis.

At the operational level, the **Sustainability Reporting Team**, comprising representatives from key business units and overseas subsidiaries, is responsible for implementing initiatives, tracking data, and reporting progress. This bottom-up approach ensures that sustainability considerations are embedded into daily operations, while providing the Board and Sustainability Committee with accurate and timely insights.

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To strengthen our governance capabilities, all Board members have successfully completed the mandated sustainability training prescribed by SGX-ST. Beyond this, Qian Hu invests in continuous capacity-building: relevant personnel, including Board members, senior management, and employees, are regularly sent to training sessions, workshops, and industry briefings on sustainability-related reporting and practices conducted by recognised consultants and external experts. This commitment ensures that our leadership and operational teams remain equipped to integrate sustainability into decision-making and reporting.

At present, sustainability-related performance metrics are not explicitly factored into the remuneration policies of the Board and key management. The Board will continue to monitor market practices and consider the integration of such metrics in future cycles.

Engaging with Our Stakeholders

Our stakeholders are individuals or entities significantly impacted by our activities, products, and services. Regular and meaningful engagement enables us to understand their expectations and concerns, ensuring that we align our business priorities with shared interests while driving our sustainability agenda forward. These interactions also help us identify opportunities for innovation and collaboration.

In FY 2025, we continued to build on our structured stakeholder engagement approach. Engagement methods include customer feedback platforms, vendor assessments, staff dialogues and surveys, investor meetings, and dialogue with regulators. Through these platforms, we identified no significant negative impacts arising from our operations on any stakeholder group.

This ongoing engagement ensures that Qian Hu remains responsive to the needs of customers, employees, investors, suppliers, regulators, and communities, reinforcing our role as a responsible and forward-looking organisation.

Key Stakeholders	Engagement Methods	Interests and Concerns	Our Responses
Customers	<ul style="list-style-type: none"> • Site visits and/or meetings • Social media platforms • Trade fairs/exhibitions • Feedback through emails and phone calls 	<ul style="list-style-type: none"> • Customer satisfaction • Quality products and services • Product pipeline • Sustainability efforts • Customer data privacy 	<ul style="list-style-type: none"> • Feedback platforms available – active listening • Good customer service and prompt resolution of feedback • Product training • Professional and ethical standards in business conduct • Strong data security
Suppliers	<ul style="list-style-type: none"> • Site visits and/or meetings • Feedback through emails and phone calls • Vendor evaluation and assessments 	<ul style="list-style-type: none"> • Product quality assurance • Supply chain management • Fair payment terms 	<ul style="list-style-type: none"> • Supplier Code of Conduct • Vendor selection process • Pilot programmes to share best practices to support and empower local farmers
Employees	<ul style="list-style-type: none"> • Performance appraisal discussions • Half-yearly staff dialogue and sharing sessions • Mobile-based chat groups • Regular floor walks • Annual employee opinion surveys • Bi-annual “Fish Matrix” inhouse newsletters 	<ul style="list-style-type: none"> • Competitive remuneration and benefits • Employee engagement • Talent retention • Workplace health and safety • Training and career development • Mutual trust and respect 	<ul style="list-style-type: none"> • Fair and progressive human resource policies • Training opportunities and career development • Talent management and succession planning • Employee bonding sessions • Healthcare programmes • Whistle-blowing policy

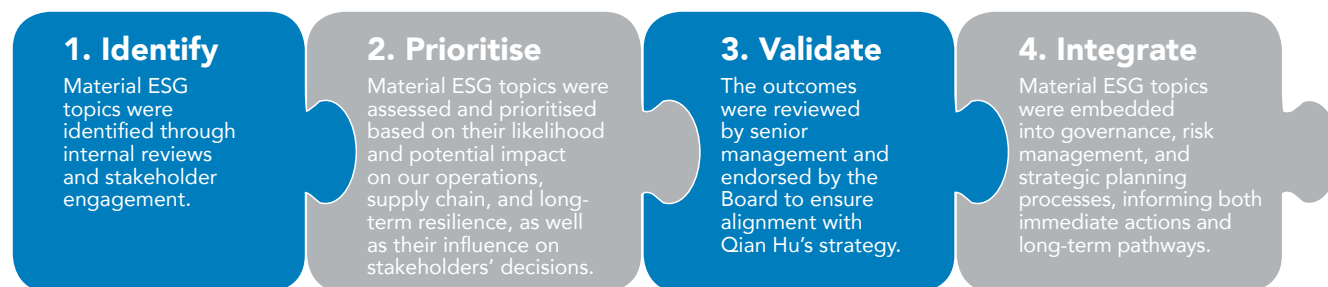
Key Stakeholders	Engagement Methods	Interests and Concerns	Our Responses
Community	<ul style="list-style-type: none"> Community engagement programmes Sustainability reporting 	<ul style="list-style-type: none"> Good corporate citizenship Positive impact on the environment 	<ul style="list-style-type: none"> Educational farm tours Employee community programmes and initiatives Business community interactions and sharing sessions
Investors	<ul style="list-style-type: none"> Corporate website Annual Reports SGXNet announcements Annual General Meetings ("AGM") and AGM minutes Sustainability Reports Investor Relations emails and Q&A Media releases and interviews 	<ul style="list-style-type: none"> Financial performance Stable growth and sustainable returns Strong corporate governance and transparency Risk management practices Sustainability efforts 	<ul style="list-style-type: none"> Competent Board and management Financial prudence Robust corporate & risk governance structure Timely reporting and disclosure
Regulators	<ul style="list-style-type: none"> Official circulars Email correspondences Seminars and conferences Dialogue and feedback sessions 	<ul style="list-style-type: none"> Ethical and regulatory compliance Environmental and social impact 	<ul style="list-style-type: none"> Compliance with regulatory requirements and guidelines Strong governance and controls over operational and financial risks Regular communications and participation in dialogue with government agencies and regulators on statutory requirements and new developments

Assessing Our Material ESG Topics

In FY 2022, Qian Hu conducted its first comprehensive materiality assessment to identify ESG topics most significant to our business and stakeholders. The outcomes, validated by senior management and the Board, have guided our sustainability disclosures and priorities since then.

In line with IFRS S1 requirements, we reassessed our materiality judgements in FY 2025 to reflect evolving regulatory requirements, stakeholder expectations, market dynamics and internal strategic priorities. This review considered our business across the value chain – including upstream suppliers, logistics partners, customers and end markets – to identify sustainability-related risks and opportunities that may affect operational continuity and enterprise value.

Material ESG topics were evaluated based on their potential financial impact, likelihood of occurrence, time horizon, and relevance to stakeholder concerns, following a structured process:



Material ESG topics encompass both risks and opportunities. Where effectively managed, identified risks – such as climate exposure, regulatory developments, and resource constraints – can strengthen operational resilience and cost discipline. Likewise, opportunities in resource efficiency, product innovation, and energy transition enhance competitiveness and long-term value creation. By reassessing materiality judgements at every reporting cycle, Qian Hu ensures that its disclosures remain relevant, forward-looking, and aligned with sustainable business performance.

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Material ESG Topics	
Environmental	
Climate Change	Climate action is a business imperative. We need to address and manage the impact of climate change on our business.
Animal Welfare	We deal with livestock and are responsible for keeping animal welfare in mind and maintaining the well-being of animals under our care.
Biodiversity	We are conscious of our business activities' impact on ecosystems and habitats.
Social	
Training & Development	We continuously identify and groom talent in our niche sector to ensure that the Group is well-positioned to fulfil its business objectives and move towards long-term sustainable growth.
Health & Safety	Our operating environment requires us to pay utmost attention to the health and safety of our employees. Disregarding health and safety aspects can have detrimental effects on the organisation and the well-being of our employees and customers.
Customer Satisfaction	Our customers are crucial to our long-term sustainability. We provide our customers with high-quality goods, dependable service and attentive after-sales support. We are also committed to having strong data privacy and security policies.
Innovation	To meet the evolving needs of our customers, innovation is crucial to staying relevant and maintaining our leadership in our business sectors.
Supply Chain Management	We need to maintain a reliable and sustainable supply chain to minimise potential disruptions to our business operations.
Governance	
Business Ethics	We uphold the highest ethical standards and conduct our business in compliance with all relevant laws and regulations.
Non-Material ESG Topics	
Social	
Diversity & Equality	Qian Hu inevitably has more male employees in our operational team due to the industry's workforce demographics and the nature of our operations. We acknowledge the circumstances and will continue to practise inclusive hiring and strive to develop a diverse talent pool where feasible.
Community Engagement	We have been actively involved in societal and community contribution efforts since our early days. We will continue with our commitment in giving back to local communities through various channels.

Note: "Economic Performance" was previously identified as a material topic under GRI Standards. With the adoption of ISSB Standards in FY 2025, economic and financial performance continues to be reported comprehensively in the Group's audited financial statements and is not treated as a standalone ESG topic. Instead, Qian Hu's ISSB-aligned disclosures now focus on sustainability-related risks and opportunities, including climate-related issues, that may influence financial outcomes and enterprise value.

Setting Our Targets & Metrics

Alignment with International Agreements and National Commitments

Qian Hu has set climate-related targets to guide our Decarbonisation Roadmap (“**Roadmap**”) and monitor progress towards our long-term sustainability objectives. These targets are informed by both global climate agreements as well as national commitments in Singapore and our key operating markets.

In defining our climate time horizons, Qian Hu aligns its target milestones with internationally recognised climate policy benchmarks. In this context, the period up to 2030 reflects near-term decarbonisation milestones consistent with national Nationally Determined Contributions and global 2030 pathways. The 2050 horizon aligns with national net-zero commitments, while 2100 reflects longer-term climate modelling timelines used in scenario analysis.

By linking our targets to international agreements and national commitments, Qian Hu ensures that its climate-related objectives remain globally relevant while tailored to our operational realities.

– International Agreement: Paris Agreement

Our Roadmap is informed by the goals of the Paris Agreement, which aims to limit global temperature rise to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. In developing our Roadmap, we considered pathways outlined by the IPCC and scenarios referenced in IFRS S2.

While Qian Hu has not adopted externally validated science-based targets at this stage, we have established internally aligned operational targets that are practical, measurable, and directly relevant to our business model. These targets prioritise Scope 1 and Scope 2 emissions, where we have the greatest control and ability to implement change, while continuing to disclose selected Scope 3 emissions for transparency. We will review the applicability of science-based methodologies, such as the Science Based Targets initiative (SBTi), as our sustainability reporting and decarbonisation practices mature.

– National Commitments: Singapore and Operating Markets

In Singapore, we referenced the government’s pledge to achieve net-zero: by 2050, alongside its enhanced 2030 NDCs to peak emissions around 2030. Across our other operating markets, we consider each country’s respective climate pledges and sectoral decarbonisation plans. These commitments provide useful context for shaping Qian Hu’s regional operational strategies and long-term decarbonisation planning.

Setting Targets

– Energy Targets

Our reduction targets are based on grid-purchased electricity intensity (kWh/m²), as this represents the most material component of Qian Hu’s total energy consumption and is directly within our operational control. Other energy sources, such as solar generation and fuel use, are disclosed separately for transparency but not included in the target baseline.

By focusing on the efficiency of grid electricity use per unit of output, our approach ensures that we are addressing the most emission-intensive consumption within our operations. This methodology is practical, measurable, and globally relevant, and it directly supports the priorities of the Paris Agreement and Singapore’s Green Plan 2030, both of which emphasise energy efficiency and renewable energy adoption as key levers of decarbonisation.

– Water Intensity Targets

Our water reduction targets are based on water use intensity (m³/m²), focusing on operational use that is material to aquaculture and farming activities. This ensures that we target the efficiency of freshwater consumption, which is critical to maintaining resilient operations while minimising environmental impacts.

Our approach prioritises responsible water use by adopting conservation technologies, recycling systems, and operational efficiency measures. These efforts align with international frameworks such as the UN SDGs (SDG 6: Clean Water and Sanitation) and Singapore’s Green Plan 2030, which place strong emphasis on sustainable water management.

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Sustainability

– Waste Management & Circularity

Waste has significant environmental implications, contributing to climate change, pollution, and potential health risks. At Qian Hu, the bulk of our operational waste arises from packaging materials such as cartons, plastic bags, and styrofoam boxes, which are widely used in the import, export, and distribution of our products.

We adopt a “reduce, reuse, recycle” framework across our operations to minimise waste and manage costs effectively:

- **Reduction:** Ongoing process improvements reduce wastage during production and distribution.
- **Reuse & Recycling:** Materials such as cartons, plastic bags, and styrofoam boxes are reused where possible, with recycling channels established for those that cannot be reused.
- **Closed-loop practices:** At our plastics subsidiary, Qian Hu Tat Leng Plastic Pte. Ltd., production-related plastic waste is collected and sent to third-party recyclers. Recovered resins are reintegrated into production, reducing reliance on virgin plastics.

Given that most of our waste is packaging materials already being reused or recycled, we continue to assess general waste as immaterial and have therefore excluded these amounts from this Report.

– Carbon Emissions

Qian Hu measures its GHG emissions in accordance with the Greenhouse Gas Protocol (2004), applying the operational control approach to ensure consistent boundary-setting across all facilities where we manage operations.



Following the completion of our Quantitative CSA in FY 2025, we finalised our Roadmap and established phased GHG reduction targets aligned with Singapore’s national net-zero commitment and the global objectives of the Paris Agreement. These targets provide a structured pathway for Qian Hu to progressively reduce its Scope 1 and Scope 2 emissions.

The emission factors and detailed methodologies used in calculating our GHG emissions are disclosed in the GHG Emissions Performance section of this Report.











Measuring Performance Against Targets

For FY 2025, we continue to monitor and disclose performance against our sustainability targets, now aligned with the ISSB Standards and integrated within the Group's Decarbonisation Roadmap. This ensures transparency on progress made towards our energy, emissions, and resource efficiency goals, while providing stakeholders with a clear view of how Qian Hu is advancing its long-term climate and sustainability commitments.






Indicator / KPI	FY 2024 Performance	FY 2025 Performance	Targets	Status
ENVIRONMENTAL				
Material ESG Topic: Climate Change – Energy		UN SDGs: 		
Energy consumption (MWh)	5,753 MWh (of which 35 MWh generated from on-site solar installations)	5,672 MWh (of which 66 MWh generated from on-site solar installations)	FY 2026 Target: Maintain or reduce compared to FY 2025, subject to changes in operational scale, while continuing to improve energy efficiency. Longer-Term Targets: Progressive decrease year-on-year	On track
Grid-purchased electricity intensity (kWh/m²)	30 kWh/m ²	29 kWh/m ²	FY 2026 Target: Achieve a year-on-year reduction, in line with the 20% reduction target by FY 2030 Longer-Term Targets: <ul style="list-style-type: none"> Reduce grid-purchased electricity intensity by 20% by FY 2030 Transition to 100% renewable or low-carbon energy sources, aligned with future policy and technology developments by FY 2100 (baseline year FY 2024)	New target / On track
Material ESG Topic: Climate Change – Water Management		UN SDGs: 		
Water use intensity (m³/floor area)	1.12 m ³ /m ²	0.92 m ³ /m ²	FY 2026 Target: Maintain or reduce compared to FY 2025 Longer-Term Targets: <ul style="list-style-type: none"> Reduce water use intensity by 10% by FY 2030 Reduce water use intensity by 15% by FY 2050 Reduce water use intensity by 20% by FY 2100 (baseline year FY 2024)	New target / On track





SUSTAINABILITY REPORT

Indicator / KPI	FY 2024 Performance	FY 2025 Performance	Targets	Status
ENVIRONMENTAL				
Material ESG Topic: Climate Change – Waste Management		UN SDGs: 		
Waste recycled (tonnes)	<ul style="list-style-type: none"> 91 tonnes plastic waste recycled 32 tonnes aluminium, steel, carton, styrofoam and glass waste recycled 	<ul style="list-style-type: none"> 69 tonnes plastic waste recycled 29 tonnes aluminium, carton, styrofoam and glass waste recycled 	FY 2026 Target: Maintain or increase compared to FY 2025, subject to changes in operational scale, while maintaining overall waste minimisation efforts Longer-Term Targets: Progressive increase year-on-year	Recycling volumes decreased in line with operational waste generation patterns
Material ESG Topic: Climate Change – Emissions		UN SDGs: 		
Total Scope 1 and 2 GHG emissions (tCO₂e)	3,488 tCO₂e	3,405 tCO₂e	FY 2026 Target: Achieve a year-on-year reduction, in line with the 20% reduction target by FY 2030 Longer-Term Targets: <ul style="list-style-type: none"> Reduction of 20% of total Scope 1 and Scope 2 GHG emissions by FY 2030 Near-zero Scope 1 and Scope 2 emissions by FY 2050 (baseline year FY 2024) 	New target / On track
Scope 1 GHG emissions (tCO ₂ e)	689 tCO ₂ e	665 tCO ₂ e		
Scope 2 GHG emissions (tCO ₂ e, location-based)	2,799 tCO ₂ e	2,740 tCO ₂ e		
Scope 3 GHG emissions (tCO₂e)	56,359 tCO₂e	46,885 tCO₂e	At present, Qian Hu has not set quantitative Scope 3 GHG emissions reduction targets. Instead, we are using internally aligned operational targets to progressively improve supply chain transparency and efficiency	Not applicable
Category 1: Purchase of goods and services	41,633 tCO ₂ e	32,996 tCO ₂ e		
Category 2: Capital goods	333 tCO ₂ e	764 tCO ₂ e		
Category 3: Fuel and energy-related activities	819 tCO ₂ e	805 tCO ₂ e		
Category 4: Upstream transportation and distribution	4,356 tCO ₂ e	3,953 tCO ₂ e		
Category 7: Employee commuting	344 tCO ₂ e	390 tCO ₂ e		
Category 9: Downstream transportation and distribution	8,874 tCO ₂ e	7,977 tCO ₂ e		

Indicator / KPI	FY 2024 Performance	FY 2025 Performance	Targets	Status
ENVIRONMENTAL				
Material ESG Topic: Animal Welfare		UN SDGs:  		
Average monthly in-house fish loss rate (%)	6%	6%	FY 2026 & Longer-Term Targets: Maintain an average monthly in-house fish loss rate of not more than 5%	In progress. The Group continues to implement biosecurity enhancements, monitoring systems and breeding optimisation initiatives to progressively reduce in-house loss rates toward the 5% target
Material ESG Topic: Biodiversity		UN SDGs:  		
Biosecurity incidents	To the best of our knowledge, there were no reported incidents of significant impacts on biodiversity in the areas where we operate	To the best of our knowledge, there were no reported incidents of significant impacts on biodiversity in the areas where we operate	FY 2026 Target: <ul style="list-style-type: none"> Maintain zero confirmed incidents of significant biodiversity impact across all operating sites Maintain full compliance with applicable environmental and biodiversity-related regulations Longer-Term Target: Operate in accordance with all laws and regulations, and strive to minimise any impacts on biodiversity in the areas where we operate	On track
SOCIAL				
Material ESG Topic: Training and Development		UN SDGs:  		
Employee Satisfaction Index	4.58 out of 6	4.62 out of 6	FY 2026 Target: Sustain or improve the Employee Satisfaction Index while maintaining performance above industry benchmarks Longer-Term Target: Progressive improvement in the Employee Satisfaction Index, with the aim of sustaining year-on-year enhancements and maintaining scores above industry benchmarks	On track
Average training hours per employee	15.6 hours	14.4 hours	FY 2026 & Longer-Term Targets: Average of 16 training hours per employee per year	In progress

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Indicator / KPI	FY 2024 Performance	FY 2025 Performance	Targets	Status
SOCIAL				
Material ESG Topic: Health and Safety		UN SDGs:   		
Fatalities	Zero fatalities	Zero fatalities	FY 2026 & Longer-Term Targets: Zero fatalities and workplace accidents across operations in all business locations	In progress
Reportable workplace accident	One reportable workplace accident	One reportable workplace accident		
Instances of non-compliance with regulations and voluntary codes related to products and service information	No instances of non-compliance with regulations and voluntary codes related to products and service information	No instances of non-compliance with regulations and voluntary codes related to products and service information	FY 2026 & Longer-Term Targets: Zero instances of non-compliance with regulations and voluntary codes related to products and service information	On track
Material ESG Topic: Customer Satisfaction		UN SDGs: 		
Dead-On-Arrival rate for fish sales (%)	Dead-On-Arrival rate for fish sales at 2%	Dead-On-Arrival rate for fish sales at 2%	FY 2026 & Longer-Term Targets: <ul style="list-style-type: none"> Maintain the Dead-On-Arrival rate for fish sales of not more than 3% Uphold the highest standards of customer data privacy protection Continue to enhance customer satisfaction level with improved service and quality products 	On track
Incidents of non-compliance with Personal Data Protection Act ("PDPA") 2012	Zero incidents of non-compliance with PDPA 2012	Zero incidents of non-compliance with PDPA 2012		
Material ESG Topic: Innovation		UN SDGs: 		
Number of new products launched	23 new products	25 new products	FY 2026 & Longer-Term Targets: Develop more than 10 new products per year	On track

Indicator / KPI	FY 2024 Performance	FY 2025 Performance	Targets	Status
SOCIAL				
Material ESG Topic: Supply Chain Management		UN SDGs:   		
Participation in local and international trade events	Participation in the Food & Hotel Asia Exhibition and SIGEP & Restaurant Asia Exhibition	Participation in the Ag Tech International Agro Expo 2025, ZNA Koi Show 2025, My Cat Expo 2025 and China International Pet Show (CIPS) 2025	FY 2026 & Longer-Term Targets: <ul style="list-style-type: none"> Active participation in local and international trade events Drive responsible business practices across the supply chain Communicate our Supplier Code of Conduct on the onset of partnership 	On track
Driving responsible business practices across the supply chain	Drove responsible business practices across the supply chain	Drove responsible business practices across the supply chain		
Communicate our Supplier Code of Conduct	Communicated our Supplier Code of Conduct on the onset of partnership	Communicated our Supplier Code of Conduct on the onset of partnership		
GOVERNANCE				
Material ESG Topic: Business Ethics		UN SDGs: 		
Known cases of non-compliance with relevant laws and regulations	No known cases of non-compliance with relevant laws and regulations	No known cases of non-compliance with relevant laws and regulations	FY 2026 & Longer-Term Targets: <ul style="list-style-type: none"> Zero-tolerance on corruption and fraud Whistle-blowing procedures Commitment to release financial results no later than 20 days from the half-year end (unaudited results) and from the financial year end (audited results) Continuous strengthening of the ERM framework 	On track
Incidents of whistle-blowing	No incidents of whistle-blowing	No incidents of whistle-blowing		
	Half-year results (unaudited) released on 19 July 2024 and full year results (audited) released on 15 January 2025 "Best Risk Management – Silver" award at the Singapore Corporate Awards 2024	Half-year results (unaudited) released on 18 July 2025 and full year results (audited) released on 16 January 2026 "Best Annual Report – Gold", "Best Managed Board – Bronze" and "Best Risk Management – Silver" at the Singapore Corporate Awards 2025 Winner in Small Caps category at SIAS Shareholder Communications Excellence Award 2025		

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3. PROGRESSING OUR ENVIRONMENTAL STEWARDSHIP

At Qian Hu, environmental stewardship is integral to our long-term resilience, operational sustainability, and responsible management of natural resources. Our approach extends beyond resource efficiency to encompass climate action, decarbonisation planning, and climate-related risk management across our operations.

This section outlines our Roadmap, GHG emissions performance, and climate scenario analysis, alongside our management of energy, water, and waste. It also highlights our efforts to safeguard biodiversity and uphold animal welfare standards, reflecting our role as a steward of aquatic ecosystems.

Through measurable targets, operational initiatives, and continuous improvement, we align our environmental actions with the ISSB Standards, Singapore’s Green Plan 2030, and relevant international sustainability frameworks, while ensuring our business remains adaptive to evolving climate and regulatory landscapes.

Our Decarbonisation Roadmap

Qian Hu recognises the urgent need for decisive climate action and the responsibility of businesses to contribute meaningfully to global emissions reduction. In FY 2025, Qian Hu partnered with independent consultants to develop a Roadmap that outlines our long-term pathway toward lower-emission operations.

This Roadmap is aligned with Singapore’s national net-zero ambitions and guided by global climate objectives, including the Paris Agreement, while being tailored to Qian Hu’s operational realities. Designed as a dynamic, evolving framework, the Roadmap supports long-term resilience, operational efficiency, and sustainable growth.

Since FY 2022, we have disclosed Scope 1 and Scope 2 emissions to establish a robust baseline for decarbonisation planning. In FY 2023, we expanded coverage to selected Scope 3 categories, enhancing our visibility of upstream and downstream activities across our value chain.

In FY 2024, we conducted a qualitative CSA to assess the potential physical and transition risks and opportunities under different climate pathways, helping us identify areas of heightened exposure and resilience priorities across our operations. Building on this foundation, we further advanced our climate strategy in FY 2025 by completing a quantitative CSA, which informed the prioritisation and sequencing of actions within the Roadmap.

Long-Term Climate Ambition

Qian Hu’s long-term emissions reduction ambition is to progressively align with national and global net-zero trajectories. Our aspiration is to reach near-zero Scope 1 and Scope 2 operational emissions by FY 2050, acknowledging that the pace of reduction will depend on technological readiness, market conditions, renewable energy accessibility, and sector-wide transformation.

We have set the following interim and long-term operational emissions-reduction targets, using FY 2024 as our baseline year:



These targets reflect our commitment to reducing emissions through operational decarbonisation, renewable energy adoption, and efficiency improvements. While quantitative Scope 3 reduction targets have not been set, we continue to improve disclosure and supporting efficiency initiatives across the value chain.

Pathway to Net-Zero:

Qian Hu's decarbonisation pathway is anchored on three core pillars that address emissions across our operations, energy use and value chain – namely Operational Decarbonisation, Energy Transition and Value-Chain Collaboration. These pillars guide how we prioritise actions, allocate capital and operational resources, and sequence our transition initiatives in a practical and cost-effective manner.



Scope 1 – Operational Decarbonisation



Reduce direct emissions through fleet electrification, lower-carbon fuels, and the transition to low-GWP refrigerants

Scope 2 – Energy Transition



Lower electricity-related emissions by expanding on-site solar PV capacity and energy-efficient upgrades

Scope 3 – Value Chain Collaboration



Address upstream and downstream emissions through sustainable procurement, logistics efficiency, waste reduction, and product-design improvements

Together, these pillars form the backbone of Qian Hu's net-zero transition and shape the specific decarbonisation levers detailed in the following sections.

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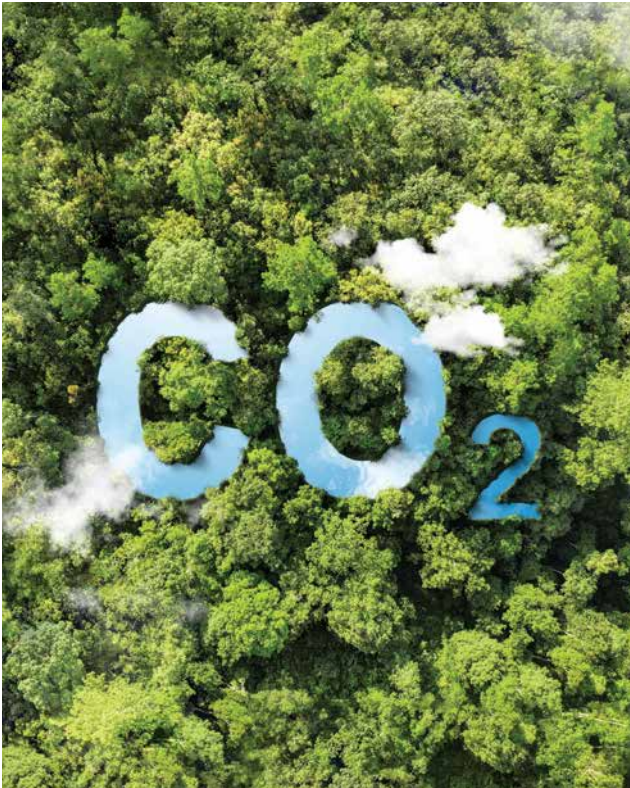


Scope 1 Emissions Reduction Levers

Scope 1 emissions arise from direct fuel combustion across Qian Hu's operations, including diesel and petrol used in our vehicle fleet, fuel consumed by backup power generators and cooking facilities, and fugitive emissions i.e. unintended GHG releases from refrigerants in air-conditioning and cooling systems. The largest contributor is our fossil-fuel vehicle fleet.

Given this emissions profile, our Scope 1 decarbonisation efforts focus on transitioning our fleet to electric or hybrid alternatives and reducing fuel use through more efficient delivery-route planning and operational scheduling. We also aim to progressively shift remaining fossil-fuel consumption, such as diesel used in generators, to lower-carbon alternatives where operationally feasible.

In parallel, we will phase out high-GWP refrigerants and replace them with lower-impact variants during equipment upgrades. Collectively, these initiatives form the core of our pathway to reducing direct emissions across our operations.



Progressively replace fossil-fuel vehicles with zero-emission or hybrid alternatives



Improve delivery-route planning to reduce fuel use



Transition high GWP refrigerants to low carbon variants



Transition fossil-fuel consumption to lower carbon alternatives

Scope 2 Emissions Reduction Levers

Scope 2 emissions comprise indirect emissions, arising from purchased electricity consumed at our owned and leased facilities, including farms, offices, and retail operations. These emissions represent a significant component of Qian Hu's overall carbon footprint. Addressing Scope 2 emissions requires a two-pronged approach: accelerating renewable energy adoption to reduce reliance on grid electricity and enhancing energy efficiency across facilities to lower overall consumption intensity.

Our decarbonisation pathway for Scope 2 centres on increasing our renewable electricity supply through the phased deployment of solar PV systems across our regional operations. We have already begun installing solar panels at our facilities in Thailand and Malaysia, and planning is underway to extend solar PV deployment to our Singapore farm. This progressive expansion of on-site renewable energy will reduce reliance on grid electricity and strengthen our long-term energy resilience.

In parallel, we continue to implement energy-efficiency measures across all operations. These include changing older air-conditioning and ventilation systems to more energy-efficient models, transitioning to LED lighting supported by smart controls and adopting variable-speed pumps and motors. We also continue to expand the use of ART to improve oxygen distribution and waste removal, supporting healthier aquatic conditions with lower energy and water intensity. Our single pump system – a centralised water circulation and filtration setup that replaces multiple individual pumps – also improves energy efficiency and water quality control across fish tanks. Both of these systems significantly reduce energy consumption in farm operations by optimising water flow and improving system efficiency.

Together, these initiatives form the foundation of our pathway to reducing electricity-related emissions while improving energy resilience and operational efficiency.



Expand solar panel installations across our regional operations, progressively increasing the share of self-generated renewable electricity to reduce reliance on grid-purchased energy



Improve energy performance through upgrades to equipment, lighting, and cooling systems, adopt energy-efficient motors and pumps, and expand the use of ART and the single pump system to optimise water flow and reduce energy consumption



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Scope 3 Emissions Reduction Levers

Scope 3 emissions refer to indirect emissions generated across Qian Hu's value chain, both upstream and downstream. Our current disclosures cover emissions from purchased goods and services (Category 1), capital goods (Category 2), fuel and energy-related activities (Category 3), upstream transportation and distribution (Category 4), employee commuting (Category 7), and downstream transportation and distribution (Category 9). These categories reflect the most material components of our value chain emissions and form the basis of our ongoing Scope 3 management efforts. While quantitative Scope 3 targets have not yet been set, we are strengthening data availability, supplier engagement, and operational practices to better manage and reduce these emissions over time.

A key focus area is strengthening procurement visibility, particularly for materials and services that contribute significantly to our Scope 3 footprint. We are gradually improving data collection and working toward greater transparency in our supply chain. As part of this effort, we aim to progressively understand the environmental attributes of the goods that we purchase, so that we can plan more effective decarbonisation planning in future.

Logistics and transportation represent another significant element of Scope 3 emissions. We are taking practical steps within our control to reduce transport-related emissions. These include consolidating shipments where possible, improving load efficiency across regions, and optimising delivery schedules to minimise unnecessary trips.

We are also committed to improving waste management and circularity across our operations. This includes optimising production processes to reduce material waste, expanding recycling programmes for plastics, metal, and packaging waste, and reducing reliance on single-use materials wherever feasible.

Finally, as part of our product innovation roadmap, we are incorporating ESG-driven design principles into new product development. This includes increasing product recyclability and exploring biodegradable or compostable materials for future product lines to reduce downstream environmental impact. As part of this effort, we have infused biodegradable AMT into our product line in FY 2025. These initiatives support our longer-term ambition to reduce downstream environmental impact across our value chain.

Collectively, these initiatives form the foundation of our long-term Scope 3 management approach and support the progressive decarbonisation of our value chain.



Strengthen procurement visibility by improving data collection and understanding the environmental attributes of key purchased goods



Optimise processes to minimise waste and increase recycling and circularity



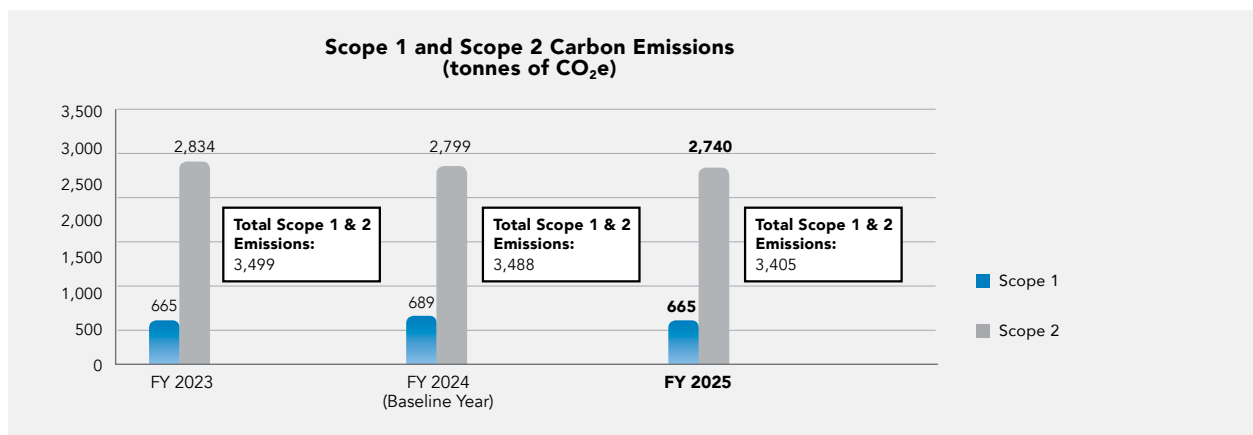
Reduce logistics-related emissions through shipment consolidation and low-emission delivery partners



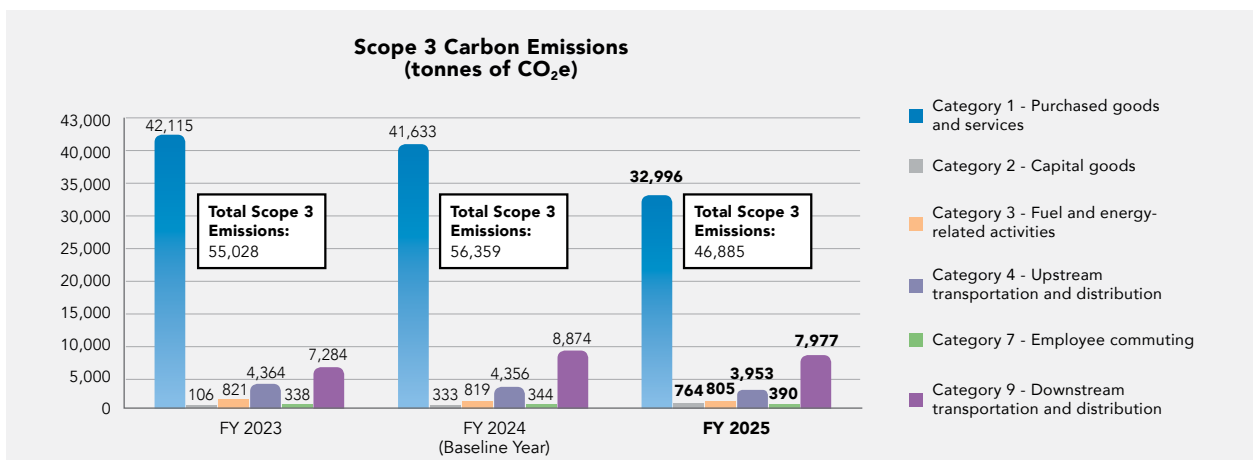
Enhance product sustainability through recyclable and biodegradable materials

Monitoring Our GHG Emissions

The combined Scope 1 and Scope 2 emissions for FY 2025 totalled 3,405 tCO₂e, compared to 3,488 tCO₂e in FY 2024, reflecting a 2.4% decrease change year-on-year. This performance reflects both ongoing efficiency initiatives and the early benefits of renewable energy adoption.



Scope 3 emissions for FY 2025 were 46,885 tCO₂e, compared to 56,359 tCO₂e in FY 2024, representing a 16.8% decrease change. The decrease is mainly attributable to lower emissions reported under Category 1 (purchased goods and services), which reflects changes in procurement volumes and product mix during the year.



Carbon Emissions (tonnes of CO ₂ e)	FY 2023	FY 2024	FY 2025
Scope 1	665	689	665
Scope 2	2,834	2,799	2,740
Scope 3	55,028	56,359	46,885
Total (absolute emissions)	58,527	59,847	50,290

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Sustainability

Methodology for GHG Emissions

GHG emissions calculations are based on the *GHG Protocol: A Corporate Accounting and Reporting Standard (2004)*.

The Group applies the operational control approach to define organisational boundaries, reporting emissions from facilities and operations over which it has operational authority. Emission factors, assumptions, and calculation methodologies are reviewed annually to ensure consistency, relevance, and alignment with IFRS S2 requirements.

Scope 1 emissions are calculated using activity data and emission factors taken from the UK Department for Environment, Food and Rural Affairs environmental reporting guidelines. Refrigerant emission factors were derived from IPCC, which provides GWPs for different refrigerant gases.

Scope 2 emissions are disclosed on a location-based basis. The emissions are calculated using activity data and emission factors derived from national grid data. For entities in Singapore, the emission factor for electricity generation was obtained from the Energy Market Authority. For overseas entities, the emission factors were obtained from the International Energy Agency's database.

Scope 3 emissions are reported for selected categories relevant to our value chain, including key upstream and downstream activities. Calculations use a combination of methods as follows:

- **Category 1 (Purchased goods and services):** Spend-based and Average-data method
- **Category 2 (Capital goods):** Spend-based method
- **Category 3 (Fuel and energy-related activities):** Average-data method
- **Category 4 (Upstream transportation and distribution):** Spend-based and Distance-based method
- **Category 7 (Employee commuting):** Distance-based method
- **Category 9 (Downstream transportation and distribution):** Spend-based and Distance-based method

In line with the GHG Protocol and ISSB S2, Scope 3 Category 1 (Purchased goods and services) covers major inputs such as plastics, packaging, and accessories. Fish purchases are also recognised as part of our business model. However, sector-specific emission factors for live ornamental fish are not yet available in established reporting frameworks. Accordingly, emissions from this category have not been quantified, but we will continue to monitor methodological developments in this area. We remain committed to progressively enhancing our Scope 3 coverage as industry-specific guidance evolves.

Accounting for Solar Energy in GHG Reporting

Electricity generated from solar PV systems installed at our facilities in Malaysia and Thailand does not contribute to Scope 1 or Scope 2 emissions, as solar power is a zero-emission renewable energy source. Instead, self-generated solar electricity directly reduces our Scope 2 emissions by lowering the amount of grid-purchased electricity we consume.

Upstream emissions from the manufacturing and transportation of solar panels are recognised under Scope 3 categories. However, these embodied emissions are minimal compared to the significant amount of avoided emissions achieved through reduced reliance on fossil-fuel-based grid electricity.



Deepening Our Climate Scenario Analysis

Building on Foundations

Since adopting the TCFD framework in FY 2022, Qian Hu has progressively advanced our climate risk management journey through a phased and structured approach. We established the foundations of our climate-related disclosures by formalising governance structures, outlining processes for identifying and managing risks, and began reporting Scope 1 and Scope 2 emissions.

In FY 2023, we deepened our assessment by categorising climate-related risks and opportunities across defined time horizons – short-term (within 2 years), medium-term (3-5 years), and long-term (beyond 5 years). We also enhanced our emissions methodology and disclosed selected Scope 3 categories for the first time, improving transparency across our value chain.

Building on this groundwork, we completed our first qualitative CSA in FY 2024, supported by independent third-party consultants. The assessment identified four physical risks and two transition risks across multiple time horizons. Throughout the process, we engaged key stakeholders extensively to gather climate insights across our operations and ensure alignment with business priorities. The findings were reviewed and validated by our Board and senior management to guide decision-making and ensure our strategies remain relevant and forward-looking.

The outcomes of the CSA were consolidated into a dedicated Climate Risk Register, which now forms part of our overall ERM framework. This register provides a structured foundation for ongoing monitoring, regular updates, and integration of climate-related risks into broader business planning.

Collectively, these steps have strengthened both our understanding of potential operational and financial impacts and the governance discipline underpinning climate-related risk management across the Group.

Advancing to Quantitative CSA

In FY 2025, we progressed to a quantitative CSA, modelling two distinct climate pathways – a transition-aligned scenario and a high-emissions scenario – to assess the potential impacts across Qian Hu's regional operations.

This quantitative assessment enhanced our ability to evaluate climate-related risks in financial terms. It linked climate variables to potential implications for revenue, operating cost structures, and asset performance, while analysing site-level exposure to physical hazards such as prolonged heat stress, rising temperatures, and location-specific risks including riverine flooding. The analysis also examined transition-related exposures arising from carbon pricing, regulatory developments, energy market dynamics, and technological shifts.



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Climate-Related Risks, Opportunities & Resilience

Parameters	
Climate scenarios	Below 2°C (RCP 2.6) and 4°C (RCP 8.5)
Time horizons	Short-term (2030), Medium-term (2050) and Long-term (2100)
Types of climate risks	Physical and Transition risks ¹
Coverage scope	Singapore, Malaysia, China, Thailand, Indonesia
Property type	Farms, Factories, Retail Outlets, Offices, etc.
Business segments	Fish, Accessories and Plastics

¹ Physical risks refer to acute or chronic risks related to the physical impacts of climate change, and transition risks refer to risks related to the transition to a lower carbon economy.

Forward-Looking Statements

Certain statements in this section relate to future climate scenarios, expectations, and strategic considerations and are forward-looking in nature. These statements are based on assumptions and information available at the time of reporting and are subject to uncertainties, including changes in policies, market conditions, technology, and climate outcomes. Actual results may differ as circumstances evolve.

Climate change presents a range of physical and transition risks that may affect Qian Hu’s operations, cost structures, and long-term business resilience. These risks arise from both acute and chronic physical climate impacts, as well as from evolving climate-related policies, market expectations, and technological shifts associated with the transition to a lower-carbon economy.

Qian Hu assesses and manages these risks through a structured CSA, integrated into our ERM framework and strategic planning processes.



Physical Risk	
Risk Type and Description	<p>Mean Air Temperature (Chronic) Chronic increases in mean air temperatures may drive higher cooling demands for indoor facilities, leading to increased operational costs. This may also contribute to ocean stratification and harmful algal blooms in warmer surface waters, increasing operational and capital costs for water filtration, replacement and cleaning. In addition, this may lead to elevated fish metabolic rates, reducing dissolved oxygen and increasing waste production, leading to higher operational costs for pond maintenance and aeration systems.</p> <p>Heatwave (Acute) Rising mean air temperatures from heatwaves may drive higher cooling demands for indoor facilities, leading to increased operating costs. Heatwaves can significantly raise water temperatures, threatening fish health and livestock mortality, which could elevate operational costs for temperature regulation and reduce revenue.</p>
Affected Time Horizons	Short-term (2030), Medium-term (2050) and Long-term (2100)
Potential Impact	<ul style="list-style-type: none"> • Energy demand is expected to increase driven by greater reliance on cooling, water filtration, aeration and circulation systems. This may result in higher operating costs across multiple systems, placing pressure on cost structures and potentially impacting profitability. • Greater exposure to electricity price volatility, particularly during periods of elevated energy demand. • Increased capital expenditure may be required to upgrade facilities with more climate-resilient and compliant infrastructure, driven by both physical climate impacts and evolving environmental and regulatory requirements. • Adverse impacts on fish health, breeding output, and survival rates, potentially reducing revenue and product quality.
Resilience Measures	<p>Infrastructure and Energy Resilience</p> <ul style="list-style-type: none"> • Enhance building and roof insulation to mitigate the heat stress, stabilise indoor conditions and protect water temperature critical to fish health. • Expand the deployment of on-site solar PV systems to offset increased electricity demand and reduce exposure to grid electricity price volatility. • Conduct regular maintenance and optimisation of machinery and equipment to ensure energy-efficient operation under higher temperature conditions. <p>Water and Temperature Management</p> <ul style="list-style-type: none"> • Deploy Multi-Tier Automated Recirculation Holding Tanks across farms to enable efficient water recycling, maintain stable water temperatures, and reduce the need for frequent water replacement under chronic warming conditions. • Apply ART to enhance biosecurity, improve water efficiency, and support fish health and yields under elevated temperature conditions. • Utilise RAS to maintain consistent water quality and temperature control through advanced filtration, aeration, and circulation technologies. <p>Water Quality and Biological Resilience</p> <ul style="list-style-type: none"> • Implement ultraviolet sterilisation, advanced filtration, and bacterial nitrification processes to maintain water quality, reduce ammonia and nitrate levels, increase dissolved oxygen, and mitigate the risk of harmful algal blooms associated with higher water temperatures. <p>Digital Monitoring and Early Warning Systems</p> <ul style="list-style-type: none"> • Deploy AI and IoT technologies, to enable real-time monitoring of critical water and environmental parameters allowing early intervention to reduce fish stress, mortality risks, and operational disruptions during heat events. <p>Operational and Biological Adaptation</p> <ul style="list-style-type: none"> • Promote energy awareness among employees and embed energy-efficiency practices into daily operations to minimise unnecessary cooling-related energy consumption. • Diversify species and stock profiles toward more heat-tolerant lines and support selective breeding programmes to improve long-term resilience to rising temperatures.

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Physical Risk	
Risk Type and Description	<p>Riverine and Coastal Flooding</p> <p>Rising sea levels and increased precipitation intensity may heighten the risk of coastal and riverine flooding at certain operational locations. Sea level rise may increase the likelihood of coastal inundation and saltwater intrusion into rivers and aquifers, while extreme rainfall events may elevate river levels and trigger overflow conditions. Together, these factors may increase exposure to flood-related hazards that could affect site accessibility, water availability, and the physical integrity of infrastructure over time.</p>
Affected Time Horizons	Short-term (2030), Medium-term (2050) and Long-term (2100)
Potential Impact	<ul style="list-style-type: none"> • Disruption to site access may delay the movement of staff, inputs, and products, resulting in lost production time, higher logistics costs, and potential revenue interruptions. • Coastal erosion and prolonged inundation may accelerate deterioration of facility foundations and infrastructure, leading to higher capital expenditure for repairs, reinforcement, or asset replacement over time. • Saltwater intrusion affecting freshwater resources may increase reliance on alternative water supplies or treatment processes, resulting in higher operating costs and potential increases in water procurement expenses. • Riverine flooding may damage critical infrastructure, machinery, and electrical systems, causing operational downtime, repair and replacement costs, and temporary loss of productive capacity. • Riverine and coastal flooding may inundate power infrastructure or restrict access to affected sites, disrupting electricity supply and impairing essential systems such as water pumps, aeration, and monitoring equipment. This could result in increased emergency operating costs, equipment damage, and indirect revenue losses.
Resilience Measures	<ul style="list-style-type: none"> • Incorporate flood risk considerations into site planning and facility design, including elevating buildings, critical infrastructure, and equipment above potential flood levels to reduce exposure to inundation, foundation damage, and water-related asset loss. • Install and maintain on-site drainage and water-management systems to manage excess surface water, reduce flood accumulation, and limit saltwater intrusion into freshwater resources used for operations. • Utilise RAS to maintain closed-loop water systems, reducing dependence on external freshwater supplies and mitigating risks associated with rising salinity, freshwater scarcity, and flood-related contamination. • Maintain backup power sources, such as generators, to support essential systems – including water pumps, aeration, and monitoring equipment – during flood-related access disruptions or power interruptions. • Conduct regular inspections and proactive maintenance of facilities, foundations, drainage systems, and equipment to identify and address early signs of degradation arising from prolonged exposure to coastal erosion, rising sea levels, or riverine flooding. • Integrate flood-related risks into scenario planning and infrastructure assessments, and invest in climate-resilient infrastructure upgrades informed by updated climate risk assessments to strengthen long-term operational resilience.



Transition Risk	
Risk Type and Description	<p>Policy & Regulation</p> <p>Evolving climate-related policies and regulatory frameworks – particularly the introduction or escalation of carbon pricing mechanisms such as carbon taxes – may increase operating costs across Qian Hu’s energy- and emissions-intensive activities.</p> <p>As jurisdictions progressively tighten climate regulations to meet national and international climate commitments, higher carbon taxes, stricter emissions reporting requirements, and enhanced compliance obligations may affect cost structures, capital allocation decisions, and long-term business planning. Differences in the timing and stringency of carbon pricing policies across operating markets may also introduce regulatory complexity and uncertainty.</p>
Affected Time Horizons	Short-term (2030), Medium-term (2050) and Long-term (2100)
Potential Impact	<ul style="list-style-type: none"> Higher operating costs may arise from the introduction or escalation of carbon taxes applied to fossil-fuel consumption and grid-purchased electricity, increasing energy-related expenditure across operations. Rising carbon costs may exert pressure on operating margins, particularly in price-sensitive or competitive markets. Increased compliance and administrative costs may result from enhanced emissions reporting, monitoring, and verification requirements associated with carbon pricing regimes. Capital expenditure requirements may increase as regulatory thresholds tighten, driving the need for investments in energy efficiency, renewable energy, and lower-emission technologies to manage long-term carbon cost exposure. Exposure to regulatory uncertainty may affect long-term planning and investment decisions, particularly where carbon pricing policies evolve at different paces across operating jurisdictions.
Resilience Measures	<ul style="list-style-type: none"> Embed climate and carbon cost considerations into long-term strategic planning, capital allocation, and operational decisions to better manage exposure to evolving carbon pricing and regulatory requirements. This includes assessing opportunities to increase renewable energy adoption, such as utilising available farm space for ground-mounted or rooftop solar PV installations where feasible. Progressively strengthen energy efficiency and renewable energy initiatives to lower reliance on fossil-fuel-based energy sources, thereby mitigating long-term exposure to rising carbon taxes and regulatory cost pressures. Monitor evolving regulatory requirements and customer sustainability expectations across operating markets, and maintain up-to-date documentation of existing sustainability practices – including water quality management, waste handling, and renewable energy adoption – support timely compliance and facilitate certification or disclosure requirements where needed. Track policy and regulatory developments relevant to climate transition risks and incorporate insights into internal governance, risk management, and periodic reviews to ensure continued alignment with national and international climate objectives.



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Transition Risk	
Risk Type and Description	<p>Market and Technology Shifts</p> <p>The transition toward a lower-carbon economy may drive shifts in market preferences and technological standards, particularly as customers, regulators, and business partners increasingly favour environmentally sustainable products and operations. Changes in consumer demand – such as a growing preference for eco-friendly and biodegradable alternatives – may affect the commercial viability of certain plastic-based products.</p> <p>At the same time, accelerated adoption of low-emission and energy-efficient technologies may require ongoing investment in new machinery, product innovation, and operational upgrades. These shifts may increase capital and operating costs and introduce implementation and transition risks as the Group adapts to evolving market and technology expectations.</p>
Affected Time Horizons	Short-term (2030), Medium-term (2050) and Long-term (2100)
Potential Impact	<ul style="list-style-type: none"> • Revenue pressure may arise from shifting customer preferences toward more environmentally sustainable products, potentially reducing demand for certain plastic-based offerings and requiring diversification into alternative materials or product lines. • Higher capital expenditure may be required to invest in new machinery, production processes, and biodegradable or alternative raw materials to adapt to evolving market expectations and product standards. • Increased operating and transition costs may result from continual upgrades, research and development activities, and the adoption of new energy-efficient or lower-emission technologies as decarbonisation accelerates across the industry. • Operational disruption risks may occur during technology transitions, including temporary inefficiencies, learning curves, or downtime associated with the implementation of new systems or processes. • Rising energy costs – including projected increases in electricity prices driven by market and policy changes – may increase operating expenses for energy-intensive activities, potentially affecting cost competitiveness. • Compliance and market access risks may emerge as customers, large retailers, distributors, and financiers increasingly require product-level GHG data, climate resilience information, and sustainability disclosures as part of procurement, financing, or partnership decisions. • Additional compliance-related costs may be incurred to meet stricter environmental, reporting, and assurance requirements as market and regulatory expectations continue to evolve. • Transition-related risks may also arise across the value chain. Potential increases in electricity prices, carbon-related costs embedded in supplier inputs, and evolving customer sustainability requirements could influence procurement costs, margin dynamics and market access over time.
Resilience Measures	<ul style="list-style-type: none"> • Continue to strengthen research and development efforts to support the design and deployment of lower-emission, eco-friendly, and sustainable products that respond to evolving customer preferences and regulatory expectations. • Explore and adopt biodegradable and alternative raw materials where feasible, while prioritising waste reduction, recycling, and reuse initiatives – including reintegration of recovered plastic resins into production processes – to manage transition costs and reduce reliance on conventional plastics. • Progressively transition from reliance on conventional grid electricity toward a blended renewable energy strategy, including the evaluation and expansion of solar PV installations, to mitigate exposure to rising electricity prices and support internal emissions-reduction objectives. • Assess opportunities to incorporate lower-emission technologies, including electric vehicles and energy-efficient equipment, to reduce operational emissions, improve cost efficiency, and align with longer-term decarbonisation pathways. • Diversify export routes and inland distribution hubs to reduce reliance on single corridors that may be vulnerable to climate-related disruptions, supporting continuity of operations under changing market and environmental conditions. • Monitor evolving customer, retailer, distributor, and financier sustainability requirements, and maintain documentation of product-level emissions, sustainability practices, and climate-resilience measures to support market access and disclosure expectations. • Integrate insights from qualitative and quantitative CSA into strategic planning, capital investment decisions, and operational reviews to anticipate technology shifts, regulatory changes, and emerging market expectations. • Value-chain exposures are monitored through the Group’s ERM framework. The Group regularly reviews supplier cost trends, customer requirements, and regulatory developments to assess potential impacts on operating margins and procurement strategies, and incorporates these insights into strategic planning and capital allocation decisions.

While climate change presents material risks, it also creates opportunities for Qian Hu to strengthen operational efficiency, enhance resilience, and respond to evolving market and regulatory expectations. These opportunities are primarily linked to resource efficiency, energy transition, product innovation, and market readiness, and are closely aligned with initiatives already implemented across the Group.

Opportunities	
Opportunities and Description	Potential Implications
<p>Resource Efficiency</p> <ul style="list-style-type: none"> Continued deployment of advanced aquaculture systems such as Multi-Tier Automated Recirculation Holding Tanks, ART, RAS, and single-pump systems enhances water and energy efficiency, improves biosecurity, and supports stable fish health under changing environmental conditions. Adoption of digital aquaculture tools – including AI- and IoT-enabled monitoring of water quality and fish behaviour – supports productivity improvements, reduces operational risks, and lowers long-term operating costs. 	<ul style="list-style-type: none"> Improved operational efficiency through optimised water and energy use. Reduced resource intensity from water recycling and energy-efficient systems. Potential long-term cost savings from lower water consumption and reduced energy usage. Reduced exposure to future fossil fuel price increases through lower reliance on conventional energy sources. More stable farming conditions that may support improved production yields over time. Reduced fish mortality risks, contributing to more consistent output and operational resilience.
<p>Energy</p> <ul style="list-style-type: none"> Expansion of on-site solar PV installations at selected facilities supports reduced reliance on grid electricity and mitigates exposure to rising electricity prices and carbon-related costs. Evaluation of lower-emission technologies, including electric vehicles and energy-efficient equipment, supports gradual decarbonisation of operations while improving cost efficiency over time. 	<ul style="list-style-type: none"> Lower long-term energy cost exposure through reduced reliance on grid electricity. Improved cost predictability by increasing the share of self-generated and lower-emission energy. Reduced sensitivity to future electricity price volatility and carbon pricing mechanisms. Gradual improvement in operational cost efficiency from the adoption of energy-efficient and lower-emission technologies.
<p>Products and Services</p> <ul style="list-style-type: none"> Ongoing research and development in biodegradable and antimicrobial product solutions, including the deployment of Natureal products in collaboration with N&E Innovations, supports alignment with shifting customer preferences and regulatory trends. Increased focus on circularity through recycling and reintegration of recovered plastic resins helps manage transition costs while reducing dependence on conventional plastics. 	<ul style="list-style-type: none"> Improved product relevance in sustainability-conscious markets. Enhanced competitiveness through differentiated, lower-impact product offerings. Reduced risk of product obsolescence as regulatory and market expectations evolve. Stronger customer engagement and brand positioning linked to sustainable product innovation. Potential access to new markets and customer segments through the development and sale of environmentally responsible products.
<p>Market</p> <ul style="list-style-type: none"> Strengthened emissions reporting, climate scenario analysis capability, and sustainability documentation support engagement with customers, retailers, distributors, and financiers that increasingly require climate-related disclosures and resilience information. Proactive climate risk management enhances credibility with regulators, business partners, and investors. 	<ul style="list-style-type: none"> Sustained access to key markets as procurement and disclosure requirements evolve. Improved stakeholder confidence among customers, business partners, financiers, and regulators. Enhanced readiness for climate-related procurement, financing, and reporting expectations. Strengthened international reputation and recognition as sustainability practices mature. Potential revenue benefits across business segments supported by improved market credibility and customer trust. Improved access to green or sustainability-linked financing opportunities as climate governance and disclosures strengthen.

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Opportunities	
Opportunities and Description	Potential Implications
<p>Resilience</p> <ul style="list-style-type: none"> Investment in resilient farming systems, diversified distribution routes, and localised capabilities supports continuity of supply under physical and transition-related climate risks. Integration of climate considerations into enterprise risk management and strategic planning strengthens long-term business resilience. 	<ul style="list-style-type: none"> Greater operational stability across operating markets. Reduced disruption risk from climate-related, macroeconomic, or logistical shocks. Enhanced supply chain reliability and operational resilience under diverse and unexpected conditions. More consistent supply availability, supporting customer confidence and continuity of operations. Strengthened value proposition across business segments through resilient and reliable operations. Potential growth in revenue supported by consistent supply availability and strengthened market positioning. Improved access to funding opportunities and potential revenue benefits across business segments as resilience and sustainability capabilities mature.

Resilience of Our Strategy

Our CSAs indicate that Qian Hu’s strategic direction remains resilient across the climate pathways assessed.

Under a transition-aligned scenario, projected increases in carbon pricing and electricity costs are partially offset by planned renewable energy expansion, energy-efficiency measures, and ongoing emissions management initiatives. While operating costs may increase under tighter regulatory conditions, the overall financial impact is assessed as manageable relative to projected revenue growth and operational scaling.

Under a higher-emissions scenario, physical risk exposures are concentrated in specific geographies and time horizons, particularly relating to rising temperatures and flood-related disruptions. These risks are mitigated by existing investments in resilient farming systems, recirculating aquaculture technologies, water and energy optimisation, and infrastructure upgrades. Although certain operating and maintenance costs may increase, the Group’s core business model remains viable across the assessed time horizons.

The CSAs have reinforced the importance of integrating climate considerations into strategic planning, capital allocation, and ERM. Insights from the analysis are reflected in Qian Hu’s Decarbonisation Roadmap and inform ongoing investment decisions, operational priorities, and governance processes.

Based on our quantitative CSA, no material impairment indicators were identified as at FY 2025, and no adjustments to asset carrying values were required. However, increased capital allocation toward energy efficiency and renewable energy initiatives has been incorporated into our medium-term planning assumptions, reflecting a proactive response to transition risks and potential carbon cost exposure. Climate-related risks and opportunities are reviewed periodically as part of budgeting and capital planning processes to assess potential impacts on operating costs, asset useful lives, and investment prioritisation.

Qian Hu will continue to enhance its assessments over time to support long-term business resilience.



Managing Our Energy & Water Intensity

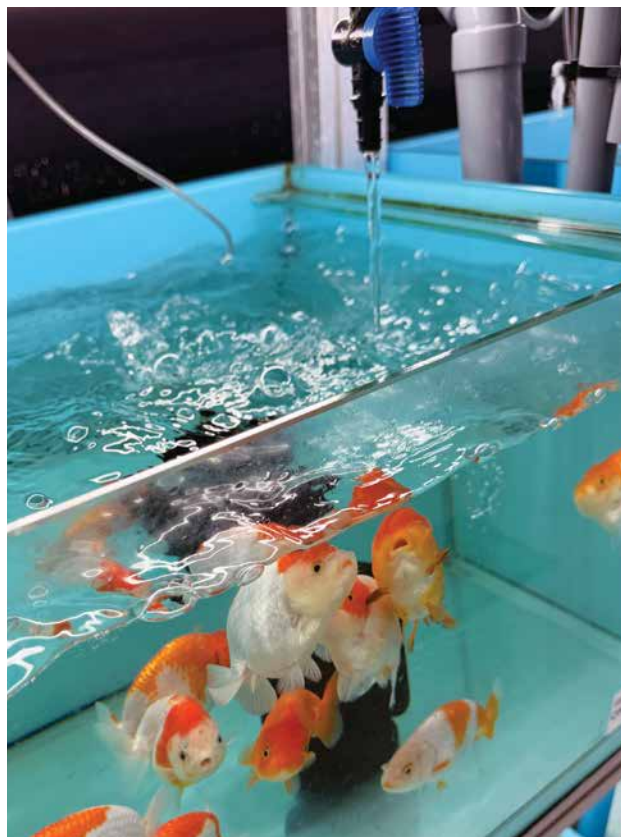
Energy Consumption

Energy use is a significant part of our environmental footprint, particularly electricity consumed in our operational activities. To minimise energy usage, we actively foster employee awareness of energy consumption, integrating sustainability goals into daily operations. This includes practical measures, such as ensuring air conditioning and fans are turned off when not in use, reinforcing Qian Hu's commitment to minimising energy waste and improving our purchased electricity intensity.

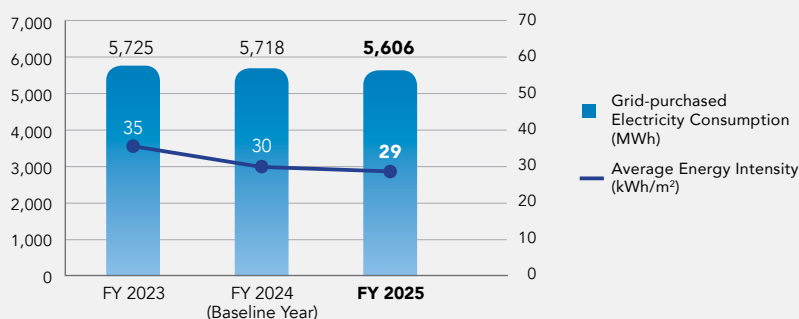
We have also embraced renewable energy solutions where feasible. For example, our subsidiaries in Thailand and Malaysia have installed solar panels to generate electricity for specific operational needs. This initiative has helped to lower our carbon footprint, reduce reliance on the national grid, and bring about cost savings.

In FY 2025, our group-wide grid-purchased electricity consumption totalled 5,606 MWh, which was a decrease of 2.0% as compared to 5,718 MWh in FY 2024. Average energy intensity decreased by 3.3% compared to FY 2024.

Qian Hu has set progressive reduction targets for purchased electricity intensity to strengthen resource stewardship and align with long-term climate ambitions. Details on our target-setting process and performance against targets are provided on page 53 of this Report.



Grid-purchased Electricity Consumption and Intensity



Note:

- Electricity consumption attributed to renewable sources has been excluded in the data reported.
- Average energy intensity (kWh/m²) is calculated using total grid-purchased electricity divided by total gross floor area.

SUSTAINABILITY REPORT

Water Management

Water is a critical resource in Qian Hu’s operations, particularly within our Ornamental Fish and Aquaculture segments. We remain committed to enhancing water efficiency, conservation, and treatment through innovative technologies and responsible practices.

To supplement operational needs, our farms utilise water storage systems at our farms to collect and retain natural sources like rainwater. This reduces reliance on municipal supplies while ensuring compliance with prevailing laws and regulations governing natural resource extraction.

Over the years, Qian Hu has progressively strengthened its water management framework. We first introduced an Environmental Management System (EMS) to systematically monitor and reduce water usage, laying a strong foundation for responsible resource stewardship.

Building on this, we invested in advanced water treatment systems for holding tanks that apply bacterial nitrification to lower ammonia and nitrate levels while boosting dissolved oxygen. This process significantly enhances water quality, enables efficient water reuse, and reduces overall consumption. We further upgraded our holding area with RAS, which recycle and reuse water within controlled environments. Incorporating advanced filtration and aeration technologies, RAS minimises ammonia build-up and ensures stable, optimal conditions for aquatic life, while reducing reliance on external water sources.

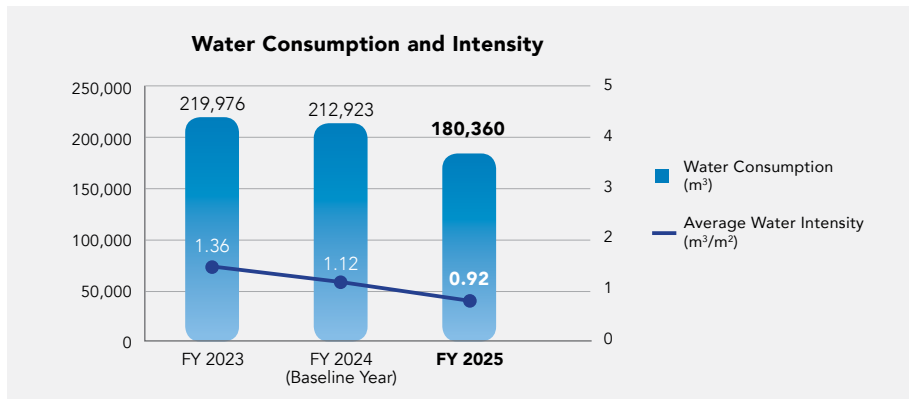
We also implemented the ART system – a standalone, land-based recirculation system with zero discharge. ART enhances biosecurity, lowers the risk of disease outbreaks or cross-contamination, and improve operational efficiency while addressing rising temperatures and supporting sustainable fish yields.

Today, Qian Hu combines these innovations – from RAS and ART – to safeguard water quality, minimise chemical use, and maintain healthier aquatic ecosystems. We also consistently monitor water quality and manage effluents across our fish and aquaculture operations. To uphold stringent standards, we have implemented a comprehensive water quality testing regime, including annual assessment by an independent third-party at our Singapore farm. Key parameters such as biochemical oxygen demand, chemical oxygen demand, total suspended solids, and total dissolved solids, are regularly monitored to ensure they remain within acceptable limits.

We have set out below our group-wide water consumption level in FY 2025. Total water consumption decreased to 180,360 m³, compared to 212,923 m³ in FY 2024, while water use intensity improved to 0.92 m³/m², from 1.12 m³/m² in FY 2024. These reductions reflect our continued efforts to optimise water management practices across our facilities.

While current data represents only utility and well water sources, we are enhancing our measurement and data collection tools to capture water drawn from other natural sources more accurately. Meanwhile, we will continue improving our water management process to achieve greater efficiency and long-term savings.

Qian Hu has established phased water use intensity reduction targets to strengthen resource stewardship and operational resilience. Details on our target setting process and performance against targets are provided on page 53 of this Report.

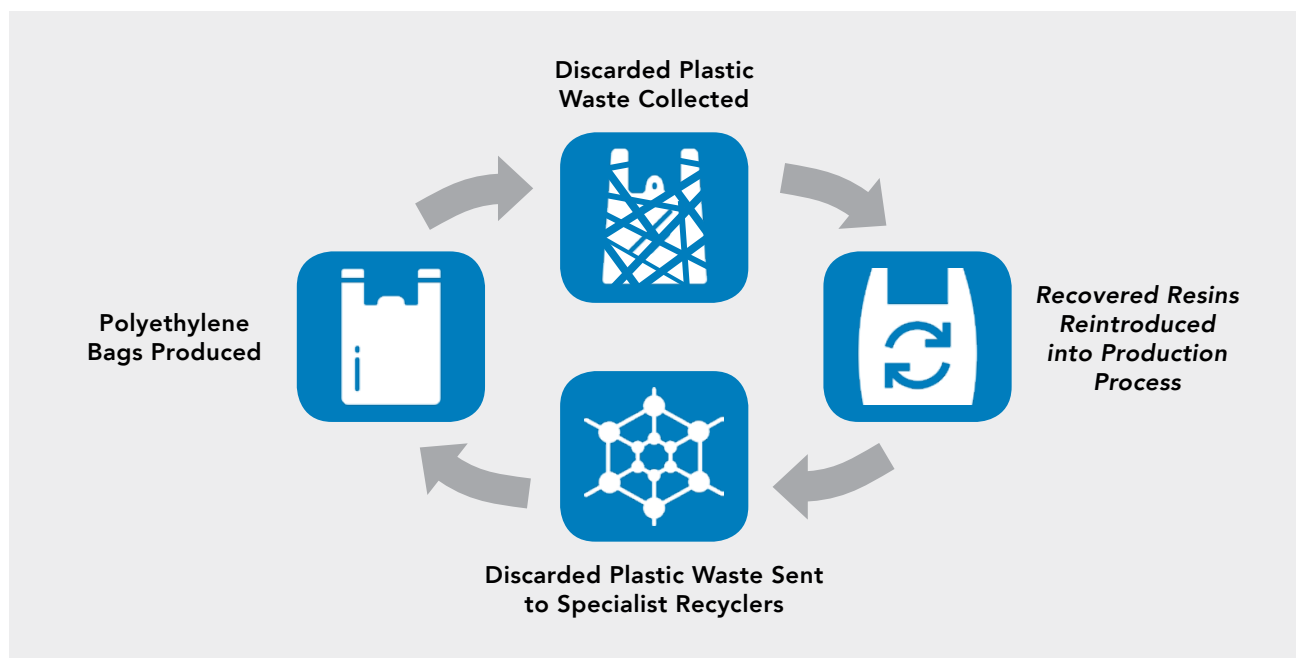


Waste Management

Waste management is an important aspect of Qian Hu's sustainability approach, given its potential to impact the environment through climate change, pollution, and public health concerns. Our operations require substantial use of packaging materials such as cartons, plastic bags, and styrofoam boxes. These materials form the majority of our waste stream and therefore remain the focus of our efforts to minimise, reuse, and recycle.

Our strategy emphasises tackling waste at source. Packaging materials like cartons, plastic bags, and styrofoam boxes are reused wherever possible and recycled after use, which lowers disposal volumes and reduces environmental impact. Since the bulk of this waste is recyclable or reused, the impact on general waste generation is assessed to be minimal, and we have therefore excluded these amounts from this Report.

A core part of our waste management activities is carried out by our subsidiary, Qian Hu Tat Leng Plastic Pte. Ltd. ("**QHTL**"), which manufactures high- and low-density polyethylene bags for commercial and industrial customers. Discarded plastic waste is collected and sent to specialist recyclers, with the recovered resins reintroduced into QHTL's production process. This circular approach reduces dependence on virgin raw materials, lowers disposal requirements, and reinforces our commitment to a closed-loop plastics economy.



In FY 2025, QHTL recycled 69 tonnes of plastic waste, compared to 91 tonnes in FY 2024, due to lower wastage during the production process. Other entities in the Group also recycled materials such as aluminium, steel, carton, styrofoam, and glass. During the year, the Group recycled 29 tonnes of aluminium, steel, carton, plastic, styrofoam and glass waste, compared to 32 tonnes in FY 2024. These efforts not only reduce landfill demand but also improve cost efficiency and resource recovery.

Qian Hu will continue strengthening its waste reduction practices through supplier partnerships, operational efficiency, and product innovation. We are also exploring alternative packaging materials and solutions to further reduce reliance on single-use plastics.

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Safeguarding Our Natural Biodiversity

As a leading integrated Ornamental Fish provider exporting and distributing to over 80 countries, Qian Hu remains committed to protecting ecosystems and habitats that may be affected by our operations. Safeguarding biodiversity continues to be a cornerstone of our environmental stewardship.

A key focus for the Group is preventing the unintentional release of non-native aquatic species into surrounding ecosystems, which could disrupt biodiversity. To mitigate this risk, our Singapore fish farm and breeding ponds are equipped with sedimentation ponds that serve as natural barriers, capturing fish that may escape during storms or floods and preventing them from entering local waterways.

We also maintain strict adherence to the Convention on International Trade in Endangered Species of Wild Fauna and Flora, ensuring that our international trade practices contribute to the conservation of wild species and do not threaten their survival. This commitment underscores our role as a responsible steward of biodiversity across global markets.

To the best of our knowledge, there were no reported incidents of significant impact on biodiversity in the areas where we operate during FY 2025.

Contributing Our Efforts to Animal Welfare

Animal welfare continues to be at the heart of Qian Hu's daily operations. As a business entrusted with livestock, ensuring responsible handling is vital to prevent disease outbreaks, reduce mortality, and safeguard the well-being of aquatic species under our care.

To uphold high standards of care, we maintain robust fish quarantine procedures across our farms. Our Multi-Tier Automated Recirculation Holding Tank System, integrated with ultraviolet sterilisation, helps remove pathogens and ensures cleaner water quality. In addition, RAS are deployed to maintain stable water conditions through advanced aeration and filtration, minimising ammonia build-up and supporting optimal fish health, even under temperature fluctuations.

We complement these measures with daily water quality testing, focusing on pH, temperature, ammonia, nitrates, and alkalinity. Where treatment is required, only approved antibiotics are used responsibly for ornamental fish. Our R&D team continues to identify parasites and apply targeted methods to maintain fish health without overreliance on chemicals.

Technology remains a critical enabler for the Group as well. Following the acquisition of Aquaeasy Pte Ltd, Qian Hu has integrated AI and IoT tools into our farming practices, enabling real-time monitoring of dissolved oxygen, pH levels, and livestock behaviour. These data-driven insights reduce feed wastage, strengthen biosecurity, and optimise overall pond conditions.

In FY 2025, we expanded our partnership with N&E Innovations to commercialise AMT, which harnesses biodegradable materials from fruit waste. Unlike traditional disinfectants that may irritate pets' skin, AMT offers a safe, eco-friendly alternative with long-lasting antimicrobial protection. This year, we launched AMT-based pet care products, including skin relief and wipes, marking a milestone in sustainable and welfare-focused innovation for the wider pet industry.

Recognising that human factors are central to animal welfare, we continue to prioritise training for all employees handling livestock. Staff receive comprehensive guidance on quarantine, handling, and disease prevention protocols tailored to different fish species.

These practices reinforce our zero-compromise approach to animal welfare and biosecurity. In FY 2025, our average monthly in-house fish loss rate was 6%. We have set a target to maintain an average monthly in-house loss rate of not more than 5%, reinforcing our commitment to continuous improvement in animal health and care standards.

4. DRIVING PERFORMANCE ACROSS OUR ECOSYSTEM

Our Diversity, Equality & Inclusion Philosophy

At Qian Hu, our “People First” philosophy continues to guide us in building a workplace where every individual feels respected, valued, and empowered to thrive. We believe that diversity of perspectives and experiences drives innovation, strengthens decision-making, and underpins our long-term performance.

Our workforce in FY 2025 remained diverse across gender (35% women and 65% men) and age (20% under 30 years old, 59% aged between 30 to 50 years old, and 21% aged 50 and above), reflecting the demographic realities of our industry. This mix allows us to balance experience with new ideas and ensures Qian Hu benefits from a wide range of perspectives. At the Board level, diversity is also reflected with 50% female representation and 75% independent directors, demonstrating our belief that balanced perspectives enhance governance and decision-making. Details on our Board Diversity Policy can be found on pages 98 and 99 of this Annual Report. Together, this demonstrates our holistic approach to diversity across the organisation.

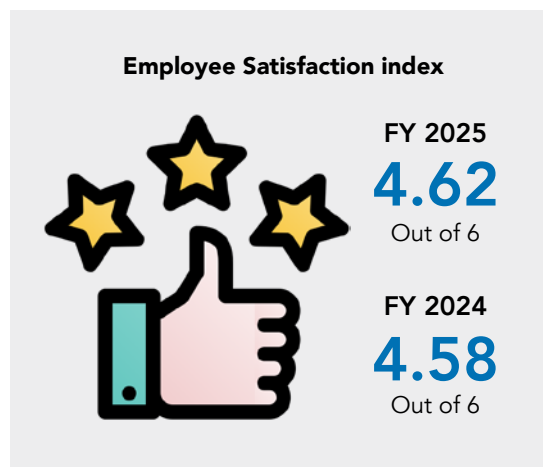
We remain dedicated to building an inclusive culture where opportunities are based on merit and ability, consistent with the Tripartite Guidelines on Fair Employment Practices. To attract and retain talent, our remuneration structure combines fixed and performance-based variable components, complemented by a comprehensive suite of benefits such as parental leave, birthday leave, and compassionate leave, alongside statutory benefits as mandated by manpower regulations. During the year, we achieved an Employee Satisfaction Index of 4.62 out of 6, reflecting a stable level of employee engagement.

In FY 2025, we welcomed 79 new hires and recorded 97 resignations, translating to a new hire rate of 15.7% and turnover rate of 19.3%. These results reflect our ongoing efforts to enhance retention and create a supportive workplace culture.

Qian Hu is unwavering in its commitment to respecting human rights and ensuring ethical practices across our operations. We strictly prohibit child labour, forced labour, and human trafficking, and comply fully with the Singapore Prevention of Human Trafficking Act 2014 (Chapter 45), as well as relevant regulations in all countries where we operate. While our operations do not involve trade unions and no employees are covered under collective bargaining agreements, we prioritise open communication and transparent employment practices.

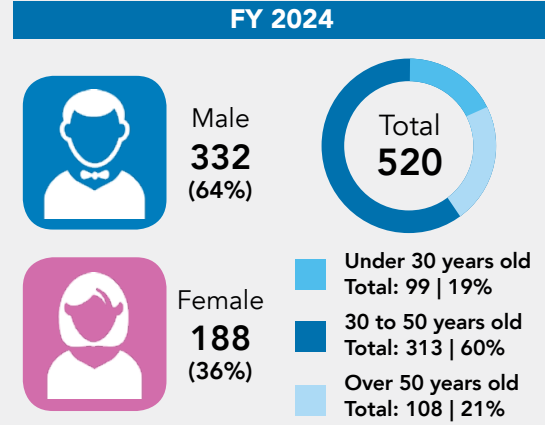
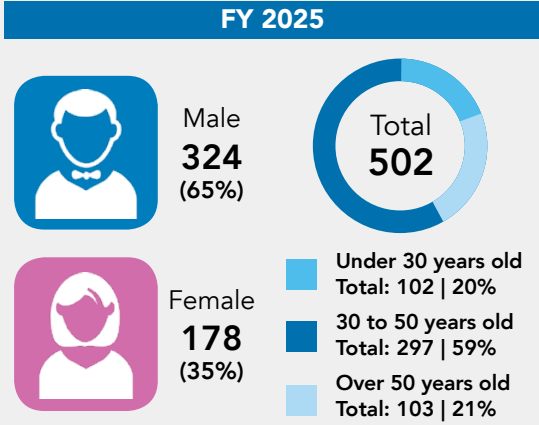
In FY 2025, there were no reported cases of discrimination or human rights violations, underscoring our strong compliance culture and commitment to fairness and dignity for all employees.

Looking ahead, we will continue to embed diversity, equity, and inclusion into our culture and leadership practices, ensuring Qian Hu remains a workplace where people of all backgrounds can thrive, contribute, and grow.

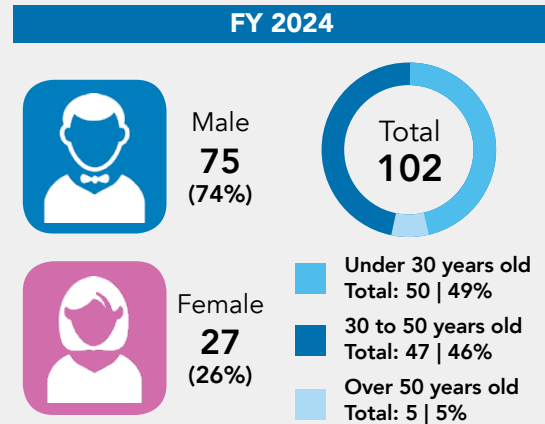
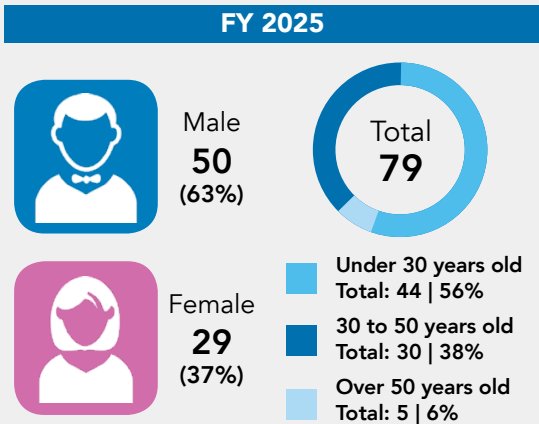


SUSTAINABILITY REPORT

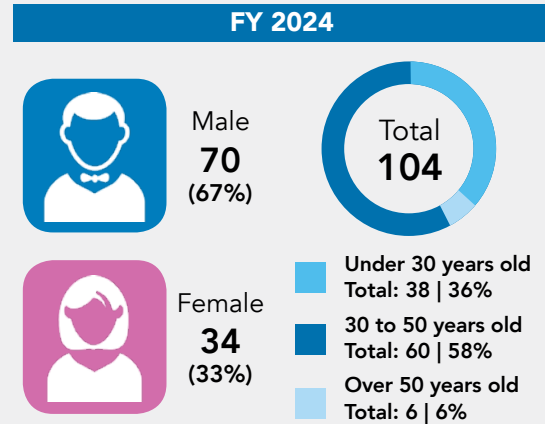
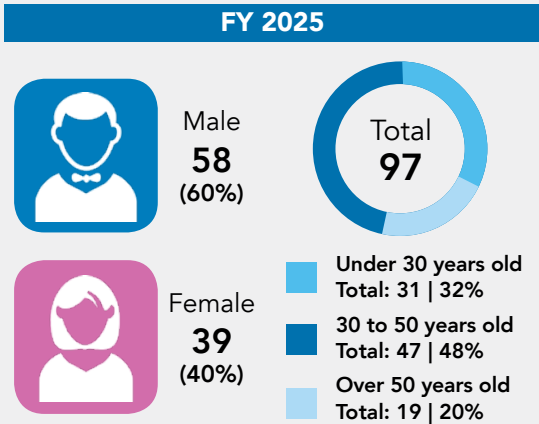
Employees by Gender and Age Groups



New Hires by Gender and Age Groups



Turnover by Gender and Age Groups



Key Employee Data

	SINGAPORE			MALAYSIA			THAILAND			INDONESIA			CHINA			TOTAL		
EMPLOYEE PROFILE (NUMBER)	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Total Employees	184	187	180	62	68	74	93	90	95	38	34	31	125	141	142	502	520	522
Employees by Gender																		
Male	128	127	120	42	44	48	68	66	69	29	27	24	57	68	66	324	332	327
Female	56	60	60	20	24	26	25	24	26	9	7	7	68	73	76	178	188	195
Employees by Age Group																		
Under 30 years old	29	28	25	10	11	14	30	27	27	15	11	11	18	22	20	102	99	97
30 to 50 years old	93	92	91	39	43	47	60	61	66	21	20	17	84	97	101	297	313	322
Over 50 years old	62	67	64	13	14	13	3	2	2	2	3	3	23	22	21	103	108	103
Employees by Employee Category																		
Key management	16	19	18	2	1	1	2	2	2	2	2	2	1	1	1	23	25	24
Middle management and Executives	64	65	48	30	36	25	28	31	34	1	2	1	30	32	21	153	166	129
Admin & Operational staff	104	103	114	30	31	48	63	57	59	35	30	28	94	108	120	326	329	369
Employees by Employment Contract																		
Permanent	181	183	180	62	68	74	93	90	95	38	34	31	125	141	142	499	516	522
- Full time	176	178	176	62	68	74	93	90	95	37	33	30	125	141	142	493	510	517
- Part time	5	5	4	0	0	0	0	0	0	1	1	1	0	0	0	6	6	5
Temporary	3	4	0	0	0	0	0	0	0	0	0	0	0	0	0	3	4	0
Employees by Length of Service																		
Less than 5 years	73	71	64	24	23	39	29	25	25	15	12	9	40	53	60	181	184	197
5 to 10 years	26	31	31	14	21	15	15	28	33	12	14	14	43	42	36	110	136	129
Over 10 years	85	85	85	24	24	20	49	37	37	11	8	8	42	46	46	211	200	196
New Hires																		
Total new hires	27	38	31	20	13	13	12	8	9	5	3	0	15	40	76	79	102	129
New Hires by Gender																		
Male	21	25	15	15	12	11	6	5	5	3	3	0	5	30	60	50	75	91
Female	6	13	16	5	1	2	6	3	4	2	0	0	10	10	16	29	27	38
New Hires by Age Group																		
Under 30 years old	16	18	16	8	7	7	11	6	9	4	0	0	5	19	34	44	50	66
30 to 50 years old	8	17	15	10	5	5	1	2	0	1	3	0	10	20	41	30	47	61
Over 50 years old	3	3	0	2	1	1	0	0	0	0	0	0	0	1	1	5	5	2
Turnover																		
Total turnover	30	31	39	26	19	13	9	13	8	1	0	0	31	41	71	97	104	131
Average monthly turnover rate (%)	1.4	1.4	1.8	3.5	2.3	1.5	0.8	1.2	0.7	0.2	0.0	0.0	2.1	2.4	4.2	1.6	1.7	2.1
Turnover by Gender																		
Male	20	18	24	17	16	10	4	8	4	1	0	0	16	28	59	58	70	97
Female	10	13	15	9	3	3	5	5	4	0	0	0	15	13	12	39	34	34
Turnover by Age Group																		
Under 30 years old	12	11	11	5	7	4	6	6	7	0	0	0	8	14	27	31	38	49
30 to 50 years old	8	17	22	18	9	7	3	7	1	0	0	0	18	27	41	47	60	71
Over 50 years old	10	3	6	3	3	2	0	0	0	1	0	0	5	0	3	19	6	11

SUSTAINABILITY REPORT

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Sustainability

Empowering Through Development & Learning

At Qian Hu, we believe that empowering our employees through continuous learning and growth is fundamental to achieving business success and sustaining long-term performance. Guided by our Staff Development and Learning Framework, we provide structured opportunities for employees across all divisions to strengthen competencies, develop leadership skills, and prepare for future challenges.

A Structured Learning Framework

Our structured learning framework ensures that training is role-specific, relevant, and accessible to all staff. By tailoring learning pathways, we enable employees to build functional expertise while also encouraging cross-functional exposure and collaboration across departments.

Structured learning takes place through a blend of methods, including on-the-job training, digital learning, workshops, mentoring, and coaching, ensuring a holistic and practical approach. We complement this with career development initiatives under our structured career planning process, which provides every employee with a progressive pathway aligned with individual aspirations and organisational goals.

Upskilling & Growth Support

In FY 2025, our employees participated in training programmes covering core operational skills, digital adoption, sustainability awareness, and leadership development. Growth support was further reinforced through one-on-one career coaching, internal leadership courses such as supervisor training, cross-division job rotations, and project-based learning opportunities.

On average, our employees completed 14.4 training hours per person in FY 2025 (FY 2024: 15.6 hours), reflecting our ongoing investment in workforce capability building. Female employees recorded an average of 9.1 training hours, while male employees recorded 17.4 training hours, underscoring our commitment to equitable access to development opportunities.

Leadership & Succession

To ensure business continuity and long-term resilience, we continue to groom our next generation of leaders through a structured succession planning programme that has been in place since 2004. This programme includes cross-functional exposure, job rotations, and leadership performance reviews, enabling high-potential employees to develop the skills and experience necessary to assume senior leadership roles in the future.



Ensuring Our Employee Health, Safety & Wellbeing

At Qian Hu, the health, safety, and wellbeing of our employees remain a top priority. We adopt a holistic approach that combines robust workplace safety management with proactive wellness initiatives to foster a safe, healthy, and supportive work environment.

Workplace Health & Safety

Creating and maintaining a safe workplace is fundamental to our operations. We continue to strictly adhere to all regulations and guidelines across the countries in which we operate. Our Workplace Health and Safety Committee oversees practices, reviews procedures, and develops action plans to address potential hazards. This governance framework ensures full compliance with prevailing standards and laws while embedding a culture of safety across our operations.

In FY 2025, we recorded zero workplace fatalities and one reportable work-related accident. The incident involved an employee who fell through a fragile roof panel while carrying out maintenance work, resulting in minor injuries that required a day's hospitalisation and treatment. An internal investigation was conducted, and following the investigation, we implemented enhanced preventive measures.

Through these corrective and preventive actions, we aim to reinforce our “zero-compromise” approach to safety and ensure continuous improvement in our workplace practices.

In FY 2025, we continued to equip employees with life-saving skills through First Aider, as well as Cardiopulmonary Resuscitation (“CPR”) and Automated External Defibrillators (“AED”) training. This programme provides practical, hands-on experience in administering basic first aid, carrying out CPR effectively, and using AEDs during emergencies. These efforts complement our regular fire drills, evacuation exercises, and other safety training, reinforcing readiness across our teams.



Employee Wellbeing & Wellness

Employee wellbeing is equally integral to our management ethos. We continued to organise group-wide activities such as the 2025 Reunion Dinner and monthly staff birthday celebrations to encourage stronger bonds and a sense of belonging within our workforce.

To safeguard the health of our employees, we organised our annual health screening programme complimentary for all permanent full-time staff in FY 2025. Recognising the importance of mental health, we also held a mental wellness workshop – “Building Positive Relationships in the Workplace” – in partnership with the Singapore National Employers Federation, supported by Health Promotion Board’s Workplace Outreach Wellness programme. This initiative equipped employees with tools to build resilience, manage stress, and strengthen interpersonal relationships.

Beyond health and wellness programmes, we actively engage employees to ensure their voices are heard and considered in shaping workplace practices. In FY 2025, we continued our structured engagement channels, including half-yearly staff dialogue sessions and our annual Employee Opinion Survey, which provide valuable feedback on workplace satisfaction, culture, and areas for improvement.

Together, these programmes underscore our commitment to treating employee safety and wellbeing as more than compliance obligations – they are essential to sustaining morale, productivity, and long-term organisational resilience.

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Sustainability

Engaging With Our Communities & Social Impact

We see community engagement as an extension of our purpose – building connections, creating impact, and contributing to a more inclusive and sustainable future. Guided by our “Charity, Community and Commitment” philosophy, we continue to support local communities, foster education, and share expertise with the wider industry.

Local Communities

Community involvement is a cornerstone of our employee engagement approach. Our “dollar-for-dollar” giving programme, in place since FY 2001, matches employee donations to designated charitable causes, amplifying the collective impact of our workforce.

For the third year in a row, our Singapore employees contributed essential items to the Down Syndrome Association. Additionally, we also made cash donations to WE CARE Community Services, aiding their vital work in the community.

This year, Qian Hu was honoured to receive a Token of Appreciation from the Down Syndrome Association at the World Down Syndrome Day Celebrations, recognising our efforts to promote inclusivity and uplift marginalised communities.

Across our regional operations, employees also participated in meaningful outreach. Our Guangzhou team visited a nursing home during the Double Ninth Festival (九九重阳节) in October, donating blankets and providing companionship to seniors, ensuring they feel cared for and supported.



Younger Generations

Qian Hu also remains committed to nurturing the next generation. Our Singapore farm continues to host guided tours, providing students with exposure to biodiversity and animal welfare. In FY 2025, we welcomed approximately 377 tours, engaging over 12,762 students and educators. In addition, we hosted the ITE team for a knowledge-sharing visit, showcasing our sustainable aquaculture practices and exchanging ideas to build a future-ready workforce for the agrifood and ornamental fish sector.

We also collaborate closely with local institutions to strengthen talent development. Through our Work-Study Diploma programme with ITE, students gained hands-on experience at our facilities. In recognition of our structured On-the-Job Training (“OJT”) framework, we are appointed as an ITE Certified On-the-Job Training Centre Advocate in FY 2025.

This recognition reflects the quality of our workplace learning programmes, which fulfil the requirements of a robust OJT system, including a comprehensive Job Task List, documented training records, and qualified OJT personnel. This milestone underscores our ongoing commitment to skills development, bridging education and industry needs, and fostering long-term partnerships with institutions like ITE to uplift the agrifood and aquaculture ecosystem.

Industry & Community

Qian Hu participated in the Farmers’ Market at our Singapore farm, organised by the Singapore Agro-Food Enterprises Federation (“SAFEF”). This initiative provided us with an opportunity to connect directly with the local community and contribute to raising awareness of Singapore’s agro-food ecosystem.

As an industry leader in the ornamental fish and aquaculture sector, our senior management remained active in sectoral committees, sharing valuable insights and expertise to the broader industry.

Our Executive Chairman and CEO, Mr Yap Kok Cheng, is the President of the Singapore Aquarium Fish Exporters Association and the Vice President of Kranji Countryside Association.

These engagements enable Qian Hu to shape industry best practices, contribute expertise, and strengthen partnerships across the wider ecosystem.

Enhancing Customer Satisfaction

At Qian Hu, customer trust is central to our purpose, progress, and performance. We remain committed to delivering products and services that meet the highest standards of quality, safety, and reliability, while ensuring our customers' evolving needs are addressed through continuous innovation and engagement.

Customer Experience

We continuously strengthen our customer engagement channels to ensure that feedback is captured effectively and translated into product improvements. Customers enjoy multiple touchpoints with our dedicated services support team, including after-sales support, social media platforms, inquiry hotlines, and routine visits.

Our reach across more than 80 cities and countries is underpinned by a robust distribution network, efficient logistics systems, and a dedicated responsive team. Together, these capabilities ensure the reliable delivery of our quality products with consistently low Dead-on-Arrival ("**DOA**") rates, safeguarding customer trust and reinforcing our reputation as a dependable partner worldwide.

In FY 2025, we participated in international trade exhibitions to reinforce our long-standing partnerships with our partners, as well as to expand our customer network and share Qian Hu's innovations with new markets. These included the Ag Tech International Agro Expo 2025, ZNA Koi Show 2025, My Cat Expo 2025 and China International Pet Show 2025, showcasing our ornamental fish, aquaculture innovations, and pet care products to global audiences.

We also hosted a farmers' market organised by SAFEF during Chinese New Year at our farm. This event allowed us to connect directly with local farmers, food producers and consumers in a festive community setting. As such, we were able to engage directly with these stakeholders on-ground to understand their needs and concerns better.

Data Protection

We maintain stringent data privacy standards to protect confidential information and prevent the loss of customers' data. Our Personal Data Protection Policy ("**PDPP**"), applicable across the Group, outlines our approach to managing and safeguarding personal data, in line with laws such as the PDPA 2012. The PDPP is available on our corporate website for further information. Additionally, our employees adhere to Qian Hu's Code of Conduct and Business Ethics, which includes a strict protocol for breaches of customer confidentiality.

We ensure that our customers' personal information remains confidential and secure and respect their privacy preferences. While collecting personal information is sometimes necessary to provide our products, services and aftersales support, we do not sell, rent, share, or disclose this information to third parties for commercial or any other purposes unless explicitly approved by our customers.

Throughout FY 2025, there were no violations of the PDPA 2012 or instances of non-compliance with our PDPP.

Customer Health & Safety

Our commitment to customer health and safety remains unwavering. All products comply with relevant local and international standards in the countries where our products are sold.

We do not engage in the sale, use, provision, or any interaction with banned or contentious products. Our product range, which includes aquarium and pet accessories, is manufactured in strict adherence to industry standards such as Hazard Analysis Critical Control Point and Good Manufacturing Practice. Additionally, our products conform to industry best practices, including the provision of Material Safety Data Sheets. We provide ingredient analysis for our pet food, fish medication and fish feeds so that our customers are informed about the nutritional content and composition.

SUSTAINABILITY REPORT

We also strive to provide accurate and transparent information through responsible labelling and packaging. This approach allows our customers to make informed choices for their pets' well-being. We follow responsible marketing and communication principles to ensure our brand is represented effectively and accurately. In Singapore, we comply with the Singapore Code of Advertising Practice, overseen by the Advertising Standards Authority of Singapore, an advisory council to the Consumers Association of Singapore. Regular quality assessments and supplier label evaluations are conducted to assess the health and safety impact of our products.

In FY 2025, to the best of our knowledge, there were no instances of non-compliance with regulations or voluntary codes related to product and service information and labelling by type of outcome. Additionally, there were no violations of advertising or marketing guidelines or regulations, and no instances of false advertising or dissemination of inaccurate or misleading representations of our Group, products, or services.

Consistent Innovation & Sustainable Solutions

In FY 2025, we deepened our innovation agenda by integrating Aquaeasy Pte. Ltd. as a wholly owned subsidiary. Aquaeasy, an aquaculture technology solutions provider, brings advanced AI and IoT capabilities that strengthen our long-term competitiveness and sustainability.

Through this integration, we are embedding real-time monitoring and predictive analytics into our aquaculture operations and extending these capabilities to our partners. Aquaeasy's digital solutions allow customers to optimise pond conditions, reduce feed and water wastage, and improve yields. This not only enhances productivity but also supports environmental stewardship by lowering resource intensity and mitigating climate-related risks in aquaculture.

In parallel, we launched a new line of AMT-based pet care products, developed in collaboration with N&E Innovations. These products, including eco-conscious sprays and wipes, offer safe and sustainable alternatives that protect animal health and customer well-being while reducing reliance on harsh chemicals.

In FY 2025, we successfully launched 25 new products, exceeding our target of at least 10 new product launches annually.

Aquarium Accessories

- CL Premium Multi-Bio Foam Filter
- CL Premium Nano Slimdisk Airstone
- CL Duplo RGB Submersible LED Light
- OF Smart Alert Power Filter
- OF BioBrick Filter Media
- OF UV-C 360 Max Lamp
- OF Longyan M9 LED Light (Top-mounted Lamp/Submersible Lamp)
- OF Stable Red Generation 3; OF Enhancing Red Generation 3 Feed
- OF Fortune Red Generation 4 Feed
- OF Xiyue Series Ultra-narrow Stream Tank
- OF Shuiying Series Dragon Fish Tank
- OF Jinlin Pavilion Professional Goldfish Tank
- OF Chenlongdian Competition-level Dragon Fish Tank
- OF Yanlong Hall Professional Arowana Tank
- FishLove Yueji Series Ultra-narrow Stream Tank
- FISHTOK Cashmere Filter Cotton
- FISHTOK Series W Water Conditioner
- Warrior Fish Series L Water Conditioner
- Warrior Fish Water Quality Test Paper

Pet Accessories

- Platinum Choice Natureal Odour Eliminator
- Platinum Choice Natureal Skin Relief Spray
- Platinum Choice Natureal Ear Care
- Platinum Choice Natureal Antimicrobial Tofu Cat Litter
- Platinum Choice Natureal Antimicrobial Bentonite Cat Litter
- Platinum Choice Natureal Antimicrobial Wet Wipes



Together, these innovations underscore Qian Hu's dual commitment to delivering customer value and advancing sustainability. Following the acquisition of Aquaeasy and through the scaling AMT-based products, Qian Hu is positioning itself as a trusted solutions provider at the intersection of aquaculture, pet care, and sustainability.



Responsible & Resilient Supply Chains

We recognise that a strong, reliable, and sustainable supply chain underpins both customer trust and our long-term business resilience. We work closely with farmers, suppliers, and logistics partners worldwide to ensure the consistent delivery of high-quality products across more than 80 cities and countries.

From the onset of every partnership, we share our Supplier Code of Conduct to reinforce our expectations around environmental stewardship, social responsibility, and ethical business conduct. All suppliers are carefully evaluated and placed on our Approved Vendor List based on track record and alignment with Qian Hu's values.

Supplier engagement remains a priority. Our teams conduct site visits, review meetings, and training sessions to validate sourcing practices for ornamental fish and accessories, identify quality challenges, and collaborate on solutions. These efforts are complemented by participation in local and international trade exhibitions, which strengthen supplier networks and reduce quality-related risks.

Our Commitment To Ethics, Compliance & Anti-Corruption

We uphold the highest standards of ethics, compliance, and accountability in everything we do. Guided by our Code of Conduct and Business Ethics, all employees are expected to demonstrate integrity, professionalism, and transparency in their daily responsibilities. Our policies set a clear zero-tolerance stance towards fraud, bribery, corruption, anti-competitive practices, slavery, and human rights violations.

All employees are introduced to these guidelines through induction programmes, reinforced regularly through training and communication. Any breaches of our policies are subject to strict disciplinary action. We also extend these expectations to suppliers, contractors, and partners, requiring them to comply with our anti-corruption and anti-bribery standards from the outset of our business relationships.

To safeguard transparency, we maintain a whistle-blowing mechanism accessible to employees and stakeholders. All reports are directed to the Audit & Risk Management Committee, which ensures independent investigation, follow-up, and, when necessary, referral to external advisors or regulators. This framework ensures that accountability is embedded throughout our value chain.

In FY 2025, there were no known incidents of corruption, bribery, or material non-compliance with applicable environmental, social, or economic laws and regulations. This continues our track record of zero reported cases, reinforcing trust in Qian Hu's governance and compliance culture.

SUSTAINABILITY REPORT

Transparent Investor Relations Efforts

As a listed entity, Qian Hu places great importance on transparency, timely disclosures, and meaningful engagement with shareholders and the wider investment community. We continue to adhere strictly to the SGX-ST's Code of Corporate Governance and all prevailing disclosure requirements, with communication grounded in integrity, accuracy, and responsiveness.

Our efforts have been recognised externally. In FY 2025, Qian Hu climbed to 10th place in the Singapore Governance and Transparency Index (General Category), up from 14th place in FY 2024. This milestone reflects the strong commitment of our Board, management, and employees to continuously raise the bar for governance excellence.

We were also honoured at the Singapore Corporate Awards 2025, receiving three distinctions:

- **Gold – Best Annual Report**
- **Silver – Best Risk Management**
- **Bronze – Best Managed Board**



In addition, Qian Hu was named Winner (Small Caps category) at the SIAS Shareholder Communications Excellence Award 2025, recognising the quality, clarity, and consistency of our shareholder communications.

These accolades affirm our consistent pursuit of transparency, accountability, and shareholder value creation.

To ensure investors are well-informed, our Executive Chairman and CEO, together with senior management, engages regularly with analysts, fund managers, and media representatives to communicate strategy, business developments, and industry insights. Since 2019, Qian Hu has also been part of the SGX Fast Track programme, reflecting our strong compliance record and high governance standards.

Through these practices, Qian Hu continues to strengthen investor confidence and reinforce its reputation as a trusted and transparent listed company.

Key components of our best practices in Investor Relations include:

Financial Reporting	<ul style="list-style-type: none"> • Release unaudited half-year results and audited full-year results within 20 days after the close of the financial period and after the end of the financial year. • Results announcements accompanied by press releases in both English and Mandarin, providing highlights of the results and analysis of the Group's performance. • All results and material announcements publicly accessible on the SGXNet and the Company's corporate website (www.qianhu.com).
Annual General Meeting	<ul style="list-style-type: none"> • Post detailed minutes of the AGM on the SGXNet and the Company's corporate website within seven business days of the meeting. • Offer various communication channels, including website and email, to enable shareholders who may not be able to attend the AGM in person to share their input and feedback.
Investor Relations/ Website & Contacts	<ul style="list-style-type: none"> • Real-time updates of SGX announcements, financial results, annual reports (including sustainability reports), financial presentations, corporate governance reports, investors' questions and answers (Q&A), and minutes of AGM available on the investor relations site – http://qianhu.listedcompany.com. • Provide dedicated investor relations email addresses to ensure timely responses to queries, suggestions and clarifications.

FINANCIAL CALENDAR

	Full-Year Results Announcement	Notice of Annual General Meeting	Annual General Meeting	Payment of Final Dividend	Half-Year Results Announcement
FY 2025	15 Jan	5 Mar	3 Apr	30 Apr	18 Jul
FY 2026	16 Jan	9 Mar	7 Apr	Not applicable	24 Jul



GRI CONTENT INDEX

GRI Standards	Disclosure		Page Reference
GRI 2: General Disclosures 2021	2-1	Organisational details	5
	2-2	Entities included in the organisation's sustainability reporting	44
	2-3	Reporting period, frequency and contact point	44 and 45
	2-4	Restatements of information	Not Applicable
	2-5	External assurance	45
	2-6	Activities, value chain and other business relationships	2, 3 and 5
	2-7	Employees	77 to 79
	2-8	Workers who are not employees	Not Applicable
	2-9	Governance structure and composition	47, 48, 94 and 95
	2-10	Nomination and selection of the highest governance body	97 to 102
	2-11	Chair of the highest governance body	47, 99 and 100
	2-12	Role of the highest governance body in overseeing the management of impacts	47
	2-13	Delegation of responsibility for managing impacts	47
	2-14	Role of the highest governance body in sustainability reporting	47
	2-15	Conflicts of interest	93
	2-16	Communication of critical concerns	No critical concerns raised during the reporting period
	2-17	Collective knowledge of the highest governance body	48 and 93
	2-18	Evaluation of the performance of the highest governance body	47
	2-19	Remuneration policies	104 to 107
	2-20	Process to determine the remuneration	104 and 105
	2-21	Annual total compensation ratio	182 and 184
	2-22	Statement on sustainable development strategy	46 to 62
	2-23	Policy commitments	53 to 57, 76 to 77, 81, 83 and 85
	2-24	Embedding policy commitments	53 to 57, 76 to 77, 81, 83 and 85
	2-25	Processes to remediate negative impacts	85
	2-26	Mechanisms for seeking advice and raising concerns	85
	2-27	Compliance with laws and regulations	85
	2-28	Membership associations	83
	2-29	Approach to stakeholder engagement	48 and 49
	2-30	Collective bargaining agreements	77
GRI 3: Material Topics	3-1	Process to determine material topics	48 to 50
	3-2	List of material topics	50
Business Ethics			
GRI 3: Material Topics	3-3	Management of material topics	85
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	85
	205-3	Confirmed incidents of corruption and actions taken	85

GRI Standards	Disclosure		Page Reference
Biodiversity			
GRI 3: Material Topics	3-3	Management of material topics	76
GRI 304: Biodiversity	304-2	Significant impacts of activities, products and services on biodiversity	76
Animal Welfare			
GRI 3: Material Topics	3-3	Management of material topics	76
GRI 13: Agriculture Aquaculture and Fishing Sectors 2022	13.11.1	Animal Health and Welfare	76
Climate Change (Energy and Emissions)			
GRI 3: Material Topics	3-3	Management of material topics	73
GRI 302: Energy	302-1	Energy consumption within the organisation	73
	302-3	Energy intensity	73
	302-4	Reduction of energy consumption	73
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	54
	305-2	Energy indirect (Scope 2) GHG emissions	54
Climate Change (Water Management)			
GRI 3: Material Topics	3-3	Management of material topics	74
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	74
	303-5	Water consumption	74
Climate Change (Waste Management)			
GRI 3: Material Topics	3-3	Management of material topics	75
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	75
	306-4	Waste diverted from disposal	75
Diversity and Equality			
GRI 3: Material Topics	3-3	Management of material topics	77 to 79
GRI 401: Employment	401-1	New employee hires and employee turnover	77 to 79
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	77
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	77 to 79
GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	77
GRI 408: Child Labour	408-1	Operations and suppliers at significant risk for incidents of child labour	77
GRI 409: Forced or Compulsory Labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	77
GRI 13: Agriculture Aquaculture and Fishing Sectors 2022	13.20.1	Employment Practices	77
Training and Development			
GRI 3: Material Topics	3-3	Management of material topics	80
GRI 404: Training and Education	404-1	Average hours of training per year per employee	80
	404-2	Programs for upgrading employee skills and transition assistance programs	80

GRI CONTENT INDEX

GRI Standards	Disclosure		Page Reference
Customer Satisfaction			
GRI 3: Material Topics	3-3	Management of material topics	83
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	83
Innovation (Non-GRI Topic)			
GRI 3: Material Topics	3-3	Management of material topics	84
Supply Chain Management			
GRI 3: Material Topics	3-3	Management of material topics	85
Health and Safety			
GRI 3: Material Topics	3-3	Management of material topics	81, 83 and 84
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	81
	403-9	Work-related injuries	81
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	83 and 84
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	83 and 84
GRI 417: Marketing and Labelling	417-1	Requirements for product and service information and labelling	83 and 84
	417-2	Incidents of non-compliance concerning product and service information and labelling	83 and 84
	417-3	Incidents of non-compliance concerning marketing communications	84
Community Engagement			
GRI 3: Material Topics	3-3	Management of material topics	82
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	82

Corporate Governance Report

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) of Qian Hu Corporation Limited (the “**Company**”) and its subsidiaries (the “**Group**”) are firmly committed to ensuring a high standard of corporate governance which is essential to the long-term sustainability of the Group’s business and performance.

This report describes the Group’s corporate governance structures and practices that were in place throughout the financial year ended 31 December 2025 (“**FY 2025**”), with specific reference made to the principles and provisions of the revised Code of Corporate Governance (the “**Code**”) and accompanying Practice Guidance issued in August 2018, which forms part of the continuing obligations of the Listing Rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The Board is pleased to confirm that for FY 2025, the Group has complied with the core principles of the Code, as well as the provisions that underpin the principles of the Code. Appropriate reasons have been provided for any deviations from any principles and/or provisions.

I. BOARD MATTERS

The Board’s Conduct of its Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

PROVISION 1.1

Principal Duties of the Board

The Board is responsible for overseeing and managing the Group’s business and is accountable to shareholders for creating shareholder value within a framework that protects the rights and interests of the shareholders.

During FY 2025, as was in the past years, besides having carried out its statutory responsibilities, the Board performed the following role:

- provide leadership and guide in the formulation of the Group’s overall long-term strategic plans and performance objectives as well as delivery of short-term objectives;
- monitor and evaluate the adequacy and effectiveness of the Group’s internal controls, as well as procedures for financial reporting and compliance with regulatory requirements;
- identify the principal risks of the Group’s business and establish a risk management framework to manage these risks for safeguarding the shareholders’ interests and the Group’s assets;
- review and approve the Group’s business plan, including annual budgets, major funding proposals, investment and divestment proposals;
- oversee the business affairs of the Company and monitor the performance of the Management and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- approve matters as specified under SGX-ST’s interested person transaction policy;
- assume responsibilities for good corporate governance and is responsible for setting the right ‘tone at the top’ in its policies and decisions to ensure that the Company’s corporate values and ethical standards are observed and there is proper accountability throughout the Group and that the obligations to its shareholders and other stakeholders are clearly understood and met; and
- consider sustainability issues, including the integration of sustainability-related matters and the monitoring of sustainability-related risks and opportunities, as part of its long-term strategy formulation.

Discharge of Duties and Independent Judgement

All Directors are fiduciaries who exercise due diligence and independent judgement in dealing with the business affairs of the Group and make decisions objectively to discharge their duties and responsibilities in the best interests of the Group.

The Board and the Management fully appreciate that an effective and robust board whose members engage in open and constructive debate and challenge the management on its assumptions and proposals is fundamental to good corporate governance. The Directors on the Board have the appropriate core competencies and diversity of experience to enable them to contribute effectively. They can objectively raise issues and seek clarification as and when necessary, from the Board and the Management on matters pertaining to their area of responsibility and actively help Management in the development of strategic proposals and oversee the effective implementation by Management to achieve the objectives set.

The Board has no dissenting view on the "Letter from the Chairman" for the financial year under review as set out on pages 8 to 11 of this Annual Report.

Conflict of Interest

Each Director is required to promptly disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as is practicable after the relevant facts have come to his/her knowledge. On an annual basis, each Director is also required to submit a declaration of interest and details of his/her associates for the purpose of monitoring interested person transactions. Where a Director has a conflict or potential conflict of interest in relation to any matter, he/she should immediately declare his/her interest when the conflict-related matter is discussed and recuse himself/herself from the discussion, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion. Nonetheless, he/she is abstained from voting in relation to conflict-related matters.

PROVISION 1.2

Board Orientation and Training

A formal letter of appointment is furnished to every newly appointed Director setting out among other matters, the roles, obligations, duties and responsibilities as a member of the Board. In accordance with the Listing Rules of the SGX-ST, a newly appointed Director who has no prior experience as a director of a listed company, is required to undergo relevant training on the roles and responsibilities of a listed company director. The Nominating Committee may, however, determine that such training is not required if the Director possesses other relevant experience comparable to that of a person who has served as a director of an issuer listed on SGX-ST. Where such an assessment is made, the reasons will be disclosed in the appointment announcement of the Director. The Company observed the aforesaid practices when Mr Yap Beng Tat, Richard joined the Board as an Independent Director in April 2025. Mr Yap had previously served as a Director of a listed company in Singapore. Accordingly, he has completed the requisite training and possesses the necessary familiarity with the regulatory and governance requirements applicable to directors of listed companies.

The Company also conducts a comprehensive and tailored induction programme for newly appointed Directors to provide them with the necessary background information about the Group's principal businesses, structure and core values, its strategic direction, risk-related issues and corporate governance practices as well as industry-specific knowledge. Directors have the opportunity to visit the Group's operational facilities and to meet with the Management to gain a better understanding of the Group's business operations. This facilitates their effective assimilation into their new role. It also allows the new Directors to get acquainted with the Management, thereby facilitating Board interaction and independent access to the Management.

The Board as a whole is kept up to date from time to time on pertinent business developments in the business, including the key changes in the relevant regulatory requirements and financial reporting standards, risk management, corporate governance, sustainability issues and industry specific knowledge so as to enable them to properly discharge their responsibilities as members of the Board or Board Committees.

New releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**") and news articles/reports (including analyst reports) which are relevant to the Group's business are regularly circulated to all the Directors.

The company secretary inform the Directors of the availability of relevant courses, conferences and seminars, including those conducted by the Singapore Institute of Directors ("**SID**"). All Directors are encouraged to attend appropriate courses, conferences and seminars at the Company's expense to stay abreast of relevant business developments and their outlook.

In line with the enhanced SGX sustainability reporting requirements, all Directors have completed the mandated sustainability training course jointly organised by SID and the Institute of Singapore Chartered Accountants ("**ISCA**").

During the financial year under review, the Board members were provided with regular briefings from the Company's external auditors, KPMG LLP ("**KPMG**"), on applicable accounting standards and the developments in the sustainability landscape and governance standards. The Executive Chairman and Chief Executive Officer ("**CEO**") also updates the Board at each meeting on the business and strategic developments pertaining to the Group's business.

CORPORATE GOVERNANCE REPORT

PROVISION 1.3

Board Approval

The Group has established internal guidelines setting out matters that require the approval of the Board. These guidelines have been clearly communicated to Management to ensure appropriate oversight and accountability.

Such matters that require Board's approval include, but are not limited to:

- annual budgets and business plan of the Group;
- material acquisition and disposal of assets/investments;
- corporate/financial restructurings or corporate exercise;
- incorporation of new entities;
- issuance of shares, dividend policy & payout and other returns to shareholders*;
- risk appetite and risk tolerance for the different categories of risks;
- matters as specified under the SGX-ST's interested person transaction policy;
- announcement of the Group's half year and full year results and the release of the Annual Reports; and
- any other matters as prescribed under the relevant legislations and regulations, as well as the provisions of the Company's Constitution.

* Where appropriate and subject to shareholders' approval.

The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those prescribed limits to Board Committees and specific members of the key management via a structured Delegation of Authority matrix, which is reviewed on a regular basis and accordingly revised when necessary.

PROVISION 1.4

Delegation by the Board

To assist the Board in discharging its oversight functions and to enhance the Company's corporate governance framework, various Board Committees, namely the Audit & Risk Management Committee ("**ARMC**"), Remuneration Committee ("**RC**") and Nominating Committee ("**NC**") have been constituted with clearly defined written terms of reference, setting out the compositions, authorities and duties, including the obligation to report back to the Board. These terms of reference are reviewed on a regular basis, along with the committee structures and membership, to ensure their continued relevance, taking into consideration the changes in the governance and regulatory environment, including alignment with the Code. Any changes to the terms of reference for any Board Committee requires the specific written approval of the Board. The detailed terms of reference are set out on pages 117 and 118 of this Annual Report.

During FY 2025, the composition of the Board and Board Committees are as follows:

Name of Director	Board	Audit & Risk Management Committee	Nominating Committee	Remuneration Committee
Yap Kok Cheng <i>Executive Chairman and Chief Executive Officer</i>	Chairperson	–	–	–
Soong Wee Choo <i>Lead Independent Non-Executive Director</i>	Member	Chairperson	Member	Member
Chew Mok Lee <i>Independent Non-Executive Director</i>	Member	Member	Chairperson	Member
Yap Beng Tat, Richard ⁽¹⁾ <i>Independent Non-Executive Director</i>	Member	Member	Member	Chairperson
Ling Kai Huat ⁽²⁾ <i>Independent Non-Executive Director</i>	Member	Member	Member	Chairperson

Notes:

(1) Mr Yap Beng Tat, Richard was appointed as an Independent Non-Executive Director on 7 April 2025.

(2) Pursuant to Rule 210(5)(d)(iv) of the SGX-ST Listing Manual, Dr Ling Kai Huat retired as an Independent Non-Executive Director at the Company's 26th Annual General Meeting held on 3 April 2025.

All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. Minutes of the Board Committees meetings are made available to all Board members. The Board acknowledges that while these Board Committees have the authority to examine specific issues and provide recommendations to the Board, the ultimate responsibility for all decisions continues to rest with the Board.

Please refer to the various Principles in this Corporate Governance Report for further information on the activities of the respective Board Committees.

PROVISION 1.5

Board Meetings and Attendance

The attendance of the Directors at the scheduled Board and Board Committees meetings held during FY 2025 is set out below:

Name of Director	Board	Audit & Risk Management Committee	Nominating Committee	Remuneration Committee
Number of meetings held	3	3	1	1
Number of meetings attended:				
Yap Kok Cheng	3	3 ⁽¹⁾	1 ⁽¹⁾	1 ⁽¹⁾
Soong Wee Choo	3	3	1	1
Chew Mok Lee	2	2	1	1
Yap Beng Tat, Richard ⁽²⁾	2	2	–	–
Ling Kai Huat ⁽³⁾	1	1	1	1

Notes:

- (1) Attendance by invitation of the Committee.
- (2) Mr Yap Beng Tat Richard was appointed as Independent Non-Executive Director on 7 April 2025. He serves as Chairperson of the RC and as a member of the ARMC and the NC. Mr Yap attended all scheduled meetings of the Board and Board Committees since his appointment.
- (3) Pursuant to Rule 210(5)(d)(iv) of the SGX-ST Listing Manual, Dr Ling Kai Huat retired from the Board as Independent Non-Executive Director at the Company's 26th Annual General Meeting held on 3 April 2025. During his tenure, he served as Chairperson of the RC and as a member of the ARMC and the NC and has attended all scheduled meetings of the Board and Board Committees.

The dates of meetings of all the Board and Board Committees meetings, as well as the Annual General Meeting ("AGM"), are scheduled well in advance each year, in consultation with the Board. In addition, ad hoc Board meetings are convened when urgent matters require deliberation and decision outside the regular meeting cycle. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Constitution of the Company provides for Directors to conduct meetings by teleconferencing, videoconferencing, or other similar means of communication. The Board and Board Committees also make decisions through circulating resolutions.

The Board held three scheduled meetings in FY 2025 at regular intervals. Key matters discussed at these meetings include financial performance, annual budget, corporate strategy, significant operational matters, business opportunities, governance practices and sustainability issues.

If a Director is unable to attend a Board or Board Committee meeting, he/she will still receive all the papers and materials for discussion at that meeting. The Director will review them and advise the Chairperson of the Board or the Board Committees of his/her views and comments on the matters to be discussed so that they can be conveyed to other members at the meeting.

CORPORATE GOVERNANCE REPORT

Multiple Board Representations

All Directors are required to declare their board representations. When a Director has multiple board representations, the NC will consider whether the Director is able to adequately carry out his/her duties as a Director of the Company, taking into account the number of listed company board representations, other principal commitments, and the Director's ability to devote sufficient time and attention to the affairs of the Company.

The Company's current policy stipulates that a Director should not hold more than four listed company board representations concurrently, so as to ensure that he/she is able to devote sufficient time and attention to the affairs of the Company to adequately discharge his/her duties as Director of the Company.

The NC has reviewed and is satisfied that Mr Yap Beng Tat, Richard, notwithstanding his multiple board representations and other principal commitments, has been able to devote sufficient time and attention to the affairs of the Company and has discharged his duties satisfactorily during FY 2025.

For the financial year under review, no Director has exceeded the maximum limit of four listed company board representations.

PROVISION 1.6

Access to Information

All Directors have unrestricted access to the Company's records and information. From time to time, they are furnished with complete, accurate and adequate information in a timely manner to enable them to be fully cognisant of the decisions and actions of the Management.

The Board receives quarterly management financial statements, annual budgets and explanations on material forecast variances to enable them to understand and oversee the Group's operational and financial performance. Directors are also informed on a regular basis as and when there are any significant developments or events relating to the Group's business operations.

As a general rule, Board papers prepared for each meeting are normally circulated five days in advance of each meeting. This is to give Directors sufficient time to review and consider the matters to be discussed so that discussions can be more meaningful and productive. However, sensitive matters may be tabled at the meeting itself or discussed without papers being distributed. The Board papers provide sufficient background and explanatory information from the Management on financial impact, mitigation strategies, risk analysis, expected outcome, regulatory implications and corporate issues, enabling the Directors to be properly briefed on issues to be considered at Board and Board Committees meetings. Such explanatory information may also be in the form of briefings to provide additional insights to the Directors or formal presentations made by the Management in attendance at the meetings, or by external consultants engaged on specific projects.

PROVISION 1.7

Access to Management and Company Secretary

The Directors have separate and independent access to the Management and the company secretary at all times through email, telephone and face-to-face meetings. Any additional materials or information requested by the Directors to make informed decisions are promptly furnished.

Under the direction of the Chairperson of the Board, the company secretary ensures timely and good information flows within the Board and its Board Committees and between the Management and Independent Directors.

The company secretary assists the Chairperson of the Board and the Chairpersons of each Board Committees in the development of the agendas for the various Board and Board Committees meetings. She administers and attends all the Board and Board Committees meetings of the Company and prepare minutes of meetings. The company secretary is also responsible for, among other things, ensuring that Board procedures are observed and that the relevant rules and regulations, including requirements of the Companies Act 1967, Securities and Futures Act and the SGX-ST Listing Manual, are complied with.

As the primary compliance officer for the Group, the company secretary is responsible for designing and implementing a framework for the Management to comply with the Listing Rules of the SGX-ST, including advising the Management to ensure that material information is disclosed on a prompt basis. The company secretary also assists the Chairperson of the Board and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhance long-term stakeholders' value.

The appointment and the removal of the company secretary is subject to the approval of the Board.

Independent Professional Advice

Where the Directors, whether individually or collectively, require independent professional advice in furtherance of their duties and responsibilities, the company secretary will assist in appointing a professional advisor to render the relevant advice and keep the Board informed of such advice. The cost of obtaining such professional advice will be borne by the Company.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

PROVISION 2.1

Board Independence

As at 31 December 2025, the Board consists of four Directors, of whom three are considered independent by the Board. With more than half of the Board made up of Independent Directors, including independence from the substantial shareholders of the Company, the Board can exercise independent and objective judgement on the corporate affairs of the Group. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into consideration the long-term interests of the Group and its stakeholders. No individual or small group of individuals dominates the Board's decision-making.

The independence of each Director is assessed and reviewed annually by the NC. In the review and deliberation of the independence of the three Independent Directors, the NC has considered the applicable Listing Rules and the guidelines for independence as set out in Provision 2.1 of the Code, including independence in conduct, character and judgement, and has no business relationships with the Group, its substantial shareholders or its officers which could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the interest of the Group.

Each Independent Director is required to complete an annual declaration to confirm his/her independence based on the applicable Listing Rules and the guidelines as set out in the Code. The Directors must also confirm whether they consider themselves independent despite not having any relationship identified under the applicable Listing Rules and the Code. The NC has examined the different relationships that might impair the Directors' independence and is satisfied that all the three Non-Executive Directors are independent.

During FY 2025, Dr Ling Kai Huat retired as an Independent Non-Executive Director at the Company's 26th AGM held on 3 April 2025, pursuant to Rule 210(5)(d)(iv) of the SGX-ST Listing Manual, which imposes a hard nine-year tenure limit on independent directors. Following his retirement, the Board appointed Mr Yap Beng Tat, Richard as an Independent Non-Executive Director on 7 April 2025. With these changes, the Board confirms that it continues to meet the independence requirements of both the Code and the SGX-ST Listing Manual.

PROVISION 2.2

PROVISION 2.3

Proportion of Non-Executive Independent Directors

The Company has complied with the relevant provisions as the majority of the Board members are Non-Executive Independent Directors.

CORPORATE GOVERNANCE REPORT

PROVISION 2.4

Board Composition

The profile of the Directors and key information are set out on pages 12 and 13 of this Annual Report.

The NC is responsible for examining the size and composition of the Board and Board Committees. Having considered the scope and nature of the Group's businesses, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees, the Board, in concurrence with the NC, is satisfied that the current board size and the existing composition of the Board Committees is appropriate and effectively serves the Group. It provides diversity and allows for informed and constructive discussion and effective decision-making at the Board meetings. The Board will, however, continue to review opportunities to refresh the Board with a view to expanding the skills, experience and diversity of the Board as a whole.

Board Diversity

Qian Hu's Board Diversity Policy endorses the principle that its Board should have a balance of skills, knowledge, experience and diversity of perspectives appropriate to its business so as to mitigate against groupthink and to ensure that the Group has the opportunity to benefit from all available talents. In reviewing the Board composition and succession planning, the NC considers the benefits of all aspects of diversity, including diversity of background, experience, gender, age and other relevant qualities. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

The current Board composition reflects the Company's commitment to Board diversity. Every year, the NC conducts its review of the composition of the Board, which comprises members of both genders and from different backgrounds whose core competencies, qualifications, skills and experiences meet the requirements of the Group at the point in time.

To assist the NC in its annual review of the Directors' mix of skills and experiences that the Board requires to function competently and efficiently, all Directors complete evaluation and director competency forms, which include information on their areas of specialisation, expertise and contributions. The NC, having reviewed the completed forms, is satisfied that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies to lead and govern the Group effectively. Each Director has been appointed on the strength of his/her calibre, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group's strategy and the performance of its business.

During FY 2025, Mr Yap Beng Tat, Richard was appointed on 7 April 2025 as an Independent Non-Executive Director. With strong professional credentials as a Chartered Financial Analyst (CFA), Chartered Accountant (Singapore) and Chartered Valuer and Appraiser (CVA), Mr Yap brings extensive expertise in valuation, finance and strategic advisory. His appointment has further strengthened the Board's financial oversight and evaluation capabilities, while reinforcing succession planning in line with the Board Diversity Policy.

Collectively, the Board brings complementary expertise across key areas critical to the Group's success. Mr Yap Kok Cheng, as Executive Chairman and CEO, anchors the Board with deep operational and industry-specific insights drawn from decades of entrepreneurial and leadership experience in aquaculture and the consumer business sector. Ms Soong Wee Choo, Lead Independent Non-Executive Director, contributes strong governance, legal and regulatory expertise, supporting the Board's oversight of governance and compliance matters. Ms Chew Mok Lee brings extensive operational, entrepreneurial and strategic management experience. Together with Mr Yap Beng Tat, Richard's finance and valuation expertise, this diversity of perspectives enables the Board to exercise robust oversight and effective stewardship of the Group's long-term strategic direction.

In recognition of the importance and value of gender diversity in the composition of the Board, the Company undertake to have at least 30% of female representation on the Board and that if external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to present female candidates. The Board has two female Directors currently, representing 50% of total Board membership.

In addition, the Board consists of Directors with the target age diversity set ranging from mid-40s to mid-60s, who have served on the Board for different tenures. The Board members with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction.

The NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure there is diversity on the Board.



PROVISION 2.5

Meeting of Independent Directors without Management

The Independent Directors, led by the Lead Independent Director, meet amongst themselves at least once a year without the presence of the Management and the Executive Chairman to discuss and evaluate the performance of the Management as well as the remuneration of the Executive Directors. The feedback and views expressed by the Independent Directors were communicated by the Lead Independent Director to the Board and the Executive Chairman, as appropriate.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

PROVISION 3.1

PROVISION 3.2

Separation of the Role of Chairman and the CEO

The Board is of the view that, at this point in time, it is in the best interests of the Group to adopt a single leadership structure, whereby the Chairperson of the Board and the CEO is the same person, so as to ensure that the decision-making process of the Group would not be unnecessarily hindered.

The Group's Executive Chairman and CEO, Mr Yap Kok Cheng, plays an instrumental role in developing the Group's business and provides strong leadership and strategic vision. He leads the Board in its review of the Group's strategies for sustainable growth and ensures that the Board maintains an appropriate level of diversity. In addition to setting business strategies for the Group and overseeing the implementation of the Board's decisions and directions by the Management, he ensures that the Board and Management work well together with integrity and competence.

CORPORATE GOVERNANCE REPORT

With the assistance of the company secretary, he schedules Board meetings as required and sets the agenda for Board meetings with inputs from Management, ensuring that sufficient time is allocated for in-depth discussion of each agenda item, particularly strategic matters. He fosters an open environment for constructive debate, encourages Independent Directors to express their views freely and contribute effectively and exercise oversight over the quality, adequacy, accuracy and timeliness of information flow between the Board and the Management. He also plays a pivotal role in promoting constructive dialogue among stakeholders and provides close oversight, guidance and advice to the Management. In addition, he leads the Group in its commitment to achieving and maintaining a high standard of corporate governance and sustainability practices, with the full support of the Board and Management.

All major proposals and decisions made by the Executive Chairman and CEO are discussed and reviewed by the Board and ARMC. Mr Yap's performance and re-appointment are reviewed periodically by the NC, while his remuneration package is reviewed periodically by the RC. As the ARMC, NC and RC comprise entirely Independent Directors, the Board is of the view that there are sufficient strong and independent elements, as well as adequate safeguards to prevent an undue concentration of power and authority in a single individual.

PROVISION 3.3

Appointment of Lead Independent Director

Taking cognisance that the Chairperson of the Board is an Executive Director and thus not independent, the Board has designated a Lead Independent Director who serves as a sounding board and as an intermediary between the Non-Executive Independent Directors and the Chairperson of the Board. The current Lead Independent Director is Ms Soong Wee Choo. The role of the Lead Independent Director is to co-ordinate and lead the Independent Directors in providing a non-executive perspective and contributing to a balanced range of viewpoints on the Board. The Lead Independent Director is available to all stakeholders should they have concerns which cannot be resolved or are inappropriate or inadequate to raise through the normal communication channels with the Chairperson of the Board or the Management.

No queries or requests requiring the attention of the Lead Independent Director were received in FY 2025.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

PROVISION 4.2

NC Composition and Role

The Board established the NC in July 2002 which comprises three Non-Executive Directors, all of whom, including the Chairperson of the NC, are independent. The Lead Independent Director is one of the members of the NC.

Please refer to Provision 1.4 above on the names of the members and the composition of the NC.

The key written terms of reference for the NC are set out on page 118 of this Annual Report.

PROVISION 4.1

PROVISION 4.3

Board Renewal & Succession Planning

The responsibilities of the NC are, among other things, to make recommendations to the Board on all Board appointments, re-appointments, retirements and oversee the Board succession and the leadership development plans of the key management personnel ("**KMP**").

Board renewal is a continuous process and is a crucial element of the Group's corporate governance process. In this regard, the NC reviews annually the composition of the Board and Board Committees, which includes size and appropriate mix of expertise and experience and recommends to the Board the selection and appointment of new Directors with a view to identifying any gaps in the Board's skills set taking into consideration the Group's strategy and business operations. The NC will seek to refresh the Board's membership progressively and in an orderly manner, to avoid losing institutional memory.

Process for Selection and Appointment of New Directors

The NC is responsible for identifying candidates and reviewing all nominations for the appointments of new Directors.

When an existing Director chooses to retire or when the need for a new Director arises, whether to replace a retiring Director or to strengthen the Board, the NC, in consultation with the Board, evaluates and determines the selection criteria to identify candidates with the appropriate expertise and experience for appointment as a Director. The selection criterion includes integrity, independence, leadership skills, diversity of competencies, expertise required, industry experience, time commitment, and financial literacy. The NC and each individual Director may source for suitable candidates through their respective networks and are empowered to engage external parties, such as professional search firms and institutions, to identify potential candidates or to conduct research on or assessment of candidates as deemed necessary.

The NC then meets the shortlisted potential candidates with the appropriate profile to assess their suitability and ensure they understand the expectation and the level of commitment required, before nominating the most suitable candidate to the Board for approval and appointment as a Director.

In FY 2025, as part of succession planning following the retirement of Dr Ling Kai Huat, the NC reviewed the Board's composition and skill sets and recommended the appointment of Mr Yap Beng Tat, Richard. With strong professional credentials as a Chartered Financial Analyst (CFA), Chartered Accountant (Singapore) and Chartered Valuer and Appraiser (CVA), Mr Yap brings deep expertise in finance, valuation and strategic advisory, thereby further strengthening the Board's collective capabilities.

Process for Re-appointment of Directors

The role of the NC also includes the responsibility of reviewing the re-nomination of Directors who retire by rotation, taking into consideration the Director's integrity, independence mindedness, contribution and performance (such as attendance record, preparedness and participation at meetings) and any other parameters as may be determined by the NC.

All Directors, including the Executive Chairman, submit themselves for re-nomination and re-appointment at least once every three years. Pursuant to Regulation 91 of the Company's Constitution, one-third of the Board are to retire from office by rotation and be subject to re-appointment at the Company's AGM. In addition, Regulation 90 of the Company's Constitution stipulates that a Director newly appointed by the Board during the financial year must retire and submit himself/herself for re-appointment at the next AGM following his/her appointment. Thereafter, the Director shall be subject to re-appointment at least once every three years at the Company's AGM.

In accordance with the Constitution, Ms Soong Wee Choo is due to retire by rotation at the 2026 AGM and has indicated that she will not be seeking re-election. The Board expresses its appreciation for her valuable contributions during her tenure.

Accordingly, at the conclusion of the AGM, Ms Soong will step down as the Lead Independent Non-Executive Director of the Company, Chairperson of the ARMC and a member of the RC and NC.

In view of Ms Soong's retirement, each of the ARMC, RC and NC will fall below the minimum of three Directors as required under the Code. The Company is also cognisant of Listing Rule of 704(8) which states that in the event of any cessation which renders the audit committee unable to meet the minimum number (not less than three), the issuer should endeavour to fill the vacancy within two months, but in any case not later than three months. The NC has commenced the process to identify a suitable candidate to ensure continued compliance with the Code and the SGX-ST Listing Manual, including maintaining the appropriate balance of Independent Directors on the Board. The Company will make further announcements to keep shareholders informed as and when there are material updates and developments on the foregoing matters.

Mr Yap Beng Tat, Richard, who was appointed by the Board on 7 April 2025, will hold office until the 2026 AGM, at which he will retire in accordance with the Constitution. Being eligible, he has offered himself for election by shareholders. The NC has considered his contributions and performance, including attendance, preparedness and participation at Board and Board Committee meetings, and has recommended to the Board to support his re-election for shareholders' approval at the 2026 AGM.

Mr Yap Beng Tat, Richard, being a member of the NC, had abstained from deliberations and decision on his own nomination for re-election.

The relevant resolutions, together with the detailed information on the Directors seeking election and re-election at the forthcoming 2026 AGM to be held on 7 April 2026, are set out on pages 204 to 210 of this Annual Report.

CORPORATE GOVERNANCE REPORT

PROVISION 4.4

Continuous Review of Directors' Independence

The NC conducts an annual review of the independence of each Director in accordance with the criteria set out in the Code and the SGX-ST Listing Manual. As part of this process, every Director provides a written confirmation of independence, declaring any interests, relationships, or circumstances that could reasonably be perceived to affect his or her ability to exercise independent judgement.

The NC carefully evaluates these confirmations, together with other relevant information such as the Director's conduct, character and contributions at Board and Board Committee meetings. The NC is mindful that the relationships identified in the confirmation process, if any, are indicators of potential impairment but are not conclusive on their own. Independence is assessed in the broader context of the Group's business environment, shareholding structure and operating circumstances.

Directors are also required to make timely disclosures of any changes in circumstances that may affect their independence, including any new relationships with the Company, its related corporations, substantial shareholders or officers. The NC reviews such disclosures and, where appropriate, makes recommendations to the Board.

Based on the NC's assessment for FY 2025, the Board is satisfied that Ms Soong Wee Choo, Ms Chew Mok Lee and Mr Yap Beng Tat, Richard are independent and that no individual or small group of individual dominates the Board's decision-making process.

During FY 2025, there was no alternate director appointed on the Board.

PROVISION 4.5

Directors' Time Commitments

The NC ensures that new Directors are aware of their duties and obligations. For re-nomination and re-appointment of Directors, the NC takes into consideration the competing time commitments faced by Directors and their ability to devote appropriate time and attention to the Group.

Each Director is required to confirm annually to the NC as to whether he/she has any issue with competing time commitments which may impact his/her ability to provide sufficient time and attention to his/her duties as a Director of the Company. Based on the Directors' annual confirmation and the Directors' commitments to the Company, which are also evident in their level of attendance and participation at Board and Board Committee meetings, the NC and the Board are of the view that all the Directors were able to diligently discharge their duties as Directors of the Company in FY 2025.

In addition to the current procedures for the review of the attendance records and analysis of directorships, a policy has also been put in place for Directors to consult the Executive Chairman and the Chairperson of the NC before accepting any new listed company board appointment or principal commitment and notifying the Board of any changes in their external appointments. This would allow the Director to review his/her time commitments with the proposed new appointment and in the case of an Independent Director, to also ensure that his/her independence would not be affected.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

PROVISION 5.1

PROVISION 5.2

Board and Board Committees Evaluation Process

The Board, through the NC, has used its best effort to ensure that Directors appointed to the Board and the Board Committees, whether individually or collectively, possess the background, experience and the relevant skills set which are critical to the Group's business. It has also ensured that each Director, with his/her special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made.

The NC has established a formal review process to assess the performance and effectiveness of the Board as a whole and each of its Board Committees, as well as the contribution by each individual Director to the effectiveness of the Board.

The NC assesses the performance of the Board and its Board Committees annually, using objective and appropriate criteria which were recommended by the NC and approved by the Board. During the financial year under review, all members completed evaluation questionnaires designed to seek their view on the various aspects of the Board and each of its Board Committees' (ARMC, RC and NC) performance and competencies, so as to assess the overall effectiveness of the Board and its Board Committees. To ensure confidentiality, the completed evaluation forms were submitted to the company secretary for collation. The consolidated responses were presented to the NC for review before submitting them to the Board for discussion and to determine the areas for improvement and enhancement of the effectiveness of the Board and its Board Committees.

Following the review in FY 2025, the Board is of the view that the Board and its Board Committees operate effectively, and that each Director is contributing to the overall effectiveness of the Board and its Board Committees.

There was no external consultant involved in the Board evaluation process in FY 2025.

Board and Board Committees Evaluation Criteria

The evaluation criteria for the Board consists of qualitative factors such as board size and composition, board independence, board processes, board information and accountability and the board's performance in discharging its principal functions.

The evaluation of the Board Committees considers their performance in discharging the responsibilities set out in their respective terms of reference. The assessment includes factors such as the composition and skill sets of the Board Committees, and the effectiveness of meeting procedures.

The primary objective of the evaluation exercise is to create a platform for the Board and its Board Committees' members to deliberate and identify the key strengths and to provide constructive feedback on the board procedures and processes, with a view to enhance the effectiveness of the Board and its Board Committees.

Chairman Evaluation

The evaluation of the Chairperson of the Board is undertaken by the RC and the NC, and the results are reviewed by the Board.

The assessment of the Chairperson of the Board is based on his ability to lead, whether he established proper procedures to ensure the effective functioning of the Board and that the time devoted to board meetings were appropriate and are conducted in a manner that facilitate open communication and meaningful participation for effective discussion and decision-making by the Board. He also ensures that the Board Committees formed were appropriate, with clear terms of reference, to assist the Board in the discharge of its duties and responsibilities.

Individual Director Evaluation

Individual Director's performance is evaluated annually on a continual basis by the NC and the Chairperson of the Board. Some factors taken into consideration by the NC and the Chairperson of the Board include the value of contribution to the development of strategy, availability at board meetings (as well as informal contribution via email and telephone), interactive skills, degree of preparedness, industry and business knowledge and experience each Director possess which are crucial to the Group's business.

The individual Director evaluation exercise assists the NC in determining whether to re-nominate Directors who are due for retirement at the forthcoming AGM, and in determining whether Directors with multiple board representations are able to and have adequately discharged their duties as Directors of the Company.

Nonetheless, the replacement of a Director, when it happens, does not necessarily reflect the Director's performance or contributions to the Board, but may be driven by the need to be in compliance with the Listing Rules of the SGX-ST and/or to align the Board with the medium- or long-term needs of the Group.

When deliberating on the performance of a particular Director who is also a member of the NC, that member abstains from the discussions to avoid any conflict of interests.

The Board is satisfied with the performance of all the Directors in the evaluation exercises carried out by the NC for FY 2025.

CORPORATE GOVERNANCE REPORT

II. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

PROVISION 6.2

RC Composition and Role

The Board established the RC in July 2002 which comprises three Non-Executive Directors, all of whom including the Chair of the RC are independent.

Please refer to Provision 1.4 on the names of the members and the composition of the RC.

The key written terms of reference for the RC are set out on page 118 of this Annual Report.

PROVISION 6.1

PROVISION 6.3

PROVISION 6.4

Remuneration Framework

The RC is responsible for ensuring that a formal and transparent procedure is in place for developing policy and for determining the remuneration packages of individual Directors and KMPs. The RC recommends for the Board's endorsement, an appropriate remuneration framework which covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, benefits-in-kind and specific remuneration packages for each Director and KMP. The remuneration framework in place is reviewed periodically to ensure that it remain relevant and effective.

On an annual basis, the RC reviews and recommends the specific remuneration packages of the Executive Directors and the KMPs, including the annual increments and year-end variable bonuses, for approval by the Board. The RC also considers the termination terms in the contracts of employment of the Executive Directors and KMPs to ensure that they are not unfair or unreasonable.

The RC has explicit authority within its terms of reference to seek appropriate expert advice in the field of executive compensation outside the Company on remuneration matters where necessary. There being no specific necessity, the RC did not seek the service of an external remuneration consultant in FY 2025.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

PROVISION 7.1

PROVISION 7.3

Remuneration of Executive Directors and KMPs

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Directors and KMPs commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the CEO (together with other KMPs) is reviewed periodically by the RC and the Board. In structuring the compensation framework, the RC also takes into consideration the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

Executive Directors do not receive directors' fee but are remunerated as members of the Management. The remuneration packages of the Executive Directors and the KMPs is linked to the performance of the Group as a whole, as well as the individual performance. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance to promote the long-term sustainability of the Group.

Service contracts for Executive Directors are for a fixed appointment period and do not contain onerous removal clauses.

Having reviewed and considered the variable components of the Executive Directors and KMPs, which are moderate, the RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss. In addition, the Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

The Company advocates a performance-based remuneration system that is flexible and responsive to the market. In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is transparent, competitive, relevant and appropriate in finding a balance between the current and longer-term objectives of the Company so as to be able to attract, retain and motivate talents without being excessive, and thereby maximise value for stakeholders.

PROVISION 7.2

Remuneration of Non-Executive Directors

Non-Executive Directors have no service agreements (except for the letter of appointment) with the Company and their terms in office are specified in the Constitution. When reviewing the structure and level of directors' fee for the Non-Executive Directors, the RC takes into consideration the Directors' respective roles and responsibilities in the Board and its Board Committees.

Each of the Non-Executive Directors receives a base director's fee. Directors who serve on the various Board Committees also receive additional fees in respect of each Board Committee that they serve on, with the Chairpersons of the Board Committees receiving a higher fee in respect of their service as Chairpersons of the respective Board Committees to reflect the expanded responsibilities.

The structure of the fees payable to the Non-Executive Directors of the Company for FY 2025 is as follows:

Appointment	Per Annum
Board of Directors - Base fee (Non-Executive Director only)	\$10,000
Audit & Risk Management Committee - ARMC Chairperson's fee - ARMC Member's fee	\$8,000 \$5,000
Nominating Committee - NC Chairperson's fee - NC Member's fee	\$6,000 \$5,000
Remuneration Committee - RC Chairperson's fee - RC Member's fee	\$6,000 \$5,000

The RC is mindful that the remuneration for Non-Executive Directors should not be excessive so as not to compromise or reasonably be perceived to compromise their independence. No Director is involved in deciding his/her own remuneration.

The Board concurred with the RC that the proposed directors' fees for FY 2025 is appropriate and not excessive, taking into consideration the level of contributions by the Directors and factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the Directors. Directors' fees are recommended by the RC, concurred by the Board, and submitted for approval by the shareholders at the AGM of the Company.

The Company currently does not have any share-based compensation scheme, or any long-term incentive scheme that involves the offer of shares or grant of options for Non-Executive Directors. In line with the Code, Non-Executive Directors are remunerated solely by way of directors' fees, so as to preserve their independence and objectivity.

CORPORATE GOVERNANCE REPORT

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

PROVISION 8.1

PROVISION 8.2

PROVISION 8.3

Remuneration Criteria

The compensation packages for employees including the Executive Directors and the KMPs comprised a fixed component (in the form of a basic salary) and a variable component (normally consist of cash-based annual bonus) and benefits-in-kind, where applicable, considering amongst other factors, the individual's performance, the performance of the Group and industry practices.

When determining the fixed and variable components, the individual performance is taken into consideration and remuneration recommendations are reviewed by the RC in the light of any annual guidance from the National Wages Council and competitive market practices. This is further reviewed along with the Group's performance, taking into consideration the pre-defined key performance indicators (including financial and non-financial targets) achieved by the Group based on its short- and long-term objectives. The Board exercises its discretion and independent judgment in ensuring that there is a balance between business and risk taking and that the amount and mix of compensation are aligned with the interests of shareholders and promote the long-term success of the Group.

During the financial year under review, there was no termination, retirement or post-employment benefits granted to any Director or KMP.

i) Remuneration of Directors

The breakdown of the total remuneration of the Directors of the Company for FY 2025 is set out below:

Name of Director	Salary	Bonus	Director's Fees	Total Remuneration
	\$	\$	\$	\$
Yap Kok Cheng	327,096	27,020	–	354,116
Soong Wee Choo	–	–	28,000	28,000
Chew Mok Lee	–	–	26,000	26,000
Yap Beng tat, Richard (appointed on 7 April 2025)	–	–	19,162	19,162
Ling Kai Huat (retired on 3 April 2025)	–	–	6,625	6,625
Total	327,096	27,020	79,787	433,903

- The salary and bonus amounts shown are inclusive of Singapore Central Provident Fund (CPF) contributions.
- The director's fees are subject to shareholders' approval at the AGM.

ii) Remuneration of Key Management Personnel

The breakdown of the level and mix of remuneration of the top five key management personnel of the Group (who are not Directors) for FY 2025 is set out below:

Remuneration Band & Name of Key Management Personnel	Salary	Bonus	Allowances & Benefits	Total Remuneration
	%	%	%	%
S\$250,000 to S\$500,000				
Alvin Yap Ah Seng	92	8	–	100
Andy Yap Ah Siong	90	10	–	100
Lai Chin Yee	92	8	–	100
Jimmy Tan Boon Kim	92	8	–	100
Below S\$250,000				
Li Bin Hao	92	8	–	100

- The aggregate remuneration paid to the top five key management personnel is \$1,452,955.
- The salary and bonus amounts shown are inclusive of Singapore Central Provident Fund (CPF) contributions.

iii) Remuneration of Immediate Family Members of CEO and Executive Directors

The breakdown of the level and mix of remuneration of employees who are immediate family members of the CEO and the Executive Directors for FY 2025 is set out below:

Remuneration Band & Name of Executive	Salary	Bonus	Allowances & Benefits	Total Remuneration
	%	%	%	%
S\$100,000 to S\$200,000				
Yap Kok Fong	92	8	–	100

- Mr Yap Kok Fong is brother of Mr Yap Kok Cheng, CEO and Executive Director.
- The salary and bonus amounts shown are inclusive of Singapore Central Provident Fund (CPF) contributions.

The Company does not have any share-based compensation scheme, or any long-term incentive scheme that involves the offer of shares or options in place. The Board is of the view that such long-term incentive plan is not effective and that it is difficult to determine how much such form of deferred remuneration contributes to the retention of employees and to motivate their performance.

III. ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

PROVISION 9.1

Oversight of Risk Management

The Board established a Risk Management Committee in FY 2013 as part of the Group's effort to strengthen its risk management processes and framework, in overseeing the formulation and reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls and to report to the Board annually its observations on any matters under its purview.

CORPORATE GOVERNANCE REPORT

On 29 March 2021, the Board consolidated the Audit Committee and Risk Management Committee and renamed it as Audit & Risk Management Committee. Thereafter, the responsibility of overseeing the Company's risk management framework, policies and processes is assumed by the ARMC with the assistance of the internal auditors.

Nature and Extent of Risks

The Board acknowledges that it is responsible for the governance of risks and the overall internal control framework but recognises that no cost-effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against the occurrence of material errors or poor judgment in decision-making.

Risk assessment and evaluation is an essential part of the business planning and monitoring process. The Board has the overall responsibility for providing leadership, articulating the risk appetite and tolerance levels and ensuring that a robust risk management and compliance culture prevails. The Board, with the assistance of the ARMC, has developed a risk management framework to ensure that the structure, policies and processes are aligned with the strategic direction set by the Board. It has also put in place a documentation on its risk profile which summarises the material risks faced by the Group and the countermeasures in place to manage or mitigate those risks for the review by the ARMC and the Board annually.

The documentation provides an overview of the Group's risk profile and its key risk indicators (KRIs), the appropriate risk tolerance limits set for the respective risks, their likelihood of occurrence and the consequential impact on the Group as a whole. Having identified the risks that affect the achievement of the Group's business objectives and/or financial performance, each business unit is responsible for managing the risks arising from their respective operations and to document the mitigating actions in place and/or proposed in respect of each significant risk. It allows the Group to address the ongoing risk exposures and identify the challenges and opportunities in the business environment so as to reduce uncertainties and facilitate the shareholder value creation process. Risk awareness and ownership of risk treatments are also continuously fostered across the business units of the Group.

Having regard to the risks which the business is exposed, the likelihood of such risks occurring and the risk tolerance accepted by the Group, the internal controls structure of the Group has been designed and put in place by the Group's business units to provide reasonable assurance against material financial misstatements or loss, for the safeguarding of assets, for the maintenance of proper accounting records, for the provision of financial and other information with integrity, reliability and relevance, and in compliance with applicable laws and regulations.

An overview of the key risks, the extent of the Group's exposure and the approach to managing these risks are set out in the "Risk Management" section on pages 119 to 126 of this Annual Report.

PROVISION 9.2

Assurance from the CEO and Finance Director

The ARMC reviewed and assessed the adequacy and effectiveness of the Group's internal controls that address the Group's financial, operational, compliance and information technology risks, with the assistance of the internal and external auditors and the Management.

For the financial year under review:

- (i) written assurance was received from the CEO and the Finance Director that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (ii) written assurance was received from the CEO and the Finance Director that the Group's risk management and internal controls systems in place were adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations.

The Company has complied with Rule 1207(4)(B)(IV) of the SGX-ST Listing Manual in relation to the risk management policies and internal control systems. Based on the Group's framework of management controls, the internal control policies and procedures maintained by the Group, the reviews performed by the external and internal auditors, as well as the written representation by the Management, the Board, with the concurrence of the ARMC, is of the opinion that the risk management and internal control systems, addressing financial, operational, compliance and information technology risks are adequate and effective as at 31 December 2025 to address the risks considered relevant and material to the Group's operations.

The process of reviewing and strengthening the Group's control environment is an evolving process. Management will continue to devote resources and expertise towards improving its internal policies and procedures to maintain a high level of governance and internal controls.

Audit Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

PROVISION 10.2

PROVISION 10.3

ARMC Composition and Role

The Board established the Audit Committee in July 2000. On 29 March 2021, it consolidated the Audit Committee and the Risk Management Committee and renamed it as the Audit & Risk Management Committee. The ARMC comprises three Non-Executive Directors, all of whom, including the Chairperson of the ARMC, are independent.

Please refer to Provision 1.4 on the names of the members and the composition of the ARMC.

The key written terms of reference for the ARMC are set out on page 117 of this Annual Report.

Ms Soong Wee Choo, Chairperson of the ARMC, is a certified member of the Institute of Singapore Chartered Accountants (ISCA). She possesses recent and relevant accounting or related financial management knowledge and risk management expertise, whilst the other two ARMC members have regulatory, governance and industrial background. With the current composition, the Board believes that the ARMC members are appropriately qualified to discharge their responsibilities as defined under the terms of reference, which have been approved by the Board.

Ms Soong Wee Choo will retire at the forthcoming 2026 AGM and will relinquish her position as Chairperson of the ARMC upon her retirement. The Board will appoint a successor to the ARMC Chairperson following the 2026 AGM to ensure continuity and compliance with the Code and the SGX-ST Listing Manual.

No former partner or director of the Company's existing auditing firm is a member of the ARMC.

The ARMC is responsible for assisting the Board in its oversight of the reliability and integrity of the accounting policies and financial reporting as well as to scrutinise the adequacy and effectiveness of the internal control systems. The ARMC is authorised by the Board and has explicit authority to investigate any matter within its terms of reference. It has direct and unrestricted access to, and the co-operation of the Management and full discretion to invite any Executive Director or KMP to attend its meetings. The ARMC has adequate resources, including access to external consultants, lawyers or other professionals as it seems fit to provide independent counsel and advice, to assist in the review or investigation into such matters within its terms of reference as it deems appropriate at the Company's expense.

The ARMC met three times in FY 2025. The Executive Directors and the Finance Director were invited to attend the meetings.

PROVISION 10.1

PROVISION 10.4

Financial Reporting Matters

The ARMC reviews the financial statements, SGXNet announcements and all related disclosures to shareholders before submission to the Board for approval. In the process, the ARMC reviews the key areas of management judgement applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have an impact on the Group's financial performance to ensure the integrity and fairness of the financial statements, as well as its compliance with the accounting standards and the applicable laws and regulations.

In the review of the financial statements for FY 2025, the ARMC also discussed significant matters impacting the financial statements with the Management and the external auditors.

CORPORATE GOVERNANCE REPORT

Internal Controls & Regulatory Compliance

The ARMC reviews the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems through discussion with Management and its auditors and report to the Board annually.

The ARMC reviews the assurance from the CEO and the Finance Director on the financial records and financial statements.

External Audit

The ARMC reviews the scope and results of the audit carried out by the external auditors, the cost effectiveness of the audit and the independence and objectivity of the external auditors. It always seeks to balance the maintenance of objectivity of the external auditors and their ability to provide value-for-money professional services.

The ARMC, in determining the independence and objectivity of the external auditors, KPMG, reviewed all aspects of their relationships with them, including the processes, policies and safeguards adopted by the Group and KPMG relating to audit independence. The ARMC also considered the nature and volume of the provision of the non-audit services in FY 2025 and the corresponding fees.

The total fees paid/payable to KPMG in FY 2025 are set out below:

Audit Fees for FY 2025	\$169,000
Non-Audit Fees – services relating to sustainability reporting	\$57,000
% of Non-Audit Fees to Audit Fees	34%

The non-audit fees arose primarily from the advisory services provided in connection with the Group's ESG reporting roadmap and compliance with SGX reporting requirements. The ARMC noted that these were not prohibited services and do not pose a threat to the external auditors' independence, and safeguards had been put in place by KPMG to ensure that the independence of the audit team is not impaired. The ARMC is thus of the opinion that such non-audit fees did not impair or threaten the audit independence. Based on the review, the ARMC is of the opinion that KPMG is, and is perceived to be, independent for the purpose of the Group's statutory financial audit.

Details of fees payable to other auditors are set out on page 182 of this Annual Report.

The ARMC recommends to the Board the appointment, re-appointment and removal of external auditors, and approves the remuneration and terms of engagement of the external auditors.

In reviewing the nomination of KPMG for re-appointment for the financial year ending 31 December 2026, the ARMC has considered the adequacy of the resources, experience and competence of KPMG, and has taken into account the Accounting and Corporate Regulatory Authority's (ACRA) Audit Quality Indicators Disclosure Framework relating to KPMG at the firm level and on the audit engagement level. Consideration was also given to the experience of the engagement partner and key team members in handling the audit. The ARMC also considered the audit team's ability to work in a co-operative manner with Management whilst maintaining integrity and objectivity and its ability to deliver their services professionally and within agreed timelines.

Based on the above, the ARMC is satisfied with the independence and objectivity of the external auditors, as well as the standard and quality of work performed. It has recommended to the Board the nomination of KPMG for re-appointment as external auditors of the Company, subject to the shareholders' approval at the forthcoming AGM.

The Company has complied with Rules 712 and Rule 715 (read with Rule 716) of the SGX-ST Listing Manual in relation to the appointments of its external auditors. The ARMC and the Board are also satisfied with the standards and the effectiveness of the audits performed by the independent auditors, other than those of the Company.

Internal Audit

The primary role of internal audit is to assist the Board to evaluate the reliability, adequacy and effectiveness of the internal controls and risk management processes of the Group, reviewing the internal controls of the Group to ensure prompt and accurate recording of transactions and proper safeguarding of assets and reviewing that the Group complies with the relevant laws, regulations and policies established.

The internal audit function plans its internal audit schedule in consultation with, but independent of the Management. The ARMC examines the internal audit plan, determines the scope of audit examination and approves the internal audit budget. It also oversees the implementation of the improvements required on internal control weaknesses identified and ensures that the Management provides the necessary co-operation to enable the internal auditors to perform its function. In addition, the internal auditors may be involved in ad-hoc projects initiated by the Management which require the assistance or/and assurance of the internal auditors in specific areas of concerns.

The Company has appointed Lo Hock Ling & Co. ("**LHL**") to perform the internal audit function of the Group. The internal audit work carried out by LHL is guided by the International Standards for the Professional Practice of Internal Auditing developed by the Institute of Internal Auditors ("**IIA**") and has incorporated these Standards into its audit practices and meet the standards set by the IIA. The internal auditors report primarily to the Chairperson of the ARMC and have unrestricted access to the documents, records, properties and personnel of the Company and of the Group.

The ARMC annually reviews the adequacy and effectiveness of the internal audit function to ensure that resources are adequate and that the internal audits are performed effectively. It approves the appointment, termination, evaluation and the remuneration of the internal auditors.

The ARMC is satisfied that the internal audit function is independent and is staffed by suitably qualified and experienced professionals with the relevant experience to perform its function effectively.

Whistle-Blowing Policy

The Company has established a Code of Conduct and Business Ethics that sets the principles of the code of conduct and business ethics which applies to all employees of the Group. This code covers areas such as conduct in workplace, business conduct, protection of the Company's assets, confidentiality of information and conflict of interest, etc. Directors, KMPs and employees are expected to observe and uphold high standards of integrity which are in compliance with the Company's policies and the law and regulations of the countries in which it operates.

The Group has put in place a whistle-blowing framework, endorsed by the ARMC, which provides the mechanisms where employees may, in confidence, raise concerns or observations about possible corporate malpractices and improprieties in financial reporting or other matters directly to the Chairperson of the ARMC. Details of the whistle-blowing policies, together with the dedicated whistle-blowing communication channels (such as email address and telephone contacts) have been made available to all employees. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action and provides assurance that employees will be protected from reprisal within the limits of the law or victimisation for whistle-blowing in good faith. Anonymous reporting will also be attended to and anonymity honoured.

The whistle-blowing policy and procedures are reviewed by the ARMC from time to time to ensure that they remain relevant.

The ARMC reports to the Board on such matters at the Board meetings. Should the ARMC receive reports relating to serious offences and/or criminal activities in the Group, the ARMC and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report shall be made to the relevant government authorities for further investigation or action.

There was no reported incident pertaining to whistle-blowing during FY 2025 and until the date of this Annual Report.

PROVISION 10.5

Meeting Auditors without Management

The ARMC meets with the external auditors and the internal auditors, at least once a year, without the presence of the Management, to review any matter that might be raised. These meetings enable the auditors to raise any issues in the course of their work directly to the ARMC.

CORPORATE GOVERNANCE REPORT

IV. SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

PROVISION 11.1

PROVISION 11.2

Conduct of General Meetings

Shareholders are informed of shareholders' meetings through notices contained in annual reports or circulars sent to all shareholders. These notices are also published in the Business Times and posted onto the SGXNet and the Company's corporate website – www.qianhu.com.

In order to provide ample time for the shareholders to review, the notice of AGM, together with the Annual Report, is distributed to all shareholders 28 days before the scheduled AGM date. Shareholders are invited to submit questions to the Chairman of the AGM in advance of, or to put forth any questions they may have on the motions to be debated and decided upon at the AGM.

Pursuant to Rule 730A(2) of the SGX-ST Listing Manual, all resolutions proposed at the AGMs and at any adjournment shall be put to the vote by way of poll. All shareholders are entitled to vote in accordance with the established voting rules and procedures at the AGM. Each share is entitled to one vote. In support of greater transparency and to allow for a more efficient voting process, the Company conducts electronic poll voting in respect of all the resolutions tabled at the AGM. The detailed procedures for the electronic poll voting are explained at the AGM. An external firm is appointed as scrutineers for the AGM voting process, which is independent of the firm appointed to undertake the electronic poll voting process. The detailed results setting out the number of votes cast for and against each resolution and the respective percentages resolution are tallied and instantaneously displayed on the screen after each poll conducted during the AGM. The results are also announced via SGXNet on the same day.

The resolutions tabled at the general meetings are on each distinct issue. The Company does not "bundle" resolutions unless the resolutions are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

Detailed information on each item in the AGM agenda is provided in the explanatory notes to the Notice of AGM in the Annual Report.

PROVISION 11.3

Interaction with Shareholders

At general meetings of the Company, shareholders are given the opportunity to communicate their views and are encouraged to ask the Directors and the Management questions regarding matters affecting the Company and the Group.

The Executive Chairman and all the Directors (including the Chairpersons of the ARMC, NC and RC) were present at the last AGM held on 3 April 2025. All Directors will endeavour to be present at the Company's forthcoming AGM to be held on 7 April 2026 to address shareholders' questions relating to the work of the Board and the Board Committees.

The Company's external auditors are also available at the AGM to address any relevant queries by the shareholders relating to the conduct of the audit and the preparation and content of the auditors' report.

PROVISION 11.4***Shareholders' Participation***

The Company supports active shareholder participation at general meetings. Annual reports are distributed to all shareholders 28 days before the scheduled general meeting date. All shareholders are encouraged to attend the general meetings to ensure a high level of accountability and to stay informed of the Group's strategies and visions. If shareholders are unable to attend the meetings, the Constitution of the Company allows shareholders who are not relevant intermediaries to appoint not more than two proxies to attend, speak and vote at general meetings in their absence, and shareholders who are relevant intermediaries to appoint more than two proxies to attend, speak and vote at general meetings. In order to have a valid registration of proxy, the proxy forms must be sent in advance to the place as specified in the notice of the general meetings at least 72 hours before the time set for the general meetings.

Voting in absentia such as voting via mail, electronic mail or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of shareholders through the web is not compromised.

PROVISION 11.5***Minutes of General Meetings***

The Board views the AGM as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the resolutions tabled for approval and/or ask the Directors or the Management questions regarding the Company and its operations.

Since FY 2003, the Board has developed several channels, which include electronic mail or facsimile, for shareholders who are not able to attend the AGM to contribute their feedback and input. The detailed AGM minutes, which include comments and the questions raised by shareholders, together with the responses from the Board and the Management, are publicly available on both the SGXNet and the Company's corporate website within seven working days from the date of the meeting.

PROVISION 11.6***Dividend Policy***

Qian Hu is committed to delivering sustainable long-term value to shareholders through disciplined capital management. In determining the appropriate level of dividends, the Board considers, among other factors, the Group's financial performance, operating cash flows, projected capital requirements, investment commitments and prevailing economic conditions.

It has formalised its dividend policy to provide a return to shareholders at least once a year through the payment of dividends, which aims to pay shareholders sustainable and growing dividend over time, consistent with its long-term growth prospects. In compliance with Rule 704(24) of the Listing Manual of SGX-ST, in the event that the Board decides not to declare or recommend a dividend, the reasons for such decision will be expressly disclosed together with the financial statements announcement.

For FY 2025, the Company recorded accumulated losses at the Company level, which restrict its ability to declare dividends in accordance with applicable regulatory requirements. In light of this, the Directors have decided not to propose a dividend for the financial year ended 31 December 2025 (FY 2024: 0.4 Singapore cents per ordinary share).

In addition, the Group will prioritise prudent cash management to support key initiatives in FY 2026, including the renewal of land leases in Singapore and other strategic projects aimed at strengthening long-term sustainability and growth.

Notwithstanding the above, the Company has maintained a consistent dividend track record since its Initial Public Offering in 2000.

CORPORATE GOVERNANCE REPORT

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

PROVISION 12.1

PROVISION 12.2

PROVISION 12.3

Disclosure of Information on Timely Basis

Qian Hu is firmly committed to corporate governance and transparency by disclosing to its stakeholders, including its shareholders, as much relevant information as is possible, in a timely, fair and transparent manner as well as hearing its shareholders' views and addressing their concerns. By supplying shareholders with reliable and timely information, the Company is able to strengthen the relationship with its shareholders based on trust and accessibility.

The Company discloses well in advance the date of release of its financial results in the Annual Report of the preceding year. Approximately two weeks prior to each results announcement, the Company issues a SGXNet announcement to confirm the exact date of release.

Since FY 2020, the Company has moved to semi-annual reporting of its financial performance. The unaudited half-year results and audited full-year results were released to shareholders within 20 days (on 18 July 2025 and 16 January 2026) from the end of the respective reporting periods. All SGXNet financial statements announcements were accompanied by a press release in both the English and Chinese languages.

Other than the SGXNet financial statements announcements and Annual Reports, all relevant and material information are also released to the public timely in accordance with the applicable laws and regulations.

Outside of the financial announcement periods, when necessary and appropriate, the Executive Chairman and CEO will meet analysts and fund managers who like to seek a better understanding of the Group's operations. The Executive Chairman and CEO also engage with local and foreign investors to solicit feedback from the investment community on a range of strategic and topical issues which should provide valuable insights to the Board on investors' views. When opportunities arise, the Executive Chairman and CEO participate in media interviews to provide shareholders and the investors with deeper insights into the Group's business prospects, to support informed investment decision-making.

Investor Relations Practices

Qian Hu has in place an Investor Relations Policy, which sets out the process and mechanism to engage its shareholders, including the channel of communication for questions to be posed by shareholders and through which the Company may respond accordingly.

Through the investor relations ("IR") personnel, the Company communicates and engages with shareholders, analysts and other stakeholders to provide balanced, consistent, clear and pertinent information on a regular basis, as well as to attend to their queries or concerns and to keep the investors public apprised of the Group's corporate developments and financial performance.

To enable shareholders to contact the Company easily, the contact details of the IR personnel are set out on page 4 of this Annual Report as well as on the Company's website. The IR personnel have procedures in place for following up and addressing stakeholders' queries as soon as practicable.

Full details of the Group's investor relations initiatives are set out on pages 86 and 87 of this Annual Report.

V. MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

PROVISION 13.1

PROVISION 13.2

Stakeholders' Engagement

The Board recognises that effective stakeholder engagement is integral to the long-term sustainability of the Group. In line with the SGX-ST Listing Rules and the SGX Sustainability Reporting requirements, the Group maintains a structured approach to identifying and engaging stakeholders whose interests may be affected by, or may affect, the Group's operations and strategy.

The Group has identified six key stakeholder groups who are expected to be reasonably impacted by the Group's business and operations, and those who are similarly able to impact the Group's business and operations, namely suppliers, customers, employees, community, investors and regulators. These stakeholder groups are reviewed periodically to ensure continued relevance.

Engagement with stakeholders is conducted through various formal and informal medium and channels, including regular dialogue sessions, surveys, meetings, investor communications, operational collaborations and regulatory consultations. Feedback gathered through these engagements is considered by Management and, where material, escalated to the Board for review.

In accordance with SGX sustainability reporting requirements, the Group conducts a materiality assessment to identify ESG topics that are material to the business and its stakeholders. The identified material ESG topics form the basis of the Group's sustainability strategy, targets and performance monitoring. The Board reviews and endorses the material ESG topics annually.

Since FY 2022, the Group has reported its sustainability performance in accordance with the SGX Sustainability Reporting Guide, with reference to the GRI Standards. Climate-related disclosures have been aligned with the recommendations of the TCFD. In FY 2025, the Group commenced adoption of the ISSB Standards, including IFRS S1 and IFRS S2 to progressively align with evolving regulatory expectations and global best practices.

Further details of the Group's stakeholder engagement processes, materiality assessment methodology and sustainability performance are set out in the Sustainability Report on pages 43 to 90 of this Annual Report.

PROVISION 13.3

Corporate Website

The Company does not practice selective disclosure of material information. All material information on the performance and development of the Group and of the Company is disclosed in a timely, accurate and comprehensive manner through SGXNet, press releases and the Company's corporate website – www.qianhu.com.

The comprehensive website, which is updated regularly, contains various information on the Group and the Company which serves as an important resource for investors and all stakeholders. It has a dedicated "Investor Relations" link which features the latest and past annual reports, financial results, and related information.

CORPORATE GOVERNANCE REPORT

VI. OTHER CORPORATE GOVERNANCE MATTERS

DEALING IN SECURITIES

- Listing Manual Rule 1207(19)

In compliance with Rule 1207(19) of the SGX-ST Listing Manual on best practices in respect of dealing in securities, the Group has in place an internal compliance policy which prohibits the Directors, KMPs of the Group and their connected persons from dealing in the Company's shares during the "black-out" period – being one month immediately preceding the announcement of the Company's half-year and full-year results, or if they are in possession of unpublished price-sensitive information of the Group.

In addition, Directors, KMPs and connected persons are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. They are also refrained from dealing in the Company's shares on short-term considerations.

All Directors are required to seek the Board's approval before trading in the Company's shares and are also required to notify the company secretary of any change in his/her interest in the Company's shares within two business days of the change.

During FY 2025, there was no trading of the Company's shares by insiders.

MATERIAL CONTRACTS

- Listing Manual Rule 1207(8)

Pursuant to Rule 1207(8) of the SGX-ST Listing Manual, there was no material contract involving the interests of any Director or controlling shareholder entered into by the Company or any of its subsidiaries since the end of the previous financial year.

There was no such contract subsisted at the end of the financial year under review.

INTERESTED PERSON TRANSACTIONS

- Listing Manual Rule 907

To ensure compliance with Chapter 9 of the SGX-ST Listing Manual, the ARMC, as well as the Board, review if the Company will be entering into any interested person transactions. If the Company intends to enter into an interested person transaction, the ARMC and the Board will ensure that the transaction is carried out fairly and at arm's length based on normal commercial terms and will not be prejudicial to the interest of the Company and its non-controlling shareholders.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the SGX-ST Listing Manual. Disclosure of interested person transactions is set out on pages 185 and 186 of this Annual Report. There were no interested person transactions entered into by the Group in excess of \$100,000 during the financial year under review.

APPENDIX –

BOARD COMMITTEES' DUTIES AND RESPONSIBILITIES

AUDIT & RISK MANAGEMENT COMMITTEE

- Review financial statements and formal announcements relating to financial performance, as well as discuss major risk areas and significant financial reporting issues and judgements contained in them, for better assurance of the integrity of such statements and announcements before submission for Board approval.
- Review and report to the Board annually on the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management system.
- Review the assurance from the CEO and the Finance Director on the financial records and financial statements.
- Review the external auditors' proposed audit scope and approach and ensure that no unjustified restrictions or limitations have been placed on the scope.
- Review the adequacy, effectiveness and the results of the external audit, and where external auditors provide non-audit services, to review the nature, extent and cost of such services and the independence and objectivity of the external auditors.
- Review the internal audit programme with regard to the complementary roles of the external and internal audit functions.
- Review the adequacy, effectiveness, independence, scope and results of the internal audit procedures.
- Receive reports from the external and internal auditors and ensure that the significant findings and recommendations are discussed and addressed on a timely basis.
- Meet with external auditors and internal auditors, without the presence of management, at least annually, to discuss any problems and concerns.
- Review the co-operation given by the Group and its management to the external and internal auditors.
- Make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors and approve the remuneration and terms of engagement of the external auditors.
- Approve the hiring, removal, evaluation and compensation of the outsourced internal audit function.
- Review the policy and arrangements by which employees and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken.
- To review any potential conflicts of interest that may arise in respect of any Directors and/or controlling shareholders of the Company for the time being.
- Review and recommend for the Board's approval all interested person transactions, as specified under Chapter 9 of the Listing Manual of SGX-ST, to ensure that the transactions have been conducted on normal commercial terms and are not prejudicial to the interests of the Company and its non-controlling shareholders.
- Receive recommendations on risk tolerance and strategy from management, and where appropriate, report and recommend to the Board for its determination of the nature and extent of significant risks which the Group overall may take in achieving its strategic objectives and the Group's overall levels of risk tolerance and risk policies.
- Review and discuss, as and when appropriate, with management on the Group's risk governance structure and its risk policies and risk mitigation and monitoring processes and procedures.
- Receive and review reports from management on major risk exposures and the steps taken to monitor, control and mitigate such risks.
- Review the Group's capability to identify and manage new risk types.
- Review and monitor the Group's approach to ensure compliance with the regulatory commitments, including progress of remedial actions where appropriate.
- Provide timely input to the Board on critical risk and compliance issues, material matters, findings and recommendations.
- Investigate any matters within the Audit & Risk Management Committee's purview, whenever it deems necessary.
- Perform such other functions as the Board may determine.

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES' DUTIES AND RESPONSIBILITIES (continued)

NOMINATING COMMITTEE

- Review the nominations and recommend to the Board the new appointment and re-appointment of Directors.
- Annual review of balance and diversity of skills, experience, gender and knowledge required by the Board, and determine the suitable size of the Board which would facilitate decision-making after taking into consideration the scope and nature of the operations of the Group and recommend adjustments that are deemed necessary to the Board.
- Annual review of the independence of each Director and to ensure that the Board comprises at least one-third Independent Directors.
- Where a Director has multiple listed company board representations and/or other principal commitments, to decide whether the Director is able to and has been adequately carrying out his/her duties as Director of the Company.
- Recommend to the Board the process for the evaluation of the performance of the Board, the Board Committees and individual Directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole, as well as the contribution of each individual Director.
- Annual assessment of the effectiveness of the Board as a whole and of the individual Directors.
- Review and make recommendations to the Board on relevant matters relating to the succession plans of the Board (in particular, the Chairman and CEO) and key management personnel.
- Review the training and professional development programmes for board members.
- Perform such other functions as the Board may determine.

REMUNERATION COMMITTEE

- Review and recommend to the Board a framework of remuneration for Board members and key management personnel, and the specific remuneration packages for each Director (Executive and Independent), as well as for the key management personnel.
- Review the ongoing appropriateness and relevance of the remuneration policies.
- Review the Group's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous.
- Perform such other functions as the Board may determine.

Save that a member of this Committee shall not be involved in the deliberations in respect of any remuneration, compensation, award of shares or any form of benefits to be granted to him/her.

RISK MANAGEMENT

Risk management forms an integral part of business management. The Group's risk and control framework is designed to provide reasonable assurance that business objectives are met by embedding management control into daily operations to achieve efficiency, effectiveness and safeguard of assets, ensuring compliance with legal and regulatory requirements, and ensuring the integrity of the Group's financial reporting and its related disclosures. It makes Management responsible for the identification of critical business risks and the development and implementation of appropriate risk management procedures to address these risks. The risk management and control procedures are reviewed and updated regularly to reflect changes in market conditions and the activities of the Group.

The Group takes a balanced approach to risk management, recognising that not all risks can be eliminated. To optimise returns for the Group, it will only undertake appropriate and well-considered risks.

The Group's risk management process consists of identification, assessment, formulation of mitigation measures, communication and implementation, and monitoring and reviewing. The process takes into consideration both the impact and likelihood of the risks identified.



IDENTIFY	ASSESS	MITIGATE	IMPLEMENT	MONITOR
 <p>Identify the risks and opportunities that may impede or expedite our ability to achieve our ignite strategic objectives.</p>	 <p>Prioritise our risks according to a consistent set of definitions, considering both the impact and the likelihood of occurrence, allowing us to focus on our mitigation plans.</p>	 <p>Take action to address the risks we face either to control the likelihood of the risks crystallising or mitigate the impact if they do and bring our risk profile in line with the Board's risk appetite.</p>	 <p>Communicate and deliver ongoing support for the implementation of the necessary action plans.</p>	 <p>Maintain an up-to-date assessment of risks and ensure that mitigating actions are taken in a timely way.</p>

RISK MANAGEMENT

The following set out an overview of the key risks faced by Qian Hu, the nature and the extent of the Group's exposure to these risks and the mitigating actions in place that we believe could help in managing these risks. In the year under review, the Group's risk appetite and risk profile remains broadly unchanged. We are satisfied that there were no risks that could affect the ability of the Group to continue as a going concern in the next twelve months.

BUSINESS AND STRATEGY RISKS

Business and strategy risks refer to factors affecting businesses such as customer demand, revenue attainment, macroeconomic conditions, competition and regulatory environment. They are normally managed by the respective divisions and subsidiaries within the Group in their pursuit of growth and meeting earnings target.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Strategy and investment risk</p> <ul style="list-style-type: none"> The Group grows businesses through organic growth of its existing activities, development of new capabilities and through new ventures with business partners. It is exposed to risks associated with its expansion plans, including the financial burden of setting up new businesses and dealing with unfamiliar rules and regulations in foreign jurisdictions. The investment timeframe and the budgets for such expansion plans may be exceeded and that the parameters set will not be achieved. 	<ul style="list-style-type: none"> Business proposals and investment activities are evaluated through the performance of due diligence exercise and where necessary, supported by external professional advice, to ensure that they are in line with the Group's strategic focus and that they meet the relevant rate of financial returns, taking into consideration other relevant risk factors. All business proposals are reviewed by the senior management before obtaining final Board approval. Investments are monitored to ensure that they are on track in meeting the Group's strategic intent, investment objectives and returns.
<p>Market and political risk</p> <ul style="list-style-type: none"> The Group currently operates in five countries with assets and activities spreading mainly across the Asia Pacific. The subsidiaries in these countries are exposed to changes in government policies and regulations, as well as unfavourable political developments, which may limit the realisation of business opportunities and investments in those countries. The Group's business operations are exposed to economic uncertainties that continue to affect the global economy and international capital markets. 	<ul style="list-style-type: none"> Consistently keep updated on the potential changes in political, economic and industrial developments so as to be able to anticipate and/or respond to any adverse changes in market conditions in a timely manner. As at 31 December 2025, approximately 43% of the Group's assets are located overseas, while revenue from its overseas' customers constitute approximately 64% of the total revenue in FY 2025. As the Group currently exports to more than 80 cities and countries, the effect of greater geographical diversification reduces the risk of concentration in a single market.
<p>Regulatory risk</p> <ul style="list-style-type: none"> The Group's operations are subject to changes in prevailing laws and regulations in countries where it operates, particularly in areas of corporate law, environment law, and possible local government interventions impacting the industry. 	<ul style="list-style-type: none"> Maintain close working relationships with respective local authorities and business partners so as to keep abreast with any changes and/or material regulatory development. All necessary certificates and licences are obtained and renewed on a timely basis in accordance with applicable laws and regulations.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Competition risk</p> <ul style="list-style-type: none"> With increasing competition, the Group may possibly lose its competitive edge due to new market entrants or with the growth of existing competitors as well as the emerging of new and better receptive products. 	<ul style="list-style-type: none"> Strive to strengthen competitiveness through product differentiation, market positioning, and leveraging on brand while consistently monitoring and responding to market dynamics. Conscientious efforts are made in attaining high quality products and services while sustaining operational efficiency to improve its competitiveness, productivity and profitability. Invest perpetually in research and development activities to develop more innovative accessories products with in-house proprietary technology to enhance market competitiveness.
<p>Reputation risk</p> <ul style="list-style-type: none"> The Group may face negative publicity or diminution in public confidence if there are mishandling of transactions or events. 	<ul style="list-style-type: none"> Instilled an open communication programme to ensure timely and effective communication of information with its key stakeholders. Investor relations policy in place and reputation associated with investor relations efforts to further strengthen communication with stakeholders. Clear corporate mission statements and guiding principles are in place and communicated to all employees within the Group to uphold the reputation of the Group.
<p>Business continuity risk</p> <ul style="list-style-type: none"> The Group may encounter unforeseen circumstances, including internal and external threats, which can prevent the continuation of its business operations such as during crisis or disasters. 	<ul style="list-style-type: none"> Focus on refining its business continuity management, including the setting up of an operational prevention and recovery framework, to ensure that the Group can continue to maintain its competitive advantage, maximise value for stakeholders, as well as minimise any disruptions to critical business activities, supply chain, people and assets. Crisis management and communication procedures are in place and refined constantly. This allows for prompt responses and expedite recovery so as to enhance the resilience of the Group to potential business interruptions and to safeguard critical business functions from major risks, and to be able to respond to the evolving situation with proactive implementing measures to mitigate the impact.

RISK MANAGEMENT

OPERATIONAL RISKS

Operational risks refer to persons, processes, products, information technology and practices in the business activities which may not operate as designed or planned.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Operational processes risk</p> <ul style="list-style-type: none"> Possible breakdown in internal process, deficiencies in people and the Management, or operational failure arising from external events may result in potential loss to the Group. 	<ul style="list-style-type: none"> Minimise unexpected losses and manage expected losses through a series of quality and people management programs, as well as through business continuity planning. Operating manuals, standard operating procedures and the delegation of authority matrix are in place. Ongoing efforts to streamline business processes and strengthen internal policies and procedures to drive standardisation, accountability and continuous improvement across the Group. Conduct regular reviews of policies and authority limits to ensure its relevance in meeting changing business environment. Regular management team meetings held to facilitate effective communication.
<p>Product risk</p> <ul style="list-style-type: none"> Ornamental fish, like other livestock, is susceptible to disease and infection. Products and services offered by the Group may fail to meet customers' needs and expectations due to its functionality or quality, which can be damageable to the brand integrity. 	<ul style="list-style-type: none"> Different breeds of fishes are vulnerable to different types of diseases. While it is possible that a rare or virulent strain of bacteria or virus may infect a particular breed of fish in the farm, fatal infection across breeds at any one point in time is uncommon. Institutionalised a comprehensive health management and quarantine system for all domestic and overseas operations to ensure a consistently high standard of good health care management and hygiene for the fishes. Integrated in-house R&D team to focus on the research of breeding behaviour, product innovation technology for aquarium accessories and new form of ornamental fish farming technology to attain product differentiation and diversification, as well as to address quality issues and to shore up our resilience. Diversified in both the Group's products and markets by selling over 1,000 species and varieties of ornamental fish and more than 3,000 kinds of accessories products to more than 80 cities and countries and are not solely reliant on the sale of any particular species of fish or type of accessories products.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>People risk</p> <ul style="list-style-type: none"> The Group depends on the service of good personnel for business continuity. While no individual is indispensable, the loss of specialised skills and the leadership of the key management personnel, may result in business interruptions and a loss in shareholders' confidence. Succession plan execution may be a challenge given the size of the Group. 	<ul style="list-style-type: none"> Benchmark and review the competitiveness of remuneration packages periodically. Provide a cohesive environment to develop, nurture and retain employees. Set up a non-discriminatory reward framework linked to individual performance. Has since put in place a structured succession planning program to identify and develop a team of potential employees based on their merit. The training of a team of next-generation leaders for key positions is critical to the continuity of the business which should last beyond this generation.
<p>Climate change and environmental risk</p> <ul style="list-style-type: none"> Climate change and environmental risk is a growing concern. The recent spate of natural catastrophes and the continuing threat of future occurrences, especially in the past few years, may disrupt the Group's fish breeding/farming activities and/or logistics arrangements, resulting in economic losses. 	<ul style="list-style-type: none"> Embark on strategic reviews on key areas, such as infrastructure and logistics, to minimise the business impact of untoward events. Explore the feasibility of pursuing high-end aquaculture, such as bio-secured farming of selected fish species, to mitigate and manage risks relating to adverse weather conditions, and to ensure consistent supply of these fish species. Develop more proactive measures and environmental practices and continue to embrace and leverage on technology to improve processes. <p>(More details are set out on pages 66 to 70 of this Annual Report.)</p>

FINANCIAL RISKS

Financial risks arise from volatility in the underlying financial market and include factors such as interest rates, foreign exchange and equity prices.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Credit risk</p> <ul style="list-style-type: none"> The Group may suffer potential financial loss resulting from the failure of customers or counterparties to settle their financial and contractual obligations as and when they fall due. 	<ul style="list-style-type: none"> Standard operating procedures in place which includes the application of credit approvals, performing credit evaluations, setting credit limits and the monitoring of credit risk on a regular basis. Cash terms or advance payments are required for customers with lower credit standing. None of the Group's customers or suppliers contributes more than 5% of its revenue and purchases. It is the Group's policy to sell to a diversity of creditworthy customers to reduce concentration of credit risk. While the Group faces the normal business risks associated with ageing collections, it has adopted a prudent accounting policy of making allowances for trade receivables once they are deemed not collectible. Major collectible issues are highlighted to all concerned.

RISK MANAGEMENT

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Interest rate risk</p> <ul style="list-style-type: none"> The Group is exposed to interest rate fluctuations from external borrowings. 	<ul style="list-style-type: none"> Monitor interest rate trends on an ongoing basis with the objective of limiting the extent to which the Group's results could be affected by an adverse movement in interest rate. Cash balances are placed with reputable banks and financial institutions. For financing obtained through bank borrowings and finance lease arrangements, the Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure.
<p>Liquidity risk</p> <ul style="list-style-type: none"> Renewal or additional financing made available to the Group on favourable terms is subject to prevailing global and local economic conditions, credit and capital market sentiments. 	<ul style="list-style-type: none"> Monitor working capital requirements and maintain a level of cash and cash equivalents deemed adequate to mitigate the effects of fluctuations in cash flows, as well as to ensure that the Group has sufficient funds to meet its contractual and financial obligations as and when they fall due. Cash flow projections and available bank facilities are reviewed regularly to ensure efficient management of liquidity position. Enhance ability to generate cash from operating activities so as to improve the Group's cash position.
<p>Foreign exchange risk</p> <ul style="list-style-type: none"> The foreign exchange risk of the Group arises from sales, purchases and borrowings that are denominated in currencies other than Singapore dollars. Exchange gain or loss may also arise when the assets and liabilities in foreign currencies are translated into Singapore dollars for financial reporting purposes. 	<ul style="list-style-type: none"> Continuous monitoring of the exchange rates of major currencies and may enter into hedging contracts with banks from time to time whenever the Management detects any movements in the respective exchange rates which may impact the Group's profitability. Natural hedging is used extensively, including the matching of sales and purchases of the same currency and amount where practicable. Foreign currencies received are kept in foreign currencies bank accounts which are converted to the respective measurement currencies of the Group's companies on a need-to basis so as to minimise foreign exchange exposure. Currency translation risk (especially for reporting purposes), which is inherent for operations outside Singapore, is non-cash in nature and therefore not hedged.
<p>Capital structure risk</p> <ul style="list-style-type: none"> The capital structure of the Group consists of loans and borrowings, issued share capital and accumulated profits. Insufficient capital structure may impact the Group's ability to provide appropriate returns to the shareholders. 	<ul style="list-style-type: none"> Regular review is performed to ensure optimal capital structure taking into consideration future capital requirements and capital efficiency, prevailing operating cash flow and profitability, as well as projected capital expenditure of the Group. The Group may issue new shares, obtain new bank borrowings, sell its assets to reduce external borrowings, adjust the amount of dividend pay-out or return a portion of capital to its shareholders in order to maintain or achieve an optimal capital structure.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Financial management risk</p> <ul style="list-style-type: none"> • Rely on self-assessment, review and reporting process to ensure that transactions are carried out in conformity with accounting standards and the Group's accounting policies and that the internal controls over financial reporting are adequate and effective. • The system may not prevent or detect all frauds or misstatements in a timely manner, especially with changes in conditions and operations which may cause the system effectiveness to vary from time to time. 	<ul style="list-style-type: none"> • Formalise operating manuals and standard operating procedures. • Internal controls over financial reporting are reviewed regularly to ensure proper financial discipline and compliance with established Group's policies and guidelines, which are embedded within the corporate governance structure. • External and internal audit reviews carried out annually on the controls and procedures in place also serves as a platform to highlight any irregularities.
<p>Derivative financial instrument risk</p> <ul style="list-style-type: none"> • Market conditions may move against the Group's assumptions at the time of hedging the transactions. 	<ul style="list-style-type: none"> • The Group does not hold or issue derivative financial instruments for trading purposes.

COMPLIANCE RISKS

Compliance risks are the current and prospective risks arising from violation of, or non-conformance with laws, rules, regulations, or ethical standards.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Compliance risk</p> <ul style="list-style-type: none"> • As a listed company incorporated in Singapore with overseas subsidiaries in various countries, the Group is obligated to comply with all the local statutory and regulatory requirements, such as the Singapore Exchange Listing Manual requirements and the Companies Act, etc. Nonetheless, the rapid changes in laws and regulations and practices in different jurisdictions has made compliance more complicated. • Fraud or deliberate wrongful act committed within the Group may result in financial loss. 	<ul style="list-style-type: none"> • Implement effective compliance frameworks, which include putting in place the relevant internal controls processes, policies and procedures, delegation of authority matrix, risk management initiatives and corporate governance practices to minimise the level of lapses. • Establish internal guidelines (Code of Business Ethics and Conduct) and anti-corruption policies have been defined and put into practice for which employees are accountable for compliance. • Align the Group's policies and procedures as reasonable and practical with the requirements of best practice accredited framework, systems and industry standards. • A whistle-blowing policy and well-defined communication channels are in place.

RISK MANAGEMENT

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Data protection and privacy risk</p> <ul style="list-style-type: none"> Data privacy breaches may undermine customer confidence and result in litigation from customers and/or regulatory fines and penalties. 	<ul style="list-style-type: none"> Ensure compliance with applicable data protection laws and perform regular reviews to refine practices. Implement security policies, procedures, technologies and tools designed to minimise the risk of privacy breaches. <i>(For more information on the management of personal data, please refer to the data privacy policy on the Qian Hu website)</i> Conduct awareness training to ensure that employees who handle personal data in the course of their work are mindful of data protection principles and are equipped with the right knowledge to carry out good protection practices in their day-to-day activities. Establish an escalation process for incident management to ensure timely response, internally or externally, to minimise impact.

INFORMATION TECHNOLOGY RISKS

Information technology (“IT”) risks include hardware and software failure, human error, spam, viruses and malicious attacks, as well as natural disasters such as fire, storms or floods.

DESCRIPTION OF RISKS WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Cyber security risk</p> <ul style="list-style-type: none"> The Group is imperiled to a full range risk, presented in various forms, associated with its IT system, including disruptions to the network. Increasing global incidence of cyber-attacks on company servers and websites demonstrates the need to reinforce and tighten the security of the Group’s IT systems and avoid breach. Cyber-attacks can disrupt operations and the resulted cyber thefts of sensitive and confidential information could lead to litigations and financial losses. 	<ul style="list-style-type: none"> Adopt necessary and up-to-date IT controls and governance practices, including the strengthening of network security such as updating security patches to the system and encrypting workstations. Put in place appropriate measures to safeguard against loss of information, data security, as well as to ensure the continuity of the Group’s business activities and its prompt recovery from an IT crisis. Conduct regular training for users to educate and heighten awareness of cyber threats.

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DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2025.

In our opinion:

- (a) the financial statements set out on pages 134 to 202 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance and changes in equity of the Group and the Company, and the cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Yap Kok Cheng
Soong Wee Choo
Chew Mok Lee
Yap Beng Tat, Richard

(Appointed on 7 April 2025)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the 'Act'), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

	Holdings in the name of the director			Holdings in which the director is deemed to have an interest		
	1/1/2025	31/12/2025	15/1/2026	1/1/2025	31/12/2025	15/1/2026
The Company						
Ordinary shares						
Yap Kok Cheng	–	–	–	75,250	75,250	75,250

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

The Singapore Exchange ("SGX") Listing Manual requires a company to provide a statement as at the 21st day after the end of the financial year, showing the direct and deemed interests of each director of the Company in the share capital of the Company. As the Directors' Statement of the Company is dated 16 January 2026, the Company is unable to comply with the 21 days' requirement. However, for the purpose of best practice, the Company has disclosed the direct and deemed interests of each director of the Company at the last business trading day before the date of the Directors' Statement.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

As at the end of the financial year, no options or warrants to take up unissued shares of the Company or its subsidiaries were granted and no shares were issued by virtue of the exercise of options or warrants to take up unissued shares of the Company or its subsidiaries.

No warrants or options to take up unissued shares of the Company or its subsidiaries were outstanding as at the end of the financial year.

Audit & Risk Management Committee

At the date of this statement, the Audit & Risk Management Committee comprises the following members, all of whom are non-executive and independent:

- Soong Wee Choo (Chairman of the Audit & Risk Management Committee)
- Chew Mok Lee
- Yap Beng Tat, Richard

The Audit & Risk Management Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit & Risk Management Committee has held three meetings since the last Directors' Statement. In performing its functions, the Audit & Risk Management Committee met with the Company's external auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit & Risk Management Committee also reviewed the following:

- assistance provided by the Company's officers to the external auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit & Risk Management Committee ("ARMC") has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The ARMC also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

In determining the independence of KPMG LLP, the ARMC reviewed all aspects of their relationships with them including the processes, policies and safeguards adopted by the Group and KPMG LLP relating to audit independence. The ARMC also considered the nature and volume of the provision of the non-audit services in 2025 and the corresponding fees.

The ARMC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 715 of the SGX Listing Manual.

DIRECTORS' STATEMENT (CONT'D)

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Yap Kok Cheng

Director

Soong Wee Choo

Director

16 January 2026

INDEPENDENT AUDITORS' REPORT

Members of the Company
Qian Hu Corporation Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Qian Hu Corporation Limited (the 'Company') and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of profit or loss, statement of comprehensive income and statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 134 to 202.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of profit or loss, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and the financial performance and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ('ACRA Code') as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Directors' Statement prior to the date of this auditors' report. The other information except for the Directors' Statement in the Annual Report ("the Report") are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Tan Khai Boon.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

16 January 2026

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Company	
		2025 \$	2024 \$	2025 \$	2024 \$
Assets					
Property, plant and equipment	4	12,791,855	8,601,905	1,956,325	2,545,205
Biological assets	5	105,750	119,250	105,750	119,250
Intangible assets	6	7,182,411	6,541,403	2,371,022	2,493,022
Subsidiaries	7	–	–	3,678,787	3,627,287
Financial assets at fair value through profit or loss ("FVTPL")	8	613,500	–	500,000	–
Trade and other receivables	9	–	–	6,098,239	5,661,492
Non-current assets		20,693,516	15,262,558	14,710,123	14,446,256
Biological assets	5	206,621	41,753	–	–
Financial assets at fair value through profit or loss ("FVTPL")	8	–	1,451,687	–	1,451,687
Inventories	10	11,756,981	11,847,481	4,747,889	4,919,999
Trade and other receivables	9	14,072,900	14,814,386	16,667,664	15,704,658
Cash and cash equivalents	11	14,151,912	14,631,327	7,040,019	7,720,877
Current assets		40,188,414	42,786,634	28,455,572	29,797,221
Total assets		60,881,930	58,049,192	43,165,695	44,243,477
Equity					
Share capital	12	30,772,788	30,772,788	30,772,788	30,772,788
Reserves	13	7,816,901	9,004,932	(1,294,313)	606,550
Equity attributable to owners of the Company		38,589,689	39,777,720	29,478,475	31,379,338
Non-controlling interests		2,291,307	2,265,499	–	–
Total equity		40,880,996	42,043,219	29,478,475	31,379,338
Liabilities					
Loans and borrowings	14	1,494,816	526,818	174,573	105,712
Deferred tax liabilities	15	95,818	37,200	–	–
Non-current liabilities		1,590,634	564,018	174,573	105,712
Loans and borrowings	14	9,284,093	5,910,712	5,088,986	4,639,011
Trade and other payables	16	8,701,593	9,125,336	8,216,204	7,911,959
Current tax payable		424,614	405,907	207,457	207,457
Current liabilities		18,410,300	15,441,955	13,512,647	12,758,427
Total liabilities		20,000,934	16,005,973	13,687,220	12,864,139
Total equity and liabilities		60,881,930	58,049,192	43,165,695	44,243,477

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
(Loss) Profit for the year	(602,466)	416,712	(1,447,595)	49,547
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences – foreign operations, net of tax	57,149	350,958	838	–
Other comprehensive income for the year, net of tax	57,149	350,958	838	–
Total comprehensive income for the year	(545,317)	767,670	(1,446,757)	49,547
Total comprehensive income attributable to:				
Owners of the Company	(733,925)	624,959	(1,446,757)	49,547
Non-controlling interests	188,608	142,711	–	–
Total comprehensive income for the year	(545,317)	767,670	(1,446,757)	49,547

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2025

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Group	Attributable to owners of the Company			Total \$	Non- controlling interests \$	Total equity \$
	Share capital \$	Translation reserve \$	Retained earnings \$			
At 1 January 2024	30,772,788	(657,177)	9,377,729	39,493,340	2,238,288	41,731,628
Total comprehensive income for the year						
Profit for the year	–	–	356,656	356,656	60,056	416,712
Other comprehensive income						
Foreign currency translation differences – foreign operations, net of tax	–	268,303	–	268,303	82,655	350,958
Total other comprehensive income	–	268,303	–	268,303	82,655	350,958
Total comprehensive income for the year	–	268,303	356,656	624,959	142,711	767,670
Transactions with owners of the Company, recognised directly in equity						
Distributions to owners						
Dividends paid (See Note 23)	–	–	(340,579)	(340,579)	(159,600)	(500,179)
Total distribution to owners	–	–	(340,579)	(340,579)	(159,600)	(500,179)
Changes in ownership interests						
Incorporation of subsidiary with non-controlling interest	–	–	–	–	44,100	44,100
Total changes in ownership interests	–	–	–	–	44,100	44,100
Total transactions with owners of the Company	–	–	(340,579)	(340,579)	(115,500)	(456,079)
At 31 December 2024	30,772,788	(388,874)	9,393,806	39,777,720	2,265,499	42,043,219

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Year ended 31 December 2025

Group	Attributable to owners of the Company			Total \$	Non- controlling interests \$	Total equity \$
	Share capital \$	Translation reserve \$	Retained earnings \$			
At 1 January 2025	30,772,788	(388,874)	9,393,806	39,777,720	2,265,499	42,043,219
Total comprehensive income for the year						
(Loss) Profit for the year	–	–	(751,170)	(751,170)	148,704	(602,466)
Other comprehensive income						
Foreign currency translation differences – foreign operations, net of tax	–	17,245	–	17,245	39,904	57,149
Total other comprehensive income	–	17,245	–	17,245	39,904	57,149
Total comprehensive income for the year	–	17,245	(751,170)	(733,925)	188,608	(545,317)
Transactions with owners of the Company, recognised directly in equity						
Distributions to owners						
Dividends paid (See Note 23)	–	–	(454,106)	(454,106)	(162,800)	(616,906)
Total transactions with owners of the Company	–	–	(454,106)	(454,106)	(162,800)	(616,906)
At 31 December 2025	30,772,788	(371,629)	8,188,530	38,589,689	2,291,307	40,880,996

The accompanying notes form an integral part of these financial statements.

Company	Share capital \$	Translation reserve \$	Retained earnings (Accumulated losses) \$	Total equity \$
At 1 January 2024	30,772,788	89,552	808,030	31,670,370
Total comprehensive income for the year				
Profit for the year	–	–	49,547	49,547
Other comprehensive income				
Foreign currency translation differences – foreign operations, net of tax	–	–	–	–
Total other comprehensive income	–	–	–	–
Total comprehensive income for the year	–	–	49,547	49,547
Transactions with owners of the Company, recognised directly in equity				
Distributions to owners				
Dividends paid (See Note 23)	–	–	(340,579)	(340,579)
Total transactions with owners of the Company	–	–	(340,579)	(340,579)
At 31 December 2024	30,772,788	89,552	516,998	31,379,338
Total comprehensive income for the year				
Loss for the year	–	–	(1,447,595)	(1,447,595)
Other comprehensive income				
Foreign currency translation differences – foreign operations, net of tax	–	838	–	838
Total other comprehensive income	–	838	–	838
Total comprehensive income for the year	–	838	(1,447,595)	(1,446,757)
Transactions with owners of the Company, recognised directly in equity				
Distributions to owners				
Dividends paid (See Note 23)	–	–	(454,106)	(454,106)
Total transactions with owners of the Company	–	–	(454,106)	(454,106)
At 31 December 2025	30,772,788	90,390	(1,384,703)	29,478,475

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
(Loss) Profit before tax		(378,842)	620,472
Adjustments for:			
Amortisation of intangible assets		123,745	123,672
Bad trade receivables written off		30,369	9,752
Impairment loss on trade receivables		181,503	183,687
Allowance for inventory obsolescence		58,938	–
Depreciation of			
- property, plant and equipment		2,921,055	2,947,571
- biological assets		13,500	13,500
Property, plant and equipment written off		277	55,122
Loss (Gain) on disposal of property, plant and equipment		19,401	(6,490)
Net change in fair value of			
- biological assets		(205,053)	(16,554)
- financial assets at FVTPL		233,386	(72,506)
Gain on derecognition of right-of-use assets and lease liabilities		(16,889)	(3,128)
Finance costs		363,549	354,779
Finance income		(69,307)	(168,976)
		3,275,632	4,040,901
Changes in:			
Inventories		565,934	356,329
Biological assets		41,970	(25,199)
Trade and other receivables		671,914	(482,194)
Trade and other payables		(507,119)	303,021
Cash generated from operations		4,048,331	4,192,858
Tax paid		(223,806)	(163,411)
Net cash from operating activities		3,824,525	4,029,447
Cash flows from investing activities			
Acquisition of			
- property, plant and equipment		(5,215,101)	(2,489,592)
- financial assets at FVTPL		(658,500)	–
Acquisition of a subsidiary, net of cash acquired	29	(51,500)	–
Interest received		69,307	168,976
Proceeds from disposal of property, plant and equipment		75,433	6,495
Net cash used in investing activities		(5,780,361)	(2,314,121)

The accompanying notes form an integral part of these financial statements.

	Note	2025	2024
		\$	\$
Cash flows from financing activities			
Dividends paid to			
- owners of the Company		(454,106)	(340,579)
- non-controlling interests		(162,800)	(159,600)
Interest paid		(366,825)	(355,370)
Drawdown of bank term loans		3,963,225	-
Repayment of			
- lease liabilities		(1,451,492)	(1,476,533)
- bank term loans		(56,183)	(500,000)
Capital contribution from non-controlling interest		-	44,100
Net cash from (used in) financing activities		<u>1,471,819</u>	<u>(2,787,982)</u>
Net decrease in cash and cash equivalents		(484,017)	(1,072,656)
Cash and cash equivalents at beginning of year		14,631,327	15,546,221
Effect of exchange rate fluctuations on cash held		4,602	157,762
Cash and cash equivalents at end of year	11	<u>14,151,912</u>	<u>14,631,327</u>

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 16 January 2026.

1 Domicile and activities

Qian Hu Corporation Limited (the Company) is incorporated in the Republic of Singapore. The address of the Company's registered office is 71 Jalan Lekar, Singapore 698950.

The financial statements of the Group as at and for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The financial statements of the Company as at and for the financial year ended 31 December 2025 do not include other entities.

The principal activities of the Company are those relating to import, export, farming, breeding and distribution of ornamental fish, aquaculture products and aquarium and pet accessories. The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)s). The changes to material accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 6 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts.
- Note 9 – measurement of expected credit loss (ECL) allowance for trade and other receivables: key assumptions in determining the weighted-average loss rate.
- Note 10 – allowance for inventory obsolescence

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets, financial and non-financial liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team led by the Finance Director that has overall responsibility for all significant fair value measurements, including Level 3 fair values.

2.4 Use of estimates and judgements (continued)

Measurement of fair values (continued)

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 5 – Biological assets
- Note 27 – Measurement of fair values
- Note 29 – Acquisition of subsidiary

2.5 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following amendments to SFRS(I) for the first time for the annual period beginning on 1 January 2025:

- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

The application of these amendments to standards does not have a material effect on the financial statements.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in material accounting policies.

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substance process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.1 Basis of consolidation (continued)

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest (NCI) in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.1 Basis of consolidation (continued)

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's statement of financial position at cost less any accumulated impairment losses.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI and are presented in the translation reserve in equity.

3.3 Financial instruments

(a) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.3 Financial instruments (continued)

(b) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost and FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above (e.g. financial assets held for trading and those that are managed and whose performance is evaluated on a fair value basis) are measured at FVTPL.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

3.3 Financial instruments (continued)

(b) Classification and subsequent measurement (continued)

Non-derivative financial assets: Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI) (continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

The Group had no financial assets held outside trading business models that failed the SPPI assessment.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(c) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.3 Financial instruments (continued)

(c) Derecognition (continued)

Financial liabilities (continued)

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(f) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

(g) Intra-group financial guarantees in the separate financial statements

Financial guarantees are financial instruments issued by the Company that requires the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Loss allowances for ECLs for financial guarantees issued are presented in the Company's statement of financial position as 'loans and borrowings'.

3.4 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the asset to a working condition for its intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the cost of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

3.4 Property, plant and equipment (continued)

Recognition and measurement (continued)

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives (or lease term, if shorter) of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land and assets under construction are not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Freehold buildings	20 years
Leasehold land and buildings	Over the remaining lease terms
Leasehold improvements	Over the remaining lease terms
Motor vehicles	5 – 10 years
Computers	3 years
Furniture, fittings and office equipment	5 – 10 years
Equipment and tools	8 – 10 years
Machinery and equipment	5 – 10 years
Electrical and installation	8 – 10 years

Freehold land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 Intangible assets and goodwill

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

Subsequent measurement

Goodwill is measured at cost less any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.5 Intangible assets and goodwill (continued)

Other intangible assets

Trademarks/Customer acquisition costs/Formulation rights/Patents

- Trademarks rights of certain brands of pet food are estimated to have indefinite lives because based on the current market share of the trademarks, management believes there is no foreseeable limit to the period over which the trademarks are expected to generate net cash flows for the Group. Such intangible assets are tested for impairment annually as described in Note 6.
- Customer acquisition costs with finite lives are stated at cost less accumulated amortisation and any impairment losses. These costs are amortised on a straight-line basis over 3 years.
- Trademarks/Formulation rights with finite lives are stated at cost less accumulated amortisation and any impairment losses. These costs are amortised on a straight-line basis over 25 years.
- Patents with finite lives is stated at cost less accumulated amortisation and any impairment losses. These costs are amortised on a straight-line basis over 5 years.

The amortisation method, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Biological assets

The Group is engaged in the breeding of dragon fish and raising of marble goby for trading purposes and accounts for its brooder and breeder stocks as follows:

Brooder stocks

Brooder stocks are parent stocks of dragon fish, held for the breeding of dragon fish. As the fair value of brooder stocks cannot be reliably measured, the brooder stocks have been stated at cost less accumulated depreciation and any impairment losses. The brooder stocks are depreciated on a straight-line basis over their estimated useful lives of 10 years.

Breeder stocks

Breeder stocks are the farm-raised marble goby grown to biomass ready for harvest. As at the reporting date, these stocks are measured based on their fair value with any change therein recognised in profit or loss. The fair value is determined based on the biomass volume and the size distribution of similar fishes that can be purchased from suppliers as at the reporting date.

Incident-based mortality is accounted for when there is experiences of elevated mortality or substantial mortality. The cost of incident-based mortality included in cost of sales in the profit or loss. The fair value element is adjusted through the fair value adjustment on incident-based mortality and included in net change in fair value of biological assets.

3.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

3.7 Leases (continued)

As a lessee (continued)

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.8 Inventories

Inventories comprise raw materials, work-in-progress, manufactured goods and ornamental fishes acquired from suppliers.

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average cost formula and comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Estimates of net realisable value are based on the most reliable evidence available at the statement of financial position date. These estimates take into consideration of market demand, selling price and cost directly relating to events occurring after the end of financial year to the extent that such events confirm conditions existing at the end of the financial year.

3.9 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised costs; and
- intra-group financial guarantee contracts (FGC).

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments and FGCs. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

3.9 Impairment (continued)

(i) Non-derivative financial assets (continued)

General approach (continued)

The Company considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of FGC less the cumulative income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than biological assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.9 Impairment (continued)

(ii) Non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (groups of CGU) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.11 Provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.12 Revenue

Goods and services sold

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation (PO) by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

3.13 Government grants

Grants that compensate the Group for the cost of asset are deducted in arriving at the carrying amount of the asset.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as a deduction against related expense on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.14 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income; and
- interest expense.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.15 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that
 - is not a business combination and
 - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

3.16 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Executive Chairman and Chief Executive Officer to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

3.18 New accounting standards and interpretations not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. However, the Company has not early adopted the new or amended accounting standards in preparing these financial statements.

(i) **SFRS(I) 18 Presentation and Disclosure in Financial Statements**

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to company information in the financial statements.

The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

(ii) **Other accounting standards**

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- *Classification and Measurement of Financial Instruments (Amendments to SFRS(I) 9 and SFRS(I) 7)*
- *Annual Improvements to SFRS(I)s - Volume 11*
- *Contracts Referencing Nature-dependent Electricity (Amendments to SFRS(I) 9 and SFRS(I) 7)*
- *SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures*

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4 Property, plant and equipment

Group	Freehold land and buildings \$	Leasehold land and buildings \$	Leasehold improvements \$	Motor vehicles \$
Cost				
At 1 January 2024	2,294,469	15,796,777	2,746,777	3,499,344
Additions	157,318	369,486	106,749	250,712
Disposals/Write offs/Transfers	–	–	(234,048)	(101,769)
Derecognition due to expiry or early termination of lease	–	(129,272)	–	–
Translation differences on consolidation	83,435	4,038	100,167	36,372
At 31 December 2024	2,535,222	16,041,029	2,719,645	3,684,659
Additions	–	2,084,276	40,786	436,908
Acquisition through business combination	–	–	–	–
Disposals/Write offs/Transfers	–	–	(310,843)	(163,811)
Derecognition due to expiry or early termination of lease	–	(2,449,245)	–	–
Reclassification	4,845,741	–	–	–
Translation differences on consolidation	50,831	(9,733)	(52,436)	15,029
At 31 December 2025	7,431,794	15,666,327	2,397,152	3,972,785
Accumulated depreciation				
At 1 January 2024	1,326,780	11,051,040	2,387,580	2,696,162
Depreciation charge for the year	77,306	1,818,733	195,703	297,417
Disposals/Write offs/Transfers	–	–	(201,596)	(98,591)
Derecognition due to expiry or early termination of lease	–	(110,804)	–	–
Translation differences on consolidation	48,246	39,423	31,475	27,082
At 31 December 2024	1,452,332	12,798,392	2,413,162	2,922,070
Depreciation charge for the year	122,196	1,759,124	96,045	320,306
Disposals/Write offs/Transfers	–	–	(310,843)	(157,894)
Derecognition due to expiry or early termination of lease	–	(2,158,168)	–	–
Translation differences on consolidation	29,119	16,058	(50,822)	13,396
At 31 December 2025	1,603,647	12,415,406	2,147,542	3,097,878
Carrying amounts				
At 1 January 2024	967,689	4,745,737	359,197	803,182
At 31 December 2024	1,082,890	3,242,637	306,483	762,589
At 31 December 2025	5,828,147	3,250,921	249,610	874,907

Computers \$	Furniture, fittings and office equipment \$	Equipment and tools \$	Machinery and equipment \$	Electrical and installation \$	Construction in-progress \$	Total \$
1,386,711	1,399,036	288,830	5,999,872	810,506	–	34,222,322
357,734	56,157	7,565	139,618	19,930	1,461,898	2,927,167
(65,573)	(40,519)	(133,385)	(91,800)	–	–	(667,094)
–	–	–	–	–	–	(129,272)
17,212	28,523	1,949	46,537	22,872	–	341,105
1,696,084	1,443,197	164,959	6,094,227	853,308	1,461,898	36,694,228
67,039	290,481	27,558	531,502	633,362	3,321,327	7,433,239
816	–	–	–	–	–	816
(97,857)	(268,321)	(11,309)	(416,789)	(366,096)	–	(1,635,026)
–	(14,506)	–	–	–	–	(2,463,751)
–	–	–	–	–	(4,845,741)	–
7,564	10,689	(3,848)	28,546	17,281	62,516	126,439
1,673,646	1,461,540	177,360	6,237,486	1,137,855	–	40,155,945
1,247,558	1,153,102	234,658	4,772,759	750,673	–	25,620,312
95,596	63,474	18,049	356,267	25,026	–	2,947,571
(65,377)	(36,689)	(125,119)	(84,595)	–	–	(611,967)
–	–	–	–	–	–	(110,804)
15,156	22,362	1,691	41,358	20,418	–	247,211
1,292,933	1,202,249	129,279	5,085,789	796,117	–	28,092,323
172,221	60,989	16,384	344,866	28,924	–	2,921,055
(88,559)	(213,141)	(9,340)	(408,984)	(351,154)	–	(1,539,915)
–	(14,030)	–	–	–	–	(2,172,198)
7,643	8,538	(3,685)	26,719	15,859	–	62,825
1,384,238	1,044,605	132,638	5,048,390	489,746	–	27,364,090
139,153	245,934	54,172	1,227,113	59,833	–	8,602,010
403,151	240,948	35,680	1,008,438	57,191	1,461,898	8,601,905
289,408	416,935	44,722	1,189,096	648,109	–	12,791,855

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4 Property, plant and equipment (continued)

Company	Leasehold land and buildings \$	Leasehold improvements \$
Cost		
At 1 January 2024	10,566,304	636,830
Additions	10,694	5,000
Disposals/Write offs/Transfers	–	(216,285)
At 31 December 2024	10,576,998	425,545
Additions	195,130	–
Disposals/Write offs/Transfers	–	–
Derecognition due to expiry or early termination of lease	(265,921)	–
At 31 December 2025	10,506,207	425,545
Accumulated depreciation		
At 1 January 2024	9,151,044	527,514
Depreciation charge for the year	446,661	27,364
Disposals/Write offs/Transfers	–	(185,609)
At 31 December 2024	9,597,705	369,269
Depreciation charge for the year	440,797	20,130
Disposals/Write offs/Transfers	–	–
Derecognition due to expiry or early termination of lease	(221,601)	–
At 31 December 2025	9,816,901	389,399
Carrying amounts		
At 1 January 2024	1,415,260	109,316
At 31 December 2024	979,293	56,276
At 31 December 2025	689,306	36,146

Motor vehicles \$	Computers \$	Furniture, fittings and office equipment \$	Machinery and equipment \$	Electrical and installation \$	Total \$
1,971,571	760,467	573,325	3,516,497	135,840	18,160,834
206,186	246,989	15,632	34,678	–	519,179
(31,751)	–	(15,557)	(79,010)	–	(342,603)
2,146,006	1,007,456	573,400	3,472,165	135,840	18,337,410
221,888	53,128	2,780	16,148	–	489,074
–	(405)	(1,236)	(28,526)	–	(30,167)
–	–	–	–	–	(265,921)
2,367,894	1,060,179	574,944	3,459,787	135,840	18,530,396
1,492,504	683,644	473,668	2,675,796	120,121	15,124,291
188,312	50,383	33,074	219,632	2,804	968,230
(28,575)	–	(14,112)	(72,020)	–	(300,316)
1,652,241	734,027	492,630	2,823,408	122,925	15,792,205
205,648	122,382	24,185	217,602	2,805	1,033,549
–	(405)	(1,151)	(28,526)	–	(30,082)
–	–	–	–	–	(221,601)
1,857,889	856,004	515,664	3,012,484	125,730	16,574,071
479,067	76,823	99,657	840,701	15,719	3,036,543
493,765	273,429	80,770	648,757	12,915	2,545,205
510,005	204,175	59,280	447,303	10,110	1,956,325

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4 Property, plant and equipment (continued)

Included in property, plant and equipment are the right-of-use assets related to leased properties and office equipment of \$2,102,172 (2024: \$1,648,191) and \$20,630 (2024: \$17,604) relating to the Group respectively; and \$185,611 (2024: \$135,239) and \$7,314 (2024: \$15,464) relating to the Company respectively.

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$7,433,239 (2024: \$2,927,167), of which \$119,356 (2024: \$68,088) were acquired under finance leases and \$2,098,782 (2024: \$369,487) relates to right-of-use assets. Cash payments for property, plant and equipment amounted to \$5,215,101 (2024: \$2,489,592), which includes approximately \$2.6 million to complete the acquisition of a property in Malaysia that was partially paid in 2024.

Details of properties held by the Group and the Company as at 31 December are as follows:

Location	Description and existing use	Tenure/ Unexpired term	Land area (sq m)	Carrying amount	
				2025 \$	2024 \$
Leasehold land and buildings					
69 Jalan Lekar, Singapore 698934	Fish farming	10 years from 11 November 2016	41,780	184,996	363,816
71 Jalan Lekar, Singapore 698950					
35 Lorong Semangka, Singapore 698912	Fish farming	20 years from 20 February 2008	19,343	318,700	482,518
30/25 & 30/26 Moo 8, Khlongnueng, Khlongluang, Pathumthani, 12120 Thailand	Fish farming	1 January 2024 to 31 December 2026	3,290	20,378	34,570
30/24 Moo 8, Khlongnueng, Khlongluang, Pathumthani, 12120 Thailand	Fish farming	1 January 2024 to 31 December 2026	1,740	5,807	11,385
B601, B602, B639, B640 Sri Somrat Market Zone A, Chatuchak, Bangkok 10900 Thailand	Retail outlet	1 January 2024 to 31 December 2026	64	9,915	19,439
JL. Raya Brantamulya Tengsaw No. 9 Tarik Kolot, Kecamatan Citeureup Bogor, Indonesia 16810	Fish farming	30 years from 1 May 2013	1,343	167,685	203,977
Yan Dun Wen Yuan Village Hui Wen Town Wen Chang City Hainan, China	Fish farming	1 January 2017 to 30 April 2033	6,500	430,928	475,090
No. 12 Dongfeng Road, Qichecheng, Tanbu Town, Huadu District, Guangzhou, China	Office space, factory and warehousing	1 November 2025 to 31 March 2029	24,355	1,869,198	744,224
Blk 20, Woodlands Link, #03-28/29, Singapore 738733	Warehousing	1 April 2018 to 30 September 2027	389	36,843	57,895
2 Woodlands Sector 1, #03-35, Woodlands Spectrum 1, Singapore 738068	Factory	1 May 2023 to 30 April 2026	1,904	110,187	440,746
Balance carried forward				3,154,637	2,833,660

4 Property, plant and equipment (continued)

Location	Description and existing use	Tenure/ Unexpired term	Land area (sq m)	Carrying amount 2025 \$	2024 \$
Leasehold land and buildings (continued)					
			Balance brought forward	3,154,637	2,833,660
211 Woodlands Avenue 9, #04-78, Spectrum 2, Singapore 738960	Warehousing	1 May 2023 to 30 April 2026	369	22,818	91,273
No. 42-0, Ground Floor, Lorong Batu Nilam 4A, Bandar Bukit Tinggi, 41200 Klang, Selangor, Malaysia	Retail outlet	1 May 2023 to 30 Apr 25	153	–	5,543
45 Jalan SS24/8, Taman Megah, 47301 Petaling Jaya, Selangor, Malaysia	Retail outlet	10 September 2023 to 9 Aug 2025	153	–	22,867
D-G-08, Jalan SS6/20A Dataran Glomac, Pusat Bandar Kelana Jaya, 47301 Petaling Jaya, Selangor, Malaysia	Retail outlet	1 March 2023 to 28 February 2026	178	–	29,979
Block C, E and F, Lot 6212, Kampung Baru Balakong, 43300 Balakong, Selangor, Malaysia	Office space and warehousing	1 January 2023 to 30 June 2025	4,196	–	126,791
Geran No. 92849 Lot No. 2931, Mukim of Kota Tinggi, Kota Tinggi, 81900, Johor, Malaysia	Fish farming	1 April 2024 to 31 March 2027	40,468	52,885	91,288
BizPark 3 Block E18, Kalibaru, Kecamatan Medan Satria, Kota Bekasi, Jawa Barat, Indonesia 17133	Warehousing	13 June 2024 to 13 June 2026	360	9,562	41,236
No. 2, Jalan Sungai Batu, Taman Desa Pantai II, 34900, Pantai Remis, Perak Malaysia	Retail outlet	1 July 2025 to 30 June 2027	149	11,019	–
Freehold land and buildings					
761 Rangsit - Nakornayok 52 Road, Pachatipat, Tanyaburi, Pathumthani, 12130 Thailand	Residential	Freehold	444	17,729	27,272
76 Moo 5, Samruean, Mueang Ratchaburi, Ratchaburi 70000, Thailand	Fish Farming	Freehold	46,219	1,025,055	1,055,618
54 Jalan 6/2 Seksyen 6, Bandar Rinching 43500 Semenyih, Selangor Malaysia	Office space and warehousing	Freehold	3,695	4,785,363	–
				9,079,068	4,325,527

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5 Biological assets

	Brooder stocks	
	Group and Company	2024
	2025	2024
	\$	\$
Cost		
At 1 January and 31 December	135,000	135,000
Accumulated depreciation and impairment loss		
At 1 January	15,750	2,250
Depreciation charge for the year	13,500	13,500
At 31 December	29,250	15,750
Net carrying amount		
At 31 December	105,750	119,250

The brooder stocks are parent stocks of dragon fish, held by the Group and the Company for use in the breeding of dragon fish. Due to the uniqueness of each dragon fish and as an active market does not exist for the brooder stocks, the brooder stocks are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The depreciation method, useful lives and residual values are reviewed at each reporting date.

The depreciation charged is recognised in general and administrative expenses in the statement of profit or loss.

	Breeder stocks	
	Group	
	2025	2024
	\$	\$
At 1 January	41,753	–
Purchases	70,213	82,561
Net change in fair value	205,053	16,554
Harvest	(36,855)	(29,106)
Incident-based mortality	(75,328)	(28,256)
Translation differences on consolidation	1,785	–
At 31 December	206,621	41,753

Breeder stocks are farm-raised marble goby grown to biomass ready for harvest. As at the reporting date, these stocks are measured based on their fair value with any change therein recognised in profit or loss. The fair value is determined based on the biomass volume and the size distribution of similar fishes that can be purchased from suppliers as at the reporting date.

Impairment tests for cash-generating units containing biological assets

The recoverable amounts of the brooder stocks are based on value in use and are determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value in use in 2025 was determined in a similar manner as in 2024. No impairment loss is recognised in respect of the biological assets as at 31 December 2025 and 31 December 2024 as the recoverable amount was in excess of the carrying amount.

5 Biological assets (continued)

Key assumptions used in discounted cash flow projection calculations

Key assumptions used in the calculation of recoverable amounts of brooder stocks are pre-tax discount rate, production yield and growth rate. These assumptions are as follows:

	Discount rate		Production yield		Budgeted revenue growth	
	2025	2024	2025	2024	2025	2024
	%	%			%	%
Biological assets	9.0	8.5	0.6	0.9	5.0	5.0

Discount rate

The pre-tax discount rate used are based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities and the systemic risk of the specific business activities.

Production yield

Management estimates the production yield based on the actual breeder production for the past 12 months adjusted for the expected production yield.

Budgeted revenue growth

The anticipated annual revenue growth included in the cash flow projections was based on past performance and its expectation for market development.

The Group is exposed to a number of risks related to its brooder stocks and breeder stocks:

Regulatory and environmental risks

The Group is subject to laws and regulations in various countries in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume of breeder stocks. Management performs regular industry trend analysis to ensure that the Group's pricing structure is in line with the market and to manage the breeding program.

Climate and other risks

The Group's brooder stocks and breeder stocks are exposed to the risk of damage and fatalities from climatic changes, diseases and other natural forces. The Group has processes in place aimed at monitoring and mitigating those risks, including regular health inspections and industry disease surveys.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5 Biological assets (continued)

Sensitivity analysis

The estimated recoverable amount of the brooder stocks exceeded its carrying amount by approximately \$15,000 as of 31 December 2025 (2024: \$43,000). No impairment loss was required for the carrying amount of brooder stocks as at 31 December 2025 and 31 December 2024 as the recoverable amount was in excess of carrying amount. The following table shows the percentage by which these three key assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for recoverable amount to equal the carrying amount	
	2025 %	2024 %
Production yield	(12.1)	(24.4)
Growth rate	(96.7)	(207.1)
Discount rate	36.4	86.6

6 Intangible assets

Group	Note	Trademarks/ Customer acquisition costs/ Formulation rights \$	Patents \$	Goodwill \$	Total \$
Cost					
At 1 January 2024		3,802,542	–	4,046,430	7,848,972
Translation differences		280	–	–	280
At 31 December 2024		3,802,822	–	4,046,430	7,849,252
Acquisition through business combination	29	–	377,107	387,562	764,669
Translation differences		215	–	–	215
At 31 December 2025		3,803,037	377,107	4,433,992	8,614,136
Accumulated amortisation					
At 1 January 2024		1,184,100	–	–	1,184,100
Amortisation for the year		123,672	–	–	123,672
Translation differences		77	–	–	77
At 31 December 2024		1,307,849	–	–	1,307,849
Amortisation for the year		123,745	–	–	123,745
Translation differences		131	–	–	131
At 31 December 2025		1,431,725	–	–	1,431,725
Carrying amounts					
At 1 January 2024		2,618,442	–	4,046,430	6,664,872
At 31 December 2024		2,494,973	–	4,046,430	6,541,403
At 31 December 2025		2,371,312	377,107	4,433,992	7,182,411

6 Intangible assets (continued)

Company	Trademarks/ Customer acquisition costs/ Formulation rights \$
Cost	
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>3,717,806</u>
Accumulated amortisation	
At 1 January 2024	1,102,784
Amortisation for the year	<u>122,000</u>
At 31 December 2024	1,224,784
Amortisation for the year	<u>122,000</u>
At 31 December 2025	<u>1,346,784</u>
Carrying amounts	
At 1 January 2024	<u>2,615,022</u>
At 31 December 2024	<u>2,493,022</u>
At 31 December 2025	<u>2,371,022</u>

The amortisation charged is recognised in selling and distribution expenses in the statement of profit or loss.

(i) **Impairment tests for cash-generating units containing trademarks/customer acquisition costs**

Trademarks/Customer acquisition costs are costs paid for the acquisition and registration of brands and trademarks of pet food.

The recoverable amounts of the above balances are based on value in use and are determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value in use in 2025 was determined in a similar manner as in 2024. No impairment loss was required for the carrying amount of trademarks/customer acquisition costs at 31 December 2025 and 31 December 2024 as the recoverable value was in excess of the carrying amount.

Key assumptions used in discounted cash flow projection calculations

Key assumptions used in the calculation of recoverable amounts of trademarks/customer acquisition costs are pre-tax discount rate and growth rates. These assumptions are as follows:

	Discount rate		Terminal value growth rate		Budgeted revenue growth	
	2025	2024	2025	2024	2025	2024
	%	%	%	%	%	%
Pet food	9.8	9.2	5.0	5.0	5.0	5.0

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6 Intangible assets (continued)

(i) Impairment tests for cash-generating units containing trademarks/customer acquisition costs (continued)

Key assumptions used in discounted cash flow projection calculations (continued)

Discount rate

The pre-tax discount rate used are based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities and the systemic risk of the specific business activities.

Terminal value growth rate

Management includes five years of cash flows based on financial budgets approved by the Board of Directors in their discounted cash flow models. A long-term growth rate into perpetuity has been determined as the lower of the nominal GDP rates for the country in which the division is based and the long-term compound annual growth rate in earnings before interest, taxation, depreciation and amortisation (EBITDA) estimated by management.

Budgeted revenue growth

The anticipated annual revenue growth included in the cash flow projections was based on past performance and its expectation for market development.

Sensitivity analysis

No sensitivity analysis is presented as the cashflow projection is not sensitive to any changes in the key assumptions.

(ii) Impairment tests for goodwill arising from business combinations

The goodwill is attributable mainly to the synergies expected to be achieved from integrating of Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd. ("GZQH") and Aquaeasy into the Group's existing accessories and aquaculture business respectively.

The recoverable amount of GZQH is determined based on its VIU, which is computed by discounting the estimated future cash flows expected to be generated from the continuing use of the CGU. No impairment loss was required for the amount of goodwill allocated to GZQH as at 31 December 2025 and 31 December 2024 as the recoverable amount was in excess of the carrying amount.

Key assumptions used in discounted cash flow projection calculations

Key assumptions used in the estimation of value in use are as follows:

	2025	2024
	%	%
Discount rate	12.4	13.4
Terminal growth rate	5.0	5.0
Net profit margin	5.0	6.0

Discount rate

The pre-tax discount rate used are based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities and the systemic risk of the specific business activities.

Terminal growth rate

A long-term growth rate into perpetuity has been determined as the lower of the nominal GDP rates for People's Republic of China in which GZQH operates and the long-term compound annual growth rate in EBITDA estimated by management.

6 Intangible assets (continued)

(ii) Impairment tests for goodwill arising from business combinations (continued)

Key assumptions used in discounted cash flow projection calculations (continued)

Net profit margin

The net profit margin is determined by comparing against the Group's historical performance in similar business segment, future business plans and consideration of other external and internal factors.

Sensitivity analysis

As at 31 December 2025, the estimated recoverable amount of the goodwill exceeded the carrying amount by approximately \$396,000. Management has identified that a reasonably possible change in three key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the percentage by which these three key assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

In 2024, no sensitivity analysis is presented as the cashflow projection is not sensitive to any changes in the key assumptions.

	2025 %
Discount rate	7.0
Terminal growth rate	(23.1)
Net profit margin	<u>(8.5)</u>

In determining the recoverable amount of Aquaeasy, acquired on 19 December 2025, the Group considered the total consideration of \$55,000, adjusted for any changes in value since acquisition, to be representative of its fair value. There were no significant events between the acquisition date and 31 December that indicated a material reduction in fair value. Accordingly, the recoverable amount was assessed to approximate the carrying amount as at 31 December 2025, and no impairment loss on goodwill was required.

7 Subsidiaries

	Company	
	2025 \$	2024 \$
Unquoted equity investments, at cost	<u>3,678,787</u>	<u>3,627,287</u>

Details of subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation and business	Ownership interest		Cost of investment by the Company	
			2025 %	2024 %	2025 \$	2024 \$
* Qian Hu Tat Leng Plastic Pte. Ltd.	Manufacture of plastic bags	Singapore	100	100	57,050	57,050
^ Qian Hu Aquarium and Pets (M) Sdn. Bhd. and its subsidiary:	Trading and distribution of ornamental fish and aquarium and pet accessories	Malaysia	100	100	171,951	171,951
^ Qian Hu The Pet Family (M) Sdn. Bhd.	Trading of ornamental fish and aquarium accessories	Malaysia	100	100	–	–
Balance carried forward					<u>229,001</u>	<u>229,001</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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7 Subsidiaries (continued)

Name of subsidiaries	Principal activities	Country of incorporation and business	Ownership interest		Cost of investment by the Company	
			2025 %	2024 %	2025 \$	2024 \$
			Balance carried forward		229,001	229,001
^ Qian Hu Development Sdn. Bhd.	Investment holding	Malaysia	100	100	16,000	16,000
^ Qian Hu Aquaculture (M) Sdn. Bhd.	Farming and distribution of aquaculture products	Malaysia	70	70	102,900	102,900
^ Aquaeasy Pte. Ltd. and its subsidiary	Development of Internet of Things ("IoT") solutions	Singapore	100	–	51,500	–
^ PT Aquaeasy Technology Indonesia	Development of Internet of Things ("IoT") solutions	Indonesia	99.5	–	–	–
^ Beijing Qian Hu Aquarium and Pets Co., Ltd	Distribution of aquarium and pet accessories	People's Republic of China	100	100	171,824	171,824
^ Guangzhou Qian Hu OF Feed Co., Ltd	Manufacture of fish feed	People's Republic of China	100	100	126,170	126,170
^ Guangzhou Qian Hu Aquarium and Pets Co., Ltd	Distribution of aquarium and pet accessories	People's Republic of China	100	100	69,000	69,000
^ Qian Hu Aquaculture (Hainan) Co., Ltd	Farming of edible fish	People's Republic of China	100	100	1,240,393	1,240,393
^ Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd and its subsidiary:	Manufacture of aquarium and pet accessories	People's Republic of China	100	100	13,668	13,668
^ Guangzhou Qian Hu Platinum Choice Co., Ltd	Trading of aquarium and pet accessories	People's Republic of China	100	–	–	–
^ Qian Hu Marketing Co., Ltd.	Distribution of aquarium and pet accessories	Thailand	74♦	74♦	148,262	148,262
			Balance carried forward		2,168,718	2,117,218

7 Subsidiaries (continued)

Name of subsidiaries	Principal activities	Country of incorporation and business	Ownership interest		Cost of investment by the Company	
			2025 %	2024 %	2025 \$	2024 \$
				Balance carried forward	2,168,718	2,117,218
[^] Thai Qian Hu Company Limited and its subsidiary:	Trading of ornamental fish	Thailand	60	60	121,554	121,554
[^] Advance Aquatic Co., Ltd	Trading of ornamental fish	Thailand	60	60	–	–
[^] NNTL (Thailand) Limited	Investment holding	Thailand	49 [@]	49 [@]	30,999	30,999
[^] P.T. Qian Hu Joe Aquatic Indonesia	Trading of ornamental fish	Indonesia	97.25	97.25	1,357,516	1,357,516
					<u>3,678,787</u>	<u>3,627,287</u>

KPMG LLP Singapore is the auditor of the Singapore-incorporated subsidiary.

* Audited by KPMG LLP Singapore.

[^] Audited by other certified public accountants. These subsidiaries are not significant as defined under Listing Rule 718 of the Singapore Exchange Listing Manual. For this purpose, a subsidiary is considered significant if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

◆ This represents the Group's effective interest in Qian Hu Marketing Co., Ltd. The Company holds a 49% (2024: 49%) direct interest in Qian Hu Marketing Co., Ltd and the remaining effective interest of 25% (2024: 25%) is held through a subsidiary, NNTL (Thailand) Limited.

@ NNTL (Thailand) Limited is considered a subsidiary of the Company as the Company has voting control at general meetings and board meetings of NNTL (Thailand) Limited.

During the current financial year, the Group undertook the following corporate activities:

- the Company entered into a Share Purchase Agreement to acquire the entire issued and paid-up share capital of Aquaeasy Pte. Ltd. ("Aquaeasy") together with its 99.5%-owned subsidiary, PT Aquaeasy Technology Indonesia ("PT Aquaeasy"), for a total consideration of \$51,500, as well as to acquire the remaining 0.5% equity interest in PT Aquaeasy for a further purchase consideration of \$3,500. Aquaeasy and its subsidiary are principally engaged in the development of Internet of Things ("IoT") solutions for sustainable shrimp farming. The completion of the acquisition of the remaining 0.5% equity interest in PT Aquaeasy is expected by April 2026 (see Note 29).
- In end October 2025, GZQH, a subsidiary of the Group, incorporated a wholly owned subsidiary, Guangzhou Qian Hu Platinum Choice Co., Ltd. ("GZPC"), with a registered capital of RMB500,000 (equivalent to approximately \$92,000). As at 31 December 2025, no capital contribution had been made to this subsidiary. GZPC is principally engaged in the trading and distribution of aquarium and pet accessories products.

The acquisition of Aquaeasy and the incorporation of GZPC was funded through internal resources of the Group and have no material impact on the consolidated net tangible assets and earnings per share of the Group or of the Company for the current financial year.

There are no subsidiaries that have NCI that are material to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8 Financial assets at fair value through profit or loss ("FVTPL")

	Group	
	2025	2024
	\$	\$
Non-Current asset – Keyman insurance		
At 1 January	–	–
Addition	113,500	–
At 31 December	113,500	–
	Group and Company	
	2025	2024
	\$	\$
Non-listed debt instrument - convertible loans		
At 1 January	1,451,687	1,379,181
Addition	500,000	–
Net change in fair value	(233,386)	72,506
Derecognition	(1,218,301)	–
At 31 December	500,000	1,451,687
Non-Current	500,000	–
Current	–	1,451,687
	500,000	1,451,687

Keyman insurance contract

The Group entered into a life insurance contract with an insurance company to insure key management personnel of the Group. The Group paid an upfront premium for this policy and may surrender any time to receive cash based on the surrender value of the policy at the date of withdrawal, as determined by the insurer.

The difference between the premium paid and initial cash surrender value at inception is recorded as prepayments and amortised over the term of the policy.

As at 31 December 2025, the keyman insurance contract is pledged to a bank for banking facilities granted to the Group's subsidiary.

Unsecured convertible loans

During the financial year, the Company entered into a \$0.5 million unsecured convertible loan agreement ("UCLA") with N&E Innovations Pte. Ltd.. The convertible loan, which was disbursed in July 2025, is interest-free and matures on 31 May 2027.

The unsecured convertible loan in the previous year related to a \$1.0 million unsecured convertible loan agreement with Aquaeasy Pte. Ltd. ("Aquaeasy"), which was disbursed in January 2022 and bore interest ranging from 5% to 7% per annum. The Company terminated the UCLA following the acquisition of the entire equity interest in Aquaeasy in December 2025 (see Note 29). At Group level, this unsecured convertible loan was eliminated and effectively settled as a result of the acquisition.

The fair value of the unsecured convertible loans were valued by independent valuation firms as at the reporting dates. The valuation techniques used to derive at the fair value is the income approach by using the Probability Weighted Expected Return Method.

9 Trade and other receivables

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Trade receivables	13,156,850	12,646,287	8,035,982	7,449,357
Loss allowance	(1,621,392)	(1,464,254)	(916,000)	(781,000)
Net receivables	11,535,458	11,182,033	7,119,982	6,668,357
Deposits	643,202	631,671	112,000	147,570
Tax recoverable	99,381	99,329	–	–
Other receivables	845,798	1,455,422	163,802	737,277
Amounts due from subsidiaries:				
- trade	–	–	9,901,940	10,083,934
- non-trade	–	–	5,214,607	3,188,560
Amortised cost	13,123,839	13,368,455	22,512,331	20,825,698
Prepayments	432,403	523,784	83,978	37,562
Advances to suppliers	516,658	922,147	169,594	502,890
	14,072,900	14,814,386	22,765,903	21,366,150
Non-current	–	–	6,098,239	5,661,492
Current	14,072,900	14,814,386	16,667,664	15,704,658
	14,072,900	14,814,386	22,765,903	21,366,150

Outstanding non-trade balances with subsidiaries are unsecured, interest-free and are repayable on demand. There is no loss allowance arising from the outstanding balances as the ECL is not material.

Receivables denominated in currencies other than the Company's functional currency comprise:

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
US Dollar	3,609,329	3,619,727	2,274,489	2,239,452
Euro	101,854	–	100,739	–
Malaysian Ringgit	42,526	40,715	–	27,444
Chinese Renminbi	69,604	57,603	9,809	10,569
Thai Baht	51,150	–	51,150	–

Included in the amount due from subsidiaries is an amount due from GZQH of approximately \$7.6 million as at 31 December 2025 (2024: \$7.7 million).

Based on the revised repayment arrangement made with GZQH during the financial year, \$1.5 million (2024: \$2.0 million) of the outstanding amount as at 31 December 2025 is due on 31 December 2026 and the remaining amount of approximately \$6.1 million (2024: \$5.7 million) is neither planned and is not expected to be repaid within the next 12 months.

Credit and market risks, and impairment losses

The Group and the Company's exposures to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in Note 26.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10 Inventories

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Fish	2,336,953	1,741,698	1,000,162	996,228
Accessories	8,144,764	8,831,414	3,747,727	3,923,771
Raw materials – plastic products	487,645	427,501	–	–
Finished goods – plastic products	787,619	846,868	–	–
	<u>11,756,981</u>	<u>11,847,481</u>	<u>4,747,889</u>	<u>4,919,999</u>

In 2025, inventories of \$44,606,664 (2024: \$44,566,609) were recognised as an expense during the year and included in cost of sales in the statement of profit or loss.

Allowance for inventory obsolescence

The Group assesses the net realisable value of its inventories on annual basis. Estimates of net realisable value are based on the most reliable evidence available at the statement of financial position date. These estimates take into consideration of market demand, selling price and cost directly relating to events occurring after the end of financial year to the extent that such events confirm conditions existing at the end of the financial year.

11 Cash and cash equivalents

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Cash and bank balances	13,124,832	12,868,202	6,012,939	5,957,752
Short-term deposits	1,027,080	1,763,125	1,027,080	1,763,125
Cash and cash equivalents	<u>14,151,912</u>	<u>14,631,327</u>	<u>7,040,019</u>	<u>7,720,877</u>

Short-term deposits bear average effective interest rate of 3.05% (2024: 4.27%) per annum.

Cash and cash equivalents denominated in foreign currencies other than the Company's functional currency comprise:

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
US Dollar	3,131,808	4,109,850	2,143,777	3,517,475
Euro	83,806	172,810	38,221	77,795
Chinese Renminbi	8,879	9,395	8,879	9,395

12 Share capital

	2025	Group and Company		2024
	\$	2025 No. of shares	2024 \$	2024 No. of shares
Fully paid ordinary shares, with no par value: At 1 January and 31 December	<u>30,772,788</u>	<u>113,526,467</u>	<u>30,772,788</u>	<u>113,526,467</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

12 Share capital (continued)

Capital management

The Board's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity, excluding NCI. The Board of Directors also monitors the level of dividends to ordinary equity holders. The Group funds its operations and growth through a mix of equity and debts. This includes the maintenance of adequate lines of credit and assessing the need to raise additional equity where required.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Net debt	5,328,590	931,539	6,439,744	4,935,805
Total equity	40,880,996	42,043,219	29,478,475	31,379,338
Total capital	<u>46,209,586</u>	<u>42,974,758</u>	<u>35,918,219</u>	<u>36,315,143</u>
Gearing ratio	<u>0.12</u>	<u>0.02</u>	<u>0.18</u>	<u>0.14</u>

The Group and the Company are in compliance with all borrowing covenants for the financial years ended 31 December 2024 and 2025. There were no changes in the Group's approach to capital management during the financial year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

13 Reserves

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Retained earnings (Accumulated losses)	8,188,530	9,393,806	(1,384,703)	516,998
Translation reserve	(371,629)	(388,874)	90,390	89,552
	<u>7,816,901</u>	<u>9,004,932</u>	<u>(1,294,313)</u>	<u>606,550</u>

The translation reserve of the Group and the Company comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company and the translation of monetary items which form part of the Group's net investment in the foreign operations, provided certain conditions are met.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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14 Loans and borrowings

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Non-current liabilities				
Lease liabilities	1,494,816	526,818	174,573	105,712
Current liabilities				
Bank term loans (unsecured)	5,000,000	4,500,000	5,000,000	4,500,000
Bank term loans (secured)	3,407,042	–	–	–
Bills payable to banks (unsecured)	–	73,511	–	–
Lease liabilities	877,051	1,337,201	88,986	139,011
	<u>9,284,093</u>	<u>5,910,712</u>	<u>5,088,986</u>	<u>4,639,011</u>
Total borrowings	<u>10,778,909</u>	<u>6,437,530</u>	<u>5,263,559</u>	<u>4,744,723</u>

As at 31 December 2025, the secured bank loan of the Group are secured by corporate guarantees provided by the holding company and a related company, and are secured over the land and building with carrying amounts of \$4,785,363 and a keyman insurance contract (see Note 8).

The unsecured bank term loans are revolving bank loans that bear interest at rates ranging from 2.26% to 2.85% (2024: 4.08% to 4.14%) per annum and are repayable within the next 12 months from the reporting date.

As at 31 December 2025, there were corporate guarantees given by the Company to financial institutions for banking facilities extended to subsidiaries amounting to approximately \$5.1 million (2024: \$5.0 million).

There were no bills payable to banks for the Group and for the Company as at 31 December 2025. The weighted average effective interest rate relating to the bills payable to banks was 4.90% per annum in the previous financial year. These bills were matured within one to three months from 31 December 2024.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Carrying amount \$	Cash flows			
		Contractual cash flows \$	Within 1 year \$	Within 1 to 5 years \$	More than 5 years \$
Group					
2025					
Short-term bank loans (unsecured)	5,000,000	5,127,750	5,127,750	–	–
Long-term bank loans (secured)	3,407,042	5,490,806	234,357	937,429	4,319,020
Lease liabilities	2,371,867	2,493,125	935,548	1,557,577	–
Trade and other payables*	6,264,435	6,264,435	6,264,435	–	–
	<u>17,043,344</u>	<u>19,376,116</u>	<u>12,562,090</u>	<u>2,495,006</u>	<u>4,319,020</u>
2024					
Bank term loans	4,500,000	4,685,850	4,685,850	–	–
Bills payable to banks	73,511	77,113	77,113	–	–
Lease liabilities	1,864,019	1,952,537	1,400,479	552,058	–
Trade and other payables*	6,200,593	6,200,593	6,200,593	–	–
	<u>12,638,123</u>	<u>12,916,093</u>	<u>12,364,035</u>	<u>552,058</u>	<u>–</u>

14 Loans and borrowings (continued)

	Cash flows				
	Carrying amount \$	Contractual cash flows \$	Within 1 year \$	Within 1 to 5 years \$	More than 5 years \$
Company					
2025					
Bank term loans	5,000,000	5,127,750	5,127,750	–	–
Lease liabilities	263,559	285,210	96,776	188,434	–
Trade and other payables*	6,463,193	6,463,193	6,463,193	–	–
	11,726,752	11,876,153	11,687,719	188,434	–
2024					
Bank term loans	4,500,000	4,685,850	4,685,850	–	–
Lease liabilities	244,723	267,238	147,528	119,710	–
Trade and other payables*	5,621,023	5,621,023	5,621,023	–	–
	10,365,746	10,574,111	10,454,401	119,710	–

* Excludes advance received from customers and accrued staff costs

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other loans and borrowings \$	Lease liabilities \$	Accrued interest payable (Note 16) \$	Total \$
Group				
Balance at 1 January 2024	5,000,000	2,949,545	7,881	7,957,426
Changes from financing cash flows				
Interest paid	–	(126,315)	(229,055)	(355,370)
Repayment of lease liabilities	–	(1,476,533)	–	(1,476,533)
Repayment of bank term loans	(500,000)	–	–	(500,000)
Total changes from financing cash flows	(500,000)	(1,602,848)	(229,055)	(2,331,903)
The effect of changes in foreign exchange rates	–	(24,972)	–	(24,972)
Other changes				
New leases	–	437,575	–	437,575
Derecognition of lease liabilities	–	(21,596)	–	(21,596)
Interest expense	–	126,315	228,464	354,779
Bills payable to bank (net)	73,511	–	–	73,511
Total other changes	73,511	542,294	228,464	844,269
Balance at 31 December 2024	4,573,511	1,864,019	7,290	6,444,820

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14 Loans and borrowings (continued)

Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	Other loans and borrowings \$	Lease liabilities \$	Accrued interest payable (Note 16) \$	Total \$
Group				
Balance at 1 January 2025	4,573,511	1,864,019	7,290	6,444,820
Changes from financing cash flows				
Interest paid	–	(73,666)	(293,159)	(366,825)
Repayment of lease liabilities	–	(1,451,492)	–	(1,451,492)
Drawdown of bank term loans	3,963,225	–	–	3,963,225
Repayment of bank term loans	(56,183)	–	–	(56,183)
Total changes from financing cash flows	3,907,042	(1,525,158)	(293,159)	2,088,725
The effect of changes in foreign exchange rates	–	49,644	–	49,644
Other changes				
New leases	–	2,218,138	–	2,218,138
Derecognition of lease liabilities	–	(308,442)	–	(308,442)
Interest expense	–	73,666	289,883	363,549
Bills payable to bank (net)	(73,511)	–	–	(73,511)
Total other changes	(73,511)	1,983,362	289,883	2,199,734
Balance at 31 December 2025	8,407,042	2,371,867	4,014	10,782,923

15 Deferred tax liabilities

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Property, plant and equipment	31,710	37,200	–	–
Intangible assets	64,108	–	–	–
	95,818	37,200	–	–

Movement in deferred tax liabilities of the Group during the year are as follows:

	At 1 January 2024 \$	Recognised in profit or loss (Note 20) \$	Translation differences \$	At 31 December 2024 \$	Recognised in profit or loss (Note 20) \$	Acquisition through business combination (Note 29) \$	Translation differences \$	At 31 December 2025 \$
Property, plant and equipment	47,936	(11,798)	1,062	37,200	(5,798)	–	308	31,710
Intangible assets	–	–	–	–	–	64,108	–	64,108
	47,936	(11,798)	1,062	37,200	(5,798)	64,108	308	95,818

15 Deferred tax liabilities (continued)**Unrecognised deferred tax assets**

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Deductible temporary differences	13,562,660	13,636,111	13,548,387	13,633,682
Tax losses	7,524,996	6,805,739	6,323,116	5,800,088
	<u>21,087,656</u>	<u>20,441,850</u>	<u>19,871,503</u>	<u>19,433,770</u>

Deferred tax assets have not been recognised in respect of tax losses for certain subsidiaries because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

16 Trade and other payables

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Trade payables	3,683,423	3,338,345	1,598,245	1,497,547
Accrued operating expenses	759,398	869,806	539,950	617,509
Accrued interest payable	4,014	7,290	4,014	7,290
Other payables	1,817,600	1,985,152	1,157,725	1,370,255
Accrued staff costs	2,123,897	2,530,276	1,664,016	2,097,978
Advance received from customers	313,261	394,467	88,995	192,958
Amounts due to subsidiaries:				
- trade	–	–	1,509,598	1,163,218
- non-trade	–	–	1,653,661	965,204
	<u>8,701,593</u>	<u>9,125,336</u>	<u>8,216,204</u>	<u>7,911,959</u>

Other payables are interest-free and have an average term of three months. The non-trade amounts due to subsidiaries are unsecured, interest-free and are repayable on demand.

Payables denominated in currencies other than the Company's functional currency comprise:

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
US Dollar	429,283	339,539	187,780	189,223
Euro	–	10,575	–	10,575
Australian Dollar	22,259	21,865	6,656	–
Malaysian Ringgit	9,922	5,499	9,922	2,927
Chinese Renminbi	279,956	477,001	243,995	370,783
New Taiwan Dollar	149,706	148,366	86,044	83,561

Market and liquidity risk

The Group and the Company's exposures to currency risk and liquidity risk related to trade and other payables are disclosed in Note 26.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17 Revenue

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Sale of goods:				
- fish	30,650,842	29,324,378	18,182,368	17,379,061
- accessories	33,497,136	34,031,889	17,648,635	18,307,963
- plastics	7,754,726	8,061,516	–	–
	<u>71,902,704</u>	<u>71,417,783</u>	<u>35,831,003</u>	<u>35,687,024</u>

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Sale of fish

Nature of goods or services	Fish farming, breeding, distribution and trading of ornamental fish and aquaculture products
When revenue is recognised	Point of sale
Significant payment terms	30 days from invoice date

Sale of accessories

Nature of goods or services	Manufacturing and distribution of aquarium and pets accessories
When revenue is recognised	Point of sale
Significant payment terms	30 days from invoice date

Sale of plastics

Nature of goods or services	Manufacturing and distribution of plastic bags
When revenue is recognised	Point of sale
Significant payment terms	30 days from invoice date

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets and major products. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 25).

Group	Fish		Accessories		Plastics		Total	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Primary geographical markets								
Singapore	7,326,272	6,557,306	11,367,861	11,483,597	7,445,700	7,610,759	26,139,833	25,651,662
Other Asian countries	11,814,954	12,371,115	17,909,528	18,856,620	126,504	372,570	29,850,986	31,600,305
Europe	4,927,657	4,543,216	1,409,320	466,617	102,513	36,225	6,439,490	5,046,058
Others	6,581,959	5,852,741	2,810,427	3,225,055	80,009	41,962	9,472,395	9,119,758
	<u>30,650,842</u>	<u>29,324,378</u>	<u>33,497,136</u>	<u>34,031,889</u>	<u>7,754,726</u>	<u>8,061,516</u>	<u>71,902,704</u>	<u>71,417,783</u>

17 Revenue (continued)**Contract balances**

The following table provides information about contract liabilities from contracts with customers.

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Contract liabilities	(313,261)	(394,467)	(88,995)	(192,958)

The contract liabilities primarily relate to the advance consideration received from customers for sale of fish and accessories.

Significant changes in the contract liabilities balances during the year are as follows.

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	394,467	558,894	192,958	236,994
Increases due to cash received, excluding amounts recognised as revenue during the year	(313,261)	(394,467)	(88,995)	(192,958)

18 Net finance costs

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Interest income				
- bank deposits	69,307	168,976	49,431	125,038
	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Interest expense				
- bank loans and overdrafts	(289,791)	(226,567)	(149,963)	(226,538)
- bills payable to banks	(92)	(1,897)	-	-
- lease liabilities	(73,666)	(126,315)	(9,406)	(13,399)
	(363,549)	(354,779)	(159,369)	(239,937)
Net finance costs	(294,242)	(185,803)	(109,938)	(114,899)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19 (Loss) Profit before tax

The following items have been included in arriving at (loss) profit before tax:

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Allowance for inventory obsolescence	58,938	–	58,938	–
Auditors' remuneration				
- auditors of the Company and other firms affiliated with KPMG International Limited	169,000	166,000	150,000	147,000
- other auditors	23,807	22,407	–	–
Non-audit fees				
- auditors of the Company and other firms affiliated with KPMG International Limited	57,000	63,000	57,000	63,000
- other auditors	30,000	33,065	30,000	24,960
Bad trade receivables written off	30,369	9,752	30,369	9,752
Directors' fees				
- directors of the Company	80,000	80,000	80,000	80,000
Depreciation of				
- property, plant and equipment	2,921,055	2,947,571	1,033,549	968,230
- biological assets	13,500	13,500	13,500	13,500
Amortisation of intangible assets	123,745	123,672	122,000	122,000
Exchange loss (gain), net	133,026	(165,769)	152,629	(176,082)
Short term leases	183,549	292,047	–	37,342
Property, plant and equipment written off	277	55,122	–	42,287
Staff costs				
- salaries and bonus*	13,821,146	13,917,493	8,193,222	8,525,367
- provident fund contributions*	1,020,375	1,007,577	685,480	694,572
- staff welfare benefits	1,019,902	1,057,617	389,695	445,761
- foreign worker levy	418,127	414,160	375,772	374,860
Other (income) expenses				
- loss (gain) on disposal of property, plant and equipment	19,401	(6,490)	85	–
- dividend income received from subsidiaries	–	–	(640,000)	(1,532,200)
Net change in fair value of				
- financial assets at FVTPL	233,386	(72,506)	233,386	(72,506)
- biological assets	(205,053)	(16,554)	–	–
- gain on derecognition of right-of-use assets and lease liabilities	(16,889)	(3,128)	(2,807)	–
- sundry income	(229,567)	(225,156)	(147,363)	(63,496)
- handling income (net)	(1,832,186)	(2,088,215)	(1,832,186)	(2,088,215)
- compensation income	–	(653,593)	–	–

* Include directors' remuneration

20 Tax expense

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Tax recognised in profit or loss				
Current tax expense				
Current year	229,020	216,239	24,000	23,220
Under (Over) provision in respect of prior year	402	(681)	–	–
	<u>229,422</u>	<u>215,558</u>	<u>24,000</u>	<u>23,220</u>
Deferred tax credit				
Origination and reversal of temporary differences	(5,798)	(11,798)	–	–
Total tax expense	<u>223,624</u>	<u>203,760</u>	<u>24,000</u>	<u>23,220</u>
Reconciliation of effective tax rate				
(Loss) Profit before tax	<u>(378,842)</u>	<u>620,472</u>	<u>(1,423,595)</u>	<u>72,767</u>
Tax using Singapore tax rate of 17% (2024: 17%)	(64,403)	105,480	(242,011)	12,370
Effect of tax rates in foreign jurisdictions	23,187	64,220	–	–
Expenses not deductible for tax purposes	221,735	111,180	130,303	67,158
Income not subject to tax	(48,660)	(12,569)	(108,800)	(272,800)
Recognition of tax effect of previously unrecognised tax losses	(62,317)	(108,421)	–	–
Change in unrecognised temporary differences	181,090	100,520	74,587	9,846
Group tax relief transferred out	–	–	164,621	183,426
Withholding tax	24,000	23,220	24,000	23,220
Tax incentives	(51,410)	(79,189)	(18,700)	–
Under (Over) provision in respect of prior year	402	(681)	–	–
Tax expense	<u>223,624</u>	<u>203,760</u>	<u>24,000</u>	<u>23,220</u>

Tax recognised in other comprehensive income

There is no tax effect on the translation differences relating to financial statements of foreign operations in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

21 Directors' remuneration

Company's directors receiving remuneration from the Group:

	Group and Company Number of directors	
	2025	2024
Remuneration of:		
\$250,000 to \$499,999	1	1
Below \$250,000	4	5
	<u>5</u>	<u>6</u>

Names of director	Salary \$	Bonus \$	Directors' fees \$	Total \$
Group and Company 2025				
Yap Kok Cheng	327,096	27,020	–	354,116
Soong Wee Choo	–	–	28,000	28,000
Chew Mok Lee	–	–	26,000	26,000
Ling Kai Huat (retired on 3 April 2025)	–	–	6,625	6,625
Yap Beng Tat, Richard (appointed on 7 April 2025)	–	–	19,162	19,162
Total	<u>327,096</u>	<u>27,020</u>	<u>79,787</u>	<u>433,903</u>

2024

Kenny Yap Kim Lee (retired on 31 December 2024)	222,240	–	–	222,240
Yap Kok Cheng	313,872	27,244	–	341,116
Soong Wee Choo	–	–	28,000	28,000
Ling Kai Huat	–	–	26,000	26,000
Chew Mok Lee (appointed on 1 April 2024)	–	–	19,500	19,500
Sharon Yeoh Kar Choo (retired on 27 March 2024)	–	–	6,500	6,500
Total	<u>536,112</u>	<u>27,244</u>	<u>80,000</u>	<u>643,356</u>

22 (Loss) Earnings per share

	Group	
	2025	2024
(Loss) Profit attributable to equity holders of the Company (\$)	(751,170)	356,656
Weighted average number of ordinary shares in issue for calculation of basic and diluted earnings per share	113,526,467	113,526,467
Basic (Loss) Earnings per share (cents)	(0.66)	0.31

The calculation of basic (loss) earnings per share at 31 December was based on (loss) profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding.

The Group has no dilution in its (loss) earnings per share at 31 December 2025 and 31 December 2024.

23 Dividends

	Group and Company	
	2025	2024
	\$	\$
Final dividend paid of 0.4 cents per share (one-tier tax exempt) in respect of the year ended 31 December 2024	454,106	–
Final dividend paid of 0.3 cents per share (one-tier tax exempt) in respect of the year ended 31 December 2023	–	340,579

The directors do not propose a final dividend in respect of the financial year ended 31 December 2025. A final dividend of \$0.004 per ordinary share, one-tier exempt, totalling \$454,106, was paid in respect of the financial year ended 31 December 2024.

During the financial year, there was dividend paid by a subsidiary to non-controlling interests amounting to \$162,800 (2024: \$159,600).

24 Significant related party transactions

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the authorities of the entity. The directors are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2025	2024
	\$	\$
Short-term employee benefits		
- directors of the Company	433,903	643,356
- other key management personnel	2,197,356	2,147,318
	<u>2,631,259</u>	<u>2,790,674</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24 Significant related party transactions (continued)

Other related party transactions

Other than disclosed elsewhere in the financial statements, the transactions with related parties at terms agreed between the parties, are as follows:

	Company	
	2025	2024
	\$	\$
Sales to subsidiaries	1,558,187	1,986,653
Purchases from subsidiaries	2,289,742	2,725,476

25 Operating segments

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products. For each of the strategic business units, the Group's Executive Chairman and Chief Executive Officer reviews internal management reports on a monthly basis.

The Group's reportable operating segments are as follows:

- (i) Fish – includes fish farming, breeding, distribution and trading of ornamental fish and aquaculture products;
- (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.

The accounting policies of the reportable segments are the same as described in Note 3.17. Information regarding the results of each reportable segment is included below. Performance is measured based on profit before tax, as included in the internal management reports that are reviewed by the Group's Executive Chairman and Chief Executive Officer. Profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Certain financing costs are managed on a group basis and are not allocated to operating segments. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on mutually agreed terms.

Segment expenditure for non-current assets is the total cost incurred during the financial year to acquire segment assets that are expected to be used for more than one year.

25 Operating segments (continued)

Information about reportable segments

	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
2025 Group					
Revenue					
External revenue	30,651	33,497	7,755	–	71,903
Inter-segment revenue	2,986	5,387	141	(8,514)	–
Total revenue	33,637	38,884	7,896	(8,514)	71,903
Results					
EBITDA*	3,022	1,891	1,378	(3,317)	2,974
Depreciation and amortisation	(1,180)	(1,265)	(489)	(124)	(3,058)
Interest expense	(57)	(139)	(18)	(150)	(364)
Interest income	51	18	–	–	69
Profit (Loss) before tax	1,836	505	871	(3,591)	(379)
Tax expense	(185)	(14)	–	(24)	(223)
Profit (Loss) for the year	1,651	491	871	(3,615)	(602)
Assets and liabilities					
Segment assets	25,143	29,058	5,611	1,070	60,882
Segment liabilities	6,275	6,677	1,440	5,609	20,001
Other segment information					
Expenditure for non-current assets**	1,414	4,017	37	525	5,993
<i>Other non-cash items:</i>					
Bad trade receivables written off	30	–	–	–	30
(Gain) Loss on disposal of property, plant and equipment	(13)	35	(3)	–	19
Gain on derecognition of right-of-use assets and lease liabilities	–	(15)	(2)	–	(17)
Property, plant and equipment written off	***	–	–	–	***
Impairment loss (Reversal of impairment loss) on trade receivables	227	(45)	–	–	182
Allowance for inventory obsolescence	–	59	–	–	59
Net change in fair value of					
- biological assets	(205)	–	–	–	(205)
- financial assets at FVTPL	–	–	–	233	233

* EBITDA – Earnings (Loss) Before Interest, Taxation, Depreciation and Amortisation

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

*** Amount less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25 Operating segments (continued)

	Fish \$'000	Accessories \$'000	Plastics \$'000	Others \$'000	Total \$'000
2024					
Group					
Revenue					
External revenue	29,324	34,032	8,062	–	71,418
Inter-segment revenue	2,930	6,536	130	(9,596)	–
Total revenue	32,254	40,568	8,192	(9,596)	71,418
Results					
EBITDA*	3,124	2,409	1,538	(3,180)	3,891
Depreciation and amortisation	(1,125)	(1,403)	(511)	(46)	(3,085)
Interest expense	(13)	(76)	(39)	(227)	(355)
Interest income	62	89	–	18	169
Profit before tax	2,048	1,019	988	(3,435)	620
Tax expense	(145)	(31)	–	(27)	(203)
Profit for the year	1,903	988	988	(3,462)	417
Assets and liabilities					
Segment assets	21,776	26,407	5,672	4,194	58,049
Segment liabilities	5,245	4,065	1,530	5,166	16,006
Other segment information					
Expenditure for non-current assets**	657	174	43	1,684	2,558
<i>Other non-cash items:</i>					
Bad trade receivables written off	10	–	–	–	10
Gain on disposal of property, plant and equipment	–	(6)	–	–	(6)
Gain on derecognition of right-of-use assets and lease liabilities	–	(3)	–	–	(3)
Property, plant and equipment written off	42	13	–	–	55
Impairment loss (Reversal of impairment loss) on trade receivables	211	(27)	–	–	184
Net change in fair value of					
- biological assets	(17)	–	–	–	(17)
- financial assets at FVTPL	–	–	–	(73)	(73)

* EBITDA – Earnings (Loss) Before Interest, Taxation, Depreciation and Amortisation

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

Geographical segments

Geographical segments are analysed by four principal geographical areas, namely Singapore, other Asian countries, 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 segment assets are based on the geographical location of the assets.

25 Operating segments (continued)

Geographical Information

	Singapore \$'000	Other Asian countries \$'000	Europe \$'000	Others \$'000	Consolidated \$'000
2025					
Revenue from external customers	26,140	29,851	6,440	9,472	71,903
Segment non-current assets	10,093	10,601	–	–	20,694
Segment assets	34,824	26,058	–	–	60,882
2024					
Revenue from external customers	25,652	31,600	5,046	9,120	71,418
Segment non-current assets	9,989	5,274	–	–	15,263
Segment assets	37,054	20,995	–	–	58,049

Major customers

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

26 Financial risk management

Overview

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of trade and other receivables.

At the reporting date, the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

Impairment losses on financial assets recognised in profit or loss were as follows:

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Impairment loss on trade receivables	181,503	183,687	152,400	147,306

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26 Financial risk management (continued)

Credit risk (continued)

Trade receivables

Exposure to credit risk

A summary of the Group's and the Company's exposures to credit risk for trade receivables is as follows:

	2025		2024	
	Not credit-impaired \$	Credit-impaired \$	Not credit-impaired \$	Credit-impaired \$
Group				
- Four or more years' trading history with the Group*	9,983,695	–	9,828,943	–
- Less than four years' trading history with the Group*	1,551,763	–	1,353,090	–
- Higher risk	670,180	951,212	557,772	906,482
Total gross carrying amount	12,205,638	951,212	11,739,805	906,482
Loss allowance	(670,180)	(951,212)	(557,772)	(906,482)
	11,535,458	–	11,182,033	–
Company				
- Four or more years' trading history with the Group*	6,070,292	–	6,073,522	–
- Less than four years' trading history with the Group*	1,049,690	–	594,835	–
- Higher risk	341,635	574,365	289,471	491,529
Total gross carrying amount	7,461,617	574,365	6,957,828	491,529
Loss allowance	(341,635)	(574,365)	(289,471)	(491,529)
	7,119,982	–	6,668,357	–

* Excluding 'higher risk'

Expected credit loss assessment for customers

The Group uses an allowance matrix to measure the ECLs of trade receivables from customers, which comprise a very large number of small balances.

The allowance matrix is based on actual credit loss experience over the past three years. The ECL computed is purely derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date.

26 Financial risk management (continued)

Credit risk (continued)

Trade receivables (continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables for customers:

Group	Weighted average loss rate %	Gross carrying amount \$	Impairment loss allowance \$	Credit impaired
2025				
Within 1 month (invoices issued)	0.00	4,899,840	–	No
Within 1 – 2 months	0.00	2,591,511	–	No
Within 2 – 3 months	0.00	1,765,847	–	No
Within 3 – 4 months	0.00	1,192,307	–	No
More than 4 months	59.89	2,707,345	1,621,392	Yes
		<u>13,156,850</u>	<u>1,621,392</u>	
2024				
Within 1 month (invoices issued)	0.00	4,787,382	–	No
Within 1 – 2 months	0.00	2,951,640	–	No
Within 2 – 3 months	0.00	1,819,890	–	No
Within 3 – 4 months	0.00	842,241	–	No
More than 4 months	65.22	2,245,134	1,464,254	Yes
		<u>12,646,287</u>	<u>1,464,254</u>	
Company				
2025				
Within 1 month (invoices issued)	0.00	2,769,821	–	No
Within 1 – 2 months	0.00	1,556,463	–	No
Within 2 – 3 months	0.00	1,205,619	–	No
Within 3 – 4 months	0.00	916,090	–	No
More than 4 months	57.68	1,587,989	916,000	Yes
		<u>8,035,982</u>	<u>916,000</u>	
2024				
Within 1 month (invoices issued)	0.00	2,497,238	–	No
Within 1 – 2 months	0.00	1,780,635	–	No
Within 2 – 3 months	0.00	1,302,418	–	No
Within 3 – 4 months	0.00	575,934	–	No
More than 4 months	60.40	1,293,132	781,000	Yes
		<u>7,449,357</u>	<u>781,000</u>	

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26 Financial risk management (continued)

Credit risk (continued)

Trade receivables (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Company	
	2025 \$	2024 \$	2025 \$	2024 \$
Balance at 1 January	1,464,254	1,463,910	781,000	820,000
Impairment loss	181,503	183,687	152,400	147,306
Amounts written off against impairment loss made	(17,400)	(196,001)	(17,400)	(186,306)
Translation differences on consolidation	(6,965)	12,658	–	–
Balance at 31 December	1,621,392	1,464,254	916,000	781,000

Non-listed debt instrument - convertible loan

The Group uses an approach that is based on an assessment of qualitative and quantitative factors that are indicative of risk of default (including but not limited to audited financial statements, management accounts and available press information). There is no significant increase in credit risk for the exposure.

Non-trade amounts due from subsidiaries

The Company held non-trade receivables from its subsidiaries of \$5,214,607 (2024: \$3,188,560). These balances are amounts lent to subsidiaries to satisfy short term funding requirements. The Company uses a similar approach for assessment of ECLs for these receivables to those used for other receivables. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Cash and cash equivalents

The Group and Company held cash and cash equivalents of \$14,151,912 and \$7,040,019 at 31 December 2025 (2024: \$14,631,327 and \$7,720,877). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated Baa1 to Aa1, based on Moody's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for other receivables.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

26 Financial risk management (continued)

Market risk (continued)

Foreign currency risk

The Group incurs foreign currency risk on sales, purchases and borrowings that are denominated in currencies other than Singapore dollars. The currencies giving rise to this risk are primarily the United States Dollar (US Dollar), Euro, Malaysian Ringgit, Thai Baht, Chinese Renminbi Australian Dollar and New Taiwan Dollar.

There is no formal hedging policy with respect to foreign currency exposure. Exposure to foreign currency risk is monitored on an on-going basis and the Group endeavours to keep the net exposure at an acceptable level.

Sensitivity analysis

A 10% strengthening of Singapore dollar against the following currencies at the reporting date would increase (decrease) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group \$	Company \$
31 December 2025		
US Dollar	(631,185)	(423,049)
Euro	(18,566)	(13,896)
Australian Dollar	2,226	666
Malaysian Ringgit	(3,260)	992
Thai Baht	(5,115)	(5,115)
Chinese Renminbi	20,147	22,531
New Taiwan Dollar	14,971	8,604
<hr/>		
31 December 2024		
US Dollar	(739,004)	(556,770)
Euro	(16,224)	(6,722)
Australian Dollar	2,187	–
Malaysian Ringgit	(3,522)	(2,452)
Chinese Renminbi	41,000	35,082
New Taiwan Dollar	14,837	8,356
<hr/>		

A 10% weakening of Singapore dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Business risk

The main risk arising from the Group's livestock is business risk. The Group has institutionalised a comprehensive health management and quarantine system for all its domestic and overseas operations to ensure a consistently high standard of good healthcare management and hygiene for its livestock.

Interest rate risk

The Group's exposure to interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The Group obtains additional financing through bank borrowings and finance lease arrangements. The Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26 Financial risk management (continued)

Market risk (continued)

Interest rate risk (continued)

The following table sets out the carrying amounts as at 31 December, by maturity or repricing, whichever is earlier, of the financial instruments of the Group and the Company that are exposed to interest rate risk:

	Within 1 year \$	1 to 5 years \$	More than 5 years \$	Total \$
Group				
2025				
Financial liabilities				
Fixed rate				
Lease liabilities	877,051	1,494,816	–	2,371,867
Floating rate				
Bank term loans	8,407,042	–	–	8,407,042
2024				
Financial liabilities				
Fixed rate				
Bills payable to banks	73,511	–	–	73,511
Lease liabilities	1,337,201	526,818	–	1,864,019
Floating rate				
Bank term loans	4,500,000	–	–	4,500,000
	Within 1 year \$	1 to 5 years \$	More than 5 years \$	Total \$
Company				
2025				
Financial liabilities				
Fixed rate				
Lease liabilities	88,986	174,573	–	263,559
Floating rate				
Bank term loans	5,000,000	–	–	5,000,000
2024				
Financial liabilities				
Fixed rate				
Lease liabilities	139,011	105,712	–	244,723
Floating rate				
Bank term loans	4,500,000	–	–	4,500,000

26 Financial risk management (continued)

Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

For the variable rate financial assets and liabilities, a change of 100 basis point (bp) in interest rate at the reporting date would increase (decrease) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or Loss	
	100 bp Increase \$	100 bp Decrease \$
Group		
31 December 2025		
Floating rate instruments	(84,070)	84,070
31 December 2024		
Floating rate instruments	(45,000)	45,000
Company		
31 December 2025		
Floating rate instruments	(50,000)	50,000
31 December 2024		
Floating rate instruments	(45,000)	45,000

Intra-group financial guarantees

The credit risk represents the loss that would be recognised upon a default by the parties to which the guarantees were given on behalf of. To mitigate these risks, management continually monitors the risks and has established processes including performing credit evaluations of the parties it is providing the guarantee on behalf of. Guarantees are only given to its subsidiaries or related parties.

There are no terms and conditions attached to the guarantee contracts that would have a material effect on the amount, timing and uncertainty of the Company's future cash flows.

The intra-group financial guarantees are eliminated in preparing the consolidated financial statements. Estimates of the Company's obligations arising from financial guarantee contracts may be affected by future events, which cannot be predicted with any certainty. The assumptions may well vary from actual experience so that the actual liability may vary considerably from the best estimates.

Intra-group financial guarantees comprise guarantees granted by the Company to banks in respect of banking facilities amounting to approximately \$5.1 million (2024: \$5.0 million).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26 Financial risk management (continued)

Accounting classifications and fair values

The carrying amounts of financial assets and financial liabilities are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Mandatorily at FVTPL \$	Amortised cost \$	Other financial liabilities \$	Total carrying amount \$
2025				
Financial assets				
Financial assets at FVTPL	613,500	–	–	613,500
Trade and other receivables [#]	–	13,123,839	–	13,123,839
Cash and cash equivalents	–	14,151,912	–	14,151,912
	<u>613,500</u>	<u>27,275,751</u>	<u>–</u>	<u>27,889,251</u>
Financial liabilities				
Lease liabilities	–	–	(2,371,867)	(2,371,867)
Bank term loans	–	–	(8,407,042)	(8,407,042)
Trade and other payables*	–	–	(6,264,435)	(6,264,435)
	<u>–</u>	<u>–</u>	<u>(17,043,344)</u>	<u>(17,043,344)</u>
2024				
Financial assets				
Financial assets at FVTPL	1,451,687	–	–	1,451,687
Trade and other receivables [#]	–	13,368,455	–	13,368,455
Cash and cash equivalents	–	14,631,327	–	14,631,327
	<u>1,451,687</u>	<u>27,999,782</u>	<u>–</u>	<u>29,451,469</u>
Financial liabilities				
Lease liabilities	–	–	(1,864,019)	(1,864,019)
Bank term loans	–	–	(4,500,000)	(4,500,000)
Bills payable to banks	–	–	(73,511)	(73,511)
Trade and other payables*	–	–	(6,200,593)	(6,200,593)
	<u>–</u>	<u>–</u>	<u>(12,638,123)</u>	<u>(12,638,123)</u>

26 Financial risk management (continued)

Accounting classifications and fair values (continued)

	Mandatorily at FVTPL \$	Amortised cost \$	Other financial liabilities \$	Total carrying amount \$
Company				
2025				
Financial assets				
Financial assets at FVTPL	500,000	–	–	500,000
Trade and other receivables [#]	–	22,512,331	–	22,512,331
Cash and cash equivalents	–	7,040,019	–	7,040,019
	500,000	29,552,350	–	30,052,350
Financial liabilities				
Lease liabilities	–	–	(263,559)	(263,559)
Bank term loans	–	–	(5,000,000)	(5,000,000)
Trade and other payables*	–	–	(6,463,193)	(6,463,193)
	–	–	(11,726,752)	(11,726,752)
2024				
Financial assets				
Financial assets at FVTPL	1,451,687	–	–	1,451,687
Trade and other receivables [#]	–	20,825,698	–	20,825,698
Cash and cash equivalents	–	7,720,877	–	7,720,877
	1,451,687	28,546,575	–	29,998,262
Financial liabilities				
Lease liabilities	–	–	(244,723)	(244,723)
Bank term loans	–	–	(4,500,000)	(4,500,000)
Trade and other payables*	–	–	(5,621,023)	(5,621,023)
	–	–	(10,365,746)	(10,365,746)

[#] Excludes prepayments and advances to suppliers

* Excludes advance received from customers and accrued staff costs

27 Measurement of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumption made in determining fair value is disclosed in the notes specific to that asset or liability.

Interest-bearing bank loans

The carrying value of interest-bearing bank loans that reprice within six months of the reporting date is assumed to approximate their fair values. The carrying amounts of the term loans also approximate fair value as it is subject to floating interest rates which in turn approximate the current market interest rate for similar loan at reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27 Measurement of fair values (continued)

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, bills payable to banks and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Biological assets - breeder stocks

Breeder stocks are farm-raised marble goby grown to biomass ready for harvest. As at the reporting date, these stocks are measured based on their fair value with any change therein recognised in profit or loss. The fair value is determined based on the biomass volume, size distribution of similar fishes that can be purchased from suppliers as at the reporting date.

Non-listed debt instrument - convertible loan

The fair value of the financial asset is its expected value based on the probability weighted average present value of expected future net cash flows, considering each of the possible future events and the terms under the various situations.

Keyman insurance contract

The fair value of the life insurance policy purchased for a key management personnel of the Group is determined based on the cash surrender value in accordance with the insurance contract as at the reporting date.

Fair value hierarchy

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Group				
31 December 2025				
Biological assets (Breeder stocks)	–	–	206,621	206,621
Financial assets at FVTPL (Keyman insurance contract)	–	–	113,500	113,500
Financial assets at FVTPL (Unsecured Convertible Loan)	–	–	500,000	500,000
	–	–	820,121	820,121
31 December 2024				
Biological assets (Breeder stocks)	–	–	41,753	41,753
Financial assets at FVTPL (Unsecured Convertible Loan)	–	–	1,451,687	1,451,687
	–	–	1,493,440	1,493,440
Company				
31 December 2025				
Financial assets at FVTPL (Unsecured Convertible Loan)	–	–	500,000	500,000
31 December 2024				
Financial assets at FVTPL (Unsecured Convertible Loan)	–	–	1,451,687	1,451,687

The entity's policy is to recognise transfers out of Level 3 as of the end of the reporting period during which the transfer occurred.

27 Measurement of fair values (continued)

The following table shows the key unobservable inputs used in the valuation models:

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Biological assets		
Breeder stocks	<ul style="list-style-type: none"> Biomass volume and size Estimated market price 	The estimated fair value would increase (decrease) if biomass volume, size and estimated market price was higher (lower).
Financial asset of FVTPL		
Unsecured convertible loan	<ul style="list-style-type: none"> Discount rate Probability of future events relating to the convertible loan 	The estimated fair value would increase (decrease) if the discount rate was lower (higher).
Keyman Insurance	<ul style="list-style-type: none"> Surrender value of the contract 	The estimated fair value would increase (decrease) if the surrender value was higher (lower).

Valuation processes applied by the Group

The assessment of fair value of breeder stocks is performed by the Group's finance department and operations team on a quarterly basis. The finance department reports to the Group's Finance Director (FD).

Level 3 recurring fair values

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

	Unsecured convertible loan	
	2025	2024
	\$	\$
Group and Company		
At 1 January	1,451,687	1,379,181
Additions	500,000	–
Net change in fair value	(233,386)	72,506
Derecognition	(1,218,301)	–
At 31 December	500,000	1,451,687

28 Leases

Leases as lessee

The Group leases offices, warehouses, factories, retail spaces, farm facilities, office equipment and motor vehicles. The leases typically run for a period of three to five years, with an option to renew the lease after that date. Lease payments are renegotiated upon renewal to reflect market rentals. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The warehouse and factory leases were entered into many years ago as combined leases of land and buildings.

The Group leases IT equipment and certain properties with contract terms of one year. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

28 Leases (continued)

Information about leases for which the Group is a lessee is presented below.

Group	Leasehold land and buildings \$	Furniture, fittings and office equipment \$	Total \$
Balance at 1 January 2024	2,767,361	38,135	2,805,496
Additions to right-of-use assets	369,487	–	369,487
Depreciation charge for the year	(1,497,425)	(20,531)	(1,517,956)
Derecognition to right-of-use assets	(18,467)	–	(18,467)
Translation difference on consolidation	27,235	–	27,235
Balance at 31 December 2024	1,648,191	17,604	1,665,795
Balance at 1 January 2025	1,648,191	17,604	1,665,795
Additions to right-of-use assets	2,084,276	14,506	2,098,782
Depreciation charge for the year	(1,340,929)	(11,004)	(1,351,933)
Derecognition to right-of-use assets	(291,077)	(476)	(291,553)
Translation difference on consolidation	1,710	–	1,710
Balance at 31 December 2025	2,102,171	20,630	2,122,801
Company			
Balance at 1 January 2024	239,329	33,141	272,470
Depreciation charge for the year	(104,090)	(17,677)	(121,767)
Balance at 31 December 2024	135,239	15,464	150,703
Balance at 1 January 2025	135,239	15,464	150,703
Additions to right-of-use assets	195,130	–	195,130
Depreciation charge for the year	(100,438)	(8,150)	(108,588)
Derecognition to right-of-use assets	(44,320)	–	(44,320)
Balance at 31 December 2025	185,611	7,314	192,925
Amounts recognised in profit or loss			
		2025 \$	2024 \$
Interest on lease liabilities		73,666	126,315
Expenses relating to short-term leases		183,549	292,047
Amounts recognised in statement of cash flows			
		2025 \$	2024 \$
Total cash outflow for leases		1,708,707	1,894,895

28 Leases (continued)

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

29 Acquisition of subsidiary

On 19 December 2025, the Group acquired a wholly owned subsidiary, Aquaeasy Pte. Ltd. from a third party.

Included in the identifiable assets and liabilities acquired at the date of acquisition of 19 December 2025 are inputs (patented technology and software), production processes and an organised workforce. The Group has determined that together, the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business.

Taking control of Aquaeasy will allow the Group to continue to embed digital farm management capabilities into their operating framework to strength the Group's presence in the aquaculture sector. The acquisition will allow the Group to integrate Aquaeasy's digital farm management system, which is expected to enhance farm-level real-time monitoring, traceability and resource optimisation, supporting more consistent output and improved cost management over time.

Consideration transferred

The following table summarises the acquisition-date fair value of consideration transferred:

	2025 \$
Cash	55,000
Settlement of pre-existing relationship	1,192,795
Total consideration transferred	<u>1,247,795</u>

Settlement of pre-existing relationships

The Group and Aquaeasy were party to an unsecured convertible loan agreement ("UCLA") amounting \$1.0 million, which was disbursed in January 2022 and bore interest ranging from 5% to 7% per annum. The Group terminated the UCLA following the acquisition of the entire equity interest in Aquaeasy in December 2025. At Group level, the UCLA was eliminated and effectively settled as a result of the acquisition.

	Note	2025 \$
Fair value of UCLA	8	1,218,301
Fair value of trade payables to Aquaeasy		<u>(25,506)</u>
Total settlement of pre-existing relationship		<u>1,192,795</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29 Acquisition of subsidiary (continued)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

	Note	2025 \$
Property, plant and equipment	4	816
Intangible assets	6	377,107
Trade and other receivables		7,660
Inventories		538,758
Deferred tax liabilities	15	(64,108)
Total identifiable net assets		860,233
Goodwill	6	387,562
Total consideration transferred		<u>1,247,795</u>

The net cash outflow arising from the acquisition is as follows:

	2025 \$
Total consideration transferred	1,247,795
Settlement of pre-existing relationship	(1,192,795)
Purchase consideration payable	(3,500)
Purchase consideration settled in cash and cash equivalents	51,500
Cash and cash equivalents acquired	–
Total consideration paid	<u>51,500</u>

The fair value of consideration transferred and identifiable assets and liabilities assumed have been determined provisionally.

If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Inventories	Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.
Intangible assets	Replacement cost method: The replacement cost method considers the historical amount estimated to be required to replace the currently existing asset, profit margin, re-creation period and opportunity costs.

30 Commitments

In December 2021, the Company obtained approval from the relevant authorities for the increase in the registered capital of its wholly owned subsidiary, GZQH, by approximately USD1.0 million (equivalent to \$1.28 million).

As at 31 December 2025, the Company has not made any capital contribution into this subsidiary.

STATISTICS OF SHAREHOLDINGS

As at 12 February 2026

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Class of Shares	:	Ordinary shares
Number of Shares Issued	:	113,526,467
Issued and Fully Paid-Up Capital	:	\$30,772,788
Voting Rights	:	On a poll - One vote for each ordinary share
Number of Treasury Shares	:	Nil

Analysis of Shareholders

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
1 - 99	256	12.44	10,092	0.01
100 - 1,000	408	19.83	188,113	0.17
1,001 - 10,000	853	41.45	3,822,935	3.37
10,001 - 1,000,000	522	25.36	28,735,731	25.31
1,000,001 and above	19	0.92	80,769,596	71.14
Total	2,058	100.00	113,526,467	100.00

Substantial Shareholders

Name of Substantial Shareholder	Shareholdings registered in the name of the substantial shareholders		Shareholdings held by substantial shareholders in the name of nominees	
	No. of Shares	%	No. of Shares	%
1 Yap Kim Lee Kenny	7,794,600	6.87	-	-
2 Yap Ah Seng Alvin	7,777,038	6.85	-	-
3 Yap Ah Siong Andy	7,750,900	6.83	-	-
4 Yap Kim Chuan	7,750,898	6.83	-	-
5 Yap Hock Huat	6,825,900	6.01	-	-
6 Yap Ping Heng	6,825,900	6.01	-	-
7 Ang Hao Yao (Hong Haoyao)	6,159,040	5.43	-	-

Twenty Largest Shareholders

No.	Name of Shareholder	No. of Shares	% of Issued Share Capital
1	Yap Kim Lee Kenny	7,794,600	6.87
2	Yap Ah Seng Alvin	7,777,038	6.85
3	Yap Ah Siong, Andy	7,750,900	6.83
4	Yap Kim Chuan	7,750,898	6.83
5	Yap Hock Huat	6,825,900	6.01
6	Yap Ping Heng	6,825,900	6.01
7	Ang Hao Yao (Hong Haoyao)	6,159,040	5.43
8	Simon Seah Seow Kee	4,997,250	4.40
9	Maybank Securities Pte. Ltd.	4,532,664	3.99
10	Est Of Yap Kim Choon, Dec'D	3,925,000	3.46
11	Yap Suhui	3,825,900	3.37
12	Yap Chew Ring	2,424,475	2.13
13	Choo Chee Kiong	2,200,000	1.94
14	Wong Bei Keen	1,527,500	1.34
15	Yap Hey Cha	1,513,000	1.33
16	Tan Boon Kim	1,330,581	1.17
17	Lim Yew Hoe	1,293,750	1.14
18	Royal Inst Of Construction Economists Pte Ltd	1,225,200	1.08
19	Lim Peng Chuan	1,090,000	0.96
20	Phillip Securities Pte Ltd	994,750	0.88
		81,764,346	72.02

Shareholding Held in the Hands of Public

Based on information provided, to the best knowledge of the Directors and the substantial shareholders of the Company, 44.79% of the issued share capital of the Company was held in the hands of the public as at 12 February 2026. Accordingly, Rule 723 of the Singapore Exchange Listing Manual has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Seventh Annual General Meeting ("**AGM**") of Qian Hu Corporation Limited (the "**Company**") will be held at No. 71 Jalan Lekar, Singapore 698950 on Tuesday, 7 April 2026, at 11.00 a.m. to transact the following business:

Ordinary Business

- 1 To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2025 and the Auditors' Report thereon. **[Resolution 1]**
- 2 To re-elect Mr Yap Beng Tat, Richard in accordance with Regulation 90 of the Company's Constitution, as Director of the Company.
[See Explanatory Note (a)] **[Resolution 2]**
- 3 To note the retirement of Ms Soong Wee Choo who is retiring as a Director of the Company pursuant to Regulation 91 of the Company's Constitution.
[See Explanatory Note (b)]
- 4 To approve the sum of S\$79,787 as Directors' fees for the financial year ended 31 December 2025. (2024: S\$80,000) **[Resolution 3]**
- 5 To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **[Resolution 4]**
- 6 To transact any other business that may be transacted at an Annual General Meeting.

Special Business

To consider and, if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:

- 7 General Mandate to authorise the Directors to issue shares or convertible securities

That pursuant to Section 161 of the Companies Act 1967 (the "**Act**"), the Constitution and the listing rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

- (a) (i) allot and issue shares in the capital of the Company ("**Shares**") (whether by way of rights, bonus or otherwise); and/or
- (ii) make or grant offers, agreements, or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force):
 - (i) issue additional instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the Directors while this Resolution was in force; and
 - (ii) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force or such additional Instruments in (b)(i) above,

Provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares issued other than on a pro rata basis to existing shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 10% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below); and
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of convertible securities;
 - (b) new Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the listing rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note (c)]

[Resolution 5]

By Order of the Board

Nor Hafiza Alwi
Company Secretary

Singapore
9 March 2026

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Explanatory Notes:

- (a) Ordinary Resolution 2 - Upon re-election as a Director of the Company, Mr Yap Beng Tat, Richard will remain as an Independent Non-Executive Director, as well as the Chairman of the Remuneration Committee and a member of the Audit & Risk Management and Nominating Committees. He is considered by the Board to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. There are no relationships (including immediate family relationships) between Mr Yap Beng Tat, Richard and the other Directors of the Company, the Company or its substantial shareholders.
- (b) Ms Soong Wee Choo will not be seeking re-election and will retire as a Director of the Company at the conclusion of the AGM of the Company. Ms Soong Wee Choo will concurrently relinquish her position as the Lead Independent Non-Executive Director, Chairperson of the Audit & Risk Management Committee and a member of the Remuneration and Nominating Committees of the Company.

The Board will endeavor to fill the vacancy within two months, but in any case, not later than three months from the date of Ms Soong Wee Choo's retirement, pursuant to Rule 704(8) of the SGX-ST Listing Manual.

- (c) Ordinary Resolution 5, under item 7 above, if passed, will empower the Directors from the date of the AGM until the date of the next AGM of the Company, to issue shares and convertible securities in the Company up to an aggregate number not exceeding 50% of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company, of which the aggregate number issued other than on a pro rata basis to all existing shareholders of the Company shall not exceed 10% of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company, as more particularly set out in the resolution.

Notes:

1. The members of the Company are invited to **attend physically** at the Twenty-Seventh AGM. There will be no option for members to participate virtually. A printed copy of this notice of AGM (the "**Notice**") will be sent to the members. Printed copy of the Company's annual report ("**AR**") is made available to members by electronic means via publication on the Company's website at the URL <http://www.qianhu.com/investor-relations/annual-reports> under "Annual Report 2025" and is also made available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. Members have the right to elect whether to receive the AR in physical copy by completing the Request Form sent together with the Notice.
2. Members (including Central Provident Fund Investment Scheme members ("**CPFIS Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**") may participate in the AGM by:
 - (a) attending the AGM in person;
 - (b) raising questions at the AGM or submitting questions in advance of the AGM; and/ or
 - (c) voting at the AGM
 - (i) themselves personally; or
 - (ii) through their duly appointed proxy(ies).

CPFIS Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes **by 5.00 p.m. on 25 March 2026**, being seven (7) working days prior to the date of the AGM.

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home and consider appoint / appoint a proxy(ies) to attend the Meeting.

3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

4. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, 1967:

- (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

5. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
- (a) If submitted by post, be lodged at the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77, Singapore 068896
 - (b) If submitted electronically, be submitted via email to B.A.C.S. Private Limited at main@zicoholdings.com

In either case, by **11.00 a.m. on 4 April 2026**, being no later than 72 hours before the time set for the AGM.

7. The Chairman of the AGM, as proxy, need not be a member of the Company.
8. Members who wish to submit questions related to the resolutions to be tabled for approval at the AGM may do so in advance of the AGM by **5.00 p.m. on 25 March 2026** in the following manner:
- (a) by email to investor@qianhu.com
 - (b) by post to the registered office of the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77, Singapore 068896

The Company will endeavour to address all substantial and relevant questions submitted prior to the AGM by publishing the responses to such questions on SGXNet and the Company’s corporate website not later than 31 March 2026.

9. For questions addressed during the AGM, the responses to such questions will be included in the minutes of AGM which will be published on SGXNet and the Company’s corporate website and within seven (7) working days after the AGM.
10. The Company’s Annual Report 2025 dated 9 March 2026 has been published and may be accessed at the Company’s website at the URL <http://www.qianhu.com/investor-relations/annual-reports> under “Annual Report 2025” and is also made available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
11. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting in person at the AGM. If a member attends the AGM in person, the appointment of a proxy(ies) shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy(ies) to the AGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE 27TH ANNUAL GENERAL MEETING

[Pursuant to SGX-ST Listing Manual – Rule 720(6) and Appendix 7.4.1.]

Name of Director	Mr Yap Beng Tat, Richard
Date of first appointment	7 April 2025
Date of last re-appointment	-
Age	44
Country of principal residence	Republic of Singapore
Job Title	<ul style="list-style-type: none"> • Independent Non-Executive Director • Chairman of the Remuneration Committee • Member of the Audit & Risk Management Committee • Member of the Nominating Committee
The Board's comments on the re-appointment	<p>Mr Yap's extensive knowledge on valuation, finance and strategic advisory will provide greater balance and diversity of skills, experience and knowledge that contribute towards the core competencies of the Board.</p> <p>The Board considered the Nominating Committee's recommendation and assessment on Mr Yap's background, expertise, experiences, diversity of skillsets, independence and commitment in the discharge of his duties as the Independent Non-Executive Director of Qian Hu Corporation Limited and is satisfied that he will continue to contribute meaningfully to the Board.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Professional qualifications	<ul style="list-style-type: none"> • Chartered Financial Analyst (CFA) - Member • Chartered Accountant Singapore (CA Singapore) – Member • Chartered Valuer and Appraiser (CVA) - Member
Working experience and occupation(s) during the past 10 years	<p><u>From 2022 – Present:</u> CEO and Founder, NAVI Group</p> <p><u>From 2017 –2022:</u> Senior Director, Head of Business Valuation, SEA, Cushman & Wakefield Group</p> <p><u>From 2011 –2017:</u> Director, Valuation and Advisory, Censere Group</p>
Shareholding interest in the listed issuer and its subsidiaries	Nil
Relationship (including immediate family relationship) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes

Name of Director	Mr Yap Beng Tat, Richard
<p>Other Principal Commitments including Directorships</p> <p>Past (for the last 5 years):</p> <p>Present:</p>	<p>Singapore Paincare Holdings Limited</p> <p>(1) Navi Corporate Advisory Pte. Ltd. (2) Navi Corporate Advisory Sdn Bhd (3) Navi Corporate Advisory (HK) Limited (4) IP Egg Singapore Pte. Ltd. (non-executive) (5) Aero Plus (Singapore) Pte. Ltd. (non-executive) (6) Sky Honour Education Pte. Ltd. (non-executive) (7) Winery Plus Pte. Ltd. (non-executive) (8) Director of Clear Summit Limited (9) Independent Director of Delixy Holdings Limited (listed on Nasdaq Capital Market) (10) Director of Qian Hu Corporation Limited (listed on SGX)</p>

Information required

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Name of Director	Mr Yap Beng Tat, Richard
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/she was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such purpose?	No
(e) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such breach?	No

SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE 27TH ANNUAL GENERAL MEETING

[Pursuant to SGX-ST Listing Manual – Rule 720(6) and Appendix 7.4.1.]

Name of Director	Mr Yap Beng Tat, Richard
(f) Whether at any time during the last 10 years, judgment has been entered against him/her in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No
(g) Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No
(j) Whether he/she has ever, to his/her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: <ul style="list-style-type: none"> <li data-bbox="209 1183 965 1266">(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or <li data-bbox="209 1289 965 1372">(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or <li data-bbox="209 1395 965 1478">(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or <li data-bbox="209 1502 965 1585">(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	No No No No
(k) Whether he/she has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

QIAN HU CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199806124N)

PROXY FORM

IMPORTANT:

1. A relevant intermediary may appoint more than two (2) proxies to attend the Annual General Meeting and vote (please see Note 3 for the definition of "Relevant Intermediary").
2. For investors who have used their CPF monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by them. CPFIS and SRS investors should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies. CPFIS and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 25 March 2026.
3. Please read the notes to the Proxy Form.

*I/We _____ NRIC/Passport/Co. Registration No. _____

of _____

being *a member/members of **QIAN HU CORPORATION LIMITED** hereby appoint

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the Annual General Meeting ("**AGM**") as *my/our *proxy/proxies to attend, speak or vote on *my/our behalf at the AGM of the Company to be held at No. 71 Jalan Lekar, Singapore 698950, on Tuesday, 7 April 2026 at 11.00 a.m. and at any adjournment thereof.

*I/We have directed *my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the *proxy/proxies may vote or abstain from voting at *his/their discretion, as *he/they will on any other matters arising at the AGM and/or at any adjournment thereof.

Voting would be conducted by poll. Please indicate your vote "For" or "Against" with a tick [✓] within the box provided.

No.	Resolutions Relating To:	For	Against	Abstain
AS ORDINARY BUSINESS				
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2025			
2	Re-election of Mr Yap Beng Tat, Richard as Director			
3	Approval of Directors' fees			
4	Re-appointment of KPMG LLP as auditors			
AS SPECIAL BUSINESS				
5	Authority to issue shares			

In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

Dated this _____ day of _____ 2026.

Signature(s) of Member(s) or
Common Seal of Corporate Member

Total Number of Shares Held

IMPORTANT
PLEASE READ NOTES OVERLEAF



Fold and seal here

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
3. For any member who acts as a Relevant Intermediary pursuant to Section 181 of the Companies Act, 1967, who is either:
 - a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - b) a person holding a capital markets services licence holder to provide under the Securities and Futures Act 2001 and who holds shares in that capacity; and
 - c) Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. The proxy need not be a member of the Company. Please note that if any of your shareholdings are not specified in the list provided by the intermediary to the Company, the Company may have the sole discretion to disallow the said participation of the said proxy at the forthcoming AGM.
A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.
4. The instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
 - (a) If submitted by post, be lodged at the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77, Singapore 068896
 - (b) If submitted electronically, be submitted via email to B.A.C.S. Private Limited at main@zicoholdings.comIn either case, by 11.00 a.m. on 4 April 2026, being no later than 72 hours before the time set for the AGM. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.
5. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
6. The Proxy Form must be signed by the appointer or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointer, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, 1967.

General:

The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of members whose shares are entered in the Depository Register, the Company shall be entitled to reject any instrument of proxy lodged if the member, being the appointer, is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 9 March 2026.

Affix
Postage
Stamp

B.A.C.S. PRIVATE LIMITED
Share Registrar for
Qian Hu Corporation Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

Fold and seal here



QIAN HU CORPORATION LIMITED

COMPANY REGISTRATION NO.: 199806124N

No. 71 Jalan Lekar Singapore 698950

Tel: (65) 6766 7087 Fax: (65) 6766 3995

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