



**SAMURAI 2K AEROSOL LIMITED**  
Company Registration No. 201606168C

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**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND  
ANNOUNCEMENT FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2021**

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This announcement has been prepared by Samurai 2K Aerosol Limited (the “Company”) and its contents have been reviewed by UOB Kay Hian Private Limited (the “**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist.

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**SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2021  
("1H2022") AND 30 SEPTEMBER 2020 ("1H2021")**

	<b>Group</b>			
	Note	<b>1H2022 RM'000 (Unaudited)</b>	1H2021 RM'000 (Unaudited)	Increase/ (Decrease) %
Revenue	5	44,065	44,133	(0.15)
Cost of sales		(25,542)	(22,280)	14.64
<b>Gross Profit</b>		18,523	21,853	(15.24)
Other income	7	801	838	(4.42)
Administrative expenses		(11,105)	(5,602)	98.23
Marketing and distribution expenses		(2,362)	(7,115)	(66.80)
Finance costs	8	(258)	(189)	36.51
<b>Profit before tax</b>	9	<b>5,599</b>	9,785	<b>(42.78)</b>
Income tax expense	10	(2,280)	(2,134)	6.84
<b>Profit for the period</b>		<b>3,319</b>	7,651	<b>(56.62)</b>
<b>Other comprehensive income:</b> <i>Items that are or may be reclassified subsequently to profit or loss</i>				
Currency translation difference arising from consolidation		(37)	56	(166.07)
<b>Total comprehensive income for the period</b>		<b>3,282</b>	7,707	<b>(57.42)</b>
<b><u>Profit/(loss) for the period attributable to:</u></b>				
Equity holders of the Company		3,319	7,663	(56.69)
Non-controlling interests		-	(12)	n.m
		<b>3,319</b>	7,651	<b>(56.62)</b>
<b><u>Total comprehensive income/(loss) for the period attributable to:</u></b>				
Equity holders of the Company		3,282	7,727	(57.53)
Non-controlling interests		-	(20)	n.m
<b>Earnings per share for profit attributable to equity holders of the Company (RM sen per share)</b>		<b>3,282</b>	7,707	<b>(57.42)</b>
Basic		<b>1.00</b>	2.32	
Diluted		<b>1.00</b>	2.32	

**SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES**

**INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

	Group			Company	
	Note	As at 30.09.21 RM'000 (Unaudited)	As at 31.03.21 RM'000 (Audited)	As at 30.09.21 RM'000 (Unaudited)	As at 31.03.21 RM'000 (Audited)
<b>Non-current assets</b>					
Property, plant and equipment	14	27,099	26,903	-	-
Intangible assets	15	752	771	-	-
Investment in subsidiaries		-	-	15,965	10,545
Deferred tax assets		686	680	-	-
		<b>28,537</b>	28,354	<b>15,965</b>	10,545
<b>Current assets</b>					
Inventories		13,487	13,917	-	-
Trade and other receivables	16	21,025	17,196	48,389	42,901
Cash and bank balances		66,811	76,430	8,831	14,057
		<b>101,323</b>	107,543	<b>57,220</b>	56,958
<b>Total assets</b>		<b>129,860</b>	135,897	<b>73,185</b>	67,503
<b>Non-current liabilities</b>					
Borrowings	17	4,116	4,350	-	-
Deferred tax liabilities		1,435	1,435	-	-
Other payables	18	94	93	-	-
<b>Total non-current liabilities</b>		<b>5,645</b>	5,878	-	-
<b>Current liabilities</b>					
Trade and other payables	18	12,985	23,816	2,314	3,666
Borrowings	17	20,232	16,067	-	-
Tax payable		951	1,749	183	182
<b>Total current liabilities</b>		<b>34,168</b>	41,632	<b>2,497</b>	3,848
<b>Total liabilities</b>		<b>39,813</b>	47,510	<b>2,497</b>	3,848
<b>Net assets</b>		<b>90,047</b>	88,387	<b>70,688</b>	63,655

**SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES**

**INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021  
(cont'd)**

<b>Equity</b>					
Share capital	19	58,071	52,653	58,071	52,653
Share option reserve		119	119	119	119
Treasury shares		(64)	-	(64)	-
Retained earnings		41,779	45,436	12,562	10,883
Currency translation reserve		(287)	(250)	-	-
Merger reserve		(9,368)	(9,368)	-	-
Equity attributable to:					
<b>Equity holders of the Company</b>		<b>90,250</b>	<b>88,590</b>	<b>70,688</b>	63,655
Non-controlling interest		(203)	(203)	-	-
<b>Total equity</b>		<b>90,047</b>	<b>88,387</b>	<b>70,688</b>	63,655

**SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2021 (“1H2022”) AND 30 SEPTEMBER 2020 (“1H2021”)**

	<b>Group</b>		
	<b>Note</b>	<b>1H2022 RM'000 (Unaudited)</b>	<b>1H2021 RM'000 (Unaudited)</b>
<b>Cash flow from operating activities</b>			
Profit before tax	9	5,599	9,785
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment		1,294	1,378
Amortisation of intangible asset	15	104	55
Loss on disposal of property, plant and equipment		3	-
Interest expenses	8	258	189
Interest income	7	(373)	(2)
Unrealised foreign exchange gain		(285)	-
Share based payment expenses		5,418	-
<b>Operating cash flow before working capital changes</b>		<b>12,018</b>	11,405
Working capital changes:			
Inventories		430	(1,366)
Trade and other receivables		(3,557)	5,292
Trade and other payables		(10,810)	4,246
Currency translation adjustment		(59)	37
Cash flow (used in)/generated from operations		(1,978)	19,614
Income tax paid		(3,090)	(1,130)
Interest received		373	2
Interest paid		(258)	(189)
<b>Net cash (used in)/generated from operating activities</b>		<b>(4,953)</b>	18,297
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment	14	(1,525)	(553)
Purchase of intangible assets	15	(85)	(19)
Proceeds from disposal of property, plant and equipment		35	-
<b>Net cash used in investing activities</b>		<b>(1,575)</b>	(572)
<b>Cash flow from financing activities</b>			
Increase in fixed deposits pledged		(45)	-
Drawdown of bank borrowings		4,139	5,006
Repayment of lease liabilities		(207)	(259)
Treasury shares		(64)	-
Dividend paid (Note 11)		(6,976)	-
<b>Net cash (used in)/generated from financing activities</b>		<b>(3,153)</b>	4,747

Net change in cash and cash equivalents		(9,682)	22,472
Cash and cash equivalents at beginning of financial period		75,306	33,248
Effect of exchange rate changes on cash and cash equivalents		18	20
<b>Cash and cash equivalents at end of financial period (Note A)</b>		<b>65,642</b>	<b>55,740</b>

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise the following at the end of the reporting period:

**Note A**

	Note	Group	
		1H2022 RM'000 (Unaudited)	1H2021 RM'000 (Unaudited)
Cash and bank balances as per statement of financial position		66,811	56,864
Less: Pledged bank deposits		(1,169)	(1,124)
Cash and cash equivalents as per consolidated cash flow statement		<b>65,642</b>	<b>55,740</b>

**SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES**

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2021 (“1H2022”) AND 30 SEPTEMBER 2020 (“1H2021”)**

Group	←----- Attributable to equity holders of the Company----->							Non-controlling Interest RM'000	Total equity RM'000
	Share capital RM'000	Currency translation reserve RM'000	Share options reserves RM'000	Merger reserves RM'000	Treasury Shares RM'000	Retained earnings RM'000	Total RM'000		
<b>1H2022 (Unaudited)</b>									
<b>Balance at 1 April 2021</b>	<b>52,653</b>	<b>(250)</b>	<b>119</b>	<b>(9,368)</b>	-	<b>45,436</b>	<b>88,590</b>	<b>(203)</b>	<b>88,387</b>
Profit for the financial period	-	-	-	-	-	3,319	3,319	-	3,319
<b>Other comprehensive loss</b>									
Currency translation differences arising from consolidation	-	(37)	-	-	-	-	(37)	-	(37)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>(37)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,319</b>	<b>3,282</b>	<b>-</b>	<b>3,282</b>
Treasury shares	-	-	-	-	(64)	-	(64)	-	(64)
Dividend paid (Note 11)	-	-	-	-	-	(6,976)	(6,976)	-	(6,976)
Share based performance grant	5,418	-	-	-	-	-	5,418	-	5,418
<b>Balance at 30 September 2021</b>	<b>58,071</b>	<b>(287)</b>	<b>119</b>	<b>(9,368)</b>	<b>(64)</b>	<b>41,779</b>	<b>90,250</b>	<b>(203)</b>	<b>90,047</b>

**SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES**

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2021 (“1H2022”) AND 30 SEPTEMBER 2020 (“1H2021”) (cont’d)**

<b>Group</b>	<----- Attributable to equity holders of the Company----->						<b>Non-controlling Interest RM'000</b>	<b>Total equity RM'000</b>
	<b>Share capital RM'000</b>	<b>Currency translation reserve RM'000</b>	<b>Share options reserves RM'000</b>	<b>Merger reserves RM'000</b>	<b>Retained earnings RM'000</b>	<b>Total RM'000</b>		
1H2021 (Unaudited)								
Balance at 1 April 2020	52,653	(305)	64	(9,368)	34,615	77,659	(174)	77,485
Profit for the financial period	-	-	-	-	7,663	7,663	(12)	7,651
Other comprehensive income/(loss)								
Currency translation differences arising from consolidation	-	64	-	-	-	64	(8)	56
Total comprehensive income/(loss) for the period	-	64	-	-	7,663	7,727	(20)	7,707
Balance at 30 September 2020	52,653	(241)	64	(9,368)	42,278	85,386	(194)	85,192



**SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES**

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2021 (“1H2022”) AND 30 SEPTEMBER 2020 (“1H2021”) (cont’d)**

<b>Company</b>	<b>Share capital RM’000</b>	<b>Share option reserve RM’000</b>	<b>Treasury shares RM’000</b>	<b>Retained earnings RM’000</b>	<b>Total RM’000</b>
<b>1H2022 (Unaudited)</b>					
<b>Balance at 1 April 2021</b>	<b>52,653</b>	<b>119</b>	<b>-</b>	<b>10,883</b>	<b>63,655</b>
Comprehensive income for the financial period	-	-	-	8,655	8,655
Dividend paid (Note 11)	-	-	-	(6,976)	(6,976)
Treasury shares	-	-	(64)	-	(64)
Share based performance grant	5,418	-	-	-	5,418
<b>Balance at 30 September 2021</b>	<b>58,071</b>	<b>119</b>	<b>(64)</b>	<b>12,562</b>	<b>70,688</b>
<b>1H2021 (Unaudited)</b>					
Balance at 1 April 2020	52,653	64	-	4,614	57,331
Comprehensive income for the financial period	-	-	-	1,308	1,308
Balance at 30 September 2020	52,653	64	-	5,922	58,639

## SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### 1 Corporate information

Samurai 2K Aerosol Limited (the “Company”) (Co. Reg. No. 201606168C) is incorporated as a private limited company and domiciled in Singapore on 9 March 2016. It was converted into a public company limited by shares on 16 December 2016 and is listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The registered office of the Company is at 133 North Bridge Road, #08-03 Chinatown Point, Singapore 059413. The principal place of business of the Company is located at No. 6, Jalan Dato Yunus 1, Kawasan Perindustrian Dato Yunus Sulaiman, Lima Kedai, 81120 Skudai, Johor, Malaysia.

The principal activity of the Company is an investment holding company. Details of the subsidiaries are:

Name of subsidiary	Principal place of business	Principal business activities	Proportion of ownership interest	
			2022 %	2021 %
<i>Held by the Company</i>				
Samurai 2K Aerosol Sdn. Bhd. (formerly known as Orientus Industry Sdn. Bhd.)	Malaysia	Manufacturing and sales of aerosol spray paints and related material	100	100
PT Samurai Paint	Indonesia	Dormant	67	67
Samurai 2K USA Inc	United States of America	Import aerosol paint products and wholesales	100	100
Orientus Singapore Pte Ltd	Singapore	Trading of aerosol spray paints and related material	100	100
Samurai 2U Sdn. Bhd.	Malaysia	To carry business of E-Commerce for all type of goods	100	100

#### 2. Basis of preparation

The condensed interim financial statements for the six months ended 30 September 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2021.

## **2. Basis of preparation(cont'd)**

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Malaysia Ringgit ("RM") which is the Company's functional currency

### **2.1. New and amended standards adopted by the Group**

In the current financial period, the Group and the Company have adopted all new and revised SFRS(I) and SFRS(I) Interpretations ["SFRS(I) INT"] that are effective for the current financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new and revised SFRS(I) and SFRS(I) INT do not have a material effect on the condensed interim financial statements Group and the Company.

### **2.2 Use of estimate and judgements**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial period are disclosed in Note 3.

## **3. Critical accounting judgements and key sources of estimation uncertainty**

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgements and estimates that have the most significant effect on the amounts recognised in the interim condensed financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period.

### *Allowance for expected credit losses of trade receivables*

Management determines the expected credit losses ("ECL") of trade receivables by applying the simplified approach to recognise a loss allowance based on lifetime ECLs at the end of the reporting period. The Group determined the lifetime ECL of trade receivables by performing an ECL assessment for each debtor by considering the historical loss rate, recent payments, ongoing business relationship, creditworthiness of each debtor and the impact of COVID-19 pandemic on their ability to repay.

As the calculation of loss allowance on trade receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade receivables.

### *Impairment of investment in subsidiaries*

The Company assesses at the end of each reporting period whether there are any indicators of impairment for investment in subsidiaries. Investment in subsidiaries are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of the investment exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

### 3. Critical accounting judgements and key sources of estimation uncertainty(cont'd)

#### *Impairment of investment in subsidiaries(cont'd)*

When value in use calculations are undertaken, management is required to estimate the expected future cash flow from the business and a suitable growth rate and discount rate, in order to determine the present value of those cash flows.

#### *Functional currency*

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required by management to determine the primary economic environment in which the entities operate, the entities' process of determining sales prices and the currency of the country whose competitive forces and regulations mainly influences the prices of its goods and services. Management has assessed that prices are mainly denominated and settled in the respective local currency of the entities of the Group. In addition, most of the entities' cost base is mainly denominated in their respective local currency. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

In view of the financial reliance of the Company on the operations of its major subsidiary in Malaysia, the management determined that RM is the functional currency of the Company.

#### *Write down of inventories*

Where necessary, inventories are written down to net realisable value for estimated losses where the cost of inventories may not be recoverable. The Group estimates the write down based upon an analysis of the physical conditions of the products, product demand, anticipated selling prices and usability of the raw materials and packaging materials. Adjustments to the carrying amount of inventories may be made in future periods in the event that their carrying amounts may not be recoverable resulting from future loss events.

### 4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 5. Revenue

	<b>Group</b>	
	<b>1H2022</b>	<b>1H2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Timing of revenue recognition</b>		
Sale of goods - At a point in time	<b>44,065</b>	44,133

## 5.1 Segment information

For management purposes, the Group is organised into business units based on its products, and have three operating segments as follows:

- (a) The paint - standard segment includes standard colour aerosol spray paint products.
- (b) The paint - premium segment includes fluorescent, candy and metallic colour aerosol spray paint products, high temperature aerosol spray paint products, primer products, epoxy products, 2K products and multi-colour one aerosol spray paint.
- (c) The maintenance and others segment includes cosmetic products such as metal and paint polish and maintenance products such as engine degreaser, chain oil, carburetor and gasket cleaner.

Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances for each segment.

The segment information provided to management for the reportable segments are as follows:

	<b>Paint - Standard RM'000</b>	<b>Paint - Premium RM'000</b>	<b>Maintenance and others RM'000</b>	<b>Group RM'000</b>
<b>1H2022</b>				
<b>Segment revenue</b>				
Sales to external customers	25,988	17,842	235	44,065
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<b>Segment profit</b>	<b>2,278</b>	<b>3,283</b>	<b>38</b>	<b>5,599</b>
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<b>Other segment information</b>				
Depreciation of property, plant and equipment	901	382	11	1,294
Amortisation of intangible assets	61	42	1	104
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<b>Segment assets</b>	<b>53,969</b>	<b>37,052</b>	<b>488</b>	<b>91,509</b>
Unallocated assets				
- Deferred tax assets				686
- Fixed deposits				37,364
- Tax recoverable				301
<hr/>				
Total assets				129,860
<hr/>				
<b>Segment assets include:</b>				
Additions to non-current assets	950	652	9	1,611
<hr/>				
<b>Segment liabilities</b>	<b>8,590</b>	<b>5,898</b>	<b>78</b>	<b>14,566</b>
Unallocated liabilities				
- Deferred tax liabilities				1,435
- Borrowings (excluding lease liabilities)				22,861
- Tax payable				951
<hr/>				
Total liabilities				39,813
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## 5.1 Segment information (cont'd)

	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
1H2021				
Segment revenue				
Sales to external customers	23,217	20,658	258	44,133
Segment profit	4,773	4,977	35	9,785
Other segment information				
Depreciation of property, plant and equipment	940	432	6	1,378
Amortisation of intangible assets	29	26	-	55
Segment assets	48,965	43,568	544	93,077
Unallocated assets				
- Deferred tax assets				678
- Fixed deposits				23,724
- Tax recoverable				158
Total assets				117,637
Segment assets include:				
Additions to non-current assets	301	268	3	572
Segment liabilities	9,288	8,265	103	17,656
Unallocated liabilities				
- Deferred tax liabilities				663
- Borrowings (excluding lease liabilities)				13,419
- Tax payable				707
Total liabilities				32,445

## 5.2 Geographical information

Revenue and non-current assets (excluding deferred tax assets) information based on the geographical location of customers and assets respectively are as follows:

	Sales to external customers		Non-current assets	
	1H2022 RM'000	1H2021 RM'000	1H2022 RM'000	1H2021 RM'000
Malaysia	21,172	19,257	27,546	25,871
Indonesia	11,861	14,320	-	-
Others	11,032	10,556	305	445
	<b>44,065</b>	44,133	<b>27,851</b>	26,316

Non-current assets information presented above are non-current assets as presented on the consolidated statements of financial position excluding deferred tax assets.

## 6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 September 2021 and 31 March 2021:

	Group		Company	
	30.09.2021 RM'000	31.03.2021 RM'000	30.09.2021 RM'000	31.03.2021 RM'000
<i>Financial assets</i>				
Financial assets at amortised cost	85,456	91,678	57,153	56,958
<i>Financial liabilities</i>				
Financial liabilities at amortised cost	37,375	44,233	2,314	3,666

## 7. Other income

	Group	
	1H2022 RM'000	1H2021 RM'000
Foreign exchange gain, net	340	700
Interest income	373	2
Rental income	90	90
Others	(2)	46
	<b>801</b>	838

## 8. Finance costs

	Group	
	1H2022	1H2021
	RM'000	RM'000
Interest expenses:		
- lease liabilities	22	25
- term loans	41	87
- banker's acceptance	195	77
	<hr/>	<hr/>
	258	189

## 9. Profit before tax

	Group	
	1H2022	1H2021
	RM'000	RM'000
This is arrived at after charging:		
Audit fees paid/payable to:		
- auditor of the Company	116	116
Depreciation of property, plant and equipment	1,294	1,378
Amortisation of intangible assets	104	55
Rental expenses	163	49
Personnel expenses	10,903	4,525
	<hr/>	<hr/>

## 10. Tax expense

	Group	
	1H2022	1H2021
	RM'000	RM'000
Income tax:		
- Current year	2,280	2,134
	<hr/>	<hr/>

## 11. Dividends

	Group and Company	
	1H2022	1H2021
	RM'000	RM'000
Final exempt dividend of SGD0.00667 per share paid in respect of the financial year ended 31 March 2021	6,976	–
	<hr/>	<hr/>

The directors have proposed an interim exempt dividend for the financial period ended 30 September 2021 of SGD0.002 per share and special dividend of SGD 0.004 per share amounting to a total of RM2,062,668 and RM4,125,336. These financial statements do not reflect this dividend payable, which will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 31 March 2022.



## 12. Earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. As at 30 September 2021, the Group's potential ordinary shares comprise employee share options. The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the period during which the options were outstanding.

Diluted earnings per share attributable to equity holders of the Company is calculated as follows:

	<b>Group</b>	
	<b>2022</b>	2021
Profit for the financial year attributable to equity holders of the Company (RM'000)	<b>3,319</b>	7,663
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	<b>332,999</b>	329,763*
Adjustment for share options ('000)	<b>8</b>	-
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	<b>333,007</b>	329,763*

As at 30 September 2021, 3,570,000 options (1H2021: 492,000\*) were excluded as the exercise price of the options exceeds the average market price of ordinary shares during the financial period.

\*the number of shares had been adjusted to take into consideration the share split for comparison purpose.

## 13. Net Asset Value

	<b>Group</b>		<b>Company</b>	
	<b>As at 30.09.21</b>	As at 31.03.21	<b>As at 30.09.21</b>	As at 31.03.21
Net asset value (RM'000)	90,047	88,387	70,688	63,655
Number of ordinary shares in issue (excluding treasury shares) ('000)	334,565	109,921	334,565	109,921
Net asset value per ordinary share (RM sen)	26.91	80.41	21.12	57.91

## 14. Property, plant and equipment

During the six month ended 30 September 2021, the Group acquire assets amounting to RM 1.5 million (31.03.21: RM2.9 million) and disposed of assets amounting to RM0.38 million (31.03.21: RM0.44 million)

## 15. Intangible assets

	<b>Group</b>	
	<b>30.09.2021</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Acquired computer software license [Note (a)]	<b>365</b>	369
Patents and trademarks [Note (b)]	<b>387</b>	402
	<b>752</b>	771

### (a) Acquired computer software licenses

	<b>Group</b>	
	<b>30.09.2021</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cost</b>		
At beginning of financial period/year	<b>985</b>	892
Additions	<b>85</b>	93
At end of financial period/year	<b>1,070</b>	985
<b>Amortisation</b>		
At beginning of financial period/year	<b>616</b>	481
Amortisation charge	<b>89</b>	135
At end of financial period/year	<b>705</b>	616
<b>Net carrying amount</b>		
At end of financial period/year	<b>365</b>	369

### (b) Patent and trademarks

	<b>Group</b>	
	<b>30.09.2021</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cost</b>		
At beginning of financial period/year	<b>423</b>	134
Additions	<b>-</b>	289
At end of financial period/year	<b>423</b>	423
<b>Amortisation</b>		
At beginning of financial period/year	<b>21</b>	10
Amortisation charge	<b>15</b>	11
At end of financial period/year	<b>36</b>	21
<b>Net carrying amount</b>		
At end of financial period/year	<b>387</b>	402

## 16. Trade and other receivables

	Group		Company	
	30.9.2022	31.3.2021	30.9.2022	31.3.2021
	RM'000	RM'000	RM'000	RM'000
Trade receivables	17,753	14,356	-	-
Advance payment to supplier	46	48	-	-
Deposit	892	892	-	-
Prepayment	1,932	1,508	66	-
Tax recoverable	302	294	-	-
Other receivable	100	98	-	-
Amount due from subsidiaries	-	-	38,323	25,401
Dividend receivable from subsidiary	-	-	10,000	17,500
	<b>21,025</b>	17,196	<b>48,389</b>	42,901

## 17. Borrowings

Aggregate amount of Group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

### Amount repayable in one year or less, or on demand

As at 30.09.21 (Unaudited)		As at 31.03.21 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
20,232	-	16,067	-

### Amount repayable after one year

As at 30.09.21 (Unaudited)		As at 31.03.21 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
4,116	-	4,350	-

### Details of any collateral:

As at the date of the statement of financial position, total borrowings included secured liabilities of RM24,348,000 (31.03.21: RM20,417,000) for the Group. Secured bank borrowings amounting to RM22,861,000 (31.03.21: RM18,722,000) are secured and/or guaranteed by one or several collaterals(s) including:

**Details of any collateral (cont'd):**

- (i) legal mortgage over the Group's properties at No. 4, Jalan Dato Yunus 1, Taman Perindustrian Dato Yunus Sulaiman Lima Kedai, 81120 Skudai, Johor, Malaysia, No. 6 and 8, Jalan Dato Yunus 1, Kawasan Perindustrian Dato Yunus Sulaiman Lima Kedai, Gelang Patah, 81500 Johor, Malaysia and No.14, Jalan Dato Yunus 1, Taman Perindustrian Dato Yunus Sulaiman Lima Kedai, 81120 Skudai, Johor, Malaysia;
- (ii) fixed deposits;
- (iii) corporate guarantee by Samurai 2K Aerosol Limited; and
- (iv) In addition, the loan for the Group's properties at No. 6 and 8, Jalan Dato Yunus 1, Kawasan Perindustrian Dato Yunus Sulaiman Lima Kedai, Gelang Patah, 81500 Johor and No.14, Jalan Dato Yunus 1, Taman Perindustrian Dato Yunus Sulaiman Lima Kedai, 81120 Skudai, Johor, Malaysia is also covered by insurance purchased for loan coverage in the event of death of the key personnel, Chief Executive Officer, Mr Ong Yoke En and Chief Operating Officer, Ms Lim Lay Yong.

Other lease liabilities of the Group amounting to RM1,487,000 (31.03.21: RM1,694,000) are secured by the rights to the leased motor vehicle, forklift, machineries and right-of-use assets.

**18. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2022</b>	31.3.2021	<b>30.9.2022</b>	31.3.2021
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<i>Current</i>				
Trade payable				
-third parties	<b>10,624</b>	19,714	-	-
Other payable				
-third parties	-	20	-	-
Accrued expenses	<b>2,361</b>	4,082	<b>2,314</b>	3,666
	<b>12,985</b>	23,816	<b>2,314</b>	3,666
<i>Non-current</i>				
Other payable	<b>94</b>	93	-	-

## 19. Share Capital

Group and Company	30.09.21		31.03.21	
	No. of shares '000	RM'000	No. of shares '000	RM'000
At beginning of financial period/year	109,921	52,653	109,921	52,653
Issuance of ordinary share pursuant to share split exercise	223,081	-	-	-
Issuance of ordinary share pursuant to performance grant	1,618	5,418	-	-
At end of financial period/year	<b>334,620</b>	<b>58,071</b>	109,921	52,653

All issued shares are fully paid ordinary shares with no par value.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

The Company purchased 55,000 ordinary shares during 1H2022 (1H2021:Nil). Ordinary shares purchased by the Company are held as treasury shares.

	No. of treasury shares	SS'000
As at April 2021	-	-
Add : Treasury share purchased in 1H2021	55,000	21
As at September 2021	55,000	21
	<b>As at 30.09.2021</b>	<b>As at 31.03.2021</b>
% of treasury shares against the total ordinary shares in issue	0.0164%	-
	<b>No. of shares</b>	<b>SS'000</b>
Issued shares excluding treasury shares as at 30 September 2021	334,564,787	19,733
Issued shares excluding treasury shares as at 31 March 2021	109,921,000	19,733

The Company did not have any subsidiary holdings as at 30 September 2021 and 30 September 2020.

As at 30 September 2021, the Company has outstanding 4,062,000 employees share options ("Options"), to selected employees which will entitle them to subscribe for 4,062,000 new shares of the Company which represents approximately 1.21% of the total number of issued shares (excluding treasury shares). As at 30 September 2020, the Company has outstanding 192,000 Options, to selected employees which will entitle them to subscribe for 192,000 new shares of the Company which represents approximately 0.17% of the total number of issued shares (excluding treasury shares).

## **20. Related Party Transactions**

As at 30 September 2021, there is no significant related party transactions (30 September 2020: Nil).

## **21. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statement.

## Other information required by Appendix 7C of the Catalyst Rules

1. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

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

2. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion on the following: -**

- (a) **Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

#### Revenue

Revenue slightly decreased by approximately RM0.06 million or 0.14% from RM44.13 million in 1H2021 to RM44.07 million in 1H2022. The decreased in revenue was mainly due to lower demand from Indonesia market.

In terms of geographical segment, the revenue contribution is as follows:

RM' million	1H2022	1H2021	Change	% Change
Indonesia	11.86	14.32	(2.46)	(17.18)
Malaysia	21.17	19.27	1.90	9.86
Others (Thailand, Vietnam, Philippines, United Kingdom, Singapore, Cambodia, India and United States of America)	11.04	10.54	0.50	4.74
<b>Total</b>	<b>44.07</b>	<b>44.13</b>	<b>(0.06)</b>	<b>(0.14)</b>

#### Cost of Sales and Gross Profit

Cost of sales increased by RM3.26 million or 14.64% from RM22.28 million in 1H2021 to RM25.54 million in 1H2022 was due to the increase in raw material and packaging material cost.

Gross profit decreased by RM3.33 million or 15.24% was in line with the increase of cost of sales.

#### Other Income

Other income comprised mainly of interest income, net gain on foreign exchange and rental income. The slight decrease in other income by RM0.04 million or 4.42% in 1H2022 compared to 1H2021 was mainly due to a decrease in net of foreign exchange gain by RM0.36 million offset with increase in interest and other income by RM0.32 million.

#### Administrative Expenses

Administrative expenses mainly comprised staff costs, professional fees, rental expenses, upkeep of office, depreciation, utilities, printing and stationery expenses and listing maintenance fees. Administrative cost increased by RM5.50 million or 98.23%, mainly due to performance share-based payment expense of RM5.42 million and increase in other administration cost by RM0.08 million.

#### Marketing and Distribution Expenses

Marketing and distribution expenses decreased approximately by RM4.75 million or 66.80%, from RM7.12 million in 1H2021 to RM2.36 million in 1H2022 mainly due to decrease in offline marketing activities with the continuation of the covid pandemic lockdown.

#### Finance Costs

Finance expenses increased approximately by RM0.07 million or 36.51% from RM0.19 million in 1H2021 to RM0.26 million in 1H2022 mainly due to increase in drawdown of bankers' acceptance.

### **INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**

#### Non-current assets

Non-current assets increased by RM0.19 million, or 0.67%, from RM28.35 million as at 31 March 2021 to RM28.54 million as at 30 September 2021.

#### *Property, plant and equipment*

Property, plant and equipment increased by RM0.20 million, or 0.73 % mainly due to purchase of machinery during the period.

#### Current assets

Current assets decreased by RM6.22 million, or 5.78%, from RM107.54 million as at 31 March 2021 to RM101.32 million as at 30 September 2021.

#### *Inventories*

Inventories decreased by RM0.43 million, or 3.09% attributable to decrease in finished good of RM1.87 million, offset with increase in raw material of RM0.31 million, packing material of RM0.97 million and work in progress of RM 0.16 million.

#### *Trade and other receivables*

As at 30 September 2021, trade and other receivables consisted of approximately RM17.75 million of trade receivables (31 March 2021: RM14.36 million) and approximately RM3.28 million of other receivables (31 March 2021: RM2.84 million).

Trade receivables increased by RM3.39 million due to slight delay in payment by debtors and other receivables increased by RM0.44 million mainly due to increase of prepayment to suppliers.

As at the date of this announcement, the Group has collected approximately RM4.5 million or 25.35% of the trade receivables as at 30 September 2021.

#### Non-current liabilities

Non-current liabilities comprised the non-current portion of borrowings, deferred tax liabilities and other payables. Non-current liabilities decreased by RM0.23 million, or 3.91%, from RM5.88 million as at 31 March 2021 to RM5.65 million as at 30 September 2021 mainly due to repayment of bank borrowing of RM0.23 million.



#### Current liabilities

Current liabilities comprised the current portion of borrowings, trade and other payables and tax payable.

#### *Trade and other payables*

As at 30 September 2021, trade and other payables consisted of approximately RM10.62 million of trade payables (31 March 2021: RM19.71 million) and approximately RM2.37 million of other payable (31 March 2021: RM4.10 million).

Trade payables decreased by RM9.09 million, or 46.12% in line with decreased in purchases. Other payables decreased by RM1.73 million, or 42.19% mainly due to decrease of accrual.

#### *Current borrowings*

Short term borrowings increased by RM4.17 million, or 25.92% mainly due to utilisation of banker's acceptance amounting to RM4.26 million.

### **INTERIM CONDENSED OF THE GROUP'S CASH FLOW STATEMENT**

#### Net cash used in operating activities

In 1H2022, net cash used in operating activities amounting to RM4.95 million, arising from operating cash flow before changes in working capital of RM12.02 million, changes in net working capital outflow of RM13.99 million, income tax payment of RM3.09 million, offset by net interest received amounting to RM0.12 million.

The net working capital outflow of RM13.99 million comprised of higher trade and other receivable of RM3.56 million, decreased in trade and other payable of RM10.81 million coupled with decrease in inventories of RM0.43 million.

#### Net cash used in investing activities

In 1H2022, we recorded a net cash outflow from investing activities of approximately RM1.58 million mainly due to additional cost of upgrading and renovation of factory and purchase of plant and machinery.

#### Net cash from financing activities

In 1H2022, we recorded a net cash outflow from financing activities of approximately RM3.15 million due to dividend paid amounted to RM 6.98 million and offset with drawdown of bank borrowing of RM 4.14 million.

As at 30 September 2021, the Group maintained a cash and cash equivalents balance of RM65.64 million.

### **3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No specific forecast or prospect statement has been previously disclosed.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any know factors or events that may affect the group in the next reporting period and the next 12 months.**

Although economies have opened up and moving into endemic COVID-19, management expects that there will be continued uncertainty and challenges to predict the full extent and duration of its impact of the global economy. The Group will continue its efforts to enhance digital transformation and O2O(online to offline) marketing activities as well as to develop and launch new innovative products to maintain market competitiveness.

The Group's marketing strategy plan for USA market will kick off soon by next year as our team has returned to USA after having completed vaccination .

The Group plans to incorporate a subsidiary in India in the next 3 months. This is to expediate the implementation of the Group's marketing strategy to penetrate this untapped market.

**5. Dividend Information**

If a decision regarding dividend has been made:-

**(a) Whether an interim (final) dividend has been declared (recommended); and**

Name of Dividend	Interim	Special
Dividend Type	Cash	Cash
Dividend Rate	SGD 0.002 per ordinary share	SGD 0.004 per ordinary share
Tax Rate	Tax exempt (one-tier)	Tax exempt ( one-tier)

The Group is declaring an interim dividend for the current 1H2022. This decision is arrived at after the Board considered, among other factors, the Group's 1H2022 cash position, and the Group's current and future cash flows requirements. The special dividend declared is to award our loyalty and supportive shareholders of their confident and trust towards the Company during the COVID-19 pandemic period.

**(b) Amount per share (cent) and previous corresponding period (cent).**

The Group declared an interim dividend for 1H2021 at SGD 0.01 (before share split) per ordinary shares.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Tax exempted (one-tier)

**(d) The date the dividend is payable.**

The interim and special dividend will be paid on 7 December 2021.

- (e) **The date on which Registrable Transfer received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

The Share Transfer Books and the Register of Members of the Company will be closed at 5.00 pm on 30 November 2021 (“Record Date”) for the purpose of determining shareholders’ entitlements to the interim one-tier tax-exempt dividend and special one-tier tax-exempt dividend amounting to SGD0.006 per ordinary share in the Company (“Interim and special Dividend”).

Duly completed registrable transfers received by the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to the Record Date will be registered to determine shareholders’ entitlements to the Interim and special Dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited (“CDP”), the Interim and special Dividend entitlements to the CDP account holders in accordance with its normal practice.

6. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

Not applicable

7. **If the group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from its shareholders for IPT. There were no IPTs that exceeded S\$100,000 during the financial period under review.

8. **Disclosure on acquisition and realisation pursuant to Rule 706A**

Not Applicable

9. **Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual.

On behalf of the Board,

LIM SIANG KAI  
Non-Executive Chairman and  
Lead Independent Director

ONG YOKE EN  
Executive Director and Chief Executive  
Officer

12 November 2021