



SAMURAI 2K AEROSOL LIMITED
Company Registration No. 201606168C

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2024**

This announcement has been reviewed by UOB Kay Hian Private Limited (the “Sponsor”).

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and the SGX-ST assumes no responsibility for the contents of the announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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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 2024
("1H2025") AND 30 SEPTEMBER 2023 ("1H2024")**

	Group			
	Note	1H2025 RM'000 (Unaudited)	1H2024 RM'000 (Unaudited)	Increase/ (Decrease) %
Revenue	5	46,683	39,739	17.47
Cost of sales		(27,680)	(21,962)	26.04
Gross Profit		19,003	17,777	6.90
Other (loss) / income	7	(17,933)	1,462	n.m
Administrative expenses		(9,452)	(8,512)	11.04
Marketing and distribution expenses		(1,047)	(6,088)	(82.80)
Finance costs	8	(586)	(728)	(19.51)
(Loss)/Profit before tax	9	(10,015)	3,911	n.m
Income tax expense	10	(6)	(1,132)	(99.47)
(Loss)/Profit for the period		(10,021)	2,779	n.m
Other comprehensive (loss)/ income: Items that are or may be reclassified subsequently to profit or loss				
Currency translation difference arising from consolidation		893	(487)	n.m
Total comprehensive (loss)/income for the period		(9,128)	2,292	n.m
<u>(Loss)/Profit for the period attributable to:</u>				
Equity holders of the Company		(10,021)	2,779	n.m
Non-controlling interests		-	-	-
		(10,021)	2,779	n.m
<u>Total comprehensive (loss)/income for the period attributable to:</u>				
Equity holders of the Company		(9,146)	2,298	n.m
Non-controlling interests		18	(6)	n.m
		(9,128)	2,292	n.m
(Loss)/Earnings per share for profit attributable to equity holders of the Company (RM sen per share) Basic and diluted				
	11	(3.00)	0.83	

n.m – not meaningful

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	Group			Company	
	Note	As at 30.09.24 RM'000 (Unaudited)	As at 31.03.24 RM'000 (Audited)	As at 30.09.24 RM'000 (Unaudited)	As at 31.03.24 RM'000 (Audited)
Non-current assets					
Property, plant and equipment	13	48,644	52,039	-	-
Intangible assets	14	2,347	2,427	-	-
Investment in subsidiaries		-	-	13,141	17,653
Deferred tax assets		72	78	-	-
Trade and other receivable	16	4,108	3,455	-	-
		55,171	57,999	13,141	17,653
Current assets					
Inventories	15	15,317	17,785	-	-
Trade and other receivables	16	20,491	19,017	37,774	35,041
Tax receivable		6,951	5,397	-	-
Cash and bank balances		32,258	31,591	124	119
		75,017	73,790	37,898	35,160
Total assets		130,188	131,789	51,039	52,813
Non-current liabilities					
Borrowings	17	22,442	22,397	-	-
Deferred tax liabilities		1,986	1,986	-	-
Other payables	18	87	96	-	-
Total non-current liabilities		24,515	24,479	-	-
Current liabilities					
Trade and other payables	18	23,382	17,145	3,497	3,669
Borrowings	17	13,509	12,205	-	-
Tax payable		1,233	1,283	722	722
Total current liabilities		38,124	30,633	4,219	4,391
Total liabilities		62,639	55,112	4,219	4,391
Net assets		67,549	76,677	46,820	48,422

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 (cont'd)

Equity					
Share capital	19	57,165	57,165	57,165	57,165
Share option reserve		688	688	688	688
Treasury shares		(64)	(64)	(64)	(64)
Retained earnings/(accumulated loss)		18,978	28,999	(10,969)	(9,367)
Currency translation reserve		346	(529)	-	-
Merger reserve		(9,368)	(9,368)	-	-
Equity attributable to:					
Equity holders of the Company		67,745	76,891	46,820	48,422
Non-controlling interest		(196)	(214)	-	-
Total equity		67,549	76,677	46,820	48,422

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2024 (“1H2025”) AND 30 SEPTEMBER 2023 (“1H2024”)

	Group		
	Note	1H2025 RM'000 (Unaudited)	1H2024 RM'000 (Unaudited)
Cash flow from operating activities			
(Loss)/Profit before tax	9	(10,015)	3,911
Adjustments for:			
Depreciation of property, plant and equipment		1,517	1,930
Amortisation of intangible asset	14	111	175
Interest expenses	8	583	727
Interest income	7	(200)	(134)
Inventory Written off		11,902	-
PPE – Written off		3,985	-
Unrealised foreign exchange (loss)/gain		1,399	(288)
Operating cash flow before working capital changes		9,282	6,321
Working capital changes:			
Inventories		(9,434)	(1,102)
Trade and other receivables		(3,524)	(966)
Trade and other payables		6,228	(5,103)
Currency translation adjustment		942	(503)
Cash flow from operations		3,494	(1,353)
Income tax		(1,603)	(2,231)
Interest received		200	134
Net cash generated from / (used in) operating activities		2,091	(3,450)
Cash flow from investing activities			
Purchase of property, plant and equipment	13	(2,175)	(2,597)
Purchase of intangible assets	14	(31)	(231)
Net cash used in investing activities		(2,206)	(2,828)
Cash flow from financing activities			
Drawdown of bank borrowings		17,255	1,860
Interest Paid		(583)	(727)
Repayment of bank borrowings		(15,522)	-
(Repayment) / Addition of lease liabilities		(279)	(143)
Net cash generated from financing activities		871	990

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2024 (“1H2025”) AND 30 SEPTEMBER 2023 (“1H2024”)

Net change in cash and cash equivalents		756	(5,288)	
Cash and cash equivalents at beginning of financial period		29,507	33,264	
Effect of exchange rate changes on cash and cash equivalents		18	18	
Cash and cash equivalents at end of financial period (Note A)		30,281	27,994	

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	
		1H2025 RM'000 (Unaudited)	1H2024 RM'000 (Unaudited)
Cash and bank balances as per statement of financial position		32,258	29,218
Less: Pledged bank deposits		(1,241)	(1,224)
Less: Bank Overdraft		(736)	-
Cash and cash equivalents as per consolidated cash flow statement		30,281	27,994

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2024 (“1H2025”) AND 30 SEPTEMBER 2023 (“1H2024”)

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		
1H2025 (Unaudited)									
Balance at 1 April 2024	57,165	(529)	688	(9,368)	(64)	28,999	76,891	(214)	76,677
Loss for the financial period	-	-	-	-	-	(10,021)	(10,021)	-	(10,021)
Other comprehensive loss									
Currency translation differences arising from consolidation	-	875	-	-	-	-	875	18	893
Total comprehensive (loss)/income for the period	-	875	-	-	-	(10,021)	(9,146)	18	(9,128)
Balance at 30 September 2024	57,165	346	688	(9,368)	(64)	18,978	67,745	(196)	67,549

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2024 (“1H2025”) AND 30 SEPTEMBER 2023 (“1H2024”) (cont’d)

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		
1H2024 (Unaudited)									
Balance at 1 April 2023	57,165	(489)	651	(9,368)	(64)	27,461	75,356	(210)	75,146
Profit for the financial period	-	-	-	-	-	2,779	2,779	-	2,779
Other comprehensive loss									
Currency translation differences arising from consolidation	-	(481)	-	-	-	-	(481)	(6)	(487)
Total comprehensive (loss)/income for the period	-	(481)	-	-	-	2,779	2,298	(6)	2,292
Balance at 30 September 2023	57,165	(970)	651	(9,368)	(64)	30,240	77,654	(216)	77,438

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH ENDED 30 SEPTEMBER 2024 (“1H2025”) AND 30 SEPTEMBER 2023 (“1H2024”) (cont’d)

Company	Share capital RM’000	Share option reserve RM’000	Treasury shares RM’000	Retained earnings RM’000	Total RM’000
1H2025 (Unaudited)					
Balance at 1 April 2024	57,165	688	(64)	(9,367)	48,422
Comprehensive loss for the financial period	-	-	-	(1,602)	(1,602)
Balance at 30 September 2024	57,165	688	(64)	(10,969)	46,820
1H2024 (Unaudited)					
Balance at 1 April 2023	57,165	651	(64)	(8,601)	49,151
Comprehensive income for the financial period	-	-	-	(674)	(674)
Balance at 30 September 2023	57,165	651	(64)	(9,275)	48,477

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	
			2024 %	2023 %
<i>Held by the Company</i>				
Samurai 2K Aerosol 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
Samurai 2K India Private Ltd	India	Import aerosol paint products and wholesales	100 [#]	100 [#]
PT Samurai Kurobushi Indonesia	Indonesia	Dormant	100 ^{##}	100 ^{##}

[#] In Samurai 2K India Private Limited, 99.9998% equity interest is held by the Company and 0.0002% equity interest is held in trust for the Company by an individual. Effectively, the Company holds 100% of the voting rights of Samurai 2K India Private Limited.

^{##} In PT Samurai Kurobushi Indonesia, 99% equity interest is held by the Company and 1% equity interest is held in trust for the Company by an individual. Effectively, the Company holds 100% of the voting rights of PT Samurai Kurobushi Indonesia.

2. Basis of preparation

The condensed interim financial statements for the financial period ended 30 September 2024 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 2024.

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 of 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.

The carrying amounts of cash and bank balances, trade and other current receivables and payables approximately their respective fair values due to the relatively short-term maturity of these financial instruments.

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 that have the most significant effect on the amounts recognised in the financial statements.

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 effects of the macroeconomic uncertainties, the historical loss rate, recent payments, ongoing business relationship, creditworthiness of each debtor and their ability to repay.

As the ECL assessment of 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.

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.

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)

When value is 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.

4. Seasonal operations

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

5. Revenue

	Group	
	1H2025	1H2024
	RM'000	RM'000
Timing of revenue recognition		
Sale of goods - At a point in time	46,683	39,739

5.1 Segment information

For management purposes, the Group is organized 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.

5.1 Segment information (cont'd)

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

1H2025	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
Segment revenue				
Sales to external customers	31,654	14,765	264	46,683
Segment (loss)/Profit	(6,800)	(2,883)	57	(9,626)
Other segment information				
Depreciation of property, plant and equipment	1,092	418	7	1,517
Amortisation of intangible assets	75	35	1	111
Segment assets	66,128	30,847	552	97,527
Unallocated assets				
- Deferred tax assets				72
- Fixed deposits				25,638
- Tax receivable				6,951
Total assets				130,188
Segment assets include:				
Additions to non-current assets	1,496	698	12	2,206
Segment liabilities	17,011	7,935	142	25,088
Unallocated liabilities				
- Deferred tax liabilities				1,986
- Borrowings (excluding lease liabilities)				34,332
- Tax payable				1,233
Total liabilities				62,639

5.1 Segment information (cont'd)

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

1H2024	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
Segment revenue				
Sales to external customers	24,100	15,434	205	39,739
Segment profit	1,833	2,571	100	4,504
Other segment information				
Depreciation of property, plant and equipment	1,252	671	7	1,930
Amortisation of intangible assets	106	68	1	175
Segment assets	58,795	37,654	501	96,950
Unallocated assets				
- Deferred tax assets				80
- Fixed deposits				24,866
- Tax recoverable				5,035
Total assets				126,931
Segment assets include:				
Additions to non-current assets	1,715	1,098	15	2,828
Segment liabilities				
Unallocated liabilities	8,595	5,874	89	14,558
- Deferred tax liabilities				1,785
- Borrowings (excluding lease liabilities)				32,508
- Tax payable				642
Total liabilities				49,493

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	
	1H2025 RM'000	1H2024 RM'000	1H2025 RM'000	1H2024 RM'000
Malaysia	12,496	10,396	54,581	55,265
Indonesia	20,351	17,872	64	-
Others (Thailand, Vietnam, Philippines, United Kingdom, Singapore, Cambodia, India and United States of America)	13,836	11,471	454	27
	46,683	39,739	55,099	55,292

Non-current assets information presented above are non-current assets as presented on the consolidated statements of financial position excluding deferred 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 2024 and 31 March 2024:

	Group		Company	
	30.09.2024 RM'000	31.03.2024 RM'000	30.09.2024 RM'000	31.03.2024 RM'000
<i>Financial assets</i>				
Financial assets at amortised cost	<u>50,884</u>	<u>48,425</u>	<u>37,800</u>	<u>35,153</u>
<i>Financial liabilities</i>				
Financial liabilities at amortised cost	<u>58,652</u>	<u>51,843</u>	<u>3,497</u>	<u>3,669</u>

7. Other (loss) /income

	Group	
	1H2025 RM'000	1H2024 RM'000
Foreign exchange (loss)/gain, net	(2,321)	1,238
Interest income	200	134
Rental income	75	90
Inventory written off	(11,902)	-
PPE written off	(3,985)	-
	<u>(17,933)</u>	<u>1,462</u>

8. Finance costs

	Group	
	1H2025 RM'000	1H2024 RM'000
Interest expenses:		
- lease liabilities	12	36
- term loans	329	341
- banker's acceptance	242	350
-Bank charges	3	1
	<u>586</u>	<u>728</u>

9. Profit before tax

	Group	
	1H2025	1H2024
	RM'000	RM'000
This is arrived at after charging:		
Audit fees paid/payable to:		
- auditor of the Company	127	143
Depreciation of property, plant and equipment	1,517	1,930
Amortisation of intangible assets	111	175
Rental expenses	468	393
Personnel expenses	7,566	6,694

10. Tax expense

	Group	
	1H2025	1H2024
	RM'000	RM'000
Income tax:		
- Current year	6	1,132

11. (Loss)/Earnings per share

(Loss)/Earnings per share attributable to equity holders of the Company is calculated as follows:

	Group	
	1H2025	1H2024
(Loss)/Profit for the financial period attributable to equity holders of the Company (RM'000)	(10,021)	2,779
Weighted average number of ordinary shares ('000)	334,565	334,565
Basic and diluted (loss)/earnings per shares (RM sen per share)	(3.00)	0.83

As at 30 September 2024 and 30 September 2023, the Group's potential ordinary shares comprise employee share options. The computation of diluted earnings per share does not adjust for the effects of the potential ordinary shares from employee share options as these did not have a dilutive effect on the earnings per share calculation since the exercise price of the options exceeds the average market price of ordinary shares during the financial period.

12. Net Asset Value

	Group		Company	
	As at 30.09.2024	As at 31.03.2024	As at 30.09.2024	As at 31.03.2024
Net asset value (RM'000)	67,549	76,677	46,820	48,422
Number of ordinary shares in issue (excluding treasury shares) ('000)	334,565	334,565	334,565	334,565
Net asset value per ordinary share (RM sen)	20.19	22.92	13.99	14.47

13. Property, plant and equipment

During the period ended 30 September 2024, the Group acquire assets amounting to RM 2.17 million (31.03.24: RM9.15 million).

13. Property, plant and equipment (cont'd)

	Freehold land RM'000	Freehold properties RM'000	Leasehold properties RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Renovation RM'000	Work- in-progress RM'000	Total RM'000
Group									
2025									
Cost									
At 1 April 2024	5,171	24,373	3,817	3,305	2,733	21,864	9,838	4,586	75,687
PPE – written off	-	-	-	(796)	-	(2,849)	(2,308)	-	(5,953)
Additions	-	-	-	470	64	673	967	-	2,174
At 30 September 2024	5,171	24,373	3,817	2,979	2,797	19,688	8,497	4,586	71,908
Accumulated depreciation									
At 1 April 2024	-	1,361	3,024	1,837	1,470	11,652	4,304	-	23,648
Depreciation charge	-	765	-	87	118	254	293	-	1,517
PPE – written off	-	-	-	(436)	-	(647)	(885)	-	(1,968)
Currency translation differences	-	-	-	-	67	-	-	-	67
At 30 September 2024	-	2,126	3,024	1,488	1,655	11,259	3,712	-	23,264
Net carrying value									
At 30 September 2024	5,171	22,247	793	1,491	1,142	8,429	4,785	4,586	48,644

14. Intangible assets

	Group	
	30.09.2024	31.03.2024
	RM'000	RM'000
Acquired computer software license [Note (a)]	1,908	1,966
Patents and trademarks [Note (b)]	439	461
	2,347	2,427

a. Acquired computer software licenses

	Group	
	30.09.2024	31.03.2024
	RM'000	RM'000
Cost		
At beginning of financial year	3,216	2,952
Additions	31	264
At end of financial year/period	3,247	3,216
Amortisation		
At beginning of financial year	1,250	938
Amortisation charge	89	312
At end of financial year/period	1,339	1,250
Net carrying amount		
At end of financial year/period	1,908	1,966

b. Patent and trademarks

	Group	
	30.09.2024	31.03.2024
	RM'000	RM'000
Cost		
At beginning of financial year	570	430
Additions	-	140
At end of financial year/period	570	570
Amortisation		
At beginning of financial year	109	80
Amortisation charge	22	29
At end of financial year/period	131	109
Net carrying amount		
At end of financial year/period	439	461

15. Inventories

	Group	
	30.09.2024	31.03.2024
	RM'000	RM'000
Raw Materials and packing materials	5,461	6,948
Work-in-progress	3,833	6,541
Finished goods	6,023	4,296
	15,317	17,785

16. Trade and other receivables

	Group		Company	
	30.09.2024	31.03.2024	30.09.2024	31.03.2024
	RM'000	RM'000	RM'000	RM'000
<i>Current</i>				
Trade receivables	17,329	15,662	-	-
Advance payment to supplier	47	1,546	-	-
Deposit	1,296	1,172	-	-
Prepayment	1,634	263	98	7
GST receivable	185	374	-	-
Amount due from subsidiaries	-	-	37,676	44,810
	20,491	19,017	37,774	44,817
Less: Allowance for impairment	-	-	-	(9,776)
	20,491	19,017	37,774	35,041
 <i>Non-current</i>				
Prepayments	4,108	3,455	-	-
	4,108	3,455	-	-
	24,599	22,472	37,774	35,041

Prepayment classified under non-current assets mainly relates to advance payment for trademark applications and purchase of machineries. Upon the grant of the trademark application, such prepayment will be reclassified to intangible assets while the advance payment for the purchase of machineries will be used to capitalize the cost of the machineries. As there were no impairment indicators as at 30 September 2024, no impairment is required. Amount due from subsidiaries are interest-free, non-trade nature, unsecured and repayable on demand.

17. Borrowings

Amount repayable in one year or less, or on demand

As at 30.09.2024 (Unaudited)		As at 31.03.2024 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
13,509	-	12,205	-

Amount repayable after one year

As at 30.09.2024 (Unaudited)		As at 31.03.2024 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
22,442	-	22,397	-

Details of any collateral:

As at the date of the statement of financial position, total borrowings included secured liabilities of the Group amounted to RM35,951,000 (31.03.24: RM34,602,000). Secured bank borrowings amounting to RM34,332,000 (31.03.24: RM32,703,000) are secured and/or guaranteed by one or several collaterals(s) including:

- (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 RM1,619,000 (31.03.24: RM1,899,000) are secured by the rights to the leased motor vehicle, forklift, machineries and right-of-use assets.

18. Trade and other payables

	Group		Company	
	30.09.2024 RM'000	31.03.2024 RM'000	30.09.2024 RM'000	31.03.2024 RM'000
<i>Current</i>				
Trade payables				
- third parties	17,640	12,751	-	-
Other payable				
- third parties	1,325	19	181	42
Accrued expenses	4,417	4,375	1,428	1,330
Amount due to a subsidiary	-	-	1,888	2,297
	23,382	17,145	3,497	3,669
<i>Non-current</i>				
Other payable	87	96	-	-

19. Share Capital

	Group and Company			
	30.09.2024		31.03.2024	
	No. of shares '000	RM'000	No. of shares '000	RM'000
At beginning of financial period/year	334,620	57,165	334,620	57,165
At end of financial period/year	334,620	57,165	334,620	57,165

19. Share Capital (cont'd)

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.

There was no change in the Company's share capital since the end of the previous period reported on 31 March 2024.

The Company did not purchase ordinary shares during 1H2025 (1H2024: nil).

	No. of treasury shares	RM'000
As at 1 April 2024 and 30 September 2024	55	64
	As at 30.09.2024	As at 31.03.2024
% of treasury shares against the total ordinary shares in issue	0.0164%	0.0164%
	No. of shares	S\$'000
Issued shares excluding treasury shares as at 30 September 2024	334,565	19,733
Issued shares excluding treasury shares as at 31 March 2024	334,565	19,733

The Company did not have any subsidiary holdings as at 30 September 2024, 31 March 2024 and 30 September 2023.

As at 30 September 2024, the Company has outstanding 1,509,000 employees share options ("Options"), to selected employees which will entitle them to subscribe for 1,509,000 new shares of the Company which represents approximately 0.45% of the total number of issued shares (excluding treasury shares). As at 30 September 2023, the Company has outstanding 1,686,000 employee share Options, to selected employees which will entitle them to subscribe for 1,686,000 new shares of the Company which represents approximately 0.50% of the total number of issued shares (excluding treasury shares).

20. Related Party Transactions

As at 30 September 2024, there is no significant related party transactions (30 September 2023: Nil).

21. Subsequent Event

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 Catalist 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.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- a) Updates on the efforts taken to resolve each outstanding audit issue.
- b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issues that is a material uncertainty relating to going concern.

Not applicable.

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 increased by approximately RM6.94 million or 17.47% from RM39.74 million in 1H2024 to RM46.68 million in 1H2025. The increase in revenue was mainly due to higher demand in all markets for standard paint.

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

	1H2025 RM'000	1H2024 RM'000
Indonesia	20,351	17,872
Malaysia	12,496	10,396
Others (Thailand, Vietnam, Philippines, United Kingdom, Singapore, Cambodia, India and United States of America)	13,836	11,471
Total	46,683	39,739

Cost of Sales and Gross Profit

Cost of sales increased by RM5.72 million or 26.04% from RM21.96 million in 1H2024 to RM27.68 million in 1H2025. The increase was mainly due to increase in purchase which is in line with increased sales.

Other (Loss) / Income

Other income comprised mainly of interest income, net loss on foreign exchange and rental income. Loss recognize in 1H2025 was mainly due to inventory written off amounting to approximately RM11.90 million and fixed asset written off amounting to approximately RM3.99 million arising from the fire incident, as well as net foreign exchange loss by RM2.32 million arising from depreciation in US Dollar.

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 expenses increased by RM0.94 million or 11.04% was mainly due to increase in upkeep of office.

Marketing and Distribution Expenses

Marketing and distribution expenses decreased approximately by RM5.04 million or 82.80%, from RM6.09 million in 1H2024 to RM1.05 million in 1H2025 mainly due to decrease in offline marketing activities.

Finance Costs

Finance expenses decreased approximately by RM0.14 million or 19.51% from RM0.73 million in 1H2024 to RM0.59 million in 1H2025 mainly due to decrease in drawdown of banker's acceptances.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

Non-current assets

Non-current assets decreased by RM2.83 million, or 4.88%, from RM58.00 million as at 31 March 2024 to RM55.17 million as at 30 September 2024.

Property, plant and equipment

Property, plant and equipment decreased by RM3.40 million, or 6.52% due to the fire incident which resulted in fixed asset written off of RM3.99 million.

Intangible Assets

Intangible asset slightly decreased by RM0.08 million or 3.30% due to amortization of RM0.11 million which is offset with purchase of new asset approximately by RM0.03 million.

Trade and other receivables

Non-current trade and other receivables increased by RM0.65 million or 18.90% mainly due to advance payment for purchase of machinery.

Current assets

Current assets comprised of inventories, trade and other receivable, tax receivable and cash and bank balances.

Inventories

Inventories decreased by RM2.47 million, or 13.88% attributable to inventory written-off due to fire incident by approximately RM11.90 million which is offset with the increase in raw material and packing material of RM4.01 million as well as work in progress by RM3.60 million.

Trade and other receivables

As at 30 September 2024, the current trade and other receivables consisted of approximately RM17.33 million of trade receivables (31 March 2024: RM15.66 million) and approximately RM3.16 million of other receivables (31 March 2024: RM3.36 million).

Trade receivables increased by RM1.67 million from RM15.66 million as at 31 March 2024 to RM17.33 million as at 30 September 2024, mainly due to additional export sales.

As at the date of this announcement, the Group has collected approximately RM5.60 million or 32.32% of the trade receivables as at 30 September 2024.

Non-current liabilities

Non-current liabilities comprise the non-current portion of borrowings, deferred tax liabilities and other payables. Non-current liabilities slightly increased by RM0.036 million, or 0.15%, from RM24.48 million as at 31 March 2024 to RM24.52 million as at 30 September 2024 mainly due to drawdown of leasing for purchase of forklift.

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 2024, trade and other payables consisted of approximately RM17.64 million of trade payables (31 March 2024: RM12.75 million) and approximately RM5.74 million of other payables (31 March 2024: RM4.39 million).

Trade payables increased by RM4.89 million, or 38.34% mainly due to increase in purchase which in line with increase in sales, while other payables increased by RM1.35 million, or 30.68% mainly due to increase in other payable for renovation and upkeep of factory.

Current borrowings

Short term borrowings increased by RM1.30 million, or 10.68% mainly due to drawdown of term loan for upgrading and renovation of new corporate office.

INTERIM CONDENSED OF THE GROUP'S CASH FLOW STATEMENT

Net cash generated from operating activities

In 1H2025, net cashflow in operating activities amounting to RM2.09 million, arising from operating cash flow before changes in working capital of RM9.28 million, changes in net working capital outflow of RM5.79 million, and net income tax payment of RM1.40 million.

The net working capital outflow of RM5.79 million mainly comprised of higher inventories of RM9.43 million, trade and other receivable by RM3.52 million offset with decrease in trade and other payable of RM6.236 million.

Net cash used in investing activities

In 1H2025, we recorded a net cash used in investing activities of approximately RM2.21 million mainly due to purchase of plant and machinery and upgrading of factory and new office building of RM2.18 million.

Net cash generated from financing activities

In 1H2025, we recorded a net cash inflow in financing activities of approximately RM0.87 million mainly due to drawdown of bank borrowing of RM17.26 million and offset with interest paid of RM0.58 million, repayment of bank borrowing by RM15.52 million and repayment lease liabilities of RM0.28 million.

As at 30 September 2024, the Group maintained a cash and cash equivalents balance of RM30.28 million.

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

The Group's financial result for 1H2025 is consistent with the profit guidance announcement released by the Company on 7 November 2024.

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.

Following the fire incident, the Group initiated recovery efforts has led to the full resumption of operations in August 2024. The fire department has concluded its investigation and has determined the cause of the fire incident as an accident. The insurance agent is currently assessing the insurance claim on the fire incident.

The Group is committed to achieving a leaner cost structure and delivering operational excellence by ushering in new innovative products to maintain its market competitiveness. Barring unforeseen circumstances, the outlook for the Group remains positive despite uncertainties in the macroeconomics environment.

5. Dividend Information

If a decision regarding dividend has been made: -

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

No dividend has been declared or recommended for the 1H2025

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

No dividend has been declared or recommended for the 1H2024

(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).

Not applicable

(d) The date the dividend is payable.

Not applicable

(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.

Not applicable

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

No dividend has been declared or recommended for the 1H2025. This decision is arrived at after the Board considered, among other factors, the Group's business plans, cash flows and cash position and the loss incurred by the Group for the 1H2025.

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 discloseable IPTs during the financial period under review.

9. Disclosure on acquisition and realisation pursuant to Rule 706A

Not applicable. The Company did not acquire or dispose shares in any companies during the current financial period.

10. 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.

11. Confirmation pursuant to Rule 705(5) of the Catalist Listing Manual

We, Lim Siang Kai and Ong Yoke En, being the two of the directors of the Company, hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the unaudited financial statements of the Company and the Group for the half-year ended 30 September 2024 to be false or misleading in any material aspect.

On behalf of the Board,

LIM SIANG KAI
Non-Executive Chairman and
Lead Independent Director

ONG YOKE EN
Executive Director and
Chief Executive Officer

14 November 2024