



# SAMURAI 2K AEROSOL LIMITED

(Company Registration Number 201606168C)  
(Incorporated in the Republic of Singapore)

## PRESS RELEASE

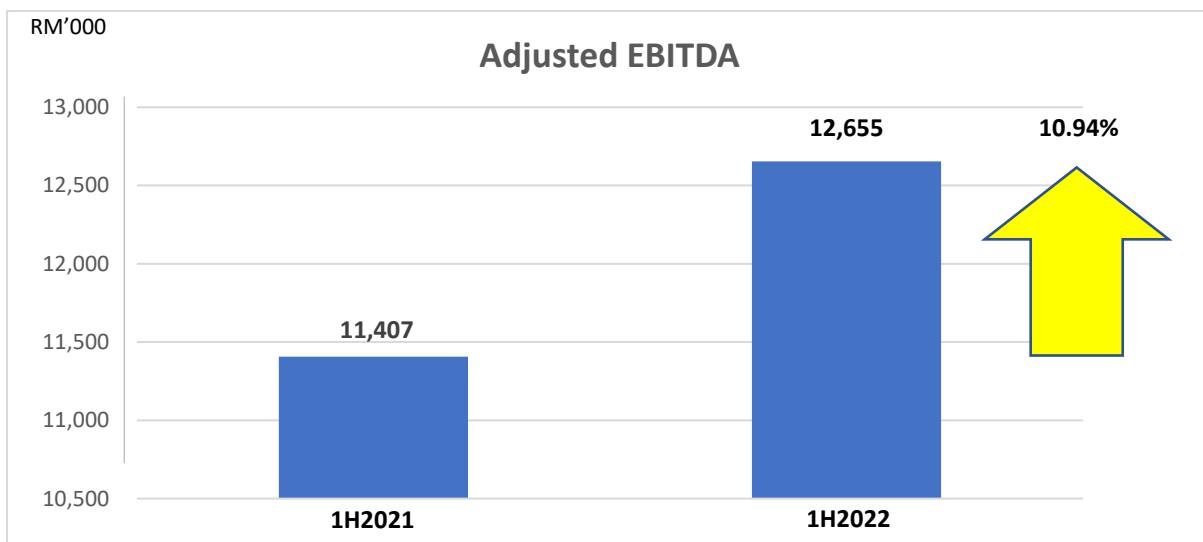
**Samurai 2K Aerosol continues report a revenue with strong demand & higher adjusted EBITDA, with an interim dividend of SGD 0.002 per share and special dividend of SGD 0.004 per share**

- Revenue decreased marginally by 0.15% to **RM44.07 million** in **1H2022** from RM44.13 million in 1H2021 with demand remains strong from the current key markets.
- Adjusted EBITDA (excluding non-cash share-based payment expenses of RM5.4 million) increased by 10.94% to **RM12.66 million** in **1H2022** as compared to RM11.41 million in 1H2021.
- To declare a total dividend of **S\$0.006** per share.

**SINGAPORE, 12 November 2021 – Samurai 2K Aerosol Limited** (the “Company” and together with its subsidiaries, the “Group”) (SGX: Y8E), a manufacturer of automotive aerosol paints and aerosol solution specialist, announced its unaudited financial results for the half year ended 30 September 2021 (“**1H2022**”).

Financial Highlights	1H2021 (RM'000)	1H2022 (RM'000)	Change (%)
Revenue	44,133	44,065	(0.15)
Gross Profit	21,853	18,523	(15.24)
Profit Before Tax	9,785	5,599	(42.78)
Adjusted EBITDA	11,407	12,655*	10.94

\* Excluding non-cash share-based payment expenses.



The Group’s revenue decreased marginally by RM67.5 thousand or 0.15%, to **RM44.07 million** in **1H2022** as compared to RM44.13 million in 1H2021. The demand remains strong from our current key markets, despite the uncontrollable cases of Covid-19 and the closure of our Malaysian operations during the nationwide total lockdown in the current period.



The Group's gross profit decreased by RM3.33 million or 15.24%, to **RM18.52 million** in **1H2022** as compared to RM21.85 million in 1H2021. The decrease was mainly due to higher raw material costs.

The Group's profit before tax decreased by RM4.19 million or 42.78%, to **RM5.6 million** in **1H2022** as compared to RM9.79 million in 1H2021. The decrease was mainly due to one-off **non-cash share-based payment expenses of RM5.4 million**, pursuant to the Group's performance share plan that aims to recognise exceptional achievements thus far and retain talents within the Group.

In fact, the Group's adjusted EBITDA ("Earnings Before Interest, Tax, Depreciation and Amortisation" and also excluding the above non-cash share-based payment expenses) increased by RM1.25 million or 10.94%, to **RM12.66 million** in **1H2022** as compared to RM11.41 million in 1H2021 due mainly to lower marketing and distribution expenses.

The Group managed to report a strong revenue consistently with higher adjusted EBITDA for **1H2022** as compared to 1H2021, due mainly to the contributions by our management team's efforts in driving sustainability for the Company's future via new product developments and digital transformation plan.

In due course, our **R&D initiatives** will bring more exciting new technology-driven products which are currently in various stages development pending their launch. Our first new technology breakthrough product is called "**Tintetech**" technology, which seeks to serve a current unfulfilled demand in the market, which management believes will **revolutionise** and **disrupt** the aerosol spray paint market globally.

While the new "**Tintetech**" technology **ONLY** maintains **15 basic colours** in our colour chart, it is able to generate millions of colours, thus enabling matching with almost any colour currently used in the automotive industry. Thus, users can achieve whatever colours they desire with our aerosol spray paints. This is a stark contrast from conventional aerosol spray paints which are pre-filled, which limits the users ability to get their desired colours to match their beloved motorcars or motorcycles.

We are coupling our strong technology backbone in our new product developments together with our digital transformation plan, which is in progress. This is the development of a **first-ever digital platform**, which will create formidable strategic advantages for us in the spray paint industry. With the platform, we will be able to sell our own products and also enable users to book sprayers for spray paint services within the digital platform.

Finally, on behalf of the Board of Directors, the Company is pleased to declare an **interim dividend of S\$0.002** per share and a **special dividend of S\$0.004** per share. With our strong cash position after taking into consideration of future funds requirements, the excess funds coupled with profitable results will be rewarded back to shareholders from time to time.

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*This news release is to be read in conjunction with the Company's results announcement for **1H2022** posted on the SGX website on 12 November 2021.*



### **About Samurai 2K Aerosol Limited**

The Group is a leading aerosol coating specialist which focuses on coating solutions for the automotive refinishing and refurbishing industry. We are principally engaged in the manufacturing, distribution and marketing of the products under our own proprietary brands.

In 2000, Mr. Peter Kwasny, the German inventor of aerosol spray paint, invented and the first **2K technology** in aerosol spray paint, which allows two (2) separate components, namely paint and hardener into a single aerosol spray paint.

In 2015, Mr. Ong Yoke En, the CEO of the Group, also established the similar 2K technology and later has invented and patented the first improved version of 2K technology in 2016, from earlier dual-head system to a **single-head system** aerosol spray paint, which penetrate the combination of the two (2) components thoroughly before application. It also provides even better performance in terms of spraying experience and high level of durability.

For more information, please visit our official website at [www.samurai2kaerosol.com](http://www.samurai2kaerosol.com).

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Issued by **Samurai 2K Aerosol Limited**

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*This press release has been prepared by the Company and its content 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 Catalyst.*

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