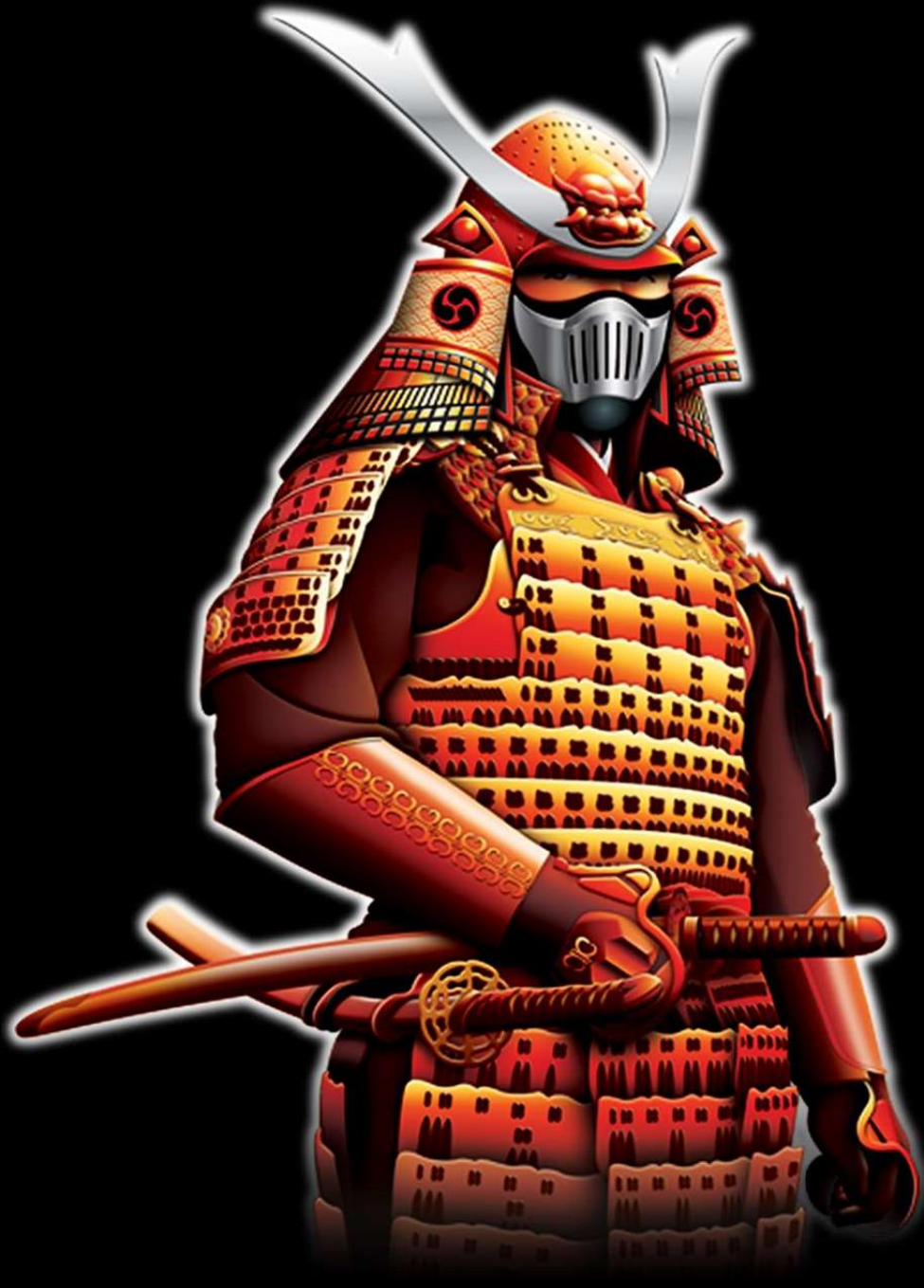


SAMURAI[®]

くろぶし黒武士



Samurai 2K Aerosol Limited

Annual General Meeting FY2023

28 Jul 2023



Disclaimer

- This presentation is prepared for information purposes only, without regard to the objectives, financial situation nor needs of any specific person. This presentation does not constitute an offer or solicitation of an offer to sell or invitation to subscribe for any securities nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever.
- This presentation may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Samurai 2K Aerosol Limited (the “Company”) and its subsidiaries (collectively the “Group”) and certain of the plans and objectives of the management of the Group. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the Group to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such forward-looking statements were made based on assumptions regarding the present and future business strategies of the Group and the political and economic environment in which the Group will operate in the future. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of the management of the Group as of the date of this presentation only.
- Nothing in this presentation should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisers.

Our Vision

*To be the world's
respected innovative
aerosol system provider*



Our Mission

To offer the most
innovative aerosol systems
with the best user
enjoyment and to create
more job opportunities for
all sprayers in the world



Core Values



S

Simplify, focus & continuous – we are professional at work

A

Accountability – we take ownership of our words, actions and results

M

Mutual benefits – we benefit when our fans get benefits

U

Unity – we unite to gain team strength and power

R

Respect – we gain respect by achieving outstanding results

A

Action - We achieve goals with no excuses

I

Innovation – We change for a better tomorrow

Key takeaways



1. FINANCIAL HIGHLIGHTS FY2023

2. FY2023 OVERVIEW

3. FIVE PILLARS OF GROWTH

4. INVESTMENT MERITS



1. Financial Highlights

FY2023



Profit & Loss Highlights



Revenue declined by 37.8 % from RM113.04 million to RM70.27 million. The decrease in revenue was mainly due to decreased in demand generally from Malaysia and Indonesia markets.

Overall, year-on-year sales volume decreased by 6 million cans or 35.71% from 16.8 million cans in FY2022 to 10.8 million cans in FY2023.

Gross Profit margin decreased from 42.7% in FY2022 to 29.8% in FY2023 mainly due to :-

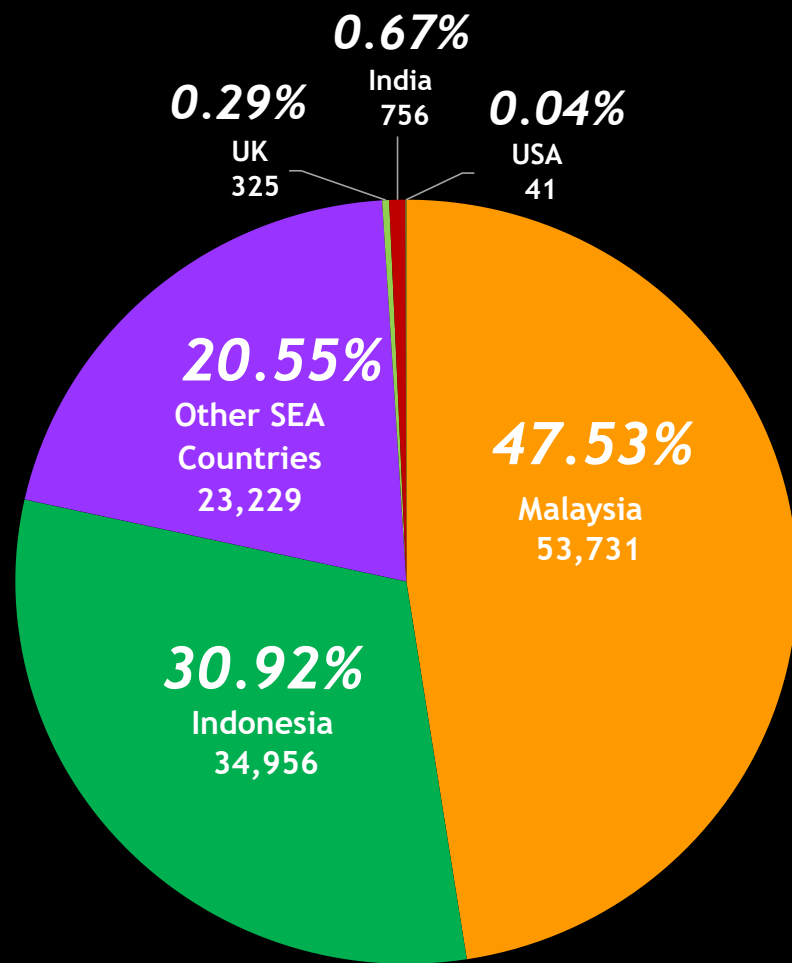
- i. Increase in raw material and packing material cost by almost 16%
- ii. Increase in forwarding cost also resulted to the decrease of Gross Profit
- iii. Increase in the minimum salary as announced by government.

In FY2024, the management has put in place mitigation measures such as increase in selling prices, adopting cost saving measures and developing and launching new innovative products to maintain the Group's market competitiveness.

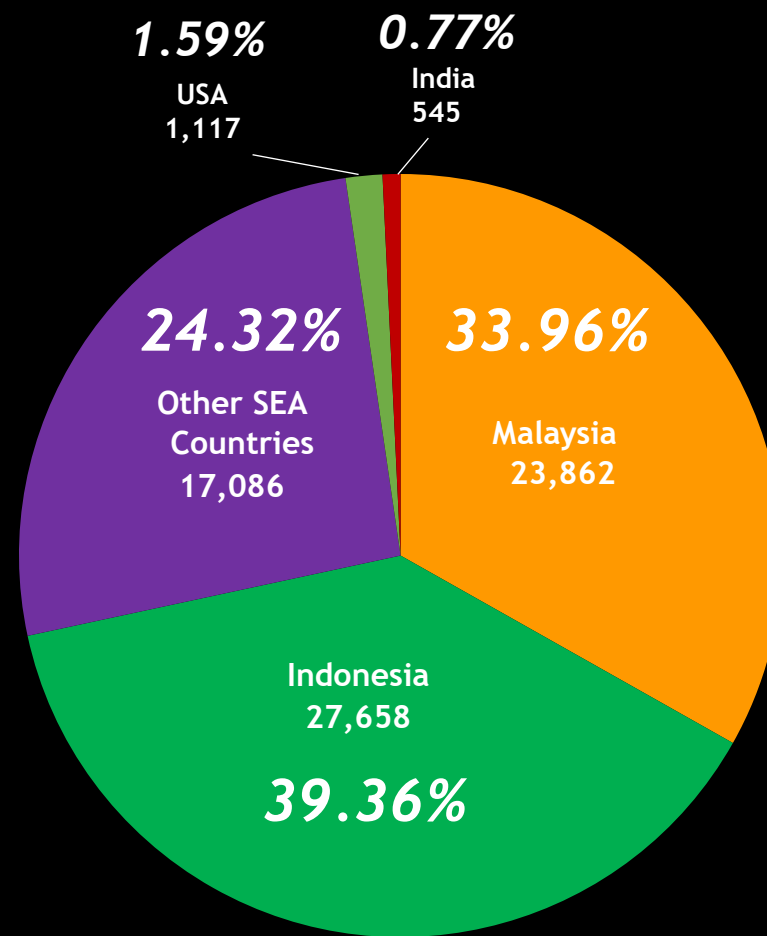
Revenue by geographical segment



RM'000



2022



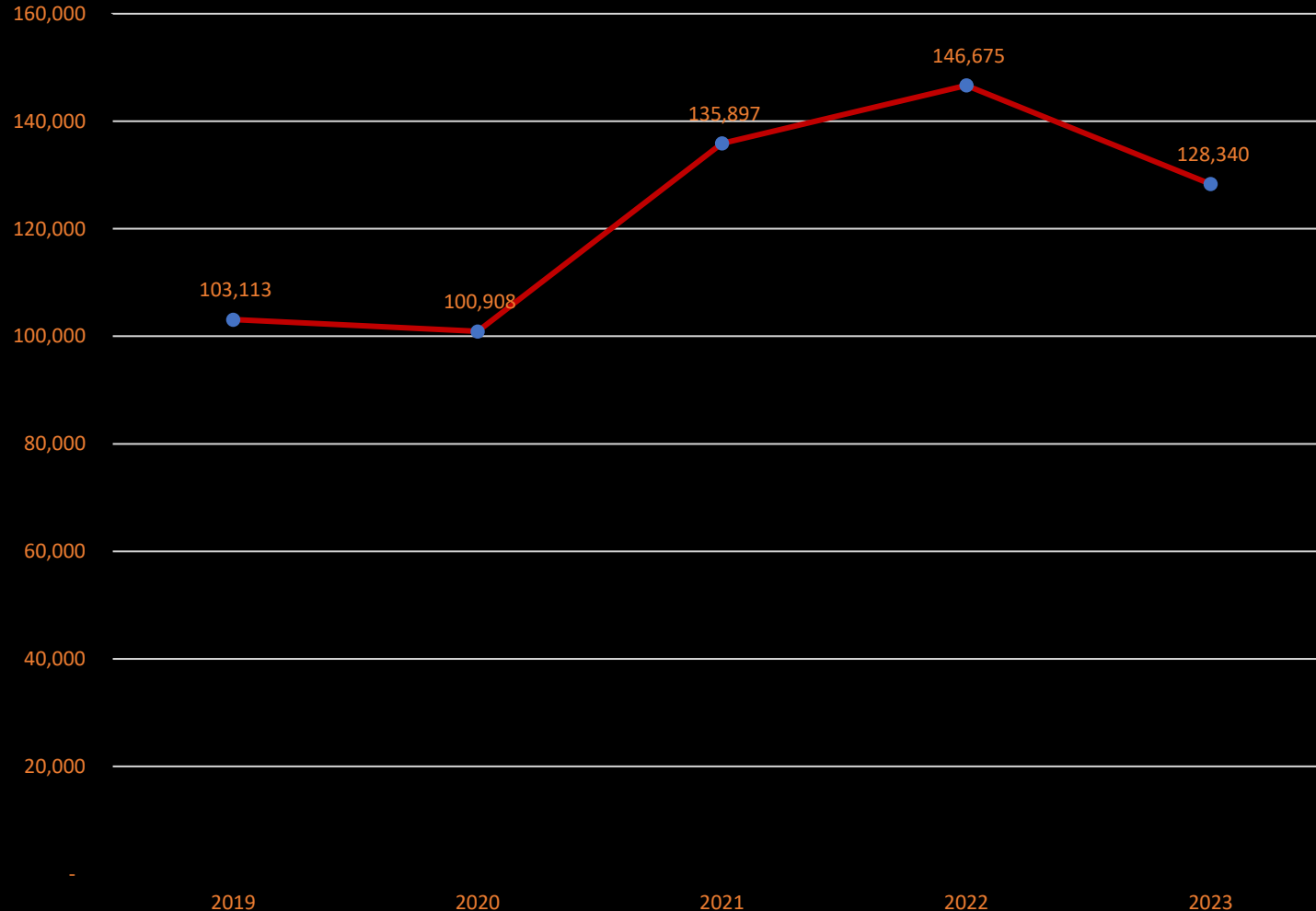
2023

- Malaysia
- Indonesia
- Other South-East Asian Countries
- United Kingdom
- India
- United States of America

Financial Position Highlight



TOTAL ASSETS
(RM'000)



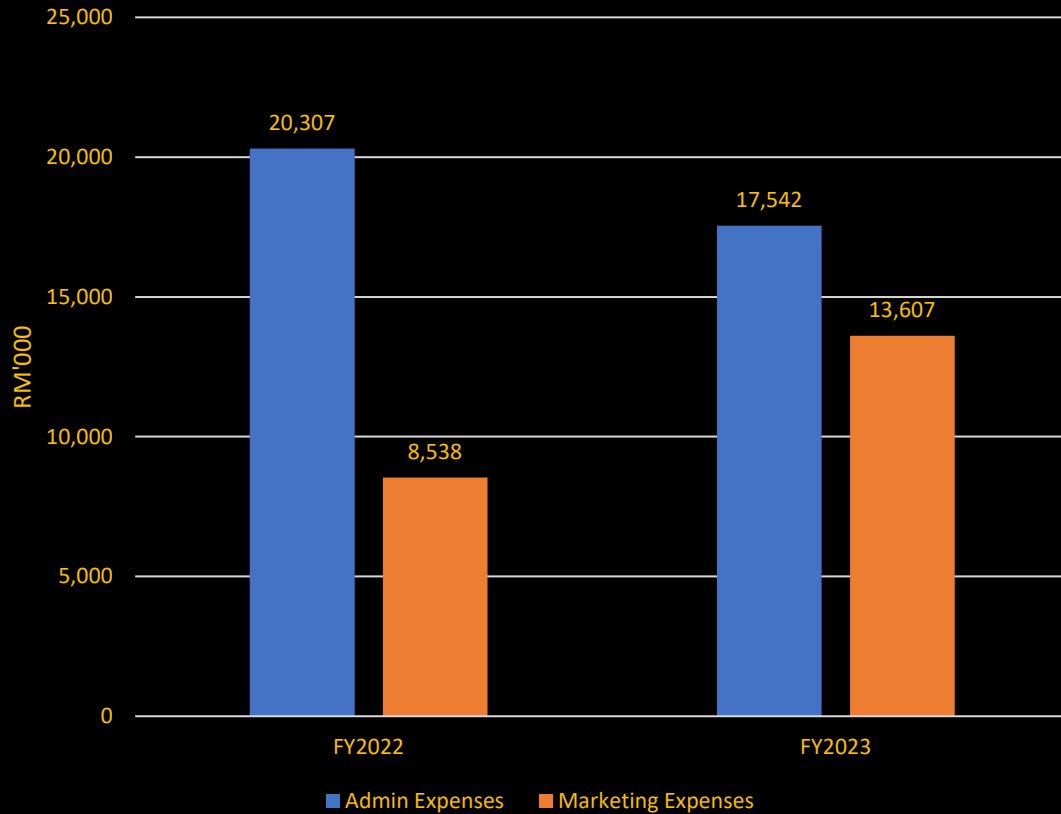
Group's total assets fell from RM 146.67 million as at 31 March 2022 to RM 128.34 million as at 31 March 2023.

The decreased in total asset mainly due to decrease in cash as a result from purchase of new corporate office, additional machinery as well as business expansion generally to USA and India markets and to our new business development (Offline to Online).

Despite everything, at the end of FY2023, the Group managed to maintain cash and bank balance of RM34.5 million.



Admin and marketing expenses



Generally, there is a decrease in admin expenses from RM20.3 million in FY2022 to RM17.5 million in FY2023 mainly due to absence of performance share based plan in FY2023. However, the admin expenses remains high due to other admin expenses related to business expansion to USA and India markets as well as new business development O2O (Offline to Online)

Marketing Expenses increased from RM8.5 million in FY2022 to RM13.6 million in FY2023.



2. FY2023 Overview



Update from Samurai 4.0

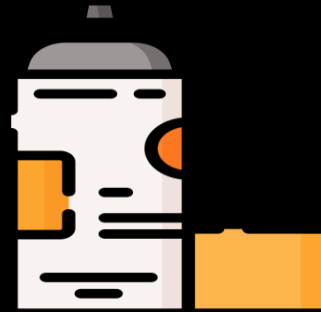


1. Technology-driven Innovative products



- ❖ Final round of improvisation on TINTATEK

2. Professional Spray Painting Service



- ❖ Door-to-door spray service in JB
- ❖ Expanding to KL & Indonesia
- ❖ Reduced cases of defects

3: B2C E-Commerce & Marketplace



- ❖ E-commerce expansion to Australia (Amazon) & India (Amazon & Flipkart)

4. Samurai Digital Platform & Ecosystem



- ❖ Samurai2u
- ❖ CRM support system
- ❖ Customer service programme

Update from SAMURAI 4.0



1. Technology - driven Innovative Products

TINTATEK

- ❖ The World's "POST-FILLED" aerosol colour matching system
- ❖ Mix & match colours by yourself!
- ❖ R&D matured and now ready to launch



Update from SAMURAI 4.0



2. Professional Spray Painting Services

O2O Spray Service

- ❖ Offering 3 services - headlamp, car rim, car full body
- ❖ Completed the SOPs for full body spray
- ❖ Have sprayed for more than 1000 cars

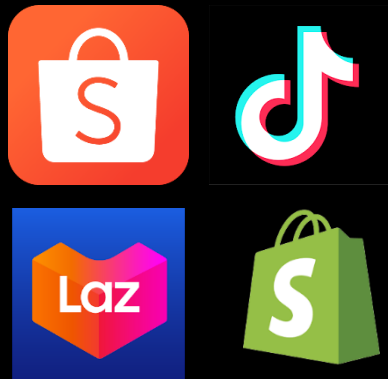
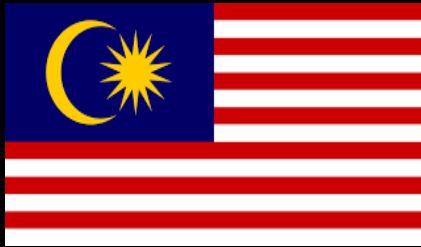


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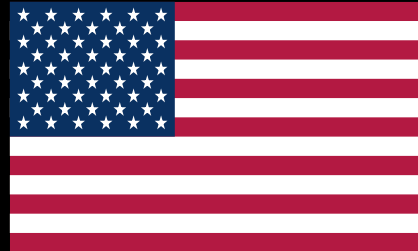


3. B2C E-Commerce & Marketplace

Malaysia



USA



India



Australia



Update from SAMURAI 4.0



4. SAMURAI Digital Platform & Ecosystem

- ❖ Samurai2u platform enables end-users to book sprayers/spray services for spray painting services online
- ❖ CRM support system
 - Quick response
 - Problem-solving
 - Direct feedback
- ❖ Customer service program - Provide support within the community/member forum and help to solve end-users' problems with instant responses.

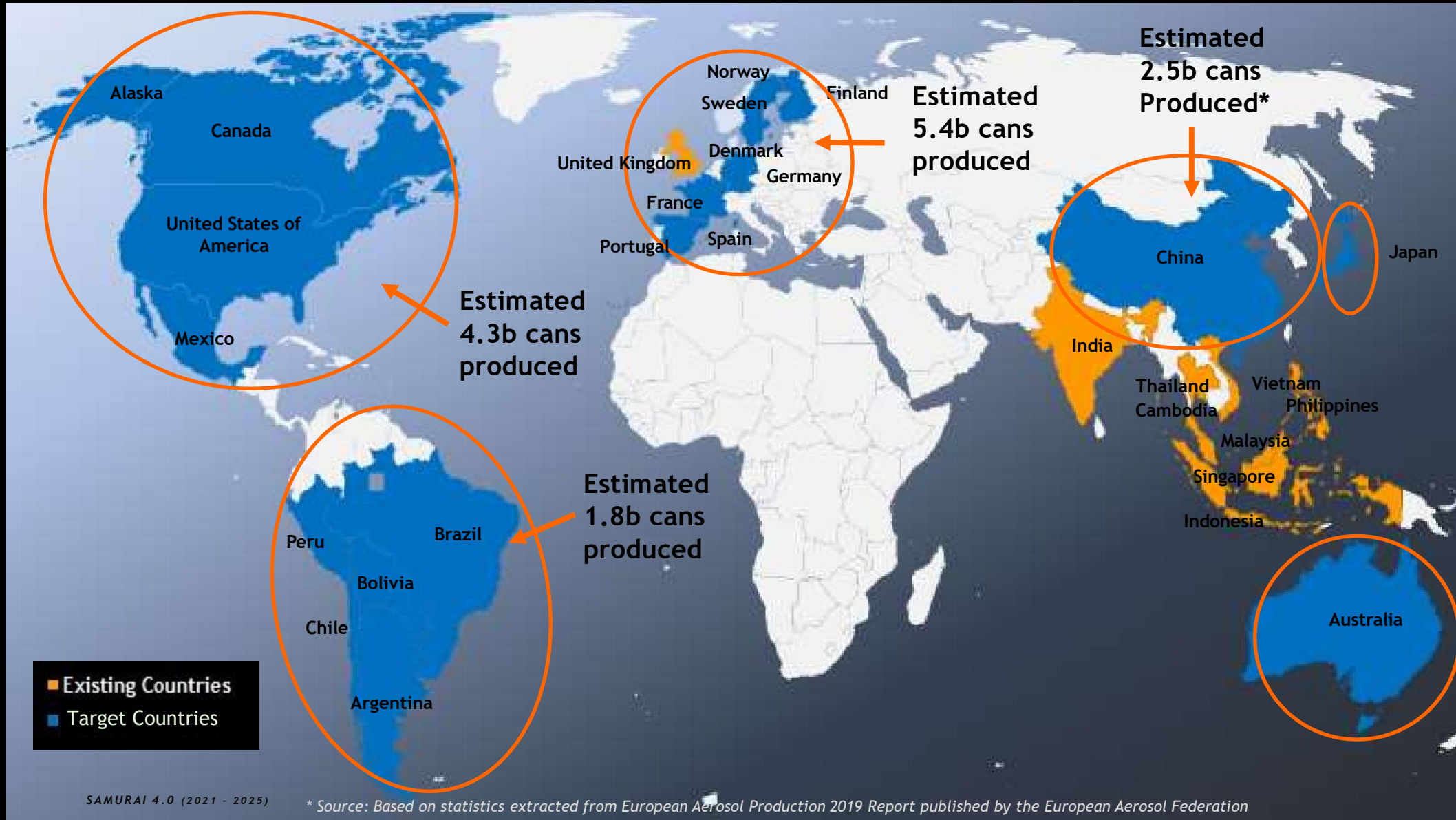


3. Five Pillars Of Growth





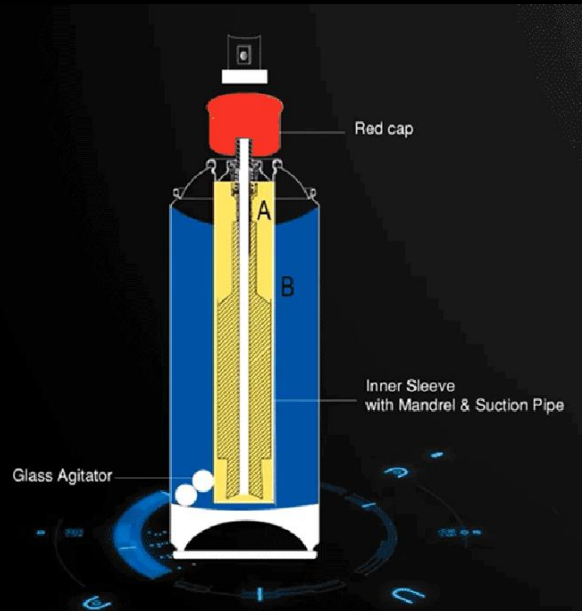
1st pillar: Geographical expansion to big 4 markets



2nd pillar: Four innovative patented technologies



2K AEROSOL SYSTEM



- ❖ Higher durability
- ❖ Higher UV/Weather resistance
- ❖ Higher resistance to stone chips

TINTATEK



- ❖ The World's first post-filled colour matching technology
- ❖ Colours can be chosen and formulated without direct professional aid

2nd pillar: Four innovative patented technologies (cont')



MIRROORTEK



- ❖ Enhanced aesthetic with long-lasting chrome coating appearance
- ❖ Ability to produce chrome effect on various surfaces (plastic, metal, steel)

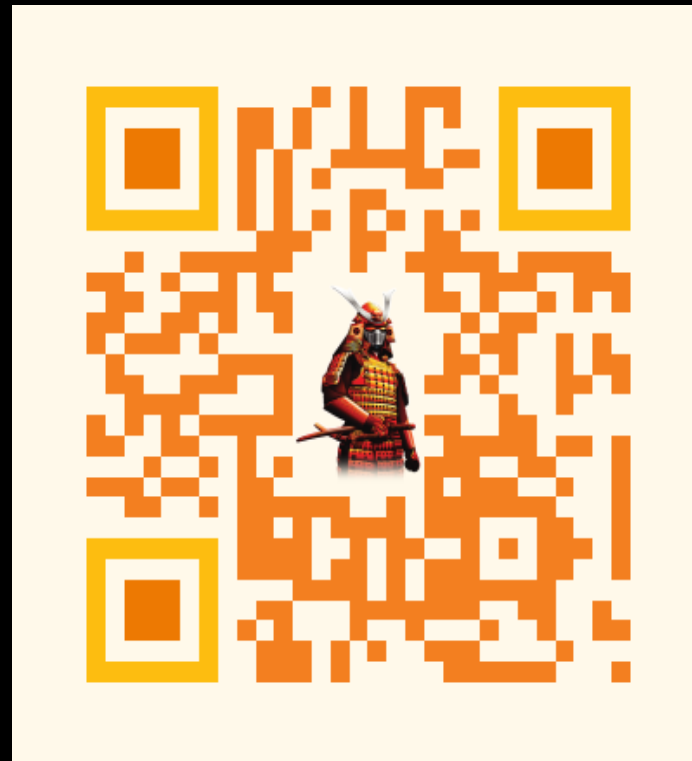
WATERTEK



- ❖ Water-based solvent
- ❖ Low Volatile Organic Compound (VOC)
- ❖ High glossiness
- ❖ High chemical & corrosion resistance



*To view videos of our innovations,
scan on the QR code below*





3rd pillar: Strategic partnerships & marketing strategies



- ❖ Formation of business alliances with highly reputed local distributors
- ❖ To penetrate & establish a strong position in foreign market

❖ Affiliate marketing - third-party publishers promoting SAMURAI's goods or services and receive a percentage of the sales or web traffic:

- ❖ Internally within Samurai Group
- ❖ Externally : end-users as target audience

4th pillar: Talent Development



Internal

- ❖ Building talent pool for worldwide expansion
- ❖ Recruit talents from all over the world

External

- ❖ Training certified professional sprayers
 - ❖ Collaboration with vocational colleges & schools
 - ❖ Acquire professional spray painting skills
 - ❖ Certificate recognized by Malaysian government



5th pillar: Value Data Development



Upcoming projects

- ❖ AI Customer Service
- ❖ Samurai Business Intelligence System





3.0 Investment Merits





- ❖ Strong Intellectual Property Portfolio
- ❖ Global patent applications



- ❖ Innovation-driven organization
- ❖ 4 Innovations
 1. 2K Technology
 2. TINTATEK
 3. MIRRORTEK
 4. WATERTEK
- ❖ Other forthcoming projects



- ❖ Active business expansion
- ❖ O2O (Offline to Online) Workshop service
- ❖ Door-to-door services
- ❖ Professional Spraying Course
- ❖ Collaboration with vocational education institutions



- ❖ Attempts to address environmental concerns
- ❖ All 4 Innovations are lead-free
- ❖ High pigment pricing
- ❖ Water-based product with high quality outcome (WATERTEK)



- ❖ Stable Return on Equity (ROE)
- ❖ Reinvestment of profit for company's future growth
- ❖ Higher profit retention, higher growth rate



IRLANG GAT

SAMURAI 2K AEROSOL SDN. BHD

710501042051 (03-5334-1111)

*We change aerosol,
aerosol changes the world.*