

SAMURAI 2K AEROSOL LIMITED

(Company Registration Number 201606168C)

(Incorporated in the Republic of Singapore)



PRESS RELEASE

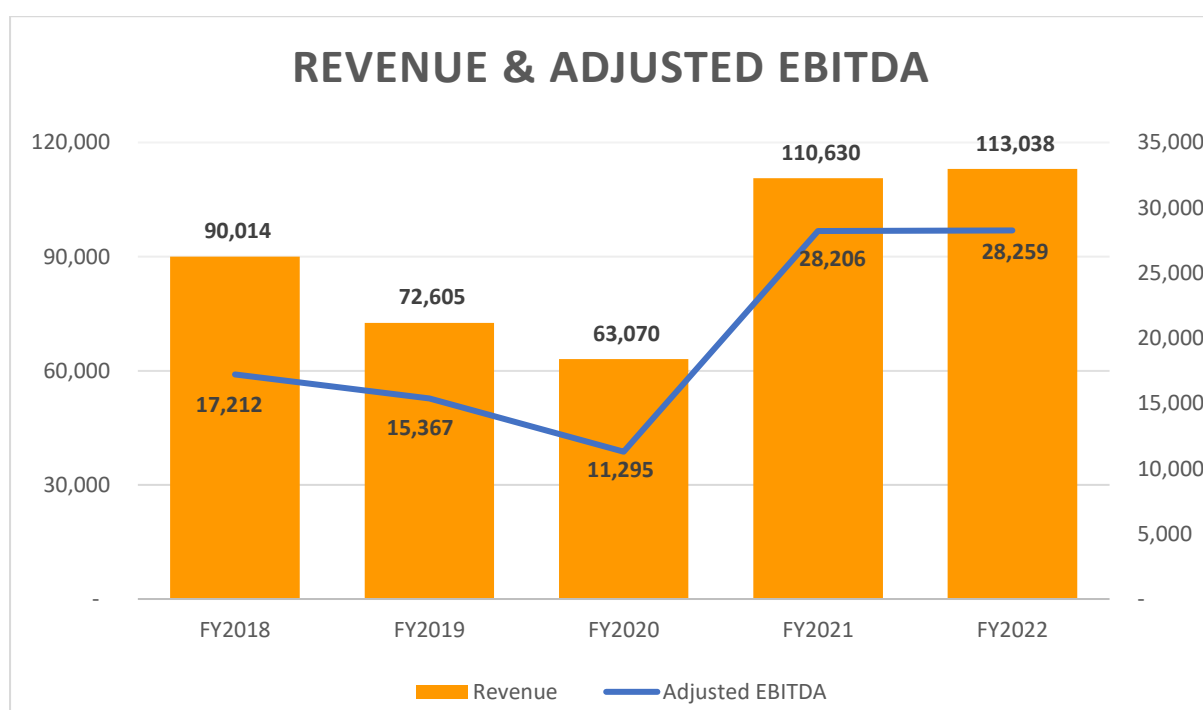
Samurai 2K Aerosol continues to report strong revenue and higher adjusted EBITDA, with the proposed final dividend of SGD 0.002 per share and special dividend of SGD 0.004 per share.

- Revenue increased by 2.18% to **RM113.04 million** in **FY2022** from RM110.63 million in FY2021 with demand remains strong from the current key markets.
- Adjusted EBITDA (excluding non-cash share-based payment expenses of RM4.51 million) increased marginally by 0.18% to **RM29.26 million** in **FY2022** as compared to RM28.21 million in FY2021.
- To propose a final dividend of **S\$0.002** per share and a special dividend of **S\$0.004** per share.

SINGAPORE, 29 May 2022 – 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 financial year ended 31 March 2022 (“FY2022”).

Financial Highlights	FY2018 (RM'000)	FY2019 (RM'000)	FY2020 (RM'000)	FY2021 (RM'000)	FY2022 (RM'000)	Change (%)
Revenue	90,014	72,605	63,070	110,630	113,038	2.18
Gross Profit	38,673	31,683	29,708	53,881	48,236	(10.48)
Profit Before Tax	15,635	13,220	7,852	24,965	19,634	(21.35)
EBITDA	17,212	15,367	11,295	28,206	23,747	(15.81)
Adjusted EBITDA	17,212	15,367	11,295	28,206	28,259*	0.18

* Excluding non-cash share-based payment expenses.





The Group's revenue increased by RM2.41 million or 2.18%, to **RM113.04 million** in **FY2022** as compared to RM110.63 million in FY2021. The demand remains strong from the current key markets, despite the uncontrollable cases of Covid-19 infection and the closure of operations under the nationwide total lockdown in the current year under review.

The Group's gross profit decreased by RM5.65 million or 10.48%, to **RM48.24 million** in **FY2022** as compared to RM53.88 million in FY2021. The decrease was mainly due to higher raw material costs.

The Group's profit before tax decreased by RM5.34 million or 21.35%, to **RM19.63 million** in **FY2022** as compared to RM24.97 million in FY2021. The decrease was mainly due to one-off **non-cash share-based payment expenses** of **RM4.51 million**, pursuant to the Group's performance share plan that aims to promote higher performance goals, recognise exceptional achievements, and retain talents within the Group.

In fact, the Group's adjusted EBITDA ("Earnings Before Interest, Tax, Depreciation and Amortisation") increased marginally by RM0.05 million or 0.18%, to **RM28.26 million** in **FY2022** as compared to RM28.21 million in FY2021.

The Group continuously report a strong revenue and higher than expected adjusted EBITDA for **FY2022** as compared to FY2021, mainly from the contribution, efforts and sustainable spirits by our management teams towards the Company's future new product developments and digital transformation plan.

Year to come, our **R&D initiatives** will bring more exciting new technology products through various stages of new products launching. Our first new technology breakthrough product called "**Tintatek**" technology will **revolutionised** and have **industrial disruptive innovation** to evolve the aerosol spray paint market all around the world.

The "**Tintatek**" technology which **ONLY** required to maintain **14 basic colours** in our colour chart whilst generate millions of colour, especially matches most colours in automotive industry, where users can match whatever colours that they desired at anytime and anywhere, with the ease of mixing and spraying it by using the aerosol spray paint. In contrast, the conventional aerosol spray paints are pre-filled and users can't get the colours they desired and can't match any special colour easily for their beloved motorcars or motorcycles.

With strong technology backbone in our new product developments, together with the digital transformation plan, a **first-ever digital platform** is under development to create formidable barrier to entry in the spray paint industry, which will enable us to sell our own products and enables users to book the sprayers for spray paint services within the digital platform.



Finally, on behalf of the Board of Directors, the Company is pleased to propose a **final dividend** of **S\$0.002** per share and a **special dividend** of **S\$0.004** per share for the financial year ended 31 March 2022. With strong cash flow position after taking into consideration of future funds requirements, the excess funds which coupled with profitable results will be rewarded to the shareholders from time to time.

END

*This news release is to be read in conjunction with the Company's results announcement for **FY2022** posted on the SGX website on 29 May 2022.*

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, has 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, has 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.

Issued by Samurai 2K Aerosol Limited

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.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release.

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