



SAMURAI 2K AEROSOL LIMITED
Company Registration No. 201606168C

**FULL YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2023**

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

FULL YEAR CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR YEAR END 31 MARCH 2023

	Group						
	Note	2H2023 RM'000 (Unaudited)	2H2022 RM'000 (Unaudited)	Increase/ (Decrease) %	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)	Increase/ (Decrease) %
Revenue	5	28,493	68,973	(58.69%)	70,326	113,038	(37.79%)
Cost of sales		(20,522)	(39,260)	(47.73%)	(47,990)	(64,802)	(25.94%)
Gross Profit		7,971	29,713	(73.17%)	22,336	48,236	(53.69%)
Other (loss)/income	7	(1,000)	370	nm	1,217	1,170	4.02%
Administrative expenses		(9,389)	(9,273)	1.25%	(16,924)	(20,307)	(16.66%)
Marketing and distribution expenses		(6,371)	(6,176)	3.16%	(13,607)	(8,538)	59.37%
Finance costs	8	(781)	(669)	16.74%	(1,232)	(926)	33.04%
(Loss)/Profit before tax	9	(9,570)	13,965	nm	(8,210)	19,635	nm
Income tax expense	10	(293)	(4,232)	(93.08%)	(1,185)	(6,512)	(81.80%)
(Loss)/Profit for the financial year		(9,863)	9,733	nm	(9,395)	13,123	nm
Other comprehensive (loss)/income: <i>Items that are or may be reclassified subsequently to profit or loss</i>							
Currency translation difference arising from consolidation		234	(8)	nm	(196)	(50)	292%
Total comprehensive (loss)/income for the financial year		(9,629)	9,725	nm	(9,591)	13,073	nm
Profit/(loss) for the financial year attributable to:							
Equity holders of the Company		(9,863)	9,733	nm	(9,395)	13,124	nm
Non-controlling interests		-	-	-	-	(1)	nm
		(9,863)	9,733	nm	(9,395)	13,123	nm
Total comprehensive income/(loss) for the financial year attributable to:							
Equity holders of the Company		(9,635)	9,730	nm	(9,589)	13,079	nm
Non-controlling interests		6	(5)	nm	(2)	(6)	(66.67%)
		(9,629)	9,725	nm	(9,591)	13,073	nm
(Loss)/Earnings per share for profit attributable to equity holders of the Company (RM sen per share)							
Basic	12	(2.95)	2.91		(2.81)	3.93	
Diluted	12	(2.95)	2.91		(2.81)	3.93	

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Group			Company	
	Note	As at 31.03.23 RM'000 (Unaudited)	As at 31.03.22 RM'000 (Audited)	As at 31.03.23 RM'000 (Unaudited)	As at 31.03.22 RM'000 (Audited)
Non-current assets					
Property, plant and equipment	14	48,586	27,821	-	-
Intangible assets	15	2,364	816	-	-
Investment in subsidiaries		-	-	15,213	15,658
Trade and other receivables	16	-	3,637	-	-
Deferred tax assets		78	688	-	-
		51,028	32,962	15,213	15,658
Current assets					
Inventories		18,149	17,646	-	-
Trade and other receivables	16	26,542	22,956	33,785	47,190
Cash and bank balances		34,489	73,111	1,703	4,704
		79,180	113,713	35,488	51,894
Total assets		130,208	146,675	50,701	67,552
Non-current liabilities					
Borrowings	17	20,175	3,949	-	-
Deferred tax liabilities		1,933	1,953	-	-
Other payables	18	95	94	-	-
Total non-current liabilities		22,203	5,996	-	-
Current liabilities					
Trade and other payables	18	17,445	28,208	1,368	533
Borrowings	17	12,754	17,786	-	-
Tax payable		609	1,623	182	182
Total current liabilities		30,808	47,617	1,550	715
Total liabilities		53,011	53,613	1,550	715
Net assets		77,197	93,062	49,151	66,837
Equity					
Share capital	19	57,165	57,165	57,165	57,165
Share option reserve		651	448	651	448
Treasury shares		(64)	(64)	(64)	(64)
Retained earnings		29,512	45,385	(8,601)	9,288
Currency translation reserve		(488)	(295)	-	-
Merger reserve		(9,368)	(9,368)	-	-
Equity attributable to:					
Equity holders of the Company		77,408	93,271	49,151	66,837
Non-controlling interest		(211)	(209)	-	-
Total equity		77,197	93,062	49,151	66,837

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 MARCH 2023

	Note	Group	
		31.03.2023 RM'000 (Unaudited)	31.03.2022 RM'000 (Audited)
Cash flow from operating activities			
(Loss)/Profit before tax	9	(8,210)	19,635
Adjustments for:			
Depreciation of property, plant and equipment		4,593	3,154
Amortisation of intangible asset	15	183	80
Loss on disposal of property, plant and equipment		-	3
Employee share option expense		203	329
Share based payment expenses		-	4,512
Interest expenses	8	1,232	926
Interest income	7	(683)	(747)
Unrealised foreign exchange gain		(297)	(285)
Operating cash flow before working capital changes		(2,979)	27,607
Working capital changes:			
Inventories		(504)	(3,729)
Trade and other receivables		4,080	(5,972)
Trade and other payables		(10,763)	4,395
Currency translation adjustment		(206)	(63)
Cash flow(used in)/generated from operations		(10,372)	22,238
Income tax paid		(5,341)	(6,133)
Interest received		63	80
Net cash (used in)/generated from operating activities		(15,650)	16,185
Cash flow from investing activities			
Purchase of property, plant and equipment	14	(25,365)	(3,992)
Purchase of intangible assets	15	(1,731)	(125)
Proceeds from disposal of property, plant and equipment		-	34
Interest received		620	667
Deposit paid for purchase of property, plant and equipment		-	(180)
Prepayment of property, plant and equipment		-	(3,027)
Net cash used in investing activities		(26,476)	(6,623)
Cash flow from financing activities			
Dividend paid (Note 11)		(6,477)	(13,175)
Interest paid		(1,232)	(856)
Treasury Shares		-	(64)
Drawdown of bank borrowing		17,854	1,822
Repayment of bank borrowings		(6,361)	(16)
Repayment of lease liabilities		(301)	(611)
Decrease/(increase) in fixed deposit pledge		85	(45)
Net cash generated from /(used in) financing activities		3,568	(12,945)

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 MARCH 2023 (cont'd)

	Note	Group	
		31.03.2023 RM'000 (Unaudited)	31.03.2022 RM'000 (Audited)
Net change in cash and cash equivalents		(38,558)	(3,383)
Cash and cash equivalents at beginning of financial period		71,942	75,306
Effect of exchange rate changes on cash and cash equivalents		21	19
Cash and cash equivalents at end of financial period (Note A)		33,405	71,942

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	
		31.03.2023 RM'000 (Unaudited)	31.03.2022 RM'000 (Audited)
Cash and bank balances as per statement of financial position		34,489	73,111
Less: Pledged bank deposits		(1,084)	(1,169)
Cash and cash equivalents as per consolidated cash flow statement		33,405	71,942

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2023

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		
31.03.2023 (Unaudited)									
Balance at 1 April 2022	57,165	(295)	448	(9,368)	(64)	45,385	93,271	(209)	93,062
Loss for the financial year	-	-	-	-	-	(9,395)	(9,395)	-	(9,395)
Other comprehensive loss									
Currency translation differences arising from consolidation	-	(193)	-	-	-	(1)	(194)	(2)	(196)
Total comprehensive (loss)/income for the period	-	(193)	-	-	-	(9,396)	(9,589)	(2)	(9,591)
Employee share option scheme	-	-	203	-	-	-	203	-	203
Dividend paid (Note 11)	-	-	-	-	-	(6,477)	(6,477)	-	(6,477)
	-	-	-	-	-	-	-	-	-
Balance at 31 March 2023	57,165	(488)	651	(9,368)	(64)	29,512	77,408	(211)	77,197

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2023 (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
31.03.2022 (Audited)									
Balance at 1 April 2021	52,653	(250)	119	(9,368)	-	45,436	88,590	(203)	88,387
Profit for the financial year	-	-	-	-	-	13,124	13,124	(1)	13,123
Other comprehensive loss									
Currency translation differences arising from consolidation	-	(45)	-	-	-	-	(45)	(5)	(50)
Total comprehensive (loss)/income for the period	-	(45)	-	-	-	13,124	13,079	(6)	13,073
Share buy-back	-	-	-	-	(64)	-	(64)	-	(64)
Employee share option scheme	-	-	329	-	-	-	329	-	329
Dividend paid (Note 11)	-	-	-	-	-	(13,175)	(13,175)	-	(13,175)
Share based performance grant	4,512	-	-	-	-	-	4,512	-	4,512
Balance at 31 March 2022	57,165	(295)	448	(9,368)	(64)	45,385	93,271	(209)	93,062

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2023 (cont'd)

Company	Share capital RM'000	Share option reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000
31.03.2023 (Unaudited)					
Balance at 1 April 2022	57,165	448	(64)	9,288	66,837
Loss for the financial year	-	-	-	(11,412)	(11,412)
Dividend paid (Note 11)	-	-	-	(6,477)	(6,477)
Employee share option scheme	-	203	-	-	203
Balance at 31 March 2023	57,165	651	(64)	(8,601)	49,151
31.03.2022 (Audited)					
Balance at 1 April 2021	52,653	119	-	10,883	63,655
Profit for the financial year	-	-	-	11,580	11,580
Dividend paid	-	-	-	(13,175)	(13,175)
Employee share option scheme	-	329	-	-	329
Share buy-back	-	-	(64)	-	(64)
Share based performance grant	4,512	-	-	-	4,512
Balance at 31 March 2022	57,165	448	(64)	9,288	66,837

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FULL YEAR 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	
			2023 %	2022 %
<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	99.99	99.99

2. Basis of preparation

The condensed interim financial statements for the year ended 31 March 2023 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 interim financial statements for the financial period ended 30 September 2022.

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. Basis of preparation (cont'd)

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 recognized 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 recognize 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 recognized 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 is 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.

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.

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

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 realizable 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

	2H2023	2H2022	Group FY2023	FY2022
	RM'000	RM'000	RM'000	RM'000
Timing of revenue recognition				
Sale of goods - At a point in time	28,493	68,973	70,326	113,038

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:

- The paint - standard segment includes standard colour aerosol spray paint products.
- 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.
- 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:

2H2023	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
Segment revenue				
Sales to external customers	18,926	9,433	134	28,493
Segment (loss)/profit	(8,603)	(393)	(24)	(9,020)
Other segment information				
Depreciation of property, plant and equipment	1,890	915	16	2,821
Amortisation of intangible assets	15	31	-	46
Segment assets	57,008	37,431	589	95,028
Unallocated assets				
- Deferred tax assets				78
- Fixed deposits				31,067
- Tax recoverable				4,035
Total assets				130,208
Segment assets include:				
Additions to non-current assets	13,358	8,398	131	22,087
Segment liabilities	11,406	7,489	118	19,013
Unallocated liabilities				
- Deferred tax liabilities				1,933
- Borrowings (excluding lease liabilities)				31,455
- Tax payable				610
Total liabilities				53,011

5.1 Segment information (cont'd)

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

2H2022	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
Segment revenue				
Sales to external customers	39,539	29,111	323	68,973
Segment profit	4,602	9,370	64	14,036
Other segment information				
Depreciation of property, plant and equipment	972	686	2	1,660
Amortisation of intangible assets	73	54	1	128
Segment assets	62,614	44,866	533	108,013
Unallocated assets				
- Deferred tax assets				688
- Fixed deposits				37,672
- Tax recoverable				302
Total assets				146,675
Segment assets include:				
Additions to non-current assets	2,428	1,740	21	4,189
Segment liabilities	17,106	12,257	145	29,508
Unallocated liabilities				
- Deferred tax liabilities				1,953
- Borrowings (excluding lease liabilities)				20,529
- Tax payable				1,623
Total liabilities				53,613

5.1 Segment information (cont'd)

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

FY2023	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
Segment revenue				
Sales to external customers	42,189	27,701	436	70,326
Segment (loss)/ profit	(7,841)	187	(6)	(7,660)
Other segment information				
Depreciation of property, plant and equipment	2,982	1,583	28	4,593
Amortisation of intangible assets	109	73	1	183
Segment assets	57,008	37,431	589	95,028
Unallocated assets				
- Deferred tax assets				78
- Fixed deposits				31,067
- Tax recoverable				4,035
Total assets				130,208
Segment assets include:				
Additions to non-current assets	16,255	10,673	168	27,096
Segment liabilities	11,406	7,489	118	19,013
Unallocated liabilities				
- Deferred tax liabilities				1,933
- Borrowings (excluding lease liabilities)				31,455
- Tax payable				610
Total liabilities				53,011

5.1 Segment information (cont'd)

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

	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
FY2022				
Segment revenue				
Sales to external customers	65,527	46,953	558	113,038
Segment profit	11,486	8,230	98	19,814
Other segment information				
Depreciation of property, plant and equipment	1,989	1,151	14	3,154
Amortisation of intangible assets	46	33	1	80
Segment assets	62,614	44,866	533	108,013
Unallocated assets				
- Deferred tax assets				688
- Fixed deposits				37,672
- Tax recoverable				302
Total assets				146,675
Segment assets include:				
Additions to non-current assets	2,461	1,764	21	4,246
Segment liabilities	17,106	12,257	145	29,508
Unallocated liabilities				
- Deferred tax liabilities				1,953
- Borrowings (excluding lease liabilities)				20,529
- Tax payable				1,623
Total liabilities				53,613

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	
	2H2023 RM'000	2H2022 RM'000	FY2023 RM'000	FY2022 RM'000	FY2023 RM'000	FY2022 RM'000
Malaysia	11,163	32,559	23,898	53,731	50,092	31,993
Indonesia	10,548	23,095	27,658	34,956	-	-
Others	6,782	13,319	18,770	24,351	858	281
	28,493	68,973	70,326	113,038	50,950	32,274

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 31 March 2023 and 31 March 2022:

	Group		Company	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
<i>Financial assets</i>				
Financial assets at amortised cost	50,851	92,701	35,346	51,741
<i>Financial liabilities</i>				
Financial liabilities at amortised cost	50,632	49,943	1,368	533

7. Other income

	Group		Company	
	2H2023	2H2022	FY2023	FY2022
	RM'000	RM'000	RM'000	RM'000
Foreign exchange (loss)/gain, net	(1,473)	(94)	347	243
Interest income	376	372	683	747
Rental income	90	90	180	180
Others	7	2	7	-
	(1,000)	370	1,217	1,170

8. Finance costs

	Group		Company	
	2H2023	2H2022	FY2023	FY2022
	RM'000	RM'000	RM'000	RM'000
Interest expenses:				
- lease liabilities	25	31	47	51
- term loans	505	238	583	280
- banker's acceptance	251	330	602	525
Others	-	70	-	70
	781	669	1,232	926

9. Profit before tax

	Group		Company	
	2H2023	2H2022	FY2023	FY2022
	RM'000	RM'000	RM'000	RM'000
This is arrived at after charging:				
Audit fees paid/payable to:				
- auditor of the Company	240	85	171	171
- other auditor	-	-	180	111
Fees for non-audit service paid /payable to:				
-auditor of the company	-	-	10	40
Depreciation of property, plant and equipment	2,821	1,660	4,593	3,154
Amortisation of intangible assets	46	128	183	80
Rental expenses	(100)	(26)	154	137
Personnel expenses	7,112	7,715	14,854	18,967

10. Tax expense

	2H2023 RM'000	2H2022 RM'000	Group FY2023 RM'000	FY2022 RM'000
Income tax:				
-Current year	(892)	3,714	-	6,111
-(over)/under provision in respect of previous years	563	-	563	(117)
	(329)	3,714	563	5,994
Deferred tax:				
-Current year	733	(143)	733	(143)
-(over)/under provision in respect of previous years	(111)	661	(111)	661
	622	518	622	518
	293	4,232	1,185	6,512

11. Dividends

	Group and Company FY2023 RM'000	FY2022 RM'000
Final exempt dividend of SGD0.002 and special exempt dividend of SGD0.004 per share paid in respect of the financial year ended 31 March 2022	6,477	
Final exempt dividend of SGD0.00667 per share paid in respect of the financial year ended 31 March 2021	-	6,976
Interim exempt dividend of SGD0.002 per share paid in respect of the financial year ended 31 March 2022	-	2,066
Special exempt dividend of SGD0.004 per share paid in respect of the financial year ended 31 March 2022		4,133
	6,477	13,175

12. Earnings per share

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

	2H2023	2H2022	Group FY2023	FY2022
Profit/(Loss) for the financial year attributable to equity holders of the Company (RM'000)	(9,863)	9,733	(9,395)	13,124
Weighted average number of ordinary shares ('000)	334,565	333,780	334,565	333,780
Basic and diluted earnings per shares (RM sen per share)	(2.95)	2.91	(2.81)	3.93

As at 31 March 2022 and 31 March 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 year.

13. Net Asset Value

	Group		Company	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Net asset value (RM'000)	77,197	93,062	49,151	66,837
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)	23.07	27.82	14.69	19.98

14. Property, plant and equipment

During the year ended 31 March 2023, the Group acquire assets amounting to RM 25.37 million (31.03.22: RM4.12 million) and disposed of assets amounting to RM nil (31.03.22: RM0.037million)

15. Intangible assets

	Group	
	31.03.2023 RM'000	31.03.2022 RM'000
Acquired computer software license [Note (a)]	2,015	442
Patents and trademarks [Note (b)]	349	374
	2,364	816

(a) Acquired computer software licenses

	Group	
	31.03.2023 RM'000	31.03.2022 RM'000
Cost		
At beginning of financial year	1,108	985
Additions	1,726	123
At end of financial year	2,834	1,108
Amortisation		
At beginning of financial year	666	616
Amortisation charge	153	50
At end of financial year	819	666
Net carrying amount		
At end of financial year	2,015	442

15. Intangible assets (cont'd)

(b) Patent and trademarks

	Group	
	31.03.2023	31.03.2022
	RM'000	RM'000
Cost		
At beginning of financial year	425	423
Additions	5	2
At end of financial year	<u>430</u>	<u>425</u>
Amortisation		
At beginning of financial year	51	21
Amortisation charge	30	30
At end of financial year	<u>81</u>	<u>51</u>
Net carrying amount		
At end of financial year	<u>349</u>	<u>374</u>

16. Trade and other receivables

	Group		Company	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
<i>Current</i>				
Trade receivables	15,262	18,018	-	-
Advance payment to supplier	46	1,075	-	-
Deposits	1,100	962	-	-
Prepayments	6,098	2,500	143	153
Tax recoverable	4,036	302	-	-
Other receivables	-	99	-	-
Amount due from subsidiaries	-	-	33,642	32,037
Dividend receivable from subsidiary	-	-	-	15,000
	<u>26,542</u>	<u>22,956</u>	<u>33,785</u>	<u>47,190</u>
<i>Non-current</i>				
Trade receivables	-	430	-	-
Deposits	-	180	-	-
Prepayments	-	3,027	-	-
	<u>-</u>	<u>3,637</u>	<u>-</u>	<u>-</u>

Amount due from subsidiaries are interest-free, non-trade in nature, unsecured and repayable on demand.

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 31.03.2023 (Unaudited)		As at 31.03.2022 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
12,754	-	17,786	-

17. Borrowings (cont'd)

Amount repayable after one year

As at 31.03.2023 (Unaudited)		As at 31.03.2022 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
20,175	-	3,949	-

Details of any collateral:

As at the date of the statement of financial position, total borrowings included secured liabilities of RM32,929,000 (31.03.22: RM21,735,000) for the Group. Secured bank borrowings amounting to RM30,568,000 (31.03.22: RM20,529,000) 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 RM2,361,000 (31.03.22: RM1,206,000) are secured by the rights to the leased motor vehicle, forklift, machineries and right-of-use assets.

18. Trade and other payables

	Group		Company	
	31.03.2023 RM'000	31.03.2022 RM'000	31.03.2023 RM'000	31.03.2022 RM'000
<i>Current</i>				
Trade payables				
- third parties	13,205	24,709	-	-
Other payable				
- third parties	88	223	261	-
Amount due to a subsidiary	-	-	41	260
Accrued expenses	4,152	3,276	1,066	273
	17,445	28,208	1,368	533
<i>Non-current</i>				
Other payable	95	94	-	-

19. Share Capital

	Group and Company			
	31.03.2023		31.03.2022	
	No. of shares '000	RM'000	No. of shares '000	RM'000
At beginning of financial period/year	334,620	57,165	109,921	52,653
Issuance of ordinary share pursuant to share split exercise	-	-	223,080	-
Issuance of ordinary share pursuant to performance grant	-	-	1,619	4,512
	<hr/>			
At end of financial period/year	334,620	57,165	334,620	57,165

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 30 September 2022.

The Company did not purchase ordinary shares during FY2023 (FY2022: 55,000).

	No. of treasury shares	S\$'000
As at 1 April 2022	55,000	21
Add : Treasury share purchased in FY2023	-	-
As at 31 March 2023	<hr/> 55,000	<hr/> 21
	As at 31.03.2023	As at 31.03.2022
% of treasury shares against the total ordinary shares in issue (excluding treasury shares)	<hr/> 0.0164%	<hr/> 0.0164%
	No. of shares	S\$'000
Issued shares excluding treasury shares as at 31 March 2023	<hr/> 334,564,787	<hr/> 19,733
Issued shares excluding treasury shares as at 31 March 2022	<hr/> 334,564,787	<hr/> 19,733

The Company did not have any subsidiary holdings as at 31 March 2023 and 31 March 2022.

As at 31 March 2023, the Company has outstanding 2,154,000 employees share options ("Options"), to selected employees which will entitle them to subscribe for 2,154,000 new shares of the Company which represents approximately 0.64% of the total number of issued shares (excluding treasury shares). As at 31 March 2022, the Company has outstanding 2,850,000 Options, to selected employees which will entitle them to subscribe for 2,850,000 new shares of the Company which represents approximately 0.85% of the total number of issued shares (excluding treasury shares).

20. Related Party Transactions

As at 31 March 2023, there is no significant related party transactions (31 March 2022: Nil).

21. Capital Commitments

Capital commitments not provided for in the financial statements:

	Group		Company	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Capital commitments in respect of property, plant and equipment	-	22,216	-	-

22. Subsequent Event

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

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.**

FULL YEAR CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue

Revenue decrease by approximately RM42.71 million or 37.79% from RM113.04 million in FY2022 to RM70.33 million in FY2023. The decrease in revenue was mainly due to decreased in demand generally from Malaysia and Indonesia markets.

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

RM' million	2H2023	2H2022	FY2023	FY2022
Indonesia	10.55	23.10	27.66	34.96
Malaysia	11.16	32.56	23.90	53.73
Others (Thailand, Vietnam, Philippines, United Kingdom, Singapore, Cambodia, India and United States of America)	6.78	13.31	18.77	24.35
Total	28.49	68.97	70.33	113.04

Cost of Sales and Gross Profit

Cost of sales decreased by RM16.81 million or 25.94% from RM64.80 million in FY2022 to RM47.99 million in FY2023 was in line with decreased of sales.

Gross profit decreased by RM25.90 million or 53.69% was in line with the decreased of sales. Gross profit margin decreased from 42.67% in FY2022 to 31.76% in FY2023 mainly due to increase of raw material, packing material and ocean freight cost.

Other Income

Other income comprised mainly of interest income, net gain on foreign exchange and rental income. The slightly increased in other income by RM0.047 million or 4.02% in FY2023 compared to FY2022 was mainly due to a decrease in net of foreign gain by RM0.10 million and decrease in interest income by RM0.064 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 decreased by RM3.38 million or 16.66%, mainly due to absence of performance share-based payment in FY2023 (FY2022 : RM4.51million) offset with increase in other administration cost due to business expansion generally in USA and India markets and for new business development (O2O – offline to online) .

Marketing and Distribution Expenses

Marketing and distribution expenses increased approximately by RM5.07 million or 59.37%, from RM8.54 million in FY2022 to RM13.61 million in FY2023 mainly due to increase in marketing activities generally in USA by RM0.59 million, India by RM1.16 million, Indonesia by RM2.49 million and other countries by RM1.08 million and slight increase in offline activities for new business development (O2O-offline to online) by RM0.025 million.

Finance Costs

Finance expenses increased approximately by RM0.31 million or 33.04% from RM0.93 million in FY2022 to RM1.23 million in FY2023 mainly due to increase in term loan interest for the purchase of corporate office.

FULL YEAR CONDENSED STATEMENT OF FINANCIAL POSITION

Non-current assets

Non-current assets increased by RM20.64 million, or 62.60%, from RM32.96 million as at 31 March 2022 to RM53.60 million as at 31 March 2023.

Property, plant and equipment

Property, plant and equipment increased by RM20.76 million, or 74.64 % mainly due to purchase of new corporate office of RM19.33 million, additions in factory upgrades and renovation works of RM 0.72 million, purchase of machinery of RM2.63 million, furniture and fitting of RM2.04 million, purchase of motor vehicle of RM0.63 million , offset by depreciation of RM4.59 million.

Intangible assets increase by RM1.55 million or 189.70% from RM0.82 million in 31 March 2022 to RM2.36 million in 31 March 2023 mainly due purchase of new Intelligent Software for e-commerce activities.

Current assets

Current assets decreased by RM34.53 million, or 30.37%, from RM113.71 million as at 31 March 2022 to RM79.18 million as at 31 March 2023. The decrease in current assets are mainly due to decrease in cash and bank balances which was explained under the section “Full Year Condensed Cash Flow Statement” below.

Inventories

Inventories increased by RM0.50 million, or 2.85% attributable to increase in packing material of RM0.047 million, work in progress of RM2.20 million offset with decrease in finished goods of RM1.62 million and raw material of RM0.13 million.

Trade and other receivables - current

As at 31 March 2023, trade and other receivables consisted of approximately RM15.26 million of trade receivables (31 March 2022: RM18.02 million) and approximately RM11.28 million of other receivables (31 March 2022: RM4.94 million).

Trade receivables decreased by RM2.76 million from RM18.02 million in FY2022 to RM15.26 million in FY2023, in line with decrease in sales and increase in other receivables by RM6.34 million mainly due to increased of prepayment to suppliers by RM2.31 and tax recoverable by RM4.03

As at the date of this announcement, the Group has collected approximately RM4.55million or 21.71% of the trade receivables as at 31 March 2023.

Non-current liabilities

Non-current liabilities comprised the non-current portion of borrowings, deferred tax liabilities and other payables. Non-current liabilities increased by RM16.21 million, or 270.30%, from RM6.00 million as at 31 March 2022 to RM22.20 million as at 31 March 2023 mainly due to additional bank borrowings by RM15.68 million for the purchase of corporate offices and lease liabilities by RM0.53 million.

Current liabilities

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

Trade and other payables

As at 31 March 2023, trade and other payables consisted of approximately RM13.21 million of trade payables (31 March 2022: RM24.71 million) and approximately RM4.24 million of other payable (31 March 2022: RM3.50 million).

Trade payables decreased by RM11.50million, or 46.56% mainly due to decrease in purchase in line with decrease in sales,

Current borrowings

Short term borrowings decreased by RM5.03 million, or 28.29% mainly due to repayment of term loan and banker's acceptance.

FULL YEAR CONDENSED CASH FLOW STATEMENT

Net cash used in operating activities

In FY2023, net cash used in operating activities amounting to RM15.65 million, mainly arising from operating cash flow before changes in working capital of RM2.98 million, changes in net working capital outflow of RM7.39 million, income tax payment of RM5.34 million, interest receive amounting to RM0.063 million.

The net working capital outflow of RM7.39 million mainly due to decrease of trade and other receivable approximately RM4.08 million and trade and other payable by RM10.76 million.

Net cash used in investing activities.

In FY2023, we recorded a net cash outflow from investing activities of approximately RM26.48 million mainly due to purchase of new corporate office, additional cost of upgrading and renovation of factory purchase of plant and machinery and purchase of new Intelligent data software V-1.

Net cash generated from financing activities

In FY2023, we recorded a net cash generated from financing activities of approximately RM3.57 million due to drawdown of bank borrowing of RM17.85 million, offset with dividend paid amounted to RM 6.48 million, interest paid of RM1.23 million,

As at 31 March 2023, the Group maintained a cash and cash equivalents balance of RM33.41 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.

Continuing from the COVID-19 endemic, global trade growth outlook has become more challenging as there will be continued uncertainty when worldwide inflationary pressure is intensifying, supply chains are tightening due to geopolitical tensions among major global powers that also dampened consumer and business confidence. The group will continue on business expansion in its USA and India markets as well as on new business development OSO (online to offline) by integrating its digital marketing teams and to develop and launch new innovative technological products such as TINTATEK (post fills colour technology) to maintain market competitiveness".

5. Dividend Information

If a decision regarding dividend has been made: -

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

No interim (final) dividend has been declared.

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

The Group declared a final dividend for FY2022 at SGD 0.002 per share and special dividend of SGD 0.004 per ordinary share.

(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/recommended given the Group recorded a loss in the current financial year.

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.

8. A breakdown of sales as follows:

	Group FY2023 RM'000	Group FY2022 RM'000	Group Increase / (Decrease) %
(a) Sales reported for first half year	41,833	44,065	(5.07%)
(b) Operating profit after tax before deducting minority interests reported for first half year	468	3,390	(86.19%)
(c) Sales reported for second half year	28,493	68,973	(58.69%)
(d) Operating profit after tax before deducting minority interests reported for second half year	(9,863)	9,733	nm

9. A breakdown of the total annual dividend (in Ringgit Malaysia value) for the issuer's latest full year and its previous full year as follows:-

Ordinary Shares	FY2023 RM'000	FY2022 RM'000
Interim and Special	-	6,199
Final and Special	-	6,477
Total	-	12,676

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

Not applicable, no acquisition or realisation during the financial period under review.

11. 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 Catalyst 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 Catalyst Listing Manual.

12. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Detail of changes in duties and position held, if any, during the year
Ong How En	41	Brother of our Executive Director and CEO, Mr Ong Yoke En and the brother-in-law of Ms Lim Lay Yong, our Executive Director and COO.	Technical manager since 2015	No change

On behalf of the Board,

LIM SIANG KAI
Non-Executive Chairman and
Lead Independent Director

ONG YOKE EN
Executive Director and
Chief Executive Officer

30 May 2023