



SAMURAI 2K AEROSOL LIMITED
(Company Registration Number 201606168C)
(Incorporated in the Republic of Singapore)

IMMEDIATE RELEASE:

SAMURAI 2K AEROSOL LIMITED POSTS 198% RISE IN PRE-TAX PROFIT

SINGAPORE, 10 November 2017 – Samurai 2K Aerosol Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announced today that the Group reports a significant increase of 198% in its pre-tax profit to RM7.8 million for the half-year ended 30 September 2017, compared to RM2.6 million in the same period a year ago.

The improvement in the pre-tax profit was achieved on the back of strong revenue growth of 102% across all geographical segments including Indonesia, Malaysia, Thailand, Vietnam and Philippines. The Group recorded RM34.5 million revenue in the half-year ended 30 September 2017 compared to RM17.1 million in the same period a year ago.

Executive Director and Chief Executive Officer, Mr Ong Yoke En said, “We pride ourselves in disrupting the automotive refinishing and refurbishing industry by revolutionizing the traditional spray painting works in the workshops into the DIY segment. Over the past years, we have built a strong foundation of end-user engagement and we have educated our consumers to enhance the aesthetic finishing of their two-wheelers. The results of our strategy are reflected through a strong set of financial results today.”

The Group achieves a net profit after tax of RM6.3 million for the half-year ended 30 September 2017, representing a 321% rise from RM1.5 million recorded in the same corresponding period.

The Group’s gearing ratio has also improved significantly to 29% as at 30 September 2017 from 40% as at 31 March 2017. This was achieved through the improvement in business profitability.

“In addition to the untapped area in our current markets, we have identified the United States of America (“**USA**”) as our next engine of growth. According to the statistics from the United States Department of Transportation, USA has approximately 254 million registered vehicles on the road in 2015¹. This is clearly a huge market not to be ignored. We have incorporated a wholly-owned subsidiary in USA and have just participated in the prestigious Specialty Equipment Market Association Show 2017 in the last week,” shared by Mr Ong on the Group’s business update.

On 10 October 2017, the Group signed an MOU to appoint a sole and exclusive distributor for its foray into the Cambodian market.

¹ Based on the latest data from the United States Department of Transportation

About the Group

The Group is a leading aerosol coating specialist with a focus on high performance coating solutions for the automotive refinishing and refurbishing industry. We are principally engaged in the manufacturing, distribution and marketing of our products under our own brands, including "Samurai 2K", "Samurai", "Kurobushi", "Khameleon", "Canbrush", "Ninjutsu", "Geigi", "CanArt" and "Bushido". In addition to the two-wheelers in the emerging markets, the Group is making foray into the North American automotive market.

By Order of the Board

Ong Yoke En
Executive Director and Chief Executive Officer
10 November 2017

*Samurai 2K Aerosol Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 16 January 2017. The initial public offering of the Company was sponsored by UOB Kay Hian Private Limited. (the "**Sponsor**").*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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

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