



SAMURAI 2K AEROSOL LIMITED
Company Registration No. 201606168C

**FULL YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2022**

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.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of the 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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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 2022

	Group						
	Note	2H2022 RM'000 (Unaudited)	2H2021 RM'000 (Unaudited)	Increase/ (Decrease) %	FY2022 RM'000 (Unaudited)	FY2021 RM'000 (Audited)	Increase/ (Decrease) %
Revenue	5	68,973	66,497	3.72	113,038	110,630	2.18
Cost of sales		(39,260)	(34,469)	13.90	(64,802)	(56,749)	14.19
Gross Profit		29,713	32,028	(7.23)	48,236	53,881	(10.48)
Other income	7	370	1,230	(69.92)	1,170	2,068	(43.42)
Administrative expenses		(9,273)	(7,915)	17.16	(20,307)	(13,517)	50.23
Marketing and distribution expenses		(6,176)	(9,895)	(37.58)	(8,538)	(17,010)	(49.80)
Finance costs	8	(669)	(268)	123.13	(927)	(457)	102.84
Profit before tax	9	13,965	15,180	(8.00)	19,634	24,965	(21.35)
Income tax expense	10	(4,232)	(5,342)	(20.78)	(6,512)	(7,476)	(12.89)
Profit for the financial year		9,733	9,838	(1.07)	13,122	17,489	(24.97)
Other comprehensive (loss)/income: <i>Items that are or may be reclassified subsequently to profit or loss</i>							
Currency translation difference arising from consolidation		(8)	(14)	(42.86)	(45)	42	(219.05)
Total comprehensive income for the financial year		9,725	9,824	(1.01)	13,077	17,531	(25.41)
Profit/(loss) for the financial year attributable to:							
Equity holders of the Company		9,733	9,842	(1.11)	13,122	17,505	(25.04)
Non-controlling interests		-	(4)	n.m	-	(16)	n.m
		9,733	9,838	(1.07)	13,122	17,489	(24.97)
Total comprehensive income/(loss) for the financial year attributable to:							
Equity holders of the Company		9,730	9,833	(1.05)	13,082	17,560	(25.50)
Non-controlling interests		(5)	(9)	(44.44)	(5)	(29)	n.m
		9,725	9,824	(1.01)	13,077	17,531	(25.41)
Earnings per share for profit attributable to equity holders of the Company (RM sen per share)							
Basic		2.91	2.98		3.93	5.31	
Diluted		2.91	2.98		3.93	5.31	

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Group			Company	
	Note	As at 31.03.22 RM'000 (Unaudited)	As at 31.03.21 RM'000 (Audited)	As at 31.03.22 RM'000 (Unaudited)	As at 31.03.21 RM'000 (Audited)
Non-current assets					
Property, plant and equipment	14	27,941	26,903	-	-
Intangible assets	15	696	771	-	-
Investment in subsidiaries		-	-	15,657	10,545
Trade Receivable	16	429	-	-	-
Deferred tax assets		688	680	-	-
		29,754	28,354	15,657	10,545
Current assets					
Inventories		17,646	13,917	-	-
Trade and other receivables	16	26,163	17,196	47,190	42,901
Cash and bank balances		73,111	76,430	4,704	14,057
		116,920	107,543	51,894	56,958
Total assets		146,674	135,897	67,551	67,503
Non-current liabilities					
Borrowings	17	3,949	4,350	-	-
Deferred tax liabilities		1,953	1,435	-	-
Other payables	18	94	93	-	-
Total non-current liabilities		5,996	5,878	-	-
Current liabilities					
Trade and other payables	18	28,208	23,816	532	3,666
Borrowings	17	17,786	16,067	-	-
Tax payable		1,623	1,749	182	182
Total current liabilities		47,617	41,632	715	3,848
Total liabilities		53,613	47,510	715	3,848
Net assets		93,061	88,387	66,836	63,655
Equity					
Share capital	19	57,165	52,653	57,165	52,653
Share option reserve		448	119	448	119
Treasury shares		(64)	-	(64)	-
Retained earnings		45,383	45,436	9,287	10,883
Currency translation reserve		(295)	(250)	-	-
Merger reserve		(9,368)	(9,368)	-	-
Equity attributable to:					
Equity holders of the Company		93,269	88,590	66,836	63,655
Non-controlling interest		(208)	(203)	-	-
Total equity		93,061	88,387	66,836	63,655

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 MARCH 2022

	Note	Group	
		31.03.2022 RM'000 (Unaudited)	31.03.2021 RM'000 (Audited)
Cash flow from operating activities			
Profit before tax	9	19,634	24,965
Adjustments for:			
Depreciation of property, plant and equipment		2,954	2,638
Amortisation of intangible asset	15	232	146
Loss on disposal of property, plant and equipment		3	11
Property, plant and equipment written off		-	9
Employee share option expense		329	55
Share based payment expenses		4,512	
Interest expenses	8	927	457
Interest income	7	(747)	(286)
Unrealised foreign exchange gain		(285)	(2,299)
Inventories written back		-	(62)
Operating cash flow before working capital changes		27,559	25,634
Working capital changes:			
Inventories		(3,729)	(6,051)
Trade and other receivables		(9,124)	15,162
Trade and other payables		4,414	11,978
Currency translation adjustment		(68)	23
Cash flow generated from operations		19,052	46,746
Income tax paid		(6,135)	(4,798)
Interest received		747	286
Interest paid		(71)	(457)
Net cash generated from operating activities		13,593	41,777
Cash flow from investing activities			
Purchase of property, plant and equipment	14	(4,031)	(2,378)
Purchase of intangible assets	15	(158)	(382)
Proceeds from disposal of property, plant and equipment		35	9
Net cash used in investing activities		(4,154)	(2,751)
Cash flow from financing activities			
Dividend paid (Note 11)		(13,175)	(6,684)
Interest paid		(856)	
Treasury Shares		(64)	
Proceed from bank borrowings		1,807	10,441
Repayment of bank borrowings		-	(131)
Repayment of lease liabilities		(488)	(614)
Increase in fixed deposit pledge		(311)	-
Net cash (used in)/generated from financing activities		(13,087)	3,012

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 MARCH 2022 (cont'd)

	Note	Group	
		31.03.2022 RM'000 (Unaudited)	31.03.2021 RM'000 (Audited)
Net change in cash and cash equivalents		(3,648)	42,038
Cash and cash equivalents at beginning of financial period		75,306	33,248
Effect of exchange rate changes on cash and cash equivalents		19	20
Cash and cash equivalents at end of financial period (Note A)		71,677	75,306

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	
		31.03.2022 RM'000 (Unaudited)	31.03.2021 RM'000 (Audited)
Cash and bank balances as per statement of financial position		73,111	76,430
Less: Pledged bank deposits		(1,434)	(1,124)
Cash and cash equivalents as per consolidated cash flow statement		71,677	75,306

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2022

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 (Unaudited)									
Balance at 1 April 2021	52,653	(250)	119	(9,368)	-	45,436	88,590	(203)	88,387
Profit for the financial year						13,122	13,122	-	13,122
Other comprehensive loss									
Currency translation differences arising from consolidation	-	(45)	-	-	-	-	(45)	(5)	(50)
Total comprehensive (loss)/income for the period	-	(45)	-	-	-	13,122	13,077	-	13,072
Treasury shares	-	-	-	-	(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)	45,383	93,269	(208)	93,061

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2022 (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	Retained earnings RM'000	Total RM'000		
31.03.2021 (Audited)								
Balance at 1 April 2020	52,653	(305)	64	(9,368)	34,615	77,659	(174)	77,485
Profit for the financial year	-	-	-	-	17,505	17,505	(16)	17,489
Other comprehensive income/(loss)								
Currency translation differences arising from consolidation	-	55	-	-	-	55	(13)	42
Total comprehensive income/(loss) for the period	-	55	-	-	17,505	17,560	(29)	17,531
Employee share option scheme	-	-	55	-	-	55	-	55
Dividend paid	-	-	-	-	(6,684)	(6,684)	-	(6,684)
Balance at 31 March 2021	52,653	(250)	119	(9,368)	45,436	88,590	(203)	88,387

SAMURAI 2K AEROSOL LIMITED AND ITS SUBSIDIARIES

FULL YEAR CONDENSED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2022 (cont'd)

Company	Share capital RM'000	Share option reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000
31.03.2022 (Unaudited)					
Balance at 1 April 2021	52,653	119	-	10,883	63,655
Profit for the financial year	-	-	-	11,579	11,579
Dividend paid (Note 11)	-	-	-	(13,175)	(13,175)
Employee share option scheme	-	329	-	-	329
Treasury shares	-	-	(64)	-	(64)
Share based performance grant	4,512	-	-	-	4,512
Balance at 31 March 2022	57,165	448	(64)	9,287	66,836
31.03.2021 (Audited)					
Balance at 1 April 2020	52,653	64	-	4,614	57,331
Profit for the financial year	-	-	-	12,953	12,953
Dividend paid	-	-	-	(6,684)	(6,684)
Employee share option scheme	-	55	-	-	55
Balance at 31 March 2021	52,653	119	-	10,883	63,655

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	
			2022 %	2021 %
<i>Held by the Company</i>				
Samurai 2K Aerosol Sdn. Bhd. (formerly known as Orientus Industry 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 Pvt Ltd	India	To buy, sell, import, export in wholesale and to deal in paints (including varnishes and related supplies)	99.99	-

2. Basis of preparation

The condensed interim financial statements for the year ended 31 March 2022 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 2021.

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.

Impairment of investment in subsidiaries(cont'd)

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

	2H2022	2H2021	Group FY2022	FY2021
	RM'000	RM'000	RM'000	RM'000
Timing of revenue recognition				
Sale of goods - At a point in time	68,973	66,497	113,038	110,630

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:

	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
2H2022				
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	62,613	44,866	533	108,012
Unallocated assets				
- Deferred tax assets				688
- Fixed deposits				37,672
- Tax recoverable				302
Total assets				146,674
Segment assets include:				
Additions to non-current assets	2,428	1,740	21	4,189
Segment liabilities	16,780	12,023	143	28,946
Unallocated liabilities				
- Deferred tax liabilities				1,953
- Borrowings (excluding lease liabilities)				21,092
- Tax payable				1,623
Total liabilities				53,614

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
2H2021				
Segment revenue				
Sales to external customers	39,768	26,548	181	66,497
	<hr/>			
Segment profit	9,538	5,748	65	15,351
	<hr/>			
Other segment information				
Depreciation of property, plant and equipment	705	550	5	1,260
Amortisation of intangible assets	54	36	1	91
	<hr/>			
Segment assets	56,316	42,208	533	98,917
Unallocated assets				
- Deferred tax assets				680
- Fixed deposits				36,006
- Tax recoverable				294
Total assets				<u>135,897</u>
	<hr/>			
Segment assets include:				
Additions to non-current assets	1,894	1,420	13	3,327
	<hr/>			
Segment liabilities	14,576	10,925	102	25,603
Unallocated liabilities				
- Deferred tax liabilities				1,435
- Borrowings (excluding lease liabilities)				18,723
- Tax payable				1,749
Total liabilities				<u>47,510</u>

5.1 Segment information (cont'd)

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

FY2022	Paint - Standard RM'000	Paint - Premium RM'000	Maintenance and others RM'000	Group RM'000
Segment revenue				
Sales to external customers	65,527	46,953	558	113,038
Segment profit	6,879	12,653	102	19,634
Other segment information				
Depreciation of property, plant and equipment	1,873	1,068	13	2,954
Amortisation of intangible assets	134	96	2	232
Segment assets	62,613	44,866	533	108,012
Unallocated assets				
- Deferred tax assets				688
- Fixed deposits				37,672
- Tax recoverable				302
Total assets				146,674
Segment assets include:				
Additions to non-current assets	2,428	1,740	21	4,189
Segment liabilities	16,780	12,023	143	28,946
Unallocated liabilities				
- Deferred tax liabilities				1,953
- Borrowings (excluding lease liabilities)				21,092
- Tax payable				1,623
Total liabilities				53,614

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
FY2021				
Segment revenue				
Sales to external customers	62,985	47,206	439	110,630
Segment profit	14,311	10,725	100	25,136
Other segment information				
Depreciation of property, plant and equipment	1,645	982	11	2,638
Amortisation of intangible assets	83	62	1	146
Segment assets	56,316	42,208	393	98,917
Unallocated assets				
- Deferred tax assets				680
- Fixed deposits				36,006
- Tax recoverable				294
Total assets				135,897
Segment assets include:				
Additions to non-current assets	1,894	1,420	13	3,327
Segment liabilities	14,576	10,925	102	25,603
Unallocated liabilities				
- Deferred tax liabilities				1,435
- Borrowings (excluding lease liabilities)				18,723
- Tax payable				1,749
Total liabilities				47,510

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	
	2H2022 RM'000	2H2021 RM'000	FY2022 RM'000	FY2021 RM'000	FY2022 RM'000	FY2021 RM'000
Malaysia	32,559	26,602	53,731	45,859	28,786	27,326
Indonesia	23,095	28,095	34,956	42,415	-	-
Others	13,319	11,800	24,351	22,356	280	348
	68,973	66,497	113,038	110,630	29,066	27,674

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 2022 and 31 March 2021:

	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
<i>Financial assets</i>				
Financial assets at amortised cost	92,700	91,678	51,741	56,958
<i>Financial liabilities</i>				
Financial liabilities at amortised cost	49,986	44,233	537	3,666

7. Other income

	Group		Company	
	2H2022	2H2021	FY2022	FY2021
	RM'000	RM'000	RM'000	RM'000
Foreign exchange gain, net	(94)	791	245	1,491
Interest income	372	284	747	286
Rental income	90	90	180	180
Others	2	65	(2)	111
	370	1,230	1,170	2,068

8. Finance costs

	Group		Company	
	2H2022	2H2021	FY2022	FY2021
	RM'000	RM'000	RM'000	RM'000
Interest expenses:				
- lease liabilities	30	28	52	53
- term loans	238	(2)	279	85
- banker's acceptance	330	242	525	319
- accretion interest	71	-	71	-
	669	268	927	457

9. Profit before tax

	Group		Company	
	2H2022	2H2021	FY2022	FY2021
	RM'000	RM'000	RM'000	RM'000
This is arrived at after charging:				
Audit fees paid/payable to:				
- auditor of the Company	85	65	108	181
- other auditor	-	-	74	50
Fees for non-audit service paid /payable to:				
-auditor of the company	-	-	5	7
Depreciation of property, plant and equipment	1,660	1,260	2,954	2,638
Amortisation of intangible assets	128	91	232	146
Loss on disposal of property, plant and equipment	-	-	3	11
Property, plant and equipment written off	-	-	-	9
Inventories written back	-	-	-	(62)
Rental expenses	(26)	62	137	111
Personnel expenses	7,715	7,333	18,618	11,858

10. Tax expense

	2H2022	2H2021	Group FY2022	FY2021
	RM'000	RM'000	RM'000	RM'000
Income tax: - Current year	4,232	5,342	6,512	7,476

11. Dividends

	Group and Company	
	FY2022	FY2021
	RM'000	RM'000
Final exempt dividend of SGD0.00667 per share paid in respect of the financial year ended 31 March 2021	6,976	-
Interim and special exempt dividend of SGD0.006 per share paid in respect of the financial year ended 31 March 2022	6,199	-

The directors have proposed a final and special exempt dividend for the financial year ended 31 March 2022 of SGD0.002 and SGD0.004 per share respectively, amounting to a total of RM6,424,704. These financial statements do not reflect this dividend payable, which will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 31 March 2023.

12. Earnings per share

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

	2H2022	2H2021	Group FY2022	FY2021
Profit for the financial year attributable to equity holders of the Company (RM'000)	9,725	9,824	13,122	17,505
Weighted average number of ordinary shares ('000)	333,780	329,763*	333,780	329,763*
Basic and diluted earnings per shares (RM sen per share)	2.91	2.98	3.93	5.31

* The number of shares had been adjusted to take into consideration the share split for comparison purpose.

As at 31 March 2021 and 31 March 2022, 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 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Net asset value (RM'000)	93,061	88,387	66,836	63,655
Number of ordinary shares in issue (excluding treasury shares) ('000)	334,565	109,921	334,565	109,921
Net asset value per ordinary share (RM sen)	27.82	80.41	19.98	57.91

14. Property, plant and equipment

During the year ended 31 March 2022, the Group acquire assets amounting to RM 4.03 million (31.03.21: RM2.38 million) and disposed of assets amounting to RM0.038 million (31.03.21: RM0.044 million)

15. Intangible assets

	Group	
	31.03.2022	31.03.2021
	RM'000	RM'000
Acquired computer software license [Note (a)]	293	369
Patents and trademarks [Note (b)]	403	402
	696	771

(a) Acquired computer software licenses

	Group	
	31.03.2022	31.03.2021
	RM'000	RM'000
Cost		
At beginning of financial year	985	892
Additions	156	93
At end of financial year	1,141	985
Amortisation		
At beginning of financial year	616	481
Amortisation charge	232	135
At end of financial year	848	616
Net carrying amount		
At end of financial year	293	369

(b) Patent and trademarks

	Group	
	31.03.2022	31.03.2021
	RM'000	RM'000
Cost		
At beginning of financial year	423	134
Additions	1	289
At end of financial year	424	423
Amortisation		
At beginning of financial year	21	10
Amortisation charge	-	11
At end of financial year	21	21
Net carrying amount		
At end of financial year	403	402

16. Trade and other receivables

	Group		Company	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
<i>Current</i>				
Trade receivables	18,018	14,356	-	-
Advance payment to supplier	46	48	-	-
Deposit	1,142	892	153	-
Prepayment	6,556	1,508	-	-
Tax recoverable	302	294	-	-
Other receivable	99	98	-	-
Amount due from subsidiaries	-	-	32,037	25,401
Dividend receivable from subsidiary	-	-	15,000	17,500
	26,163	17,196	47,190	42,901
<i>Non-current</i>				
Trade receivable	429	-	-	-

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 31.03.2022 (Unaudited)		As at 31.03.2021 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
17,786	-	16,067	-

Amount repayable after one year

As at 31.03.2022 (Unaudited)		As at 31.03.2021 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
3,949	-	4,350	-

Details of any collateral:

As at the date of the statement of financial position, total borrowings included secured liabilities of RM21,735,000 (31.03.21: RM20,417,000) for the Group. Secured bank borrowings amounting to RM20,529,000 (31.03.21: RM18,722,000) 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

17. Borrowings (cont'd)

Details of any collateral (cont'd):

- (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 RM1,206,000 (31.03.21: RM1,694,000) are secured by the rights to the leased motor vehicle, forklift, machineries and right-of-use assets.

18. Trade and other payables

	Group		Company	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
<i>Current</i>				
Trade payables				
- third parties	24,708	19,714	-	-
Other payable				
- third parties	223	20	-	-
Accrued expenses	3,277	4,082	273	3,666
	28,208	23,816	273	3,666
<i>Non-current</i>				
Other payable	94	93	-	-

19. Share Capital

	Group and Company			
	31.03.2022		31.03.2021	
	No. of shares '000	RM'000	No. of shares '000	RM'000
At beginning of financial period/year	109,921	52,653	109,921	52,653
Issuance of ordinary share pursuant to share split exercise	223,081	-	-	-
Issuance of ordinary share pursuant to performance grant	1,618	4,512	-	-
At end of financial period/year	334,620	57,165	109,921	52,653

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 2021.

The Company purchased 55,000 ordinary shares during FY2022 (FY2021: Nil). Ordinary shares purchased by the Company are held as treasury shares.

19. Share Capital (cont'd)

	No. of treasury shares	S\$'000
As at April 2021	-	-
Add : Treasury share purchased in FY2022	55,000	21
As at 31 March 2022	<u>55,000</u>	<u>21</u>
	As at 31.03.2022	As at 31.03.2021
% of treasury shares against the total ordinary shares in issue	<u>0.0164%</u>	<u>-</u>
	No. of shares	S\$'000
Issued shares excluding treasury shares as at 31 March 2022	<u>334,564,787</u>	<u>19,733</u>
Issued shares excluding treasury shares as at 31 March 2021	<u>109,921,000</u>	<u>19,733</u>

The Company did not have any subsidiary holdings as at 31 March 2022 and 31 March 2021.

As at 31 March 2022, the Company has outstanding 2,850,000 employees share options ("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). As at 31 March 2021, the Company has outstanding 164,000 Options, to selected employees which will entitle them to subscribe for 164,000 new shares of the Company which represents approximately 0.15% of the total number of issued shares (excluding treasury shares).

20. Related Party Transactions

As at 31 March 2022, there is no significant related party transactions (31 March 2021: Nil).

21. Capital Commitments

Capital commitments not provided for in the financial statements:

	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Capital commitments in respect of property, plant and equipment	<u>22,216</u>	-	-	-

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.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue

Revenue slightly increased by approximately RM2.41 million or 2.18% from RM110.63 million in FY2021 to RM113.04 million in FY2022. The increase in revenue was mainly due to increased demand from Malaysia and other country market offset with decrease in demand in Indonesia market.

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

RM' million	2H2022	2H2021	FY2022	FY2021
Indonesia	23.10	28.09	34.96	42.41
Malaysia	32.56	26.59	53.73	45.86
Others (Thailand, Vietnam, Philippines, United Kingdom, Singapore, Cambodia, India and United States of America)	13.31	11.82	24.35	22.36
Total	68.97	66.50	113.04	110.63

Cost of Sales and Gross Profit

Cost of sales increased by RM8.05 million or 14.19% from RM56.75 million in FY2021 to RM64.80 million in FY2022 was due to the increase in raw material and packaging material cost.

Gross profit decreased by RM5.64 million or 10.48% was in line with the increase of cost of sales.

Other Income

Other income comprised mainly of interest income, net gain on foreign exchange and rental income. The decreased in other income by RM0.90 million or 43.42% in FY2022 compared to FY2021 was mainly due to a decrease in net of foreign exchange gain by RM1.25 million offset with increase in interest income by RM0.46 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 increased by RM6.79 million or 50.23%, mainly due to performance share-based payment expense of RM4.51 million and increase in other administration cost by RM2.35 million.

Marketing and Distribution Expenses

Marketing and distribution expenses decreased approximately by RM8.47 million or 49.81%, from RM17.01 million in FY2021 to RM8.54 million in FY2022 mainly due to decrease in offline marketing activities with the continuation of the covid pandemic lockdown.

Finance Costs

Finance expenses increased approximately by RM0.47 million or 102.84% from RM0.46 million in FY2021 to RM0.93 million in FY2022 mainly due to increase in drawdown of bankers' acceptance.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

Non-current assets

Non-current assets increased by RM1.40 million, or 4.94%, from RM28.35 million as at 31 March 2021 to RM29.75 million as at 31 March 2022.

Property, plant and equipment

Property, plant and equipment increased by RM1.04 million, or 3.86 % mainly due to additions in factory upgrades and renovation works of RM 1.56 million, purchase of machinery of RM1.44 million, furniture and fitting of RM0.93 million, right-of-used assets of RM0.12 which was offset by depreciation of RM3.0 million.

Current assets

Current assets increased by RM9.96 million, or 9.26%, from RM107.54 million as at 31 March 2021 to RM117.50 million as at 31 March 2022.

Inventories

Inventories increased by RM3.73 million, or 26.79% attributable to increase in raw material of RM1.29 million, packing material of RM0.28 million, work in progress of RM2.60 million offset with decrease in finished goods of RM0.44 million.

Trade and other receivables

As at 31 March 2022, trade and other receivables consisted of approximately RM18.45 million of trade receivables (31 March 2021: RM14.36 million) and approximately RM8.14 million of other receivables (31 March 2021: RM2.84 million).

Trade receivables increased by RM4.09 million from RM14.36 million in FY2021 to RM18.45 million in FY2022, in line with increased in export sales to other country and other receivables increased by RM5.30 million mainly due to increase of prepayment to suppliers.

As at the date of this announcement, the Group has collected approximately RM3.17 million or 17.18% of the trade receivables as at 31 March 2022.

Non-current liabilities

Non-current liabilities comprised the non-current portion of borrowings, deferred tax liabilities and other payables. Non-current liabilities slightly increased by RM0.12 million, or 2.01%, from RM5.88 million as at 31 March 2021 to RM6.00million as at 31 March 2022 mainly due to increase in deferred tax liabilities of RM0.52 with offset with decrease on borrowing of RM0.40 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 2022, trade and other payables consisted of approximately RM24.71 million of trade payables (31 March 2021: RM19.71 million) and approximately RM3.50 million of other payable (31 March 2021: RM4.10 million).

Trade payables increased by RM5.00 million, or 25.33% mainly due to increase in purchase in line with increase in sales while other payables decreased by RM0.60 million, or 14.63% mainly due to decrease of accrued expenses by RM0.81 million.

Current borrowings

Short term borrowings increased by RM1.72 million, or 10.70% mainly due to utilisation of banker's acceptance amounting to RM1.61 million.

FULL YEAR CONDENSED OF THE GROUP'S CASH FLOW STATEMENT

Net cash from operating activities

In FY2022, net cash generated from operating activities amounting to RM13.59 million, arising from operating cash flow before changes in working capital of RM27.56 million, changes in net working capital outflow of RM8.51 million, income tax payment of RM6.13 million, net interest paid amounting to RM0.68 million.

The net working capital outflow of RM8.51 million comprised of higher trade and other receivable of RM9.12 million, inventories of RM3.73 million and Trade and other payable has increased year-on-year by RM4.41 million.

Net cash used in investing activities

In FY2022, we recorded a net cash outflow from investing activities of approximately RM4.15 million mainly due to additional cost of upgrading and renovation of factory and purchase of plant and machinery.

Net cash from financing activities

In FY2022, we recorded a net cash outflow from financing activities of approximately RM13.09 million due to dividend paid amounted to RM 13.18 million, interest receive from fixed deposit pledge of RM0.31 million, repayment of lease liabilities of RM0.49 million, interest paid of RM0.86, treasury share expenses of RM0.06 and offset with drawdown of bank borrowing of RM 1.81 million.

As at 31 March 2022, the Group maintained a cash and cash equivalents balance of RM71.68 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.

Although economies have opened up and moving into endemic COVID-19, management expects that there will be continued uncertainty and challenges when worldwide inflationary pressure is intensifying, supply chains are tightening and global demand is weakening, amid countries' efforts to recover economically from a COVID-19 pandemic that has not seen its end. The Group were continue to enhance digital transformation and O2O(online to offline) by integrating it digital marketing teams as well as to develop and launch new innovative products to maintain market competitiveness.

Currently, the Group is in the stage of building its teams in the USA and India markets which the progress is in line with our current marketing plan.

5. Dividend Information

If a decision regarding dividend has been made: -

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

Name of Dividend	Interim	Special
Dividend Type	Cash	Cash
Dividend Rate	0.002	0.004
Tax Rate	Tax exempt (one-tier)	Tax exempt (one-tier)

The interim and special dividend has been paid on 7 December 2021.

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Rate	0.002	0.004
Tax Rate	Tax exempt (one-tier)	Tax exempt (one-tier)

The directors have proposed a final exempt dividend of SGD0.002 per share and special dividend of SGD 0.004 per ordinary shares in respect of the financial year ended 31 March 2022, subject to the approval of Shareholders at the forthcoming annual general meeting.

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

The Group declared a final dividend for FY2021 at SGD 0.02 per ordinary shares (SGD0.00667 per ordinary shares after adjustment for share split).

(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).

Tax exempted (one-tier)

(d) The date the dividend is payable.

Subject to approval by the Shareholders at the forthcoming annual general meeting and to be announced at a later date.

(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.

Subject to approval by the Shareholders at the forthcoming annual general meeting and to be announced at a later date.

6. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable

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 IPTs that exceeded S\$100,000 during the financial period under review.

8. A breakdown of sales as follows:

	Group FY2022 RM'000	Group FY2021 RM'000	Group Increase / (Decrease) %
(a) Sales reported for first half year	44,065	44,133	(0.15)
(b) Operating profit after tax before deducting minority interests reported for first half year	3,319	7,651	(56.62)
(c) Sales reported for second half year	68,973	66,497	3.71
(d) Operating profit after tax before deducting minority interests reported for second half year	9,733	9,838	(0.35)

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	FY2022 RM'000	FY2021 RM'000
Interim and Special	6,199	3,345
Final and Special	6,425 ^(a)	6,787
Total	12,624	10,132

Note:

- (a) The proposed final and special one-tier tax exempt dividends in respect of FY2022 is subject to Shareholders approval at the forthcoming AGM.

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

On 3 December 2021, the Company has incorporated a 99.99% owned subsidiary, Samurai 2K India Private Limited in India. Please refer to the announcement dated 6 December 2021 for further information.

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 Catalist 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 Catalist 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	40	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

29 May 2022