



DUTY FREE INTERNATIONAL LIMITED

**DUTY FREE INTERNATIONAL LIMITED**  
(Company Registration No. 200102393E)  
(Incorporated in the Republic of Singapore)

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## COMPULSORY LAND ACQUISITION

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The Board of Directors (the “**Board**”) of Duty Free International Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) wishes to announce that the Company had, on 26 September 2024 received Forms E and F under the Land Acquisition Act 1960 of Malaysia in relation to a compulsory acquisition of the following lands currently owned by the Company’s wholly-owned subsidiaries, Cergasjaya Sdn. Bhd. (“**Cergasjaya**”) and Cergasjaya Properties Sdn. Bhd. (“**CPPA**”) (“**Compulsory Land Acquisition**”):

- Lot 1683 Bukit Kayu Hitam, Kubang Pasu District, Kedah, measuring approximately 4.44 acres, held by Cergasjaya under a direct lease from the State of Kedah until 18 November 2072. This land has been given a Retail 6A status under the Free Zone Act 1990; and
- PT2209 Bukit Kayu Hitam, Kubang Pasu District, Kedah, measuring approximately 2.57 acres, leased by CPPA from the Kedah State Development Corporation (or Perbadanan Kemajuan Negeri Kedah (“**PKNK**”)), until 22 November 2053. This land is gazetted as commercial land under the Free Zone Act 1990.

(“collectively referred to as **Affected Lands**”).

The acquiring agency for the Compulsory Land Acquisition is the Ministry of Home Affairs of Malaysia (or Kementerian Dalam Negeri (“**KDN**”)) and administered by the Department of Director General of Lands & Mines, Kedah (or Pejabat Pengarah Tanah dan Galian Negeri Kedah (“**PTG Kedah**”)) which has declared that it is needed for a road construction project to connect the Bukit Kayu Hitam ICQS Complex in Kedah to the CIQ Sadao facility in Thailand (“**the Project**”).

The Compulsory Acquisition will also affect the following adjacent lands which access will be blocked by the new road alignment:

- Lot 3688/PT2501 measuring approximately 672.39 acres, leased by CPPA from PKNK until 16 November 2057;
- Lot 3689/PT2502 measuring approximately 29.90 acres, leased by CPPA from PKNK until 16 November 2057;
- PT2209 measuring approximately 67.83 acres, the remaining land leased by CPPA from PKNK until 22 November 2053; and
- PT2174 measuring approximately 3.396 acres, rented by Cergasjaya from Pesuruhjaya Tanah Persekutuan until 30 November 2025.

Cergasjaya, the owner of the Duty-Free Complex in Bukit Kayu Hitam, has been conducting retail business on Lot 1683 since 1988, while CPPA holds the lease for three (3) plots of land from PKNK, namely PT2209, Lot 3688, and Lot 3689, which have been gazetted as a Free Zone since 1996.

The Compulsory Land Acquisition will cause a closure of the Group's duty-free business at Bukit Kayu Hitam, Kedah, Malaysia. Based on the audited consolidated financial statements of the Group for the financial year ended 29 February 2024, Cergasjaya had contributed approximately 24% to the Group's revenue. As the land enquiry process for determination of compensation is still ongoing, the Group will be represented by its legal advisors to seek adequate and fair compensation as guaranteed by the Federal Constitution. Upon its completion, the Group will make further announcement on the financial impact to the Group.

The Company will also make further announcement as and when further information is obtained and/or there are material updates or developments in relation to the foregoing.

Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisors.

#### **By Order of the Board**

Lee Sze Siang  
Executive Director  
3 October 2024