

Duty Free International Limited

(Company Registration No. 200102393E)

Condensed Interim Financial Statements

For the fourth quarter and full year ended 28 February
2025

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1(a)(i) Condensed Interim Consolidated Statement of Profit or Loss

	Note	Group			Group		
		Fourth quarter ended		Increase/ (decrease)	Full year ended		Increase/ (decrease)
		28/29 February 2025	2024		28/29 February 2025	2024	
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	5.1	38,400	48,536	-20.9%	155,100	157,252	-1.4%
Changes in inventories		(4,015)	(6,140)	-34.6%	(12,504)	(12,391)	0.9%
Inventories purchased and materials consumed		(23,387)	(26,627)	-12.2%	(93,458)	(91,149)	2.5%
Other income	7.1(a)	3,135	3,015	4.0%	10,911	9,613	13.5%
Compensation from Compulsory Land Acquisition	7.1(b)	–	–	n.m	69,610	–	n.m
Employee benefits expenses		(2,661)	(4,158)	-36.0%	(19,866)	(15,391)	29.1%
Depreciation of property, plant and equipment		(682)	(769)	-11.3%	(2,944)	(3,226)	-8.7%
Depreciation of right-of-use assets		(2,118)	(2,169)	-2.4%	(8,572)	(8,708)	-1.6%
Impairment loss on property, plant and equipment		(109)	–	n.m	(109)	–	n.m
Impairment loss on right-of-use assets		(219)	–	n.m	(219)	(84)	>100.0%
Rental of premises		(106)	(97)	9.3%	(404)	(1,029)	-60.7%
Commission expenses		(60)	(75)	-20.0%	(244)	(282)	-13.5%
Promotional expenses		(27)	(46)	-41.3%	(226)	(95)	>100.0%
Utilities and maintenance expenses		(388)	(557)	-30.3%	(1,939)	(2,373)	-18.3%
Realised foreign exchange (loss)/gain		(17)	91	>100.0%	(6,049)	(80)	>100.0%
Unrealised foreign exchange gain/(loss)		–	905	n.m	(179)	5,723	>100.0%
Other operating expenses	7.1(c)	9,072	(3,061)	>-100.0%	(24,546)	(12,640)	94.2%
Finance costs		(1,685)	(1,778)	-5.2%	(6,824)	(7,145)	-4.5%
Profit before tax		15,133	7,070	>100.0%	57,538	17,995	>100.0%
Income tax expense	8	(1,256)	(1,508)	-16.7%	(3,865)	(3,954)	-2.3%
Profit for the period		13,877	5,562	>100.0%	53,673	14,041	>100.0%
Attributable to:							
Owners of the Company		13,857	5,535	>100.0%	53,612	14,010	>100.0%
Non-controlling interests		20	27	-25.9%	61	31	96.8%
		13,877	5,562	>100.0%	53,673	14,041	>100.0%
Profit per share for the period attributable to owners of the Company (sen per share)							
Basic		1.16	0.46		4.47	1.17	
Diluted		1.16	0.46		4.47	1.17	

n.m – denotes not meaningful

1(a)(ii) Condensed Interim Consolidated Statement of Other Comprehensive Income

	Group Fourth quarter ended 28/29 February 2025			Group Full year ended 28/29 February 2025		
	(Unaudited) RM'000	(Unaudited) 2024 RM'000	Increase/ (decrease) %	(Unaudited) RM'000	(Audited) 2024 RM'000	Increase/ (decrease) %
Profit for the period	13,877	5,562	>100.0%	53,673	14,041	>100.0%
Other comprehensive income: <i>Item that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation	(1)	200	99.5%	(147)	478	>100.0%
Total comprehensive income for the period	13,876	5,762	>100.0%	53,526	14,519	>100.0%
Attributable to:						
Owners of the Company	13,856	5,776	>100.0%	53,465	14,769	>100.0%
Non-controlling interests	20	(14)	>100.0%	61	(250)	>100.0%
Total comprehensive income for the period	13,876	5,762	>100.0%	53,526	14,519	>100.0%

1(b) Condensed Interim Statement of Financial Position

	Note	Group		Company	
		28.02.2025 (Unaudited) RM'000	29.02.2024 (Audited) RM'000	28.02.2025 (Unaudited) RM'000	29.02.2024 (Audited) RM'000
Assets					
Non-current assets					
Property, plant and equipment	12	47,319	50,188	–	–
Goodwill	11.1	5,818	5,818	–	–
Investments in subsidiaries		–	–	199,304	642,712
Development rights	11.2	13,500	–	–	–
Prepayments		–	4,000	–	–
Deferred tax assets		7,637	7,710	–	–
Right-of-use assets		98,672	108,289	–	–
		172,946	176,005	199,304	642,712
Current assets					
Biological assets		213	170	–	–
Trade and other receivables	6.1	26,035	37,091	1,434	644
Prepayments		7,063	1,767	–	–
Inventories		65,074	78,119	–	–
Cash and bank balances		230,357	185,062	103,401	96,892
Tax recoverable		2,981	3,408	–	–
Derivative assets		14	21	–	–
		331,737	305,638	104,835	97,536
Total assets		504,683	481,643	304,139	740,248
Equity and liabilities					
Current liabilities					
Trade and other payables	6.2	22,551	21,082	1,069	833
Lease liabilities		6,625	4,414	–	–
Income tax payable		837	1,166	311	422
Derivative liabilities		1	–	–	–
		30,014	26,662	1,380	1,255
Net current assets		301,723	278,976	103,455	96,281

1(b) Condensed Interim Statement of Financial Position (cont'd)

	Note	Group		Company	
		28.02.2025 (Unaudited) RM'000	29.02.2024 (Audited) RM'000	28.02.2025 (Unaudited) RM'000	29.02.2024 (Audited) RM'000
Non-current liabilities					
Deferred tax liabilities		5,851	6,044	2,026	1,800
Lease liabilities		93,532	99,953	–	–
Provision for restoration costs		704	704	–	–
		100,087	106,701	2,026	1,800
Total liabilities		130,101	133,363	3,406	3,055
Net assets		374,582	348,280	300,733	737,193
Equity attributable to owners of the Company					
Share capital	13	487,903	487,903	978,725	978,725
Treasury shares		(22,017)	(22,017)	(22,017)	(22,017)
Other reserves		(176,451)	(177,337)	661	661
Retained earnings/(accumulated losses)		84,992	57,134	(656,636)	(220,176)
		374,427	345,683	300,733	737,193
Non-controlling interests		155	2,597	–	–
Total equity		374,582	348,280	300,733	737,193
Total equity and liabilities		504,683	481,643	304,139	740,248

1(c) Condensed Interim Statements of Changes in Equity

Attributable to owners of the Company

	Ordinary shares RM'000	Treasury shares RM'000	Total other reserves RM'000	Attributable to owners of the Company				Retained earnings RM'000	Total equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
				Foreign currency translation reserve RM'000	Net premium paid on transactions with non-controlling interests RM'000	Gain on reissuance of treasury shares RM'000	Capital reserve RM'000				
Group											
Opening balance at 1 March 2024	487,903	(22,017)	(177,337)	820	(178,818)	661	–	57,134	345,683	2,597	348,280
Profit for the period	–	–	–	–	–	–	–	53,612	53,612	61	53,673
Other comprehensive (loss)/income for the period	–	–	(147)	(147)	–	–	–	–	(147)	–	(147)
Total comprehensive (loss)/income for the period	–	–	(147)	(147)	–	–	–	53,612	53,465	61	53,526
<u>Transactions with owners:</u>											
Dividend on ordinary shares	–	–	–	–	–	–	–	(25,754)	(25,754)	–	(25,754)
Total transactions with owners	–	–	–	–	–	–	–	(25,754)	(25,754)	–	(25,754)
<u>Transactions with non-controlling interests:</u>											
Transfer to reserves	–	–	834	–	–	–	834	–	834	(834)	–
Strike off of subsidiaries	–	–	199	–	–	–	199	–	199	(1,669)	(1,470)
Total transactions with non-controlling interests	–	–	1,033	–	–	–	1,033	–	1,033	(2,503)	(1,470)
Closing balance at 28 February 2025	487,903	(22,017)	(176,451)	673	(178,818)	661	1,033	84,992	374,427	155	374,582

1(c) Condensed Interim Statements of Changes in Equity (cont'd)

	Attributable to owners of the Company										
	Ordinary shares RM'000	Treasury shares RM'000	Total other reserves RM'000	Foreign currency translation reserve RM'000	Net premium paid on transactions with non- controlling interests RM'000	Gain on reissuance of treasury shares RM'000	Capital reserve RM'000	Retained earnings RM'000	Total equity attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
Group											
Opening balance at 1 March 2023	487,903	(22,017)	(178,096)	61	(178,818)	661	–	53,854	341,644	2,847	344,491
Profit for the period	–	–	–	–	–	–	–	14,010	14,010	31	14,041
Other comprehensive income/(loss) for the period	–	–	759	759	–	–	–	–	759	(281)	478
Total comprehensive income/(loss) for the period	–	–	759	759	–	–	–	14,010	14,769	(250)	14,519
<u>Transactions with owners:</u>											
Dividend on ordinary shares	–	–	–	–	–	–	–	(10,730)	(10,730)	–	(10,730)
Total transactions with owners	–	–	–	–	–	–	–	(10,730)	(10,730)	–	(10,730)
Closing balance at 29 February 2024	487,903	(22,017)	(177,337)	820	(178,818)	661	–	57,134	345,683	2,597	348,280

1(c) Condensed Interim Statements of Changes in Equity (cont'd)

	Ordinary shares RM'000	Treasury shares RM'000	Others reserve RM'000	Retained earnings/ (accumulated losses) RM'000	Total equity RM'000
Company					
Opening balance at 1 March 2024	978,725	(22,017)	661	(220,176)	737,193
Profit for the year	–	–	–	(410,706)	(410,706)
Total comprehensive income for the period	–	–	–	(410,706)	(410,706)
<u>Transactions with owners:</u>					
Dividend on ordinary shares	–	–	–	(25,754)	(25,754)
Total transactions with owners	–	–	–	(25,754)	(25,754)
Closing balance at 28 February 2025	978,725	(22,017)	661	(656,636)	300,733

1(c) Condensed Interim Statements of Changes in Equity (cont'd)

	Ordinary shares RM'000	Treasury shares RM'000	Others reserve RM'000	Retained earnings/ (accumulated losses) RM'000	Total equity RM'000
Company					
Opening balance at 1 March 2023	978,725	(22,017)	661	(223,162)	734,207
Profit for the year	–	–	–	13,716	13,716
Total comprehensive income for the period	–	–	–	13,716	13,716
<u>Transactions with owners:</u>					
Dividend on ordinary shares	–	–	–	(10,730)	(10,730)
Total transactions with owners	–	–	–	(10,730)	(10,730)
Closing balance at 29 February 2024	978,725	(22,017)	661	(220,176)	737,193

1(d) Condensed Interim Consolidated Statement of Cash Flows

	Group		Group	
	Fourth quarter ended 28/29 February 2025 (Unaudited) RM'000	2024 (Unaudited) RM'000	Full year ended 28/29 February 2025 (Unaudited) RM'000	2024 (Audited) RM'000
Profit before tax	15,133	7,070	57,538	17,995
<u>Adjustments for:</u>				
Depreciation of property, plant and equipment	682	769	2,944	3,226
Depreciation of right-of-use assets	2,118	2,169	8,572	8,708
Deposit forfeited	–	(67)	(15)	(68)
Bad debts written off	3	11	53	20
Compensation received from Compulsory Land Acquisition	–	–	(69,610)	–
Impairment loss of property, plant and equipment	109	–	109	–
Impairment loss of right-of-use assets	219	–	219	84
Finance costs	1,685	1,778	6,824	7,145
Gain arising from lease modification	(3)	–	(790)	–
(Gain)/loss arising from changes in fair values of biological assets	(158)	(62)	(43)	8
Gain on disposal of property, plant and equipment	–	(3)	(35)	(21)
Interest income	(2,520)	(2,011)	(8,097)	(7,472)
Provision for/(reversal of) inventories written down	517	(110)	542	(463)
Net unrealised foreign exchange (gain)/loss	–	(905)	179	(5,723)
Property, plant and equipment written off	206	1	906	1
Right-of-use assets written off	–	–	1,876	–
Impairment losses on receivables	–	88	–	87
Reversal of short term accumulating compensated absences	(33)	(2)	(33)	(2)
Operating cash flows before changes in working capital	17,958	8,726	1,139	23,525
<u>Changes in working capital</u>				
Decrease in trade and other receivables	1,785	1,743	11,004	9,343
(Increase)/decrease in prepayments	(5,412)	999	(5,296)	(159)
Decrease in inventories	4,014	6,140	12,503	12,391
(Decrease)/increase in trade and other payables	(16,991)	4,918	(46)	(724)
Cash flows generated from operations	1,354	22,526	19,304	44,376
Interest paid	(10)	(29)	(53)	(132)
Income taxes paid	(1,145)	(1,402)	(3,887)	(1,085)
Net cash flows generated from operating activities	199	21,095	15,364	43,159

1(d) Condensed Interim Consolidated Statement of Cash Flows (cont'd)

	Group		Group	
	Fourth quarter ended		Full year ended	
	28/29 February		28/29 February	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities				
Interest received	2,520	2,011	8,097	7,472
Acquisition of development rights	–	–	(9,500)	–
Compensation received from Compulsory Land Acquisition	–	–	69,610	–
Proceeds from disposal of property, plant and equipment	–	3	36	21
Purchase of property, plant and equipment	(279)	(1,796)	(1,091)	(2,350)
Net cash flows generated from investing activities	2,241	218	67,152	5,143
Cash flows from financing activities				
(Increase)/decrease in pledged fixed deposits	(38)	(38)	(193)	2,859
Payment of lease liabilities	(2,753)	(2,792)	(11,132)	(11,158)
Repayment of other short term borrowings	–	–	–	(3,960)
Net repayment of obligations under finance leases	–	(2)	–	(49)
Dividends paid to the ordinary shareholders of the Company	(21,715)	(3,408)	(25,754)	(10,730)
Net cash used in financing activities	(24,506)	(6,240)	(37,079)	(23,038)
Net (decrease)/increase in cash and cash equivalents	(22,066)	15,073	45,437	25,264
Effects of foreign exchange rate changes	(78)	1,042	(335)	5,738
Cash and cash equivalents at beginning of the period	245,057	161,696	177,811	146,809
Cash and cash equivalents at end of period	222,913	177,811	222,913	177,811
Cash and cash equivalents comprise of:				
Cash and deposits with licensed banks	230,357	185,062	230,357	185,062
Deposits pledged with licensed banks	(7,444)	(7,251)	(7,444)	(7,251)
Cash and cash equivalents	222,913	177,811	222,913	177,811

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

Notes to the condensed interim consolidated financial statements
For the financial year ended 28 February 2025

2. Corporate information

Duty Free International Limited (the Company) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The holding company is Atlan Holdings Bhd ("Atlan"). Atlan is a public limited company incorporated in Malaysia and listed on Bursa Malaysia Securities Berhad.

These condensed interim consolidated financial statements for period ended 28 February 2025 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is investment holding. The principal activities of the Group are:

- (a) Retailer, wholesaler and distributor of duty free and non-dutiable merchandise
- (b) Properties management and cultivation of oil palm

3. Basis of preparation

The condensed interim financial statements for the twelve months ended 28 February 2025 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 understand the changes in the Group's financial position and performance of the Group since the last annual financial statements for the period ended 29 February 2024.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in Malaysian Ringgit (RM) and all values in the tables are rounded to the nearest thousand (RM'000), except when otherwise indicated.

3.1 New and amended standards adopted by the Group

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 or amended Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations to FRS ("INT FRSs") that are mandatory for application from that date.

The application of these new or amended SFRS(I) and INT FRSs did not result in changes in the Group's accounting policies and has no material effect on the amounts reported for the current period or prior years.

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Notes to the condensed interim consolidated financial statements
For the financial year ended 28 February 2025

3. Basis of preparation (cont'd)

3.2 Use of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 29 February 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there is no instance of application of judgment which is expected to have a significant impact on the amounts recognised in the Group's condensed interim consolidated financial statements for the twelve months period ended 28 February 2025.

4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

DUTY FREE INTERNATIONAL LIMITED
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Notes to the condensed interim consolidated financial statements
For the financial year ended 28 February 2025

5. Revenue and segment information

5.1 Revenue

	Group Fourth quarter ended 28/29 February 2025		Group Full year ended 28/29 February 2025	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Sale of goods	38,052	47,483	151,902	153,907
Parking operations	–	462	1,267	1,605
Rental income	–	1	2	3
Sale of fresh oil palm fruit bunches	348	590	1,929	1,737
	<u>38,400</u>	<u>48,536</u>	<u>155,100</u>	<u>157,252</u>
Timing of transfer of goods and services				
At a point in time	38,400	48,536	155,100	157,252

5.2 Segment information

The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group has the following reportable operating segments:

(i) *Trading of duty free goods and non-dutiable merchandise*

This segment includes revenues from sale of goods.

(ii) *Investment holding and others*

This segment includes revenues from sale of fresh oil palm fruit bunches.

The activities of the Group are carried out mainly in Malaysia and as such, segmental reporting by geographical locations is not presented. The Group has no major customers.

5. Segment and revenue information (cont'd)

5.2 Segment information (cont'd)

Operating segments

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:

Fourth quarter:	Trading of duty free & duty paid goods and non-dutiable merchandise		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	Fourth quarter ended 28/29 February		Fourth quarter ended 28/29 February		Fourth quarter ended 28/29 February			Fourth quarter ended 28/29 February	
	2025	2024	2025	2024	2025	2024		2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Revenue:									
Sales to external customers	38,052	47,483	348	1,053	–	–		38,400	48,536
Inter-segment sales	–	–	28,250	164	(28,250)	(164)	A	–	–
Total revenue	38,052	47,483	28,598	1,217	(28,250)	(164)		38,400	48,536
Interest income	1,240	426	1,280	1,585	–	–		2,520	2,011
Miscellaneous Income	380	733	361	49	(126)	222		615	1,004
Total revenue and other income	39,672	48,642	30,239	2,851	(28,376)	58		41,535	51,551
Results:									
Depreciation and amortisation	(2,590)	(2,855)	(370)	(352)	160	269		(2,800)	(2,938)
Finance costs	(1,716)	(1,818)	–	–	31	40		(1,685)	(1,778)
Other non-cash income/(expenses)	687	690	(1,641)	1,210	54	(763)	B	(900)	1,137
Segment profit/(loss)	14,567	5,560	28,596	2,287	(28,030)	(777)	C	15,133	7,070
Assets									
Additions to non-current assets	279	1,787	–	9	–	–	D	279	1,796
Segment assets	297,275	278,115	196,790	192,410	10,618	11,118	E	504,683	481,643
Segment liabilities									
	118,829	124,765	4,584	1,388	6,688	7,210	F	130,101	133,363

5. Segment and revenue information (cont'd)

5.2 Segment information (cont'd)

Operating segments (cont'd)

	Trading of duty free & duty paid goods and non-dutiable merchandise		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	Full Year ended 28/29 February		Full Year ended 28/29 February		Full Year ended 28/29 February			Full Year ended 28/29 February	
	2025	2024	2025	2024	2025	2024		2025	2024
Full year	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Revenue:									
Sales to external customers	151,902	153,907	3,198	3,345	–	–		155,100	157,252
Inter-segment sales	–	–	28,743	4,909	(28,743)	(4,909)	A	–	–
Total revenue	151,902	153,907	31,941	8,254	(28,743)	(4,909)		155,100	157,252
Interest income	2,693	1,294	5,404	6,178	–	–		8,097	7,472
Miscellaneous Income	2,467	1,931	1,259	1,286	(912)	(1,076)		2,814	2,141
Compensation received from Compulsory Land Acquisition	67,800	–	1,810	–	–	–		69,610	–
Total revenue, other income and compensation received	224,863	157,132	40,413	15,718	(29,655)	(5,985)		235,621	166,865
Results:									
Depreciation and amortisation	(11,031)	(11,602)	(1,443)	(1,408)	958	1,076		(11,516)	(11,934)
Finance costs	(6,983)	(7,314)	–	–	159	169		(6,824)	(7,145)
Other non-cash (expenses)/ income	(577)	925	(8,548)	5,832	(63)	(763)	B	(9,188)	5,994
Segment profit/(loss)	61,539	9,836	24,046	13,252	(28,047)	(5,093)	C	57,538	17,995
Assets									
Additions to non-current Segment assets	1,062	2,194	29	156	–	–	D	1,091	2,350
	297,275	278,115	196,790	192,410	10,618	11,118	E	504,683	481,643
Segment liabilities	118,829	124,765	4,584	1,388	6,688	7,210	F	130,101	133,363

5. Segment and revenue information (cont'd)

5.2 Segment information (cont'd)

Operating segments (cont'd)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

- A Inter-segment revenues are eliminated on consolidation.
- B Other material non-cash income/expenses include bad debts written off, loss/gain arising from change in fair values of biological assets, provision for/reversal of inventories written down, property, plant and equipment written off, gain arising from lease modification, right-of-use assets written off and net unrealised foreign exchange gain/loss.
- C The following items were deducted from segment results to arrive at profit before tax presented in the income statement:

	Fourth quarter ended 28/29 February		Full year ended 28/29 February	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit from inter-segment sales	(28,250)	(119)	(28,608)	(4,729)
Unallocated corporate income	220	(658)	561	(364)
	<u>(28,030)</u>	<u>(777)</u>	<u>(28,047)</u>	<u>(5,093)</u>

- D Additions to non-current assets consist of:

	Fourth quarter ended 28/29 February		Full year ended 28/29 February	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	279	1,796	1,091	2,350

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Notes to the condensed interim consolidated financial statements
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5. Segment and revenue information (cont'd)

5.2 Segment information (cont'd)

Operating segments (cont'd)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

E The following items were added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	As at 28.02.2025	As at 29.02.2024
	RM'000	RM'000
Deferred tax assets	7,637	7,710
Tax recoverable	2,981	3,408
	<u>10,618</u>	<u>11,118</u>

F The following items were added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	As at 28.02.2025	As at 29.02.2024
	RM'000	RM'000
Deferred tax liabilities	5,851	6,044
Income tax payable	837	1,166
	<u>6,688</u>	<u>7,210</u>

6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 28 February 2025 and 29 February 2024:

6.1 Financial assets

	Group		Company	
	28.02.2025	29.02.2024	28.02.2025	29.02.2024
	RM'000	RM'000	RM'000	RM'000
Trade and other receivables:				
Trade receivables	382	1,380	–	–
Deposits	3,067	4,168	–	–
Due from Berjaya				
Waterfront Sdn Bhd*	21,018	30,098	–	–
Sundry receivables	1,568	1,445	1,434	644
Total trade and other receivables	26,035	37,091	1,434	644
<i>Add:</i> Cash and bank balances	230,357	185,062	103,401	96,892
Total financial assets carried at amortised cost	256,392	222,153	104,835	97,536

*Due from Berjaya Waterfront Sdn Bhd ("BWSB")

The amount due from BWSB is related to the uncollected portion of the sale consideration for the Group's interests over leasehold properties in the Zon Johor Bahru, which was completed in March 2013.

This balance, guaranteed by BWSB's holding company, had been subject to interest throughout the term that the balance was outstanding. The interest rate was initially at 6% per annum but has been revised to 9% per annum since 16 July 2015 until 15 April 2022. The interest rate was revised to 7% per annum from 16 April 2022 onwards.

In July 2023, the Group entered into an agreement with BWSB to offset rental payments payable by its subsidiary, Selasih Eksklusif Sdn Bhd, against the remaining balance of RM40.0 million receivable from BWSB.

In April 2025, both parties mutually agreed that BWSB shall pay the remaining deferred consideration of RM20.0 million on or before 15 April 2026 and BWSB will continue to pay interest at 7% per annum on the unpaid consideration on a quarterly basis.

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Notes to the condensed interim consolidated financial statements
For the financial year ended 28 February 2025

6. Financial assets and financial liabilities (cont'd)

6.2 Financial liabilities

	Group		Company	
	28.02.2025	29.02.2024	28.02.2025	29.02.2024
	RM'000	RM'000	RM'000	RM'000
Trade and other payables:				
Trade payables	11,166	14,656	–	–
Accruals	5,640	1,585	894	777
Accrued payroll related expenses	1,339	1,035	–	–
Rental payables	350	1,081	–	–
Other deposits received	3,145	177	–	–
Royalty payables	60	1,588	–	–
Sundry payables	851	960	175	56
Total trade and other payables, representing total financial liabilities carried at amortised cost	22,551	21,082	1,069	833

7. Profit before taxation

7.1 Significant items

(a) Other income

	Group Fourth quarter ended 28/29 February		Group Full year ended 28/29 February	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income from licensed banks	2,146	1,475	6,343	5,033
Interest income from Berjaya Waterfront Sdn Bhd	375	536	1,755	2,439
Rental income from property, plant and equipment	114	91	494	414
Deposit forfeited	–	67	15	68
Gain on disposal of property, plant and equipment	–	3	35	21
Gain/(loss) arising from changes in fair value of biological assets	158	62	43	(8)
Gain arising from lease modification	3	–	790	–
Reversal of inventories written down	–	110	–	463
Miscellaneous income	339	671	1,436	1,183
	3,135	3,015	10,911	9,613

(b) Compensation from Compulsory Land Acquisition

	Group Fourth quarter ended 28/29 February		Group Full year ended 28/29 February	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Compensation received ^	–	–	69,610	–

^ This compensation relates to the payment received from the Ministry of Home Affairs of Malaysia (or Kementerian Dalam Negeri (“KDN”)) for the compulsory acquisition of two lands namely Lot 1683 and Lot 61677, located at Bukit Kayu Hitam, Kubang Pasu District, Kedah, owned by the Group’s wholly-owned subsidiaries, Cergasjaya Sdn Bhd (Cergasjaya”) and Cergasjaya Properties Sdn Bhd (“CPPA”). Please refer to Note 14(i) for further details on the Compulsory Land Acquisition.

7. Profit before taxation (cont'd)

7.1 Significant items (cont'd)

(c) Other operating expenses

The following items have been included in arriving at other operating expenses:

	Group		Group	
	Fourth quarter ended		Full year ended	
	28/29 February		28/29 February	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Assessment and quit rent	340	339	1,306	1,097
Auditors' remuneration	228	197	813	819
Bank charges	156	240	748	1,117
Bad debts written off	3	11	53	20
Directors' remuneration	164	169	695	572
Donations	2	2	1,162	266
Impairment losses on receivables	–	88	–	87
Insurance premium	139	187	644	810
Interest on arrears for the payment of development rights *	–	–	1,960	–
Licences and permits	145	139	556	536
Inventories written down	517	–	542	–
Management fees	3,500	400	5,000	1,600
Professional fees	(16,128)	59	2,584	724
Property, plant and equipment written off	206	1	906	1
Right-of-use assets written off	–	–	1,876	–
Packing materials	38	64	196	279
Transportation costs	152	219	700	1,056
Travelling expenses	179	80	810	590
Miscellaneous expenses	1,287	866	3,995	3,066
	(9,072)	3,061	24,546	12,640

* Please refer to Note 11.2 of this report for further details.

7.2. Related party disclosures

All related party transactions had been entered into the ordinary course of business on normal commercial terms.

The transactions with the related company of the Group are as set out below:

	Group		Group	
	Fourth quarter ended		Full year ended	
	28/29 February		28/29 February	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Related company:				
- Management fee	3,500	400	5,000	1,600
Related party:				
Donation to Yayasan Harmoni	-	-	1,150	250

8. Income tax expense

Major components of income tax expense

The Group calculated the income tax expense for the reporting period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are as follows:

	Group		Group	
	Fourth quarter ended 28/29 February 2025		Full year ended 28/29 February 2025	
	RM'000	RM'000	RM'000	RM'000
Current income tax expense	(658)	1,361	3,787	3,700
Deferred income tax expense relating to origination and reversal of temporary difference	1,914	147	78	254
Income tax expense recognised in profit or loss	1,256	1,508	3,865	3,954

For income tax purposes, compensation received for compulsory land acquisition is not considered taxable income, according to the legal advice provided by the Company's tax lawyers.

9. Net asset value

	Group		Company	
	As at 28 February 2025	As at 29 February 2024	As at 28 February 2025	As at 29 February 2024
Net asset value per ordinary share (sen)	31.25	28.85	25.10	61.53
Number of shares used in calculating net asset value per share ('000)	1,198,200	1,198,200	1,198,200	1,198,200

Net asset value per ordinary share is computed based on total equity less non-controlling interests divided by the number of shares (excluding treasury shares).

10. Financial assets at fair value through other comprehensive income

10.1 Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in an active market for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group	Quoted prices in active markets for identical instruments (Level 1) RM'000	Significant observable inputs other than quoted prices (Level 2) RM'000	Significant un- observable inputs (Level 3) RM'000	Total RM'000
At 28 February 2025				
Non-financial assets:				
- Biological assets	–	–	213	213
Financial assets:				
Derivatives				
- Forward currency contracts	–	14	–	14
Financial liabilities:				
Derivatives				
- Forward currency contracts	–	(1)	–	(1)
Derivatives				
At 29 February 2024				
Non-financial assets:				
- Biological assets	–	–	170	170
Financial assets:				
Derivatives				
- Forward currency contracts	–	21	–	21

11. Intangible assets

11.1 Goodwill

Group	Goodwill RM'000
At 1 March 2023, 29 February 2024, 1 March 2024 and 28 February 2025	
Cost	28,816
Accumulated impairment losses	(22,998)
Net carrying amount	<u>5,818</u>

The cash-generating units (“CGU”) to which goodwill have been allocated were tested for impairment as at 28 February 2025. The recoverable amount of the CGUs was determined based on value in use calculations using probabilities-weighted cash flow projections from financial forecasts covering a five-year period with different scenarios. The key assumptions used in the discounted cash flow models were similar to those made in FY2024, for revenue growth rates, budgeted gross margins, ability to renew duty free licenses, discount rates, and long-term growth rate.

- i) The revenue projection for the first year was determined based on the financial budget prepared. Revenue growth rates for FY2026 to FY2030 range between 2.1% to 7%.
- ii) The budgeted gross margins for the trading of duty free goods and non-dutiable merchandise segment was 19% which was based on average gross margin achieved in past years.
- iii) The duty free business requires a number of licences, which include duty free shop licence, wholesale dealer’s licence, bonded warehouse licence and/or liquor import licence. It was assumed that the licences would be renewed upon their expiry on terms and conditions which were not less favourable.
- iv) The forecasted long-term growth rates were based on published industry research and did not exceed the long-term average growth rate for the industries relevant to the CGUs. The forecasted growth rate used to extrapolate cash flow projections beyond the five-year period was 2.2%.
- v) The pre-tax discount rate applied to the cash flow projections was 14.22% to 14.23% based on weighted average cost of capital of the Group.

The present value of the discounted cash flow was then compared to the carrying value of the CGUs and as there was no shortfall in the assessment, no impairment loss was recorded for the period ended 28 February 2025.

11.2 Development rights

On 27 May 2019, a Privatisation Cum Development Agreement was signed between the State Government of Johore, The State Secretary Johor (“SSI”), Majlis Bandaraya Johor Bahru (“MBJB”), and Kelana Megah Sdn. Bhd. (“KMSB”), a subsidiary of the Company. Under this agreement, the State Government of Johor and SSI agreed to grant KMSB land rights for the development of the land parcel bearing lot number PTB20379, located at Stulang Laut, district of Johor Bahru. In return, KMSB was obligated to pay of RM10.0 million and RM3.5 million as development return (“Development rights”) to the State Government of Johor and MBJB respectively. As of 29 February 2024, a partial payment totalling RM4.0 million had been made to the State Government of Johore and MBJB.

On 18 March 2024, KMSB paid the remaining outstanding balance of RM9.5 million in full together with an interest on arrears of RM1.96 million. In accordance to Clause 5.02(c) of the Privatisation Cum Development Agreement, upon full payment of the development return SSI is obligated, to transfer the said land title to KMSB. As at the date of this announcement, the land title registration has been completed, with ownership officially transferred to KMSB.

On 10 September 2024, the Company announced that KMSB had entered into a conditional joint development agreement with Chin Hin Property (Stulang) Sdn. Bhd. (“CHPSSB”), to undertake a joint development on the abovementioned land. Subject to the necessary approvals to be obtained, KMSB and CHPSSB will collaborate to develop two blocks comprising 1,260 serviced apartment units, 10 retail lots, and multiple levels of parking on the Land. Barring any unforeseen circumstances, the Proposed Joint Development is expected to be completed by Fourth quarter of 2029. Please see note 14(ii) for further information.

12. Property, plant and equipment

During the full year ended 28 February 2025, the Group acquired assets amounting to RM1,091,000 (29 February 2024: RM2,350,000).

As a result of the Compulsory Land Acquisition, the property, plant, and equipment, together with the right-of-use assets totalling RM2.8 million were written off/disposed. This total includes two parcels of leasehold land acquired by the Government as well as various other assets due to the cessation of operations following the acquisition. Please refer Note 14(i) for further details on the Compulsory Land Acquisition.

The Group also further assessed the recoverable amount of the Group's remaining property, plant, and equipment and recognised an impairment loss of RM0.1 million for the financial year ended 28 February 2025.

13. Share capital

Group	Number of ordinary shares		Amount	
	with no par value		28.02.2025	29.02.2024
	28.02.2025	29.02.2024	28.02.2025	29.02.2024
	'000	'000	RM'000	RM'000
Beginning and end of interim period	1,198,200	1,198,200	487,903	487,903
Company				
Beginning and end of interim period	1,198,200	1,198,200	978,725	978,725

The difference in the share capital amount of the Group and the Company arose as a result of the acquisition of DFZ Capital Sdn. Bhd. and Darul Metro Sdn. Bhd. and their subsidiaries in a reverse take-over exercise by the Company during the financial year ended 28 February 2011.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

Total treasury shares as at 28 February 2025 was 30,999,300 (29 February 2024: 30,999,300).

As at 28 February 2025, the Company's issued and paid-up share capital comprises 1,198,200,293 (29 February 2024: 1,198,200,293) ordinary shares, excluding treasury shares.

Save as disclosed above, the Company did not have any subsidiary holdings or other convertibles as at 28 February 2025.

14. Significant events

- (i) On 26 September 2024, Cergasjaya and CPPA had received Forms E and F under the Land Acquisition Act 1960 ("LAA") in relation to the compulsory acquisition of the following lands ("Affected Lands") for a road construction project to connect the Bukit Kayu Hitam ICQS Complex in Kedah to the CIQ Sadao facility in Thailand ("Compulsory Land Acquisition"):
- Lot 1683, Bukit Kayu Hitam, Kubang Pasu District, Kedah, measuring 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. Cergasjaya had conducted its duty-free business and car park operations since 1988 on this land.

- Lot 61677 (previously PT2209), measuring 2.57 acres, leased by CPPA from the Kedah State Development Corporation (or Perbadanan Kemajuan Negeri Kedah) until 22 November 2053. This land is gazetted as commercial land under the Free Zone Act 1990.

On 6 November 2024, the land acquisition enquiry hearing was conducted and the Land Administrator had made an oral compensation award of RM69.6 million for Lot 1683 and Lot 61677. On 12 November 2024, two formal Notice of Award in Form H were served on Cergasjaya and CPPA.

On 18 November 2024, KDN made payments of RM67.8 million and RM1.8 million to Cergasjaya and CPPA respectively in accordance to the compensation awarded under the respective Forms H. Subsequently, on 21 November 2024 and 24 November 2024, Cergasjaya and CPPA received the respective Form K from the Land Administrator in relation to the formal possession of Lot 1683 and Lot 61677. As a result, Cergasjaya had to cease its duty-free business at the Duty Free Complex and car park operations on 25 November 2024 and had vacated the premises thereafter.

As the Company was dissatisfied with the compensation awarded by KDN, on 15 December 2024, Cergasjaya and CPPA filed an objection by way of a land reference to the High Court in Form N in accordance with s.37 and s.38(1) of LAA to the Land Administrator. The Land Administrator shall refer the matter to the Court by a reference in Form O within six months from the date of receipt of Form N.

The Company remains committed to safeguarding its interests and ensuring that the compensation adequately reflects the impact on all affected lands and associated business assets. As the land reference proceeding is still ongoing, the Company is unable to fully quantify the financial impact of the Compulsory Land Acquisition until the conclusion of the land reference proceeding in the High Court.

Please refer to the Company's announcements dated 3 October 2024, 12 November 2024, 21 November 2024 and 25 November 2024 on SGX-ST website for further information. The Company will make further announcement as and when there are material updates or developments in relation to the foregoing.

- (ii) On 10 September 2024, the Company announced that its wholly-owned subsidiary, Kelana Megah Sdn. Bhd. ("KMSB"), had entered into a conditional joint development agreement ("Agreement") with Chin Hin Property (Stulang) Sdn. Bhd. ("CHPSSB"), to undertake a joint development on a parcel of leasehold land held under H.S.(D) 605698, Lot No. PTB 20379, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor measuring approximately 17,342 square meters (equivalent to approximately 186,668 square feet) ("Land").

Subject to the necessary approvals to be obtained for the Proposed Joint Development (as defined below), KMSB and CHPSSB will collaborate to develop two blocks comprising 1,260 serviced apartment units, 10 retail lots, and multiple levels of parking on the Land (“Proposed Joint Development”).

Pursuant to the Agreement, KMSB, being the joint developer of the Land, shall be entitled to 18.0% of the total net saleable area of the Proposed Joint Development (“KMSB’s Entitlement”). The Proposed Joint Development is estimated by CHPSSB to have a gross development value of RM478.42 million and gross development cost of RM406.42 million, and accordingly, the value of KMSB’s Entitlement is estimated at RM83.57 million. Barring any unforeseen circumstances, the Proposed Joint Development is expected to commence in the third quarter of 2025.

On 19 March 2025, the proposed joint development was duly approved by the Company’s shareholders at the Extraordinary General Meeting. As at the date of this announcement, the land title registration was completed, with ownership officially transferred to KMSB.

Please refer to the Company’s announcement dated 10 September 2024, 13 March 2025 and 19 March 2025 on SGX-ST website for further information on the Proposed Joint Development.

15. Subsequent events

There were no material events subsequent to the current quarter under review and up to the date of this report.

16. Review

The condensed consolidated statement of financial position of Duty Free International Limited and its subsidiaries as at 28 February 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three-month period and certain explanatory notes have not been audited or reviewed.

17. Review of performance of the Group

Consolidated statement of Comprehensive Income

Fourth quarter ended 28 February 2025 (“4Q FY2025”) vs fourth quarter ended 29 February 2024 (“4Q FY2024”)

Revenue

The Group recorded revenue of RM38.4 million in 4Q FY2025, representing a decrease of 20.9% or RM10.1 million, over the revenue of RM48.5 million in 4Q FY2024. The decrease was primarily due to the permanent closure of the Bukit Kayu Hitam retail outlet since November 2024 following the Compulsory Land Acquisition, as referred in Note 14(i) above.

Changes in inventories

Changes in inventories comprised the difference in the value of inventories at the beginning and at the end of the financial period under review. In 4Q FY2025, the value of the closing inventories was lower than the value of the opening inventories by RM4.0 million. In 4Q FY2024, the value of the closing inventories was lower by RM6.1 million. This resulted in a variance of RM2.1 million for 4Q FY2025 vis-à-vis 4Q FY2024, which was mainly due to lower in inventory purchases as compared with the corresponding quarter of the previous financial year.

Inventories purchased and material consumed

Inventories purchased and material consumed decreased by 12.2% or RM3.2 million, from RM23.4 million in 4Q FY2024 to RM26.6 million in 4Q FY2025. This was primarily attributable to lower consumption of inventories following the closure of the Bukit Kayu Hitam outlet in the current quarter under review.

Employee benefits expenses

Employee benefits expenses decreased by 36.0% or RM1.5 million from RM4.2 million in 4Q FY2024 to RM2.7 million in 4Q FY2025. The decrease was primarily attributable to a reduction in the Group’s overall headcount, following the termination of employees at the Bukit Kayu Hitam outlet due to the permanent closure of the Duty-Free complex in November 2024.

17. Review of performance of the Group (cont'd)

Other operating expenses

Other operating expenses in 4Q FY2025 were recorded as a positive position of RM9.1 million as compared to an expense charged of RM3.1 million in 4Q FY2024. This positive amount was primarily attributable to the reversal of provisions made in the previous quarter pertaining to legal and professional costs in connection to the Company's ongoing efforts to secure fair and adequate compensation in relation to the Compulsory Land Acquisition. However, the positive effects were partially offset by higher management fees of RM3.0 million and higher inventories written down of RM0.5 million during the period under review.

Profit before income tax

The Group posted a pre-tax profit of RM15.1 million in 4Q FY2025, reflecting an increase of RM8.0 million from RM7.1 million recorded in the corresponding quarter of FY2024. The improved performance was mainly driven by a reduction in professional fees amounting to RM16.1 million and a decrease in employee benefit expenses of RM1.5 million as mentioned above. These positive effects were partially offset by lower revenue and higher other operating expenses totalling RM4.1 million as well as lower net foreign exchange gain of RM1.0 million.

The remaining expenses in the Group's income statement were largely consistent with those recorded in 4Q FY2024.

Full year ended 28 February 2025 ("FY2025") vs Full year ended 29 February 2024 ("FY2024")

The Group recorded revenue for FY2025 of RM155.1 million, representing a decrease of 1.4% or RM2.2 million, over the revenue of RM157.3 million recorded in FY2024.

The Group reported a profit before income tax of RM57.5 million for FY2025, an increase of RM39.5 million compared to the profit before income tax of RM18.0 million recorded in FY2024. The profit growth was primarily due to compensation received from KDN for the Compulsory Land Acquisition. However, this positive impact was partially offset by lower revenue recorded, higher net foreign exchange loss of RM11.8 million and higher employee benefits expenses of RM4.5 million mainly arising from employment terminations following the permanent closure of the Duty-Free complex at Bukit Kayu Hitam as well as higher management and professional fees. In addition, the cessation of business operations in Bukit Kayu Hitam due to the Compulsory Land Acquisition resulted in the write-off of RM0.9 million in property, plant, and equipment, as well as RM1.9 million in right-of-use assets.

The Group's core operations comprising the trading of duty free & duty paid goods and non-dutiable merchandise, continued to be profitable. For the 12-months ended 28 February 2025, the Group reported an operating profit of RM11.1 million, compared to RM14.2 million in the corresponding period of FY2024, before accounting for items related to the Compulsory Land Acquisition at Bukit Kayu Hitam.

17. Review of performance of the Group (cont'd)

Consolidated Statement of Financial Position

Property, plant and equipment

The decrease in net book value of the property, plant and equipment by RM2.9 million was mainly due to the depreciation charge of RM2.9 million and the assets impairment and write-off totalling RM1.0 million, partially offset by acquisition of assets amounting to RM1.1 million during the financial year ended 2025.

Development rights

The RM13.5 million development rights comprises a payment of RM4.0 million that was previously recorded as non-current prepayment, along with balance payment of RM9.5 million paid to the State Government and City Council of Johor as mentioned in Note 11.2 above.

Right-of-use assets

The decrease in right-of-use assets by RM9.6 million was mainly due to depreciation charge of RM8.6 million and the assets impairment and write-off totalling RM2.1 million related to leasehold land surrendered for the Compulsory Land Acquisition, partially offset by renewal of leases of RM1.1 million during the twelve months of FY2025.

Trade receivables and other receivables

The decrease in trade and other receivables by RM11.1 million was attributable to the receipt of payments from certain debtors during the financial period under review.

Prepayments (current and non-current)

Total current and non-current prepayments increased by RM1.3 million, from RM5.8 million as at 29 February 2024 to RM7.1 million as at 28 February 2025. This increase was primarily attributable to prepayments for the joint development, partially offset by the reclassification of RM4.0 million in non-current prepayment to development rights, as mentioned above.

Inventories

The decrease in inventories of RM13.0 million was mainly due to a decrease of overall purchases during the twelve months of FY2025.

Trade and other payables

The increase in trade and other payables of RM1.5 million was mainly due to accrued management fees as well as legal and professional fees related to the Compulsory Land Acquisition as mentioned above. However, this was partly offset with lower trade payable of RM3.5 million attributed to lower purchases during the period and timing differences in the payment of the payables.

Lease liabilities (current and non-current)

The decrease of lease liabilities of RM4.2 million was mainly due to the payment of lease liabilities of RM11.1 million. The decreases were partially offset by accretion of interest of RM6.8 million charged during the twelve months of FY2025.

17. Review of performance of the Group (cont'd)

Consolidated Statement of Cashflow

The Group's net cash flow generated from operating activities for 4Q FY2025 was RM0.2 million as compared to cash flow generated of RM21.1 million in 4Q FY2024. The decrease was mainly due to higher cash outflows for prepayment and payables in the current quarter under review.

During the 4Q FY2025, the Group's net cash flow generated from investing activities was RM2.2 million as compared to RM0.2 million in 4Q FY2024. The significant increase was mainly due to reduced purchases in property, plant and equipment as compared with the corresponding quarter of the previous financial year.

The net cash flows used in financing activities was RM24.5 million as compared to RM6.2 million in 4Q FY2024. This increase was mainly driven by the dividend payout during the current quarter under review.

18. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and actual results

Not applicable.

19. 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 known factors or events that may affect the Group in the next operating period and the next 12 months

The Malaysian economy expanded by 5% in the fourth quarter of 2024 (3Q 2024: 5.4%), driven mainly by domestic demand. Household spending was sustained amid positive labour market conditions and continued policy support. On the supply side, growth was mainly accounted for by expansion in the services sector, with increased support from both consumer-related and business-related subsectors. On a quarter-on-quarter, seasonally adjusted basis, growth declined by 1.1% (3Q 2024: +1.9%).¹

The Group anticipates that the retail business environment in which it operates will continue to be challenging. This is largely due to the increasing product and operating costs, compounded by inflationary pressures and cautious consumer spending. The permanent closure of the Bukit Kayu Hitam outlet in November 2024, following the Compulsory Land Acquisition, is also anticipated to adversely affect the Group's revenue and profitability in the next financial year. Despite these headwinds, the Group remains committed to growing the revenue of the Group, including the diversification into the joint development project as mentioned in Note 14(ii). Such strategic initiative

¹ Source from Bank Negara Malaysia – Economic and financial developments in Malaysia in the fourth quarter of 2024

are expected to generate new revenue streams and will enhance the Group's asset portfolio and core operations.

Based on the above, the Group remains committed to improving its operational efficiency and effectiveness. This involves implementing rigorous cost-control measures, optimising resource allocation and refining strategic planning while simultaneously devising strategies to adapt and navigate the constantly evolving business landscape. The primary focus is to ensure that the Group's core businesses remain resilient and robust in the face of these challenges in the next twelve months. Concurrently, the Group will continue to explore and seek new business opportunities.

20. Dividend

- (a) **Current Financial Period Reported On**
Any dividend declared for the current financial period reported on?
None
- (b) **Corresponding Period of the Immediately Preceding Financial Year**
Any dividend declared for the corresponding period of the immediately preceding financial year?
None
- (c) **Date payable**
Not applicable
- (d) **Book closure date**
Not applicable

21. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended by the board for 4Q FY2025, as the company has declared a first and second interim dividend in the previous quarters. Please refer to Note 22 for further details on the dividend distributions.

22. Dividend paid

On 10 July 2024, the Company declared a first interim single tier ordinary dividend of S\$0.0010 per share in respect of the financial year ending 28 February 2025 amounting to RM4.0 million which was paid on 8 August 2024.

On 13 January 2025, the Company declared a second interim single tier ordinary dividend of S\$0.0055 per share in respect of the financial year ending 28 February 2025 amounting to RM21.7 million which was paid on 7 February 2025.

For the financial year ended 28 February 2025, the Company declared and distributed total dividends of RM25.7 million to its shareholders, equivalent to S\$0.0065 per ordinary share.

23. Interested Person Transactions

Interested Persons	Aggregate value of interested person transactions entered into during the financial period under review (excluding transactions below S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a))	Aggregate value of interested person transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a) (excluding transactions below S\$100,000)
	RM'000	RM'000
Atlan Holdings Bhd	5,000	- (Note 1)

Note 1: The Company does not have any existing general mandate pursuant to Rule 920 of the Listing Rules.

24. Use of proceeds from placement exercises

The Company had, on 7 March 2016, 24 March 2016, 11 August 2016, 26 August 2016 and 23 March 2017 completed five placement exercises of (i) 39 million new ordinary shares in the capital of the Company; and (ii) 5.5 million treasury shares in the capital of the Company; (iii) 20 million new ordinary shares in the capital of the Company; (iv) 30 million new ordinary shares in the capital of the Company; and (v) 34.15 million new ordinary shares in the capital of the Company respectively, raising a total net proceeds of S\$43.6 million. As the use of the net proceeds (including the percentage allocation of the net proceeds) from the above mentioned placement exercises are identical to each other, the Company has aggregated the net proceeds raised from the abovementioned placement exercises together.

Other information required by Listing Rule Appendix 7.2

The Company intends to use the net proceeds from the abovementioned placement exercises as follows:

- 90% for general corporate requirements including but not limited to acquisition and funding of potential business opportunities, if any; and
- 10% for general working capital including but not limited to renovation and upgrading of business outlets, should the need arise.

The Company has utilised the net proceeds as follows:

- 1) US\$2.80 million (or approximately S\$3.82 million based on the exchange rate of S\$1.363 to US\$1.00) for the subscription for 2,800,000 new ordinary shares in Brand Connect Holding Pte. Ltd. on 8 August 2018.
- 2) US\$0.85 million (or approximately S\$1.16 million based on the exchange rate of S\$1.37 to US\$1.00) for the purchase of inventories and payment of professional fees in relation to the acquisition of Brand Connect Holding Pte. Ltd. Group on 8 November 2018.
- 3) US\$0.80 million (or approximately S\$1.10 million based on the exchange rate of S\$1.37 to US\$1.00) for the purchase of inventories for Brand Connect Holding Pte. Ltd. Group on 5 December 2018.
- 4) US\$10.93 million (or approximately S\$14.91 million based on the exchange rate of S\$1.364 to US\$1.00) for the acquisition of 31,494,575 ordinary shares in DFZ Capital Sdn Bhd on 7 December 2021.
- 5) US\$1.53 million (or approximately S\$2.09 million based on the exchange rate of S\$1.364 to US\$1.00) for the payment of trade payables due to HAP on 7 December 2021.

As at the date of this announcement, following the abovementioned utilisation, approximately S\$20.52 million remains unutilised out of the net proceeds of S\$43.60 million from the abovementioned placement exercises.

The above utilisation of the Net Proceeds is consistent with the intended use of the net proceeds as disclosed in the Company's previous announcements released in relation to the Placement Exercises.

25. Changes in the composition of the Group

There was no change in the composition of the Group during the current financial quarter under review.

Other information required by Listing Rule Appendix 7.2

26. Confirmation by the directors and executive officers pursuant to Rule 720(1) of the Listing Manual

The Board of Directors hereby confirms that all required undertakings pursuant to Rule 720(1) of the Listing Manual have been obtained from its Directors and Executive Officers in the format set out in Appendix 7.7 of the SGX-ST Listing Manual.

27. A breakdown of revenue and profit after tax (before deducting non-controlling interests) for the continuing operations are as follows:

	Group		% increase/ (decrease) RM'000
	FY2025 RM'000	FY2024 RM'000	
(a) Revenue reported for first half year	75,531	69,984	7.9%
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	(1,846)	6,011	(>100.0%)
(c) Revenue reported for second half year	79,569	87,268	(8.8%)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	55,519	8,030	>100.0%

28. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2025 S\$'000	FY2025 RM'000	FY2024 S\$'000	FY2024 RM'000
Ordinary Shares	7,788	25,754	3,055	10,730

29. 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(13) of the Listing Manual:

There is no person occupying a managerial position in the Group who is a relative of a director, chief executive officer, or substantial shareholder of the Company pursuant to Rule 704(13) of the Listing Manual.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the period ended 28 February 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Jeneral Tan Sri Dato' Sri Abdullah
bin Ahmad @ Dollah bin Amad (B)
Director

Lee Sze Siang
Director

Singapore
23 April 2025