

Duty Free International Limited

(Company Registration No. 200102393E)

Condensed Interim Financial Statements

For the nine months ended 30 November 2025

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

		Group Third quarter ended 30 November			Group 9 months ended 30 November		
		2025	2024	Increase/ (decrease)	2025	2024	Increase/ (decrease)
		Note (Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)	
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	5.1	57,894	41,169	40.6%	132,709	116,700	13.7%
Changes in inventories		23,565	(8,278)	(>100%)	21,602	(8,489)	(>100%)
Inventories purchased and materials consumed		(66,175)	(20,444)	>100%	(114,031)	(70,071)	62.7%
Other income	7.1(a)	1,432	1,987	(27.9%)	6,520	7,776	(16.1%)
Compensation from Compulsory Land Acquisition		–	69,610	>100%	–	69,610	>100%
Employee benefits expenses		(3,805)	(9,591)	(60.2%)	(10,023)	(17,205)	(41.7%)
Depreciation of property, plant and equipment		(785)	(738)	6.4%	(2,065)	(2,262)	(8.7%)
Depreciation of right-of-use assets		(2,152)	(2,143)	0.4%	(6,385)	(6,454)	(1.1%)
Rental of premises		(362)	(103)	>100%	(724)	(298)	>100%
Commission expenses		(68)	(58)	17.2%	(187)	(184)	(1.6%)
Professional fees		(1,283)	(18,160)	(92.9%)	(2,661)	(18,712)	(85.8%)
Promotional expenses		(9)	(85)	(89.4%)	(26)	(199)	(86.9%)
Utilities and maintenance expenses		(397)	(490)	(19.0%)	(1,136)	(1,551)	(26.8%)
Realised foreign exchange loss		639	28	>100%	856	(6,032)	(>100%)
Unrealised foreign exchange (loss)/gain		(942)	8	>100%	(1,210)	(179)	>100%
Finance costs		(1,678)	(1,689)	(0.7%)	(4,996)	(5,139)	(2.8%)
Other operating expenses	7.1(b)	(3,070)	(8,382)	(63.4%)	(8,992)	(14,906)	(39.7%)
Profit before tax		2,804	42,641	(93.4%)	9,251	42,405	(78.2%)
Income tax expense	8	(1,358)	(999)	35.9%	(3,747)	(2,609)	43.6%
Profit for the period		1,446	41,642	(96.5%)	5,504	39,796	(86.2%)
Attributable to:							
Owners of the Company		1,469	41,634	(96.5%)	5,499	39,755	(86.2%)
Non-controlling interests		(23)	8	>100%	5	41	(87.8%)
		1,446	41,642	(96.5%)	5,504	39,796	(86.2%)
Profit per share for the period attributable to owners of the Company (sen per share)							
Basic		0.12	3.47		0.46	3.32	
Diluted		0.12	3.47		0.46	3.32	

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

	Group Third quarter ended 30 November			Group 9 months ended 30 November		
	2025 (Unaudited) RM'000	2024 (Unaudited) RM'000	Increase/ (decrease) %	2025 (Unaudited) RM'000	2024 (Unaudited) RM'000	Increase/ (decrease) %
Profit for the period	1,446	41,642	(96.5%)	5,504	39,796	(86.2%)
Other comprehensive income/(loss):						
<i>Item that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation	2	(2)	(88.9%)	7	(146)	(>100%)
Total comprehensive income for the period	1,448	41,640	(96.5%)	5,511	39,650	(86.1%)
Attributable to:						
Owners of the Company	1,471	41,634	(96.5%)	5,506	39,609	(86.1%)
Non-controlling interests	(23)	6	>100%	5	41	(87.8%)
Total comprehensive income for the period	1,448	41,640	(96.5%)	5,511	39,650	(86.1%)

1(b) Condensed Interim Statement of Financial Position

		Group		Company	
	Note	30.11.2025 (Unaudited) RM'000	28.02.2025 (Audited) RM'000	30.11.2025 (Unaudited) RM'000	28.02.2025 (Audited) RM'000
Assets					
Non-current assets					
Property, plant and equipment		126,305	47,319	—	—
Goodwill	11.1	5,818	5,818	—	—
Investments in subsidiaries		—	—	404,820	229,295
Investment in structured note		13,081	—	13,081	—
Other investment		136	—	—	—
Development rights	11.2	18,517	13,500	—	—
Deferred tax assets		7,680	7,637	—	—
Right-of-use assets		94,336	98,672	—	—
		265,873	172,946	417,901	229,295
Current assets					
Biological assets		78	213	—	—
Trade and other receivables	6.1	27,189	26,035	10,361	1,434
Prepayments		1,395	7,063	—	—
Inventories		87,012	65,074	—	—
Capitalised contract cost		2,431	—	—	—
Cash and bank balances		94,441	230,357	19,695	103,401
Tax recoverable		2,531	2,981	12	—
Derivative assets		—	14	—	—
		215,077	331,737	30,068	104,835
Total assets		480,950	504,683	447,969	334,130
Equity and liabilities					
Current liabilities					
Trade and other payables	6.2	65,605	22,551	95,165	1,069
Borrowings	13	7,883	—	—	—
Lease liabilities		6,759	6,625	—	—
Employee benefits		562	—	—	—
Income tax payable		710	837	—	311
Derivative liabilities		4	1	—	—
		81,523	30,014	95,165	1,380
Net current assets		133,554	301,723	(65,097)	103,455

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

		Group		Company	
	Note	30.11.2025	28.02.2025	30.11.2025	28.02.2025
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		RM'000	RM'000	RM'000	RM'000
Non-current liabilities					
Borrowings	13	7,630	—	—	—
Deferred tax liabilities		9,942	5,851	2,429	2,026
Employee benefits		1,209	—	—	—
Lease liabilities		90,546	93,532	—	—
Provision for restoration costs		704	704	—	—
		110,031	100,087	2,429	2,026
Total liabilities		191,554	130,101	97,594	3,406
Net assets		289,396	374,582	350,375	330,724
Equity attributable to owners of the Company					
Share capital	14	487,903	487,903	978,725	978,725
Treasury shares		(22,017)	(22,017)	(22,017)	(22,017)
Other reserves		(261,652)	(176,451)	661	661
Retained earnings/(accumulated losses)		85,002	84,992	(606,994)	(626,645)
		289,236	374,427	350,375	330,724
Non-controlling interests		160	155	—	—
Total equity		289,396	374,582	350,375	330,724
Total equity and liabilities		480,950	504,683	447,969	334,130

1(c) Condensed Interim Statements of Changes in Equity

Group	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/received on transactions with non- controlling interests RM'000	Gain on reissuance of treasury shares RM'000	Merger reserve 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
Opening balance at 1 March 2025	487,903	(22,017)	(176,451)	673	(178,818)	661	—	1,033	84,992	374,427	155	374,582
Profit for the period	—	—	—	—	—	—	—	—	5,499	5,499	5	5,504
Other comprehensive income for the period	—	—	7	7	—	—	—	—	—	7	—	7
Total comprehensive income for the period	—	—	7	7	—	—	—	—	5,499	5,506	5	5,511
<u>Transactions with owners:</u>												
Dividend on ordinary shares	—	—	—	—	—	—	—	—	(6,522)	(6,522)	—	(6,522)
Transfer to retained earnings	—	—	(1,033)	—	—	—	—	(1,033)	1,033	—	—	—
Acquisition of a subsidiary under common control	—	—	(84,175)	—	—	—	(84,175)	—	—	(84,175)	—	(84,175)
Total transactions with owners	—	—	(85,208)	—	—	—	(84,175)	(1,033)	(5,489)	(90,697)	—	(90,697)
Closing balance at 30 November 2025	487,903	(22,017)	(261,652)	680	(178,818)	661	(84,175)	—	85,002	289,236	160	289,396

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/received 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 2024	487,903	(22,017)	(177,337)	820	(178,818)	661	–	57,134	345,683	2,597	348,280
Profit for the period	–	–	–	–	–	–	–	39,755	39,755	41	39,796
Other comprehensive (loss)/income for the period	–	–	(146)	(146)	–	–	–	–	(146)	–	(146)
Total comprehensive (loss)/income for the period	–	–	(146)	(146)	–	–	–	39,755	39,609	41	39,650
<u>Transactions with owners:</u>											
Dividend on ordinary shares	–	–	–	–	–	–	–	(4,039)	(4,039)	–	(4,039)
Total transactions with owners	–	–	–	–	–	–	–	(4,039)	(4,039)	–	(4,039)
<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 30 November 2024	487,903	(22,017)	(176,450)	674	(178,818)	661	1,033	92,850	382,286	135	382,421

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 2025	978,725	(22,017)	661	(626,645)	330,724
Profit for the year	–	–	–	26,173	26,173
Total comprehensive income for the period	–	–	–	26,173	26,173
<u>Transactions with owners:</u>					
Dividend on ordinary shares	–	–	–	(6,522)	(6,522)
Total transactions with owners	–	–	–	(6,522)	(6,522)
Closing balance at 30 November 2025	978,725	(22,017)	661	(606,994)	350,375

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
Loss for the year	–	–	–	(61)	(61)
Total comprehensive income for the period	–	–	–	(61)	(61)
<u>Transactions with owners:</u>					
Dividend on ordinary shares	–	–	–	(4,039)	(4,039)
Total transactions with owners	–	–	–	(4,039)	(4,039)
Closing balance at 30 November 2024	978,725	(22,017)	661	(224,276)	733,093

1(d) Condensed Interim Consolidated Statement of Cash Flows

	Group Third quarter ended 30 November 2025 2024 (Unaudited) (Unaudited) RM'000 RM'000		Group 9 months ended 30 November 2025 2024 (Unaudited) (Unaudited) RM'000 RM'000	
Cash flows from operating activities				
Profit before tax	2,804	42,641	9,251	42,405
<u>Adjustments for:</u>				
Depreciation of property, plant and equipment	785	738	2,065	2,262
Depreciation of right-of-use assets	2,152	2,143	6,385	6,454
Deposit forfeited	—	(15)	—	(15)
Bad debts written off	—	50	—	50
Compensation received from Compulsory Land Acquisition	—	(69,610)	—	(69,610)
Finance costs	1,678	1,689	4,996	5,139
Gain arising from lease modification	—	—	—	(787)
Loss arising from changes in fair values of biological assets	177	106	135	115
Gain on disposal of property, plant and equipment	—	(35)	(133)	(35)
Interest income	(1,211)	(1,705)	(5,027)	(5,577)
(Reversal of)/provision for inventories written down	(15)	(137)	(336)	25
Net unrealised foreign exchange (gain)/loss	942	(8)	1,210	179
Property, plant and equipment written off	—	700	—	700
Right-of-use assets written off	—	1,876	—	1,876
Operating cash flows before changes in working capital	7,312	(21,567)	18,546	(16,819)
<u>Changes in working capital</u>				
(Increase)/decrease in trade and other receivables	(7,480)	2,464	(3,720)	9,219
Decrease in prepayments	161	2,234	5,668	116
Decrease in inventories	3,603	8,278	5,566	8,489
Increase in trade and other payables	49,756	28,678	43,849	16,945
Cash flows generated from operations	53,352	20,087	69,909	17,950
Interest paid	(1,647)	(1,660)	(4,905)	(5,050)
Income taxes refunded/(paid)	2,499	(879)	623	(2,742)
Net cash flows generated from operating activities	54,204	17,548	65,627	10,158

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

	Group Third quarter ended 30 November 2025 (Unaudited) RM'000		Group 9 months ended 30 November 2025 (Unaudited) RM'000	
	2024 (Unaudited) RM'000		2024 (Unaudited) RM'000	
Cash flows from investing activities				
Interest received	1,211	1,705	5,027	5,577
Proceeds from disposal of property, plant and equipment	–	36	133	36
Compensation received from Compulsory Land Acquisition	–	69,610	–	69,610
Investment in structured note	(13,018)	–	(13,018)	–
Net cash outflow on acquisition of a subsidiary under common control	(175,000)	–	(175,000)	–
Purchase of property, plant and equipment	(561)	(80)	(864)	(812)
Incidental costs in relation to development rights	–	–	(5,017)	(9,500)
Net cash flows (used in)/generated from investing activities	(187,368)	71,271	(188,739)	64,911
Cash flows from financing activities				
Increase in pledged fixed deposits	(28)	(33)	(121)	(155)
Payment of principal portion of lease liabilities	(1,736)	(1,118)	(5,023)	(3,372)
Dividends paid to the ordinary shareholders of the Company	–	–	(6,522)	(4,039)
Net cash used in financing activities	(1,764)	(1,151)	(11,666)	(7,566)
Net (decrease)/increase in cash and cash equivalents	(134,928)	87,668	(134,778)	67,503
Effects of foreign exchange rate changes	(1,035)	121	(1,259)	(257)
Cash and cash equivalents at beginning of the period	222,839	157,268	222,913	177,811
Cash and cash equivalents at end of period	86,876	245,057	86,876	245,057
Cash and cash equivalents comprise of:				
Cash and deposits with licensed banks	94,441	252,463	94,441	252,463
Deposits pledged with licensed banks	(7,565)	(7,406)	(7,565)	(7,406)
Cash and cash equivalents	86,876	245,057	86,876	245,057

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

Notes to the condensed interim consolidated financial statements
For the financial period ended 30 November 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 30 November 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 nine months ended 30 November 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 28 February 2025.

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.

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 28 February 2025.

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 nine months period ended 30 November 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
(Company Registration No. 200102393E)
(Incorporated in Republic of Singapore)

Notes to the condensed interim consolidated financial statements
For the financial period ended 30 November 2025

5. Revenue and segment information

5.1 Revenue

	Group Third quarter ended 30 November		Group 9 months ended 30 November	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Sale of goods	57,533	40,529	130,531	113,850
Parking operations	–	439	–	1,267
Rental income	20	1	20	2
Sale of fresh oil palm fruit bunches	341	200	2,158	1,581
	57,894	41,169	132,709	116,700
Timing of transfer of goods and services				
At a point in time	57,894	41,169	132,709	116,700

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) *Manufacturing and supplying of automotive component parts*

This segment includes revenues from sale of goods.

(iii) *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:

	Trading of duty free & duty paid goods and non-dutiable merchandise		Manufacturing and supplying of automotive component parts		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	Third quarter ended 30 November		Third quarter ended 30 November		Third quarter ended 30 November		Third quarter ended 30 November			Third quarter ended 30 November	
	2025	2024	2025	2024	2025	2024	2025	2024		2025	2024
<u>Third quarter:</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Revenue											
Sales to external customers	39,047	40,529	18,486	—	361	640	—	—		57,894	41,169
Inter-segment sales	—	—	—	—	16,965	164	(16,965)	(164)	A	—	—
Total revenue	39,047	40,529	18,486	—	17,326	804	(16,965)	(164)		57,894	41,169
Interest income	687	486	46	—	578	1,219	(100)	—		1,211	1,705
Miscellaneous income	1,387	258	6	—	64	270	(1,236)	(246)		221	282
Compensation received from Compulsory Land Acquisition	—	67,800	—	—	—	1,810	—	—		—	69,610
Total revenue and other income	41,121	109,073	18,538	—	17,968	4,103	(18,301)	(410)		59,326	112,766

5. Segment and revenue information (cont'd)

5.2 Segment information (cont'd)

Operating segments

	Trading of duty free & duty paid goods and non-dutiable merchandise		Manufacturing and supplying of automotive component parts		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	Third quarter ended 30 November		Third quarter ended 30 November		Third quarter ended 30 November		Third quarter ended 30 November			Third quarter ended 30 November	
	2025	2024	2025	2024	2025	2024	2025	2024		2025	2024
<u>Third quarter:</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Results											
Depreciation and amortisation	(2,621)	(2,776)	(63)	–	(373)	(371)	120	266		(2,937)	(2,881)
Finance costs	(1,639)	(1,728)	(61)	–	(100)	–	122	39		(1,678)	(1,689)
Other non-cash income/(expenses)	332	(2,578)	132	–	(668)	(70)	(267)	145	B	(471)	(2,503)
Segment profit/(loss)	4,530	42,469	1,665	–	14,624	181	(18,015)	(9)	C	2,804	42,641
Assets											
Additions to non-current assets	561	78	–	–	–	2	–	–	D	561	80
Segment assets	210,517	328,896	163,221	–	97,001	190,433	10,211	10,778	E	480,950	530,107
Segment liabilities											
	105,079	136,676	71,500	–	4,323	4,273	10,652	6,737	F	191,554	147,686

Notes to the condensed interim consolidated financial statements
For the financial period ended 30 November 2025

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		Manufacturing and supplying of automotive component parts		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	9 months ended 30 November		9 months ended 30 November		9 months ended 30 November		9 months ended 30 November			9 months ended 30 November	
<u>9 months:</u>	2025	2024	2025	2024	2025	2024	2025	2024		2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Revenue											
Sales to external customers	112,045	113,851	18,486	—	2,178	2,849	—	—		132,709	116,700
Inter-segment sales	—	—	—	—	25,273	493	(25,273)	(493)	A	—	—
Total revenue	112,045	113,851	18,486	—	27,451	3,342	(25,273)	(493)		132,709	116,700
Interest income	2,180	1,454	46	—	2,901	4,123	(100)	—		5,027	5,577
Miscellaneous income	2,620	2,086	6	—	230	898	(1,363)	(785)		1,493	2,199
Compensation received from Compulsory Land Acquisition	—	67,800	—	—	—	1,810	—	—		—	69,610
Total revenue and other income	116,845	185,191	18,538	—	30,582	10,173	(26,736)	(1,278)		139,229	194,086

5. Segment and revenue information (cont'd)

5.2 Segment information (cont'd)

Operating segments

	Trading of duty free & duty paid goods and non-dutiable merchandise		Manufacturing and supplying of automotive component parts		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	9 months ended 30 November		9 months ended 30 November		9 months ended 30 November		9 months ended 30 November			9 months ended 30 November	
	2025	2024	2025	2024	2025	2024	2025	2024		2025	2024
<u>9 months:</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Results											
Depreciation and amortisation	(7,629)	(8,442)	(63)	–	(1,118)	(1,072)	360	798		(8,450)	(8,716)
Finance costs	(5,009)	(5,266)	(61)	–	(100)	–	174	127		(4,996)	(5,139)
Other non-cash income/(expenses)	860	(1,408)	132	–	(833)	(6,762)	(310)	(117)	B	(151)	(8,287)
Segment profit/(loss)	11,023	46,973	1,665	–	20,829	(4,551)	(24,266)	(17)	C	9,251	42,405

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Notes to the condensed interim consolidated financial statements
For the financial period ended 30 November 2025

5. Segment and revenue information (cont'd)

5.2 Segment information (cont'd)

Operating segments

	Trading of duty free & duty paid goods and non-dutiable merchandise		Manufacturing and supplying of automotive component parts		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	30.11.2025	28.02.2025	30.11.2025	28.02.2025	30.11.2025	28.02.2025	30.11.2025	28.02.2025		30.11.2025	28.02.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Assets											
Additions to non-current assets	793	1,062	–	–	71	29	–	–	D	864	1,091
Segment assets	210,517	297,275	163,221	–	97,001	196,790	10,211	10,618	E	480,950	504,683
Segment liabilities											
	105,079	118,829	71,500	–	4,323	4,584	10,652	6,688	F	191,554	130,101

Notes to the condensed interim consolidated financial statements
For the financial period ended 30 November 2025

5.2 Segment information (cont'd)

Notes	Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements
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D	Additions to non-current assets consist of:				
	Third quarter ended 30.11.2025	30.11.2024	As at 30.11.2025	As at 28.02.2025	
	RM'000	RM'000	RM'000	RM'000	
	Property, plant and equipment	561	80	864	1,091

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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 30.11.2025 RM'000	As at 30.11.2024 RM'000	As at 28.02.2025 RM'000
Deferred tax assets	7,680	7,775	7,637
Tax recoverable	2,531	3,003	2,981
	<u>10,211</u>	<u>10,778</u>	<u>10,618</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 30.11.2025 RM'000	As at 30.11.2024 RM'000	As at 28.02.2025 RM'000
Deferred tax liabilities	9,942	4,074	5,851
Income tax payable	710	2,663	837
	<u>10,652</u>	<u>6,737</u>	<u>6,688</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 30 November 2025 and 28 February 2025:

6.1 Financial assets

	Group		Company	
	30.11.2025	28.02.2025	30.11.2025	28.02.2025
	RM'000	RM'000	RM'000	RM'000
Trade and other receivables:				
Trade receivables	20,126	382	—	—
Deposits	3,215	3,067	—	—
Due from Berjaya Waterfront Sdn Bhd *	—	21,018	—	—
Due from subsidiary	—	—	538	1,005
Dividend receivable	—	—	9,800	—
Sundry receivables	3,848	1,568	23	429
Total trade and other receivables	27,189	26,035	10,361	1,434
Add: Cash and bank balances	94,441	230,357	19,695	103,401
Total financial assets carried at amortised cost	121,630	256,392	30,056	104,835

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

The amount due from BWSB as at 28 February 2025 was 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.

On 18 June 2025, the Group received the balance due from BWSB of RM20.0 million together with interest accrued up to 17 June 2025. Accordingly, at the date of this announcement, the amount due from BWSB had been fully repaid.

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

6.2 Financial liabilities

	Group		Company	
	30.11.2025	28.02.2025	30.11.2025	28.02.2025
	RM'000	RM'000	RM'000	RM'000
Trade and other payables:				
Trade payables	36,482	11,166	—	—
Accruals	12,653	5,643	648	894
Accrued payroll related expenses	3,533	1,337	—	—
Deposit received from customers	4,396	—	—	—
Rental payables	520	348	—	—
Other deposits received	3,341	3,145	—	—
Royalty payables	1,189	60	—	—
Due to subsidiary	—	—	81,400	—
Due to related company	—	—	13,100	—
Sundry payables	3,491	852	17	175
Total trade and other payables, representing total financial liabilities carried at amortised cost	65,605	22,551	95,165	1,069

7. Profit before taxation

7.1 Significant items

(a) Other income

	Group		Group	
	Third quarter ended	30 November	9 months ended	30 November
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest income from licensed banks	1,211	1,090	4,608	3,634
Interest income from Berjaya Waterfront Sdn Bhd	—	615	419	1,943
Rental income from property, plant and equipment	127	133	373	380
Deposit forfeited	—	15	—	15
Gain on disposal of property, plant and equipment	—	35	133	35
Reversal of inventories written down	15	—	336	—
Gain arising from lease modification	—	—	—	787
Miscellaneous income	79	99	651	982
	1,432	1,987	6,520	7,776

7. Profit before taxation (cont'd)

7.1 Significant items (cont'd)

(b) Other operating expenses

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

	Group Third quarter ended 30 November		Group 9 months ended 30 November	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Assessment and quit rent	291	209	833	967
Auditors' remuneration	220	200	582	585
Bank charges	143	198	431	592
Bad debts written off	—	50	—	50
Directors' remuneration	206	249	616	583
Dividend related expenses	—	112	166	112
Donations	2	1,006	2	1,160
Insurance premium	194	171	632	505
Interest on arrears for the payment of development rights	—	1,960	—	1,960
Licences and permits	117	135	375	411
(Reversal of)/provision for inventories written down	—	(137)	—	25
Loss arising from changes in fair value of biological assets	177	106	135	115
Management fees	625	500	1,625	1,500
Property, plant and equipment written off	—	700	—	700
Loss on lease termination	—	1,876	—	1,876
Packing materials	23	78	87	158
Printing and stationery	74	26	220	159
Security services	118	94	281	286
Transportation costs	200	144	646	547
Travelling expenses	115	119	287	630
Miscellaneous expenses	565	586	2,074	2,037
	3,070	8,382	8,992	14,906

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 Third quarter ended 30 November		Group 9 months ended 30 November	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Related company:				
- Management fee	625	500	1,625	1,500
Related party:				
Donation to Yayasan Harmoni	—	1,000	—	1,150

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	
	Third quarter ended		9 months ended	
	30 November		30 November	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current income tax expense	1,260	1,018	3,369	4,445
Deferred income tax expense/(income) relating to origination and reversal of temporary difference	98	(19)	378	(1,836)
Income tax expense recognised in profit or loss	1,358	999	3,747	2,609

9. Net asset value

	Group		Company	
	As at	As at	As at	As at
	30 November	28 February	30 November	28 February
	2025	2025	2025	2025
Net asset value per ordinary share (sen)	24.14	31.25	29.24	27.60
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 30 November 2025				
Non-financial assets:				
- Biological assets	–	–	78	78
Financial liabilities:				
Derivatives				
- Forward currency contracts	–	(4)	–	(4)
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)

11. Intangible assets

11.1 Goodwill

	Group RM'000
Cost	
At 1 March 2024, 28 February 2025, 1 March 2025 and 30 November 2025	28,816
Accumulated impairment losses	
At 1 March 2024, 28 February 2025, 1 March 2025 and 30 November 2025	(22,998)
Net carrying amount at 28 February 2025 and 30 November 2025	5,818

The cash-generating units ("CGU") to which goodwill have been allocated were tested for impairment as at 30 November 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 FY2025, 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 financial budget prepared. Revenue growth rates for FY2027 to FY2031 range between 2% 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 14.2% 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 30 November 2025.

11.2 Development rights

	Group	
	30.11.2025	28.02.2025
	RM'000	RM'000
Development rights	13,500	13,500
Incidental costs	5,017	–
	<u>18,517</u>	<u>13,500</u>

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.

On 18 March 2024, the development return of RM13.5 million was fully paid by KMSB to the State Government of Johor and MBJB. Following this payment, the land rights were recognised as development rights in the statement of financial performance for the financial year 2025.

On 10 September 2024, 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. Please see note 15(i) for further information.

On 10 March 2025, the land title registration was completed, with legal ownership officially transferred to KMSB. In connection to the land title transfer, KMSB incurred incidental costs (which included stamp duties and professional fees) amounting to RM5.0 million. These costs which were previously recorded as prepayments in FY2025, had since been reclassified as part of the land costs under development rights.

12. Property, plant and equipment

During the nine months ended 30 November 2025, the Group acquired assets amounting to RM864,000 (30 November 2024: RM812,000).

13. Borrowings

	Group	
	30.11.2025	28.02.2025
	RM'000	RM'000
Amount repayable within one year or on demand		
Secured:		
Trade facilities	6,185	–
Term loan	1,698	–
	<u>7,883</u>	<u>–</u>
Amount repayable after one year		
Secured:		
Term loan	7,630	–
	<u>7,630</u>	<u>–</u>
Total borrowings	<u>15,513</u>	<u>–</u>

The borrowings are secured by way of corporate guarantees from ultimate holding company, property charges and certain amount of deposits with a licensed bank.

14. Share capital

Group	Number of ordinary shares with no par value		Amount	
	30.11.2025 '000	28.02.2025 '000	30.11.2025 RM'000	28.02.2025 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 30 November 2025 was 30,999,300 (28 February 2025: 30,999,300).

As at 30 November 2025, the Company's issued and paid-up share capital comprises 1,198,200,293 (28 February 2025: 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 30 November 2025.

15. Significant events

- (i) On 10 September 2025, 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").

15. Significant events (cont'd)

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.

Pursuant to the Agreement, the Proposed Joint Development is conditional upon the fulfilment of the conditions precedent within a period of nine (9) months from the date of the Agreement, i.e. by 9 June 2025, or such further period as may be mutually agreed by the parties ("Conditional Period").

As the conditions precedent were not fully satisfied by the expiry date of the Conditional Period, KMSB and CHPSSB had on 9 June 2025 entered into a Supplemental Letter to the Agreement ("Supplemental Letter") to extend the Conditional Period for an additional six months, commencing from 10 June 2025 and expiring on 9 December 2025. Subsequently, as the conditions precedent remained unsatisfied upon the expiry on 9 December 2025, KMSB and CHPSSB agreed to further extend the Conditional Period for another six months, commencing from 10 December 2025 and expiring on 9 June 2026.

Please refer to the Company's announcement dated 10 September 2024, 13 March 2025, 19 March 2025, 10 June 2025 and 9 December 2025 on SGX-ST website for further information on the Proposed Joint Development.

- (ii) On 21 July 2025, the Company announced that it had entered into a Share Sale and Purchase Agreement ("SSA") with Atlan Holdings Bhd. (the "Vendor") to acquire 37,700,000 ordinary shares (the "Sale Shares"), representing 100% of the issued and paid-up shares capital of United Industries Holdings Sdn. Bhd. (the "Target" and together with its subsidiaries, the "Target Group") for an aggregate consideration of RM175,000,000 ("Purchase Consideration"), (the "Proposed Acquisition"), subject to the terms and conditions set out in the SSA.

15. Significant events (cont'd)

The Proposed Acquisition constituted as both an “Interested Person Transaction” and a “Major Transaction” under the SGX-ST Listing Manual. The Vendor, as the sole shareholder of the Target and a controlling shareholder of the Company, was deemed an interested person under Rule 904(4)(a) of the Listing Manual. The Proposed Acquisition would also diversify the Company’s core business into the manufacturing and supply of automotive components (the “Proposed Diversification”).

The Purchase Consideration was arrived on a willing-buyer willing-seller basis, based on the valuation of the Sale Shares conducted by an independent valuer as at 31 May 2025. The Purchase Consideration was to be satisfied in cash and funded through the Group’s internal resources, including proceeds from placement exercises completed in 2016 and 2017. A refundable deposit of RM17,500,000, representing 10% of the Purchase Consideration was paid upon execution of the SSA. The remaining RM157,500,000, representing 90% of the Purchase Consideration was to be paid to the Vendor on completion of the sale and purchase of the Sale Shares in accordance with the SSA.

Both the Proposed Acquisition and the Proposed Diversification were approved by shareholders at an Extraordinary General Meeting (“EGM”) convened on 28 October 2025. Following shareholders’ approval and the fulfilment of all Conditions Precedent, the Proposed Acquisition was completed on 31 October 2025. In accordance with the terms of the SSA, the Balance Purchase Consideration has been paid by the Company to the Vendor.

Upon completion of the Proposed Acquisition, the Target became a wholly owned subsidiary of the Company and the Vendor no longer holds any direct shareholding interest in the Target.

Please refer to the Company’s announcements dated 21 July 2025 and the Circular dated 29 September 2025 in relation to the Proposed Acquisition and the Proposed Diversification as well as the completion announcement dated 31 October 2025, all of which are available on the SGX-ST website for further details.

16. Subsequent events

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

17. Material litigation

Alor Setar High Court Suit No. KA-15-3-06/2025 ("Suit 3"): Cergasjaya Properties Sdn Bhd ("Cergasjaya Properties") v 1. Pentadbir Tanah Daerah Kubang Pasu ("PTD"); 2. Pejabat Penasihat Undang-Undang Negeri Kedah

Alor Setar High Court Suit No. KA-15-4-06/2025 ("Suit 4"): Cergasjaya Sdn Bhd ("Cergasjaya") v 1. PTD; 2. Pejabat Penasihat Undang-Undang Negeri Kedah

On 26 September 2024, the wholly-owned subsidiaries of the Company, Cergasjaya and Cergasjaya Properties received the prescribed Forms E and F under the Land Acquisition Act 1960 ("LAA") in relation to the compulsory acquisition of the following land ("Affected Land") 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"):

- (i) Lot 1683, Bukit Kayu Hitam, Kubang Pasu District, Kedah, measuring 4.44 acres ("Lot 1683"), 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.
- (ii) Lot 61677 (previously PT2209), measuring 2.57 acres ("Lot 61677"), leased by Cergasjaya Properties 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 a compensation award of RM67.796 million for Lot 1683 and RM1.8 million for Lot 61677 ("**Compensation Sums**"). On 12 November 2024, two formal Notices of Award in the prescribed Form H were served on Cergasjaya and Cergasjaya Properties.

On 18 November 2024, the Ministry of Home Affairs of Malaysia or Kementerian Dalam Negeri ("KDN") made payments of the Compensation Sums to Cergasjaya and Cergasjaya Properties respectively in accordance to the compensation awarded under the respective prescribed Forms H. Subsequently, on 21 November 2024 and 24 November 2024, Cergasjaya and Cergasjaya Properties received the respective prescribed 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 Group was disagreed with the compensation awarded by KDN, on 15 December 2024, Cergasjaya and Cergasjaya Properties filed an objection by way of a land reference to the High Court as per the prescribed Forms N in accordance with section 37 and section 38(1) of LAA to the Land Administrator.

17. Material litigation (cont'd)

Following the objection, the matters have been referred to the High Court via Forms O dated 29 May 2025 and 1 June 2025 respectively. The reference proceedings are in Suit 4 and Suit 3 respectively. Parties have filed their respective primary valuation reports and affidavits and are due to file their respective rebuttal valuation reports and/or affidavits by 17 January 2026 for Suit 3 and by 18 January 2026 for Suit 4. Both cases are fixed for case management on 18 January 2026.

The solicitors acting for Cergasjaya and Cergasjaya Properties are of the view that the outcome of the land reference proceedings will be determined by the strength of evidence tendered before the Court (including valuation reports and expert's witnesses' testimony).

Further, the solicitors are of the view that Cergasjaya and Cergasjaya Properties have an arguable case with prospects of success in securing an increase in the compensation awarded by the PTD at the land enquiry.

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

18. Review

The condensed consolidated statement of financial position of Duty Free International Limited and its subsidiaries as at 30 November 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 nine-month period and certain explanatory notes have not been audited or reviewed.

19. Review of performance of the Group

Consolidated statement of Comprehensive Income

Third quarter ended 30 November 2025 ("3Q FY2026") vs Third quarter ended 30 November 2024 ("3Q FY2025")

Revenue

The Group recorded revenue of RM57.9 million in 3Q FY2026, representing an increase of 40.6% or RM16.7 million, over the revenue of RM41.2 million in 3Q FY2025. The increase was mainly contributed from the United Industries Group ("UIG") which was acquired on 31 October 2025, partly offset by decrease in revenue from the trading of duty free goods and non-dutiable merchandise ("Duty Free") segment as compared with the corresponding quarter of the previous financial year.

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 3Q FY2026, the value of the closing inventories was higher than the value of the opening inventories by RM23.6 million. In 3Q FY2025, the value of the closing inventories was lower by RM8.3 million. This resulted in a positive variance of RM31.9 million for 3Q FY2026 vis-à-vis 3Q FY2025, primarily attributable to the consolidation of inventories from the newly acquired United Industries Group during the current quarter.

Inventories purchased and material consumed

Inventories purchased and material consumed increased by RM45.8 million, from RM20.4 million in 3Q FY2025 to RM65.2 million in 3Q FY2026. This was mainly due to consolidation of purchases and material consumed from the newly acquired United Industries Group.

Other Income

Other income decreased by RM0.6 million or 27.9% from RM2.0 million in 3Q FY2025 to RM1.4 million in 3Q FY2026, mainly attributable to lower interest income of RM0.5 million as compared to preceding corresponding quarter.

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

Employee benefits expenses

Employee benefits expenses decreased by RM5.8 million from RM9.6 million in 3Q FY2025 to RM3.8 million in 3Q FY2026. The decrease was attributable to compensation costs related to termination of employment following the closure of the Duty-Free complex at Bukit Kayu Hitam in November 2024, which were recorded in the corresponding quarter of the previous financial year.

Professional fees

Professional fees decreased by RM16.9 million, compared with RM18.2 million in 3Q FY2025. The decrease was primarily due to the absence of provisions for legal and professional costs related to the Company's ongoing efforts to secure fair and adequate compensation arising from the Compulsory Acquisition, which were recorded in the corresponding quarter of the previous financial year. However, the positive effect was partially offset by consultancy fees incurred in connection with the Proposed Acquisition and Proposed Diversification as referred in Note 15(ii) above.

Realised foreign exchange gain

The realised foreign exchange gain for 3Q FY2026 was RM0.6 million than in 3Q FY2025, primarily due to currency translation gain on the Group's purchases from overseas suppliers due to Ringgit Malaysia which had strengthened against US Dollar during the current quarter review.

Unrealised foreign exchange loss/(gain)

The unrealised foreign exchange loss for 3Q FY2026 was RM0.9 million as compared to unrealised foreign exchange gain in 3Q FY2025 mainly due to the conversion of the Group's foreign currency deposits and foreign investment in structured note in response to the ongoing strengthening of the Malaysian Ringgit during the current reporting quarter.

Profit before income tax

The Group reported a profit before income tax of RM2.8 million for the 3Q FY2026, which was RM39.8 million lower than profit before income tax of RM42.6 million recorded in 3Q FY2025. The lower profit in 3Q FY2026 was mainly attributable to the absence of compensation received from the Compulsory Land Acquisition of RM69.6 million. However, the decrease in profit was partially offset by absence of expenses in the current quarter for employee and worker termination compensation, property, plant and equipment written off, loss on lease termination and provisions for legal and professional fees associated with the Compulsory Land Acquisition which were recorded in 3Q FY2025 as mentioned above.

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

Nine months ended 30 November 2025 ("9M FY2026") vs Nine months ended 30 November 2024 ("9M FY2025")

The Group recorded revenue for 9M FY2026 of RM132.7 million, representing an increase of 13.7% or RM16.0 million, compared to the revenue of RM116.7 million recorded in 9M FY2025. The increase was mainly contributed from the United Industries Group ("UIG") which was acquired on 31 October 2025 as mentioned above.

The Group reported a profit before income tax of RM9.3 million for 9M FY2026, representing a decrease of RM78.2 million compared with RM87.5 million in 9M FY2025. The decline was primarily due to the absence of one-off compensation received from the Compulsory Land Acquisition in the current period. This was partially offset by lower employee benefits expenses of RM7.2 million, reduced professional fees of RM16.0 million and the absence of property, plant and equipment written off and loss on lease termination of RM0.7 million and RM1.8 million respectively as compared to 9M FY2025.

The remaining expenses in the Group's income statement were largely consistent with those recorded in 3Q FY2025.

Consolidated Statement of Financial Position

Property, plant and equipment

The increase in the net book value of property, plant, and equipment of RM79.0 million was primarily due to the consolidation of investment properties from the newly acquired United Industries Group, amounting to RM80.2 million and the acquisition of additional assets of RM0.7 million, partially offset by a depreciation charge of RM2.1 million during the financial period under review.

Development rights

The RM18.5 million development rights comprises payment of RM13.5 million that was paid to the State Government and City Council of Johor as well as RM5.0 million incidental costs incurred for the transfer of land title. These incidental costs were previously recorded as prepayments and have been reclassified to development rights as mentioned in Note 11.2.

Right-of-use assets

The decrease in right-of-use assets of RM4.4 million was primarily due to a depreciation charge of RM6.4 million during 3Q FY2026, partially offset by lease renewals of RM1.0 million and the consolidation of leases from United Industries Group amounting to RM1.0 million.

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

Trade receivables and other receivables

The increase in trade and other receivables of RM1.3 million was mainly attributable to the consolidation of trade receivables from the newly acquired United Industries Group (refer to Note 15(ii)) which amounted to RM19.6 million, partially offset by full payments of RM21.0 million received from BWSB in 2Q FY2026.

Prepayments

Prepayments decreased by RM5.7 million, from RM7.1 million as at 28 February 2025 to RM1.4 million as at 30 November 2025. This decrease was mainly due to the reclassification of RM5.0 million in incidental costs related to the land title transfer to development rights as mentioned in Note 11.2.

Inventories

The increase in inventories of RM21.9 million was primarily due to the consolidation of inventories from the newly acquired United Industries Group, amounting to RM28.2 million. This was partially offset by a decrease in purchases from the Duty Free segment during the nine months of FY2026.

Capitalised contract cost

Capitalised contract costs consist mainly of costs incurred for sales which have not yet been recognised as revenue from the newly acquired manufacturing operations of United Industries Group.

Trade and other payables

The increase in trade and other payables of RM43.0 million was primarily due to the consolidation of trade payables of RM27.4 million as well as accruals, deposits received and sundry payables totalling RM22.0 million from the newly acquired manufacturing operations of United Industries Group. This was partially offset by lower accruals resulting from timing differences in the payment of payables.

Lease liabilities (current and non-current)

The decrease of lease liabilities of RM2.9 million was mainly due to the payment of lease liabilities of RM9.8 million. The decreases were partially offset by accretion of interest of RM4.9 million charged during the financial period and additions from lease renewals and the consolidation of leases from United Industries Group, amounting to RM1.0 million each, in line with the corresponding right-of-use assets.

Employee benefits (current and non-current)

Employee benefits of RM1.8 million relate to the unfunded defined benefit plan for employees of the newly acquired subsidiary, United Industries Group, who are covered under the two Collective Agreements with the National Union of Transport Equipment and Allied Industries Workers. Under this plan, eligible employees are entitled to an additional 1% of their basic salary as the Group's contribution to the Employees Provident Fund in lieu of the prior retirement benefit.

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

Consolidated Statement of Cashflow

The Group generated net cash inflow from operating activities of RM54.2 million in 3Q FY2026, compared to a net cash inflow of RM17.5 million in 3Q FY2025. The increase was primarily driven by higher revenue-related cash inflows and lower net cash utilised for working capital during the current quarter under review.

The net cash outflow from investing activities in 3Q FY2026 was primarily due to the payment of RM175.0 million for the acquisition of a subsidiary under common control following the fulfilment of the Conditions Precedent in accordance with the SSA, along with an investment of RM13.0 million in structured note recorded in the current quarter under review.

The net cash flows used in financing activities was RM1.8 million as compared to RM1.2 million in 3Q FY2025. The increase was primarily due to higher payment of lease liabilities during the current quarter under review.

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

Not applicable.

21. 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 5.2% in the third quarter of 2025 (2Q 2025: 4.4%), driven by sustained domestic demand and higher net exports. Growth for 2025 is projected to range between 4.0% and 4.8%. Household spending was supported by positive labour market conditions, including sustained employment and wage growth as well as income-related policy measures and cash assistance programmes.¹

However, the Group anticipates that the retail business environment in which it operates will remain challenging throughout the financial year 2026. This is largely due to rising product and operating costs, further compounded by persistent inflationary pressures and a notable shift in consumer spending behaviour toward a more prudent and conservative approach amid ongoing economic uncertainties. Additionally, the closure of the Bukit Kayu Hitam outlet following the Compulsory Land Acquisition has had an adverse impact on the Group's revenue and profitability.

¹ Source from Bank Negara Malaysia – Economic and financial developments in Malaysia in the third quarter of 2025

Other information required by Listing Rule Appendix 7.2

In response, the Group will continue to strengthen operational efficiency and effectiveness through rigorous cost control measures, optimized resource allocation and enhanced strategic planning, while remaining agile in response to the evolving business landscape.

The acquisition of the automotive components business is expected to generate a stable and recurring revenue stream and provides an additional income base for future growth, which enables the Group to reduce its reliance on the duty-free and duty-paid retailing business, which has faced an increasingly challenging environment since the onset of the Covid-19 pandemic. The newly acquired UI Group will continue to strengthen its performance by leveraging its existing customer network to pursue collaborations with electric and hybrid vehicle manufacturers. These strategic initiatives aim to keep the UI Group competitive and well-positioned in the evolving automotive landscape while ensuring compliance with global regulatory standards and advancing its sustainability goals.

22. 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?

Name of dividend	Second interim
Dividend type	Cash
Dividend amount per share	S\$0.0055 per share
Tax rate	One tier exempt
Book closure date	24 January 2025
Date payable	7 February 2025

(c) Date payable

Not applicable

(d) Book closure date

Not applicable

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

No dividend has been declared or recommended by the board for 3Q FY2026, as the company has paid a first interim dividend of S\$0.00165 per share to shareholders on 6 August 2025.

24. 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	1,625	- (Note 1)

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

25. 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.

The net proceeds from the abovementioned placement exercises were to be utilised 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.
- 6) S\$20.52 million (or approximately RM66.937 million based on the exchange rate of S\$1.00 to RM3.2616), comprising approximately S\$20.51 million for the acquisition of the Sale Shares and approximately S\$0.01 million for professional fees related to the Proposed Acquisition on 31 October 2025.

As at the date of this announcement, the total net proceeds of S\$43.60 million from the placement exercises have been fully utilised by the Company.

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.

26. Changes in the composition of the Group

Save as disclosed below, there were no other changes in the composition of the Group during the current financial period under review.

On 31 October 2025, upon completion of the acquisition of United Industries Holdings Sdn. Bhd. ("UIHSB") (refer to Note 15(ii)), UIHSB and its subsidiaries were consolidated into the Group and accordingly became subsidiaries of the Company, namely United Sanoh Industries Sdn. Bhd. ("USISB"), United Industries Sdn. Bhd. ("UISB"), United Vehicles Industries Sdn. Bhd. ("UVISB"), UVI Advance Technology Sdn. Bhd. ("UVIAT") and United Daisheng Technology Industries Sdn. Bhd. ("UDTI").

The Company undertook an internal reorganisation whereby, on 31 October 2025, Darul Metro Sdn. Bhd. ("DMSB"), a wholly owned subsidiary of the Company acquired the equity interest of Cergasjaya Sdn. Bhd. ("CJSB") from DFZ Trading Sdn. Bhd. ("DTSB"). DTSB is a wholly owned subsidiary of DFZ Capital Sdn. Bhd. ("DCSB"), which is, in turn a wholly owned subsidiary of the Company.

On 3 December 2025, the Company submitted its application to the Companies Commission of Malaysia to strike off of Tenggara Senandung Sdn. Bhd., a dormant wholly owned subsidiary of Orchard Boulevard Sdn. Bhd., which is a subsidiary of the Company.

26. Changes in the composition of the Group (cont'd)

On 17 December 2025, the Company submitted its application to the Companies Commission of Malaysia to strike off of Zon Emporium Sdn. Bhd., a dormant wholly owned subsidiary of DFZ Trading Sdn. Bhd., which is a subsidiary of the Company.

Upon completion of the striking off, both Zon Emporium Sdn. Bhd. and Tenggara Senandung Sdn. Bhd. will cease to be subsidiaries of the Company.

27. 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.

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 30 November 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

Quek Meng Teck, Derrick
Director

Singapore
13 January 2026