

# Duty Free International Limited

(Company Registration No. 200102393E)

Condensed Interim Financial Statements  
For the three months ended 31 May 2025

<b>Table of Contents</b>	<b>Page</b>
Condensed Interim Consolidated Statement of Profit or Loss	1
Condensed Interim Consolidated Statement of Other Comprehensive Income	2
Condensed Interim Statement of Financial Position	3
Condensed Interim Statements of Changes in Equity	5
Condensed Interim Consolidated Statement of Cash Flows	9
Notes to the Condensed Interim Consolidated Financial Statements	11
Other Information Required by Listing Rule Appendix 7.2	28
Confirmation by the Board	35

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

		<b>Group</b>		
		<b>3 months ended</b>		
		<b>31 May</b>		
	<b>Note</b>	<b>2025</b>	<b>2024</b>	<b>Increase/</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(decrease)</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	5.1	32,195	38,305	(16.0%)
Changes in inventories		5,516	2,492	>100.0%
Inventories purchased and materials consumed		(27,031)	(27,223)	(0.7%)
Other income	7.1(a)	3,128	2,597	20.4%
Employee benefits expenses		(3,014)	(3,920)	(23.1%)
Depreciation of property, plant and equipment		(643)	(766)	(16.1%)
Depreciation of right-of-use assets		(2,117)	(2,178)	(2.8%)
Rental of premises		(105)	(92)	14.1%
Commission expenses		(58)	(65)	(10.8%)
Professional fees		(432)	(213)	>100.0%
Promotional expenses		(12)	(33)	(63.6%)
Utilities and maintenance expenses		(362)	(534)	(32.2%)
Realised foreign exchange gain/(loss)		27	(205)	(>100.0%)
Unrealised foreign exchange loss		(79)	(1,221)	(93.5%)
Finance costs		(1,680)	(1,750)	(4.0%)
Other expenses	7.1(b)	(3,052)	(3,030)	0.7%
<b>Profit before tax</b>		<b>2,281</b>	<b>2,164</b>	<b>5.4%</b>
Income tax expense	8	(838)	(850)	(1.4%)
<b>Profit for the period</b>		<b>1,443</b>	<b>1,314</b>	<b>9.8%</b>
<b>Attributable to:</b>				
Owners of the Company		1,427	1,304	9.4%
Non-controlling interests		16	10	60.0%
		<b>1,443</b>	<b>1,314</b>	<b>9.8%</b>
<b>Profit per share for the period attributable to owners of the Company (sen per share)</b>				
Basic		0.12	0.11	
Diluted		0.12	0.11	

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

	<b>Group 3 months ended 31 May</b>		
	<b>2025 (Unaudited) RM'000</b>	<b>2024 (Unaudited) RM'000</b>	<b>Increase/ (decrease) %</b>
Profit for the period	1,443	1,314	9.8%
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation	6	(151)	(>100.0%)
Total comprehensive income for the period	1,449	1,163	24.6%
<b>Attributable to:</b>			
Owners of the Company	1,433	1,151	24.5%
Non-controlling interests	16	12	33.3%
Total comprehensive income for the period	1,449	1,163	24.6%

**1(b) Condensed Interim Statement of Financial Position**

		Group		Company	
	Note	31.05.2025 (Unaudited) RM'000	28.02.2025 (Audited) RM'000	31.05.2025 (Unaudited) RM'000	28.02.2025 (Audited) RM'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12	46,888	47,319	—	—
Goodwill	11.1	5,818	5,818	—	—
Investments in subsidiaries		—	—	229,295	229,295
Development rights	11.2	18,517	13,500	—	—
Deferred tax assets		7,660	7,637	—	—
Right-of-use assets		96,583	98,672	—	—
		175,466	172,946	229,295	229,295
<b>Current assets</b>					
Biological assets		347	213	—	—
Trade and other receivables	6.1	24,907	26,035	1,454	1,434
Prepayments		2,141	7,063	—	—
Inventories		70,805	65,074	—	—
Cash and bank balances		229,460	230,357	103,374	103,401
Tax recoverable		2,871	2,981	57	—
Derivative assets		10	14	—	—
		330,541	331,737	104,885	104,835
<b>Total assets</b>		506,007	504,683	334,180	334,130
<b>Equity and liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	6.2	24,419	22,551	1,317	1,069
Lease liabilities		6,424	6,625	—	—
Income tax payable		138	837	—	311
Derivative liabilities		99	1	—	—
		31,080	30,014	1,317	1,380
<b>Net current assets</b>		299,461	301,723	103,568	103,455

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

	Note	Group		Company	
		31.05.2025 (Unaudited) RM'000	28.02.2025 (Audited) RM'000	31.05.2025 (Unaudited) RM'000	28.02.2025 (Audited) RM'000
<b>Non-current liabilities</b>					
Deferred tax liabilities		6,028	5,851	2,226	2,026
Lease liabilities		92,164	93,532	–	–
Provision for restoration costs		704	704	–	–
		98,896	100,087	2,226	2,026
<b>Total liabilities</b>		129,976	130,101	3,543	3,406
<b>Net assets</b>		376,031	374,582	330,637	330,724
<b>Equity attributable to owners of the Company</b>					
Share capital	13	487,903	487,903	978,725	978,725
Treasury shares		(22,017)	(22,017)	(22,017)	(22,017)
Other reserves		(177,478)	(176,451)	661	661
Retained earnings/(accumulated losses)		87,452	84,992	(626,732)	(626,645)
		375,860	374,427	330,637	330,724
Non-controlling interests		171	155	–	–
<b>Total equity</b>		376,031	374,582	330,637	330,724
<b>Total equity and liabilities</b>		506,007	504,683	334,180	334,130

**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	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
<b>Group</b>											
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	—	—	—	—	—	—	—	1,427	1,427	16	1,443
Other comprehensive income for the period	—	—	6	6	—	—	—	—	6	—	6
Total comprehensive income for the period	—	—	6	6	—	—	—	1,427	1,433	16	1,449
<u>Transactions with owners:</u>											
Transfer to retained earnings	—	—	(1,033)	—	—	—	(1,033)	1,033	—	—	—
Total transactions with owners	—	—	(1,033)	—	—	—	(1,033)	1,033	—	—	—
<b>Closing balance at 31 May 2025</b>	<b>487,903</b>	<b>(22,017)</b>	<b>(177,478)</b>	<b>679</b>	<b>(178,818)</b>	<b>661</b>	<b>—</b>	<b>87,452</b>	<b>375,860</b>	<b>171</b>	<b>376,031</b>

**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
<b>Group</b>											
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	–	–	–	–	–	–	–	1,304	1,304	10	1,314
Other comprehensive income for the period	–	–	(153)	(153)	–	–	–	–	(153)	2	(151)
Total comprehensive income/(loss) for the period	–	–	(153)	(153)	–	–	–	1,304	1,151	12	1,163
<u>Transactions with non- controlling interests:</u>											
Transfer to reserves	–	–	834	–	–	–	834	–	834	(834)	–
Strike off of subsidiaries	–	–	–	–	–	–	–	–	–	(1,669)	(1,669)
Total transactions with non- controlling interests	–	–	834	–	–	–	834	–	834	(2,503)	(1,669)
<b>Closing balance at 31 May 2024</b>	<b>487,903</b>	<b>(22,017)</b>	<b>(176,656)</b>	<b>667</b>	<b>(178,818)</b>	<b>661</b>	<b>834</b>	<b>58,438</b>	<b>347,668</b>	<b>106</b>	<b>347,774</b>



**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
<b>Company</b>					
Opening balance at 1 March 2025	978,725	(22,017)	661	(626,645)	330,724
Loss for the year	–	–	–	(87)	(87)
Total comprehensive income for the period	–	–	–	(87)	(87)
<b>Closing balance at 31 May 2025</b>	<b>978,725</b>	<b>(22,017)</b>	<b>661</b>	<b>(626,732)</b>	<b>330,637</b>

**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
<b>Company</b>					
Opening balance at 1 March 2024	978,725	(22,017)	661	(220,176)	737,193
Loss for the year	–	–	–	(1,112)	(1,112)
Total comprehensive income for the period	–	–	–	(1,112)	(1,112)
<b>Closing balance at 31 May 2024</b>	<b>978,725</b>	<b>(22,017)</b>	<b>661</b>	<b>(221,288)</b>	<b>736,081</b>

**1(d) Condensed Interim Consolidated Statement of Cash Flows**

	<b>Group</b>	
	<b>3 months ended</b>	
	<b>31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	2,281	2,164
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	643	766
Depreciation of right-of-use assets	2,117	2,178
Finance costs	1,680	1,750
Gain arising from changes in fair values of biological assets	(134)	(105)
Gain on disposal of property, plant and equipment	(132)	–
Interest income	(2,203)	(1,930)
(Reversal of)/ provision for inventories written down	(215)	65
Net unrealised foreign exchange loss	79	1,221
<b>Operating cash flows before changes in working capital</b>	<b>4,116</b>	<b>6,109</b>
<u>Changes in working capital</u>		
Decrease in trade and other receivables	1,128	3,306
Decrease in prepayments	4,922	7
Increase in inventories	(5,516)	(2,493)
Increase/(decrease) in trade and other payables	2,093	(809)
<b>Cash flows generated from operations</b>	<b>6,743</b>	<b>6,120</b>
Interest paid	(1,651)	(1,712)
Income taxes paid	(1,273)	(962)
<b>Net cash flows generated from operating activities</b>	<b>3,819</b>	<b>3,446</b>

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

	<b>Group</b>	
	<b>3 months ended</b>	
	<b>31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Interest received	2,203	1,930
Proceeds from disposal of property, plant and equipment	132	–
Purchase of property, plant and equipment	(211)	(229)
Incidental costs in relation to development rights	(5,017)	(9,500)
<b>Net cash flows used in investing activities</b>	<b>(2,893)</b>	<b>(7,799)</b>
<b>Cash flows from financing activities</b>		
Payment of principal portion of lease liabilities, representing		
<b>Net cash used in financing activities</b>	<b>(1,627)</b>	<b>(1,129)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(701)</b>	<b>(5,482)</b>
Effects of foreign exchange rate changes	(196)	(1,498)
Cash and cash equivalents at beginning of the year	222,913	177,811
<b>Cash and cash equivalents at end of period</b>	<b>222,016</b>	<b>170,831</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash and deposits with licensed banks	229,460	178,082
Deposits pledged with licensed banks	(7,444)	(7,251)
<b>Cash and cash equivalents</b>	<b>222,016</b>	<b>170,831</b>

DUTY FREE INTERNATIONAL LIMITED  
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(Incorporated in Republic of Singapore)

Notes to the condensed interim consolidated financial statements  
For the financial period ended 31 May 2025

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## **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 31 May 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 three months ended 31 May 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 three months period ended 31 May 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 31 May 2025

## 5. Revenue and segment information

### 5.1 Revenue

	<b>Group 3 months ended 31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Sale of goods	31,208	37,147
Parking operations	—	401
Sale of oil palm fresh fruit bunches	987	756
Rental income	—	1
	<b>32,195</b>	<b>38,305</b>
<b>Timing of transfer of goods and services</b>		
At a point in time	32,195	38,304
Over a period of time	—	1
	<b>32,195</b>	<b>38,305</b>

### 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:

	Trading of duty free & duty paid goods and non-dutiable merchandise		Investment holdings and others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	3 months ended 31 May		3 months ended 31 May		3 months ended 31 May			3 months ended 31 May	
	2025	2024	2025	2024	2025	2024		2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
<b>Revenue:</b>									
Sales to external customers	31,208	37,147	987	1,158	–	–		32,195	38,305
Inter-segment sales	–	–	164	164	(164)	(164)	A	–	–
Total revenue	31,208	37,147	1,151	1,322	(164)	(164)		32,195	38,305
Interest income	981	458	1,222	1,472	–	–		2,203	1,930
Miscellaneous Income	768	371	239	584	(82)	(288)		925	667
Total revenue and other income	32,957	37,976	2,612	3,378	(246)	(452)		35,323	40,902
<b>Results:</b>									
Depreciation and amortisation	(2,509)	(2,859)	(371)	(352)	120	267		(2,760)	(2,944)
Finance costs	(1,707)	(1,796)	–	–	27	46		(1,680)	(1,750)
Other non-cash income/(expenses)	418	55	(58)	(1,468)	(39)	–	B	321	(1,413)
Segment profit/(loss)	1,825	2,442	(1,292)	(276)	1,748	(2)	C	2,281	2,164
<b>Assets</b>									
Additions to non-current assets	187	202	24	27	–	–	D	211	229
Segment assets	298,565	271,060	196,911	198,518	10,531	11,173	E	506,007	480,751
<b>Segment liabilities</b>	119,083	124,497	4,727	1,328	6,166	7,152	F	129,976	132,977



**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	
	31.05.2025	28.02.2025	31.05.2025	28.02.2025	31.05.2025	28.02.2025		31.05.2025	28.02.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
<b>Assets</b>									
Additions to non-current assets	187	1,062	24	29	—	—	D	211	1,091
Segment assets	298,565	297,275	196,911	196,790	10,531	10,618	E	506,007	504,683
<b>Segment liabilities</b>	119,083	118,829	4,727	4,584	6,166	6,688	F	129,976	130,101

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(Company Registration No. 200102393E)  
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Notes to the condensed interim consolidated financial statements  
For the financial period ended 31 May 2025

**5. Segment and revenue information (cont'd)**

**5.2 Segment information (cont'd)**

**Operating segments (cont'd)**

<b>Notes</b>	<b>Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements</b>
--------------	--

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

	<b>3 months ended</b>	
	<b>31 May</b>	
	<b>2025</b>	<b>2024</b>
	RM'000	RM'000
Inter-segment transactions	1,748	(2)

- |   |   |
|---|---|
| D | Additions to non-current assets consist of: |
|---|---|

	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31.05.2025</b>	<b>31.05.2024</b>	<b>28.02.2025</b>
	RM'000	RM'000	RM'000
Property, plant and equipment	211	229	1,091

**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:

	<b>As at 31.05.2025 RM'000</b>	<b>As at 31.05.2024 RM'000</b>	<b>As at 28.02.2025 RM'000</b>
Deferred tax assets	7,660	7,615	7,637
Tax recoverable	2,871	3,558	2,981
	<u>10,531</u>	<u>11,173</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:

	<b>As at 31.05.2025 RM'000</b>	<b>As at 31.05.2024 RM'000</b>	<b>As at 28.02.2025 RM'000</b>
Deferred tax liabilities	6,028	6,101	5,851
Income tax payable	138	1,051	837
	<u>6,166</u>	<u>7,152</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 31 May 2025 and 28 February 2025:

### 6.1 Financial assets

	<b>Group</b>		<b>Company</b>	
	<b>31.05.2025</b>	<b>28.02.2025</b>	<b>31.05.2025</b>	<b>28.02.2025</b>
	RM'000	RM'000	RM'000	RM'000
<b>Trade and other receivables:</b>				
Trade receivables	675	382	—	—
Deposits	3,060	3,067	—	—
Due from Berjaya Waterfront Sdn Bhd*	20,174	21,018	—	—
Due from subsidiaries	—	—	1,005	1,005
Sundry receivables	998	1,568	449	429
<b>Total trade and other receivables</b>	<b>24,907</b>	<b>26,035</b>	<b>1,454</b>	<b>1,434</b>
<b>Add: Cash and bank balances</b>	<b>229,460</b>	<b>230,357</b>	<b>103,374</b>	<b>103,401</b>
<b>Total financial assets carried at amortised cost</b>	<b>254,367</b>	<b>256,392</b>	<b>104,828</b>	<b>104,835</b>

\*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 the rental payments due from the Group's subsidiary, Selasih Eksklusif Sdn Bhd against the RM40.0 million balance 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.

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 has been fully repaid.

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

**6.2 Financial liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>31.05.2025</b>	<b>28.02.2025</b>	<b>31.05.2025</b>	<b>28.02.2025</b>
	RM'000	RM'000	RM'000	RM'000
<b>Trade and other payables:</b>				
Trade payables	15,090	11,166	–	–
Accruals	2,950	5,643	1,317	894
Accrued payroll related expenses	388	1,337	–	–
Rental payables	2,266	348	–	–
Other deposits received	3,138	3,145	–	–
Royalty payables	62	60	–	–
Sundry payables	525	852	–	175
Total trade and other payables, representing total financial liabilities carried at amortised cost	24,419	22,551	1,317	1,069

**7. Profit before taxation**

**7.1 Significant items**

**(a) Other income**

	<b>Group</b>	
	<b>3 months ended</b>	
	<b>31 May</b>	
	<b>2025</b>	<b>2024</b>
	RM'000	RM'000
Interest income from licensed banks	1,849	1,259
Interest income from Berjaya Waterfront Sdn Bhd	354	671
Rental income from property, plant and equipment	123	114
Gain arising from changes in fair value of biological assets	134	105
Gain on disposal of property, plant and equipment	132	–
Reversal of inventories written down	215	–
Miscellaneous income	321	448
	3,128	2,597

**7. Profit before taxation (cont'd)**

**7.1 Significant items (cont'd)**

**(b) Other expenses**

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

	<b>Group 3 months ended 31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Assessment and quit rent	257	237
Auditors' remuneration	189	203
Bank charges	145	199
Directors' remuneration	192	146
Donations	—	152
Insurance premium	212	192
Licences and permits	130	139
Inventories written down	—	65
Management fees	500	500
Packing materials	25	41
Printing and stationery	47	31
Security services	81	96
Transportation costs	226	179
Travelling expenses	89	144
Miscellaneous expenses	959	706
	<b>3,052</b>	<b>3,030</b>

**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:

	<b>Group 3 months ended 31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Related company:</b>		
- Management fee	500	500
<b>Related party:</b>		
Donation to Yayasan Harmoni	—	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:

	<b>Group 3 months ended 31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Current income tax expense	684	697
Deferred income tax expense relating to origination and reversal of temporary difference	154	153
Income tax expense recognised in profit or loss	838	850

## 9. Net asset value

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 May 2025</b>	<b>As at 28 February 2025</b>	<b>As at 31 May 2025</b>	<b>As at 28 February 2025</b>
Net asset value per ordinary share (sen)	31.37	31.25	27.59	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.

## 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
<b>At 31 May 2025</b>				
<b>Non-financial assets:</b>				
- Biological assets	–	–	347	347
<b>Financial assets:</b>				
Derivatives				
- Forward currency contracts	–	10	–	10
<b>Financial liabilities:</b>				
Derivatives				
- Forward currency contracts	–	(99)	–	(99)
<b>At 28 February 2025</b>				
<b>Non-financial assets:</b>				
- Biological assets	–	–	213	213
<b>Financial assets:</b>				
Derivatives				
- Forward currency contracts	–	14	–	14
<b>Financial liabilities:</b>				
Derivatives				
- Forward currency contracts	–	(1)	–	(1)



## 11. Intangible assets

### 11.1 Goodwill

	Group RM'000
<b>Cost</b>	
At 1 March 2024, 28 February 2025, 1 March 2025 and 31 May 2025	28,816
<b>Accumulated impairment losses</b>	
At 1 March 2024, 28 February 2025, 1 March 2025 and 31 May 2025	(22,998)
<b>Net carrying amount at 28 February 2025 and 31 May 2025</b>	<b>5,818</b>

The cash-generating units ("CGU") to which goodwill have been allocated were tested for impairment as at 31 May 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 31 May 2025.

## 11.2 Development rights

	<b>Group</b>	
	<b>31.05.2025</b>	<b>28.02.2025</b>
	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. Barring any unforeseen circumstances, the Proposed Joint Development is expected to be completed by Fourth quarter of 2029. Please see note 14(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. During the current financial period, these costs which were previously recorded as prepayments had been reclassified as part of the land costs under development rights.

## 12. Property, plant and equipment

During the three months ended 31 May 2025, the Group acquired assets amounting to RM211,000 (31 May 2024: RM229,000).

### 13. Share capital

Group	Number of ordinary shares with no par value		Amount	
	31.05.2025 '000	28.02.2025 '000	31.05.2025 RM'000	28.02.2025 RM'000
Beginning and end of interim period	1,198,200	1,198,200	487,903	487,903
<b>Company</b>				
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 31 May 2025 was 30,999,300 (28 February 2025: 30,999,300).

As at 31 May 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 31 May 2025.

### 14. Significant events

- (i) 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.

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.

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

- (ii) On 26 September 2024, Cergasjaya and CPPA had received the prescribed 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 Notices of Award in the prescribed 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 prescribed Forms H. Subsequently, on 21 November 2024 and 24 November 2024, Cergasjaya and CPPA 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 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 as per the prescribed 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 to the prescribed Form O within six months from the date of receipt of the prescribed 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.

On 2 July 2025, Cergasjaya and CPPA received the respective prescribed Form O from the Land Administrator's Office, where the objection to the compensation awarded by KDN has been referred to the Alor Setar High Court. The Court has set 8th July 2025 and 16th July 2025 as case management dates for CPPA and Cergasjaya respectively. The Group's legal counsels are currently reviewing the matter and will take all the necessary and appropriate legal steps in due course.

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

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.

## **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 31 May 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**

First quarter ended 31 May 2025 ("1Q FY2026") vs First quarter ended 31 May 2024 ("1Q FY2025")

Revenue

The Group recorded revenue of RM32.2 million in 1Q FY2026, representing a decrease of 16% or RM6.1 million, over the revenue of RM38.3 million in 1Q FY2025, mainly due to the closure of the Bukit Kayu Hitam retail outlet in November 2024, following the Compulsory Land Acquisition, as disclosed in Note 14(ii).

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 1Q FY2026, the value of the closing inventories was higher than the value of the opening inventories by RM5.5 million. In 1Q FY2025, the value of the closing inventories was higher by RM2.5 million. This resulted in a variance of RM3.0 million for 1Q FY2025 vis-à-vis 1Q FY2025, primarily attributable to timing differences in purchases and consumption of inventories in the respective quarters.

Other Income

Other income increased by RM0.5 million or 20.4%, from RM2.6 million in 1Q FY2025 to RM3.1 million in 1Q FY2026. The increase was mainly driven by higher interest income of RM0.3 million, reversal of inventories written down amounting to RM0.2 million as well as a gain on disposal of property, plant and equipment of RM0.1 million during the current reporting quarter.

Employee benefits expenses

Employee benefits expenses decreased by 23.1% or RM0.9 million, from RM3.9 million in 1Q FY2025 to RM3.0 million in 1Q FY2026. The decrease was primarily attributable to a reduction in the Group's overall headcount, following the termination of employees as a result of the closure of the Duty-Free complex and car park operations at Bukit Kayu Hitam in November 2024.

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

**Consolidated statement of Comprehensive Income (cont'd)**

Unrealised foreign exchange loss

The unrealised foreign exchange loss for 1Q FY2026 was lower compared to 1Q FY2025, primarily due to reduced exposure to the translation of foreign currency deposits and bank balances. In 1Q FY2025, the Group held a higher level of foreign currency deposits and bank balances. However, as of 31 May 2025, majority of these deposits and bank balances had been converted into Ringgit Malaysia, thereby reducing the impact of foreign currency translation differences.

Profit before income tax

The Group reported a profit before income tax of RM2.3 million for 1Q FY2026, which was RM0.1 million higher than profit before income tax of RM2.2 million recorded in 1Q FY2025. The higher profit in 1Q FY2026 was mainly attributable to a lower net foreign exchange loss of RM1.4 million, decreased in employee benefits expenses of RM0.9 million and higher other income of RM0.5 million as mentioned above.

The remaining expenses in the Group's income statement were largely consistent with those recorded in 1Q FY2026.

**Consolidated Statement of Financial Position**

Property, plant and equipment

The decrease in net book value of the property, plant and equipment by RM0.4 million was mainly due to the depreciation charge of RM0.6 million, partially offset by acquisition of assets amounting to RM0.2 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 during the period under review, as mentioned in Note 11.2.

Right-of-use assets

The decrease in right-of-use assets by RM2.1 million was mainly due to depreciation charge of RM2.1 million during 1Q FY2026.

Trade receivables and other receivables

The decrease in trade and other receivables by RM1.1 million was attributable to the receipt of payments from certain debtors during the financial period under review.

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

**Consolidated Statement of Financial Position (cont'd)**

Prepayments

Current prepayments decreased by RM4.1 million, from RM7.1 million as at 28 February 2025 to RM2.1 million as at 31 May 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 RM5.7 million was mainly due to higher purchases of inventories in 1Q FY2026.

Trade and other payables

The increase in trade and other payables amounting to RM1.9 million was mainly due to RM3.9 million increase in trade payables, arising from higher inventory purchases not yet due for payment as at 31 May 2025. This was partially offset by a RM2.0 million decrease in other payables, primarily due to the payment of previously recognised accrued expenses during 1Q FY2026.

Lease liabilities (current and non-current)

The decrease of lease liabilities of RM1.6 million was mainly due to the payment of lease liabilities of RM3.3 million. The decreases were partially offset by accretion of interest of RM1.7 million charged during the 1Q FY2026.

**Consolidated Statement of Cashflow**

The net cash flow generated by the Group from operating activities for 1Q FY2026 was RM3.8 million as compared to RM3.4 million in 1Q FY2025. The marginal increase in cash inflow was mainly due to lower net cash utilised for working capital in the current quarter under review.

During 1Q FY2026, the Group's net cash used in investing activities was RM2.9 million as compared to RM7.8 million used in 1Q FY2025. The lower cash outflow was primarily due to the absence of the RM9.5 million acquisition of development rights recorded in the corresponding quarter of the previous financial year, partially offset by the increase of RM5.0 million in incidental costs related to the land title transfer as mentioned in Note 11.2 above.

The net cash flows used in financing activities was RM1.6 million in 1QFY2026 compared to RM1.1 million in 1Q FY2025. The slight increase in cash outflow was primarily due to higher payments of principal portion of lease liabilities in 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 4.4% in the first quarter of 2025 (4Q 2024: 4.9%), driven by the steady expansion in domestic demand. Household spending was sustained amid positive labour market conditions and income-related policy measures, including the upward revision of minimum wage and civil servant salary. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 0.7% (4Q 2024: -0.2%).<sup>1</sup> Overall, Malaysia's economy is expected to remain resilient in 2025, but with slower growth and potential downside risks due to global uncertainties and potential external pressures.

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.

Accordingly, the Group will persist in its endeavours to improve operational efficiency and effectiveness. This includes 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 overarching goal is to ensure that the Group's core businesses remain resilient and sustainable in the face of these challenges in the next twelve months. Concurrently, the Group remains committed to actively exploring and pursuing new business opportunities aimed at driving growth and long-term value creation for shareholders.

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<sup>1</sup> Source from Bank Negara Malaysia – Economic and financial developments in Malaysia in the first quarter of 2025

## 20. Dividend

- (a) **Current Financial Period Reported On**  
**Any dividend declared for the current financial period reported on?**

Name of dividend	First interim
Dividend type	Cash
Dividend amount per share	S\$0.00165 per share
Tax rate	One tier exempt
Book closure date	24 July 2025
Date payable	6 August 2025

- (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	First interim
Dividend type	Cash
Dividend amount per share	S\$0.0010 per share
Tax rate	One tier exempt
Book closure date	25 July 2024
Date payable	8 August 2024

- (c) **Date payable**  
Please refer to Paragraph 20(a).

- (d) **Book closure date**  
Please refer to Paragraph 20(a).

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

Not applicable.

## 22. 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	500	- (Note 1)

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

## 23. 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 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 as disclosed in Note 10(iii) 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.

#### **24. Changes in the composition of the Group**

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

#### **25. 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 31 May 2025 to be false or misleading in any material aspect.

**On behalf of the Board of Directors**

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

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Lee Sze Siang  
Director

Singapore  
9 July 2025