



DUTY FREE INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(the "Company")

**MINUTES OF ANNUAL GENERAL MEETING ("AGM" or "MEETING")
HELD ON THURSDAY, 27 AUGUST 2020 AT 11:00 A.M.
VIA LIVE WEBCAST**

PRESENT ONLINE REMOTELY: -

DIRECTORS : 1) General Tan Sri Dato' Seri Mohd Azumi bin Mohamed (Retired) (*Chairman of the Meeting, Lead Independent Director*)
2) Mr. Ong Bok Siong (*Managing Director*)
3) Mr. Lee Sze Siang (*Executive Director*)
4) Mr. Chew Soo Lin (*Independent Director*)
5) Dato' Megat Hisham bin Megat Mahmud (*Independent Director*)

SHAREHOLDERS : As per log-in Attendance List

BY INVITATION : As per log-in Attendance List

INTRODUCTION

At 11:00 a.m., the Meeting went LIVE and General Tan Sri Dato' Seri Mohd Azumi bin Mohamed (Retired) welcomed all present to the AGM of the Company via live audio-visual webcast. The shareholders watching the live audio-visual webcast would have pre-registered with the Company.

The Meeting was informed that the Non-Executive Chairman of the Board of Directors of the Company, Dato' Sri Adam Sani bin Abdullah, had extended his apologies for not being able to attend the meeting and nominated the Lead Independent Director, General Tan Sri Dato' Seri Mohd Azumi bin Mohamed (Retired) ("**General Tan Sri Azumi**" or "**Chairman**") to chair the Meeting.

The Chairman then introduced each Director who were visibly present online.

QUORUM AND PROXIES

The requisite quorum being present, the Chairman declared that the Meeting duly convened.

The Chairman informed that in adhering to the advisories and guidance issued by the authorities amid the COVID-19 outbreak, the voting for the AGM would be by proxy only, and to the Chairman of the Meeting.

It was noted that all shareholders who wish to vote at the AGM had already appointed the Chairman to act as their proxy and the Chairman would vote in accordance with the voting instruction given by the shareholders based on the valid proxy form received by the Company. If the shareholders did not give any specific instruction for voting, it was also noted that these shares would be excluded from the total count of votes.



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NOTICE

It was noted that all pertinent information relating to the proposed resolutions were set out in the Notice of the AGM dated 5 August 2020 ("**Notice**") together with the Annual Report for the financial year ended 29 February 2020 which had been published via SGXNet and the Company's corporate website. The Notice was taken as read.

QUESTIONS FROM SHAREHOLDERS

The Chairman informed the Meeting that the Company had responded to the shareholders' questions received by the Company by 24 August 2020 at 11:00 a.m. via an announcement to SGXNet on 26 August 2020. A copy of the said announcement is annexed hereto as "Appendix I" for ease of reference.

VOTING BY POLL

The Chairman informed the Meeting that pursuant to Rule 730A of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**"), all resolutions at the general meeting shall be voted by way of poll.

The Chairman also informed the Meeting that Boardroom Corporate & Advisory Services Pte. Ltd. and DrewCorp Services Pte. Ltd. have been appointed as the Polling Agent and the Scrutineers for this AGM respectively.

The Chairman further informed that the validity of the proxy forms received by the Company by the submission deadline of 11:00 a.m. on 24 August 2020 to appoint the Chairman of the Meeting to cast votes on their behalf had been reviewed and the votes of all such valid proxies had also been counted and verified by the Scrutineers.

Prior to the announcement of the poll result on each resolution, the Chairman proposed all the resolutions as set out in the Notice to be presented at the Meeting and informed that Ms. Ho Yuet Leng, being the corporate representative of Atlan Holding Bhd, had agreed to act as the seconder for all the resolutions tabled.

AS ORDINARY BUSINESS

1.0 ORDINARY RESOLUTION 1 – ADOPTION OF THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 29 FEBRUARY 2020 TOGETHER WITH THE DIRECTORS' STATEMENT AND AUDITORS' REPORT THEREON

The Chairman then moved on to table the formal resolutions, the first Resolution was the adoption of the Audited Financial Statements of the Company for the financial year ended 29 February 2020 together with the Directors' Statement and Auditors' Report.

The Chairman announced the poll results as follows: -

<u>Ordinary Resolution 1</u>	<u>No. of Votes</u>	<u>Percentage (%)</u>
No. of votes "FOR"	913,085,335	99.95
No. of votes "AGAINST"	491,100	0.05

Based on the poll results, the Chairman declared that the Audited Financial Statements of the Company for the financial year ended 29 February 2020 together with the Directors' Statement and Auditors' Report be received and adopted.

2.0 ORDINARY RESOLUTION 2 – RE-ELECTION OF DATO' MEGAT HISHAM BIN MEGAT MAHMUD AS DIRECTOR

The Chairman informed the Meeting that the Resolution 2 was to re-elect the retiring Director namely, Dato' Megat Hisham bin Megat Mahmud, who was retiring under Regulation 104 of the Company's Constitution. Upon his re-election as Director of the Company, Dato' Megat Hisham bin Megat Mahmud would remain as the Chairman of the Audit Committee and a member of the Remuneration Committee.

The Chairman announced the poll results as follows: -

<u>Ordinary Resolution 2</u>	<u>No. of Votes</u>	<u>Percentage (%)</u>
No. of votes "FOR"	913,085,335	99.95
No. of votes "AGAINST"	491,100	0.05

Based on the poll results, the Chairman declared that Dato' Megat Hisham bin Megat Mahmud be re-elected as Director of the Company.

3.0 ORDINARY RESOLUTION 3 – RE-ELECTION OF MR. LEE SZE SIANG AS DIRECTOR

The Chairman informed the Meeting that the Resolution 3 was to re-elect the retiring Director namely, Mr. Lee Sze Siang, who was retiring under Regulation 104 of the Company's Constitution. Upon his re-election as Director of the Company, Mr. Lee Sze Siang would remain as the Executive Director.

The Chairman announced the poll results as follows: -

<u>Ordinary Resolution 3</u>	<u>No. of Votes</u>	<u>Percentage (%)</u>
No. of votes "FOR"	913,085,335	99.95
No. of votes "AGAINST"	491,100	0.05



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Based on the poll results, the Chairman declared that Mr. Lee Sze Siang be re-elected as Director of the Company.

4.0 ORDINARY RESOLUTION 4 – PAYMENT OF DIRECTORS’ FEES OF S\$145,000 FOR THE FINANCIAL YEAR ENDED 29 FEBRUARY 2020

The Chairman informed the Meeting that the Resolution 4 was to approve the payment of Directors’ fees of S\$145,000 for the financial year ended 29 February 2020.

The Chairman announced the poll results as follows: -

<u>Ordinary Resolution 4</u>	<u>No. of Votes</u>	<u>Percentage (%)</u>
No. of votes "FOR"	913,085,335	99.95
No. of votes "AGAINST"	491,100	0.05

Based on the poll results, the Chairman declared that the payment of Directors’ fees of S\$145,000 for the financial year ended 29 February 2020 be approved.

5.0 ORDINARY RESOLUTION 5 – RE-APPOINTMENT OF MESSRS ERNST & YOUNG LLP AS AUDITORS OF THE COMPANY AND AUTHORITY FOR THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman informed the Meeting that the Resolution 5 was to re-appoint Messrs. Ernst & Young LLP as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors of the Company to fix their remuneration.

The Chairman announced the poll results as follows: -

<u>Ordinary Resolution 5</u>	<u>No. of Votes</u>	<u>Percentage (%)</u>
No. of votes "FOR"	912,827,635	99.95
No. of votes "AGAINST"	491,100	0.05

Based on the poll results, the Chairman declared that the re-appointment of Messrs. Ernst & Young LLP as Auditors of the Company and the mandate for the Directors to fix their remuneration be approved.

ANY OTHER BUSINESS

As there was no notice of any other ordinary business to be transacted at the meeting had been received, the Meeting proceeded to deal with the special business outlined in the Notice.

AS SPECIAL BUSINESS

6.0 ORDINARY RESOLUTION 6 - SHARE ISSUE MANDATE

The Chairman informed the Meeting that the Resolution 6 was to approve the Share Issue Mandate, of which the text of the said Resolution was set out under item 6.1 in the Notice.

The Meeting was briefed that the proposed resolution, if passed, will empower the Directors from the date of this Meeting until the date of the next AGM to issue shares and convertible securities in the Company. The maximum number of shares which the Company may issue under this Resolution shall not exceed the quantum set out in the Resolution.

The Chairman announced the poll results as follows: -

<u>Ordinary Resolution 6</u>	<u>No. of Votes</u>	<u>Percentage (%)</u>
No. of votes "FOR"	912,827,635	99.92
No. of votes "AGAINST"	748,800	0.08

Based on the poll results, the Chairman declared that the Share Issue Mandate as set out below be approved: -

*"That pursuant to Section 161 of the Companies Act and Rule 806 of the Listing Manual of the SGX-ST ("**Listing Manual**") , the Directors of the Company be authorised and empowered to:*

- (a) (i) *allot and issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or*
- (ii) *make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,*

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) *(notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,*

*(the "**Share Issue Mandate**")*



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provided that:

- (1) *the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Ordinary Resolution) and Instruments to be issued pursuant to this Ordinary Resolution shall not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);*
- (2) *(subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under subparagraph (1) above, the percentage of issued shares and Instruments shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Ordinary Resolution, after adjusting for:*
 - (a) *new shares arising from the conversion or exercise of the Instruments or any convertible securities;*
 - (b) *new shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of the passing of this Ordinary Resolution; and*
 - (c) *any subsequent bonus issue, consolidation or subdivision of shares;*
- (3) *in exercising the Share Issue Mandate conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution of the Company; and*

*unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force (i) until the conclusion of the next Annual General Meeting ("**AGM**") of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Ordinary Resolution, until the issuance of such shares in accordance with the terms of the Instruments."*

7.0 ORDINARY RESOLUTION 7 – RENEWAL OF SHARE PURCHASE MANDATE

The Chairman informed the Meeting that the Resolution 7 was to approve the renewal of Share Purchase Mandate, of which the text of the said Resolution was set out under item 6.2 in the Notice.

The Meeting was briefed that the proposed resolution, if passed, empower the Directors of the Company from the date of this AGM until the next AGM of the Company, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per cent (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in the Appendix to the Notice ("**Appendix**"). The greater details of the Share Purchase Mandate were set out in the Appendix.

The Chairman announced the poll results as follows: -

<u>Ordinary Resolution 7</u>	<u>No. of Votes</u>	<u>Percentage (%)</u>
No. of votes "FOR"	913,085,335	99.95
No. of votes "AGAINST"	491,100	0.05

Based on the poll results, the Chairman declared that the renewal of Share Purchase Mandate as set out below be approved: -

*"That for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per cent (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as ascertained as at the date of AGM of the Company) at the price of up to but not exceeding the Maximum Price as defined in the Appendix to the Notice of AGM dated 5 August 2020 ("**Appendix**"), in accordance with the authority and limits of the renewed Share Purchase Mandate set out in the Appendix, and this mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."*



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CONCLUSION

There being no other business to be transacted at this AGM, the Chairman thanked everyone for their attendance and declared the AGM concluded at 11:19 a.m.

CONFIRMED AS A CORRECT RECORD

[Signed]

**GENERAL TAN SRI DATO' SERI MOHD
AZUMI BIN MOHAMED (RETIRED)**
CHAIRMAN OF THE MEETING



DUTY FREE INTERNATIONAL LIMITED
(Company Registration No. 200102393E)
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**RESPONSE TO QUESTIONS FROM SHAREHOLDERS
FOR THE ANNUAL GENERAL MEETING OF THE COMPANY**

The Board of Directors (“**Board**”) of Duty Free International Limited (“**Company**”), together with its subsidiaries, (“**Group**”) would like to thank shareholders for submitting their questions ahead of the Annual General Meeting (“**AGM**”) of the Company to be held by way of electronic means on 27 August 2020 at 11:00 a.m.

The Company’s response to the shareholders’ questions are set out as follows:

Question 1:

How is COVID-19 impacting the Group in the current quarter?

Company’s response:

The imposition of the nationwide Movement Control Order (“MCO”) on 18 March 2020 by the Malaysia Government to curb the outbreak of Covid-19 had resulted in a temporary closure of the Group’s retail outlets in Malaysia. The MCO was immediately followed by the Conditional Movement Control Order (“CMCO”) on 4 May 2020 where only certain outlets were allowed to operate, subject to strict operating procedures imposed by the government. The CMCO was gradually eased to Recovery Movement Control Order (“RMCO”), implemented since 10 June 2020 until to-date. The Group’s retail outlets at the Malaysia-Thai border and airport outlets remained closed as at the date. Similarly, the Group’s operations in Singapore have also been impacted with similar restrictions imposed by the Singapore Government.

Presently there are still restrictions being imposed by Authorities such as closure of the international borders, overseas travel restrictions and strict compliance to the Standard Operating Procedures (“SOPs”) which continue to affect the Group’s business operations in the Group’s second financial quarter.

Question 2:

How much grant received by the Group from Malaysia Government?

Company’s response:

The incentives and support from the Malaysian Government announced to-date in relation to the duty free industry is not substantial. However, with the backing of the Group’s healthy cash balance and low gearing, the Group will continue to stay viable albeit cautiously prudent.

Question 3:

What is the Group's strategy to grow its alternate revenue?

Company's response:

As mentioned in our 1st Quarter FY2021 announcement on 15th July 2020, the outlook for coming financial year is expected to be very challenging and highly uncertain due to the global economic crisis, travel restrictions, and consumers' cautious spending. Consequently, the Group's financial performance is expected to be adversely impacted in the remaining quarters of the financial year ending 2021. Amid these uncertainties, we have taken precautionary measures immediately to address the impact and also undertaken several changes to our operations and updated the health and safety procedures to further protect our employees. The Group had carried out cost cutting measures on the Group's operating overheads and fixed costs, such as manpower planning, deferral of all discretionary expenses and non-critical capital expenditures. Nevertheless, we remain optimistic that, with the support from our staff, our management team and the Board, we will get through these challenging times. The Group's main focus now is on strategic planning, resource allocation and further cost optimization as a preparation for challenges going forward. While the Group remains cautious and prudent in its cost management and capital allocation, the Group intends to continue investing in various initiatives and programmes for strategic growth so as ensure business recovery and sustainability. Furthermore, with the Group's robust balance sheet, we are well-positioned to explore and capitalise on potential synergistic business opportunities to bring greater value to our shareholders.

By Order of the Board

Lee Sze Siang
Executive Director
26 August 2020