DUTY FREE INTERNATIONAL LIMITED

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

TERMINATION OF TENANCY AGREEMENT AND CESSATION OF BUSINESS OPERATIONS AT BERJAYA WATERFRONT JOHOR BAHRU

The Board of Directors ("**Board**") of Duty Free International Limited ("**Company**") wishes to announce that its subsidiary, Selasih Ekslusif Sdn Bhd ("**Selasih**") has ceased its duty-free business operations at the integrated commercial duty-free complex, known as Berjaya Waterfront Johor Bahru ("**Complex**") and had given notice to terminate the Tenancy Agreement dated 15 March 2013 with Berjaya Waterfront Sdn Bhd ("**Berjaya**"), the landlord, with immediate effect.

Selasih had to cease its duty-free business operations at the Complex after Majlis Bandaraya Johor Bahru ("**MBJB**") did not renew the business licences despite Selasih's repeated efforts to renew the licences.

As Selasih is unable to lawfully operate its core business of selling duty-free items at the Complex without the requisite licences, Selasih has, after seeking legal advice, exercised its right under the Tenancy Agreement to issue a notice to Berjaya to terminate the Tenancy of the Complex with effect from 19.2.2026 on the grounds *inter-alia* that the non-renewal of its business licences had rendered Selasih's duty-free business untenable.

Based on the audited consolidated financial statements of the Group ("Company and its subsidiaries") for the financial year ended 28 February 2025, Selasih contributed approximately 38.6% and 4.6% to the Group's revenue and profit after tax respectively.

Following the termination of the tenancy agreement, the Group may incur a one-off exceptional net gain after tax of approximately RM17 million comprising mainly the financial effects due to the derecognition of lease, together with the costs associated with the cessation of the duty-free operations at the Complex (which included the assets write off, write down of inventories and staff retrenchment costs). The figures are still being reviewed and quantified.

Selasih has been in communications with Berjaya to try to come to an agreement for the termination of the Tenancy on terms acceptable to both parties. However, as no agreement was reached with Berjaya on the termination of the Tenancy, Selasih proceeded to issue the notice to terminate the Tenancy after obtaining legal advice.

At the time of the announcement, Berjaya has yet to respond to Selasih's notice to terminate.

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

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

By Order of the Board

Datuk Lee Kok Khee
Group Chief Executive Officer
19 February 2026