

ABOUT MGDF

MGDF is a newly incorporated company for the purpose of duty free in Sri Lanka that values local talent, traditions and products. Specializing in emerging markets, MGDF has the expertise, experience, global network of suppliers, and values that make it a unique partner for Sri Lanka.

Sri Lanka has seen its tourism nearly quadruple in the number of international arrivals since 2010 and that trend is projected to continue to grow. With an economy worth \$80.591 billion, and a per capita GDP of about \$11,068.996 (PPP), Sri Lanka has experienced strong growth rates in recent years. Further, the Sri Lankan economy has seen an average GDP annual growth rate of over 5.4% between 2010 and 2015, well above its regional peers.

In light of sound government policies enacted to further spur the tourism industry, the country is on a continued and sustained track towards a brighter future. To properly capitalize on its ambition of sustained growth in the tourism sector, Sri Lanka must partner with the right Duty Free operator.

MGDF is a Singaporean-based Duty Free company that draws on the track record of its partners' worldwide business investments, particularly in duty-free, consumer products, gold, sugar, and mining sectors. MGDF has in-depth knowledge in properly identifying, implementing and generating world class results as a transparent, community-oriented partner.

As has been the hallmark of its success, MGDF will employ the following strategies in the Sri Lanka Duty Free market:

- Operate with full transparency as a leader in the community.
- Employ local talent to further bolster the Sri Lankan economy.
- Utilize best practices in business procedures, hiring processes, and public relation engagement in order to present the strongest possible image of Sri Lanka to many of the world's travelers.
- Roll-out data analytics to monitor consumer traffic and trends in order to capture the best return on investment.
- Exercise the highest degree of business judgment in order to maintain a high profit margin while still prioritizing the best interests of Sri Lanka.
- Never take the Sri Lanka Duty Free opportunity for granted.

STRATEGY

MGDF proposes to establish a two-pronged National Duty Free program:

- 1) The first approach will focus on a more traditional duty free program at all Sri Lankan international airports. These will be aimed at arriving and departing international passengers, the large majority of which are tourists and business travelers.

This program will provide at a competitive price a broad range of authentic, global brands—all of which are covered by international guarantees—as well as Sri Lankan cottage industry products. The goal will be to build a global reputation of Sri Lanka as an honest, dependable destination for travelers to purchase their duty free products at transparent, competitive prices.

- 2) The second approach involves creating a “welcome home” duty free program directed at the approximately two million Sri Lankan foreign workers who return home each year to visit with family and children.

This will be accomplished by providing a combination of both traditional duty free products and high-quality, every-day household items like dishes, sewing machines, and more. The product selection will be customized to suit the Sri Lankan culture and budget, with competitive prices aimed at providing that “welcome home” feeling to the thousands of returning overseas workers who want to make the most of their hard-earned savings

MGDF also proposes establishing a Colombo duty free center located just outside of the airport grounds. The purpose of this location will be to allow returning overseas workers, along with their family and loved ones, a duty free shopping experience at an easy-to-reach location for up to 48 hours after their arrival home. Other locations will be considered and proposed as the project advances.

Finally, MGDF would like to establish and operate “welcome home-away-from-home” hubs in various international locations for Sri Lankan's to use while working overseas. The objective is to support and participate—in a small but meaningful way—this community with a place where they can gather in a friendly, familiar atmosphere. Workers can use these hubs as social meeting locations to watch TV in their native language, use free wi-fi, celebrate birthdays and other milestones, as well as seek advice on emergency assistance and other support needs. MGDF proposes two initial overseas hubs and will add locations as they become needed.

MGDF LEADERSHIP TEAM

MGDF will be led by investors Mendel Gluck, Moussa Salem, and Rick Weil of Eastern Duty Free (EDF).

Mendel Gluck

Mendel Gluck has gained world-wide respect as an esteemed business leader and investor across multiple industries. A self-made entrepreneur, Mendel is a successful consumer goods trader in the UK. By the age of 26, Mendel's distribution company was contracted to deliver consumer products to every major retailer in the UK region. His trading business expanded into worldwide markets, with office locations being opened in Malta and other European countries.

Mendel is also the CEO of the Australian mining company MG Gold. Under Mendel's leadership, the firm represents one of the most profitable mining projects in Australia from a pure IRR perspective.

Moussa Salem

Moussa "Moussy" Salem is a renowned businessman with extensive experience in the real estate and product distribution space. His consumer goods distribution company has been operating in Africa for over 40 years and has recognized over \$1 billion in sales. Additionally, as a real estate developer in London, Moussa is responsible for the development and sale of some of London's most expensive properties to date. Moussa has also invested in a large number of ventures worldwide, including making investments in Sri Lanka and the greater Asian market.

Rick Weil, Eastern Duty Free (EDF)

Rick Weil, a native of Brazil, is the chairman of EDF Airport Services. He is a serial duty free entrepreneur since the mid 1970s, who has built duty free businesses across Asia and the world. Whether it's the Philippines, Vietnam, Pakistan or Romania, Rick's Eastern Duty Free (EDF) has applied a proven formula for sustainable growth of Duty Free operations. As an example of the scale of operations Rick has developed, EDF has had a return of over \$200 million annually.

From a demographic, economic, and political context, all indicators in Sri Lanka are pointing to a unique and profitable business opportunity. MGDF has the right team in place and the right values to ensure that Duty Free Sri Lanka can realize the highest level of success for all stakeholders.



MGDF: THE BEST PARTNER FOR THE SRI LANKAN MARKET

MODERNIZATION
CONFIDENCE
RESPECT
MAXIMIZE QUALITY
LOCAL
WELL STOCKED
SERVICE VALUE