

press release

Dutch Lady Milk Industries Berhad registers steady revenue growth and increased profit in FY2023

Robust financial numbers reflect sustained strong demand for DLMI dairy products across market segments

PETALING JAYA, 28 May 2024: Dutch Lady Milk Industries Berhad (DLMI), Malaysia's leading dairy manufacturer announced a robust revenue of RM1.4 billion for the fiscal year 2023, marking a commendable 7.7 percent growth from the previous year. The growth reflects strong consumer sentiment and consistent demand for trusted, Halal and sustainable dairy nutrition in Malaysia.

DLMI's net profit for 2023 was RM72.4 million, which is a significant 56.5 percent increase from a year ago while operating profit for 2023 was RM100 million compared to RM56.4 million from fiscal year 2022.

Speaking at DLMI's 61st Annual General Meeting, Managing Director Ramjeet Kaur Virik said this growth reinforces the strong brand equity among Malaysian households that the company has earned with over 60 years of dairy excellence since its inception in 1963.

She said DLMI's financial performance in fiscal year 2023 was achieved in the headwinds of unpredictable inflationary pressure, geopolitical tensions, high exchange rate volatility and persistent uncertainties in global supply chains.

Ramjeet added that DLMI, as a strong Malaysian brand has earned the trust of consumers, business partners, and the Government and together, shaped the





dairy industry landscape in the country while consistently supporting the national agenda of developing the country's capacity and capability in sustainable dairy.

"We are on track to transition to our new state-of-the-art, Halal manufacturing facility in Bandar Enstek which will enable us to double our current capacity with immense potential for future innovations," Ramjeet said adding the company's improved performance last year helped to back investments in the new manufacturing facility in Enstek.

"With the adoption of Industry 4.0 technology, we will drive integration and collaboration as we strive for operational excellence and efficiency, to grow our market leadership position."

DLMI has not employed any long-term debt in 2023 as the company continued to focus on cash preservation and financed the Enstek factory through internal funds.

2023 was also a critical year when DLMI's main shareholder, FrieslandCampina, undertook a global reorganisation of the dairy business in various markets, including Malaysia.

As a result, this saw the roll-out of a global reorganisation exercise to help devise a fit-for-purpose operating model and right-sized cost structure in all FrieslandCampina markets.

"The end objective of the strategy is to focus on our purpose, 'Nourishing Our Planet and People in Every Stage of Life', drive sustainable future growth and improve profitability," Ramjeet said adding that DLMI will continue supporting the Government to combat the poor nutritional status of children in Malaysia.

DLMI also launched its 2023 School Milk Programme last year whereby 75,000 primary schoolchildren are targeted to be recipients of Dutch Lady milk products and by the end of this programme in 2024, DLMI would have supplied close to 14 million packs of milk products to nourish primary schoolchildren in Malaysia.





Since 2011, DLMI has distributed over 217 million packs of milk fortified with high-quality nutrients to primary schoolchildren in Malaysia via the School Milk Programme.

DLMI's Sustainability Roadmap 2030 will also see a 30 percent reduction in energy and water intensity by 2030 at the new eco-friendly facility in Bandar Enstek compared to its 2022 baseline.

About Dutch Lady Milk Industries Berhad

Incorporated in 1963, Dutch Lady Milk Industries Berhad (DLMI) is a leading dairy company in Malaysia. It is owned by one of the largest dairy cooperative companies in the world, Royal FrieslandCampina NV, a Dutch multinational dairy company. We were the first milk company to be listed on Bursa Malaysia in 1968, and the first to introduce Formulated Milk Powder for Children in Malaysia in 1988.

Staying true to our purpose of Nourishing Our Planet and People in Every Stage of Life, DLMI manufactures and sells a wide range of quality dairy products for the home and export market. Through a unique collaboration between FrieslandCampina and four international research teams/universities, we initiated the South East Asian Nutrition Surveys (SEANUTS) study in 2009, involving four countries – Malaysia, Indonesia, Vietnam and Thailand. SEANUTS is the largest and most extensive nutrition and health study ever done in South-East Asia, wherein 16,744 children up to 12 years old were surveyed over a four-year period. The follow-up SEANUTS II was conducted between 2019 – 2021 involving 14,000 children in the four countries. More information can be found at www.dutchlady.com.my

About FrieslandCampina

Royal FrieslandCampina N.V. FrieslandCampina is a large international dairy company with a cooperative history dating back more than 150 years. The company processes milk into nutritious dairy products, such as milk, yoghurt, condensed milk, dairy-based beverages, cheese, butter, quark and cream. The dairy company supplies specific nutrition for specific consumer groups, such as children, the elderly and sportspeople. Professional customers, such as bakers, pastry chefs, chocolate confectioners, chefs and caterers can rely on FrieslandCampina for a broad range of products, including creams, butters, desserts and fillings. The company also supplies high-quality ingredients to food producers and pharmaceutical companies. Dutch, Belgian and German dairy farmers jointly own the company through Zuivelcoöperatie FrieslandCampina U.A. For additional information: www.frieslandcampina.com

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