

media release

STRENGTHEN NATIONAL FOOD SECURITY AGENDA: DUTCH LADY MILK INDUSTRIES BERHAD SUPPORTS GOVERNMENT INITIATIVES TO REBUILD THE ECONOMY

PETALING JAYA, 23 July 2020: Malaysia's leading dairy company Dutch Lady Milk Industries Berhad (DLMI) remains confident on the prospects and growth of its business in Malaysia and in the nation's overall economic recovery in the coming years in the wake of global and local economies impacted by the COVID-19 pandemic this year.

DLMI which has an illustrious 57-year history in Malaysia, and publicly-listed since 1968, held its 57th Annual General Meeting virtually today.

DLMI, for FY2019 ending 31 December 2019, recorded revenue of RM1.07 billion, with net profits of RM102.96 million. This was driven by a 6.2% rise in full year volume (kilograms) growth. As a result, we were able to achieve a 1.7% increase in revenue.

With a very challenging year in 2020 attributed to the unprecedented impact of COVID-19, the world is now impacted by the potential rise of food insecurity which has resulted in many nations and organisations to mount special efforts to keep its agriculture and food industries operating.

In this regard, DLMI lauds the recent announcement by the Ministry of Agriculture and Food Industry to establish a more holistic and sustainable National Food Security Policy to boost security at all levels of the food chain as the country is still import-dependent on most of its food items.





DLMI Managing Director Tarang Gupta said that the Company strongly supports the Government's efforts to build up national food security measures. As preparation to play a greater role in supporting the Government's food security measures, we are in the process of purchasing lands in Negeri Sembilan for our future manufacturing facility.

"We have plans to expand our manufacturing capabilities with our acquisition of 32.59 acres of industrial land in Bandar Baru Enstek, Negeri Sembilan for RM56.79 million, which we aim to complete this year."

Tarang said that the new DLMI facilities located in a HALMAS technology park, is expected to be advantageous for the company's long-term expansion plans in Malaysia as well as for future corporate earnings.

"This is part of our on-going plans of ensuring sustainable growth in all our business activities. The land acquisition is a key step towards realising our goals and is expected to help propel the local dairy and halal industries which are key to food securitisation.

"Our role in helping to improve the nation's food security can be traced back to more than 12 years ago. DLMI is a strong partner of the Government's efforts to build a sustainable dairy industry in the country via the Dairy Development Programme (DDP) and Farmer2Farmer Programme," said Tarang.

DLMI established the DDP in 2008 and the Farmer2Farmer Programme in 2013, supported by the Embassy of the Kingdom of the Netherlands to develop a sustainable dairy farming business for our Malaysian dairy farmers, further institutionalising DLMI's "Grass to Glass" holistic concept.

Partnering the Ministry of Agriculture and Food Industry and the Department of Veterinary Services (DVS) are some good examples of DLMI's commitment towards developing the local dairy industry and re-investing back into the economy.





Via these programmes, expert Dutch dairy farmers were specially flown into Malaysia from The Netherlands to transfer skill and knowledge to our local dairy farmers to improve the quality and quantity of local raw milk.

So far, a total of 15 FrieslandCampina Dutch member farmers have trained 466 farmers on farming practices, ensure better milk quality and increase milk yields. By doing so, the Farmer2Farmer Programme was able to improve the productivity and livelihoods of local farmers, as well as the quality and volume of local milk production.

Besides being one of the largest purchasers of local raw milk from the DVS Milk Collection Centres nationwide, DLMI further encourages quality milk production from local dairy farmers by buying raw milk at fair and reasonable prices.

DLMI's support of local dairy farmers will increase quality raw milk production by our local dairy farmers, and at the same time make dairy farming attractive as a career to young Malaysian agropreneurs.

These efforts further demonstrates DLMI's continued commitment towards revitalising the Malaysian economy and also in fulfilling the purpose of nourishing Malaysians, in line with the nation's Food Security and National Health Agenda.

DLMI also remains committed to grow milk consumption and help address the dietary imbalance among Malaysians, especially in children.

Malaysia, unfortunately, continues to be plagued by the dual burden of undernutrition (stunting) and overnutrition (obesity) among children and some sections of the adult population, according to SEANUTS I and the National Health and Morbidity Survey 2019.





Therefore, DLMI will introduce a new-look Dutch Lady line of innovative and nutritious products aligned with sustainability, brand values and on-going active engagements with the public later this year.

DLMI's new Dutch Lady line of new and innovative products with the theme of '*Strong Me, Stronger Us*', also demonstrates Malaysia's ongoing commitment to fight the COVID-19 pandemic, helping Malaysians thrive and move forward in life with the goodness of milk during these challenging economic and social times.

Tarang said DLMI is prepared to continue partnering the Government to help close the nutritional gap in children and strengthen the nation's food security.

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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. DLMI was 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.

DLMI, awarded as the Company of the Year 2014 by The Edge Billion Ringgit Club, manufactures and sells a wide range of quality dairy products for the home and export market, with all products enjoying a strong following in brands like Dutch Lady and Friso Gold. 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. More information can be found at www.dutchlady.com.my.

About Royal FrieslandCampina

Every day, Royal FrieslandCampina provides millions of consumers all over the world with food that is rich in valuable nutrients. With annual revenue of 11.3 billion euros, Royal FrieslandCampina is one of the world's five largest dairy companies, supplying consumer and professional products, as well as ingredients and half-finished products to the food industry and the pharmaceutical sector around the world. Royal FrieslandCampina has offices in 36 countries and 24,000 employees, and its products are available in more than 100 countries. The Central Office is located in Amersfoort, the Netherlands. The company is fully owned by Zuivelcoöperatie FrieslandCampina U.A. and with 17,413 member dairy farmers in the Netherlands, Germany and Belgium it is one of the largest dairy cooperatives in the world. For additional information, please visit our website: www.frieslandcampina.com.

