

**MINUTES OF THE FIFTY-FIFTH ("55TH") ANNUAL GENERAL MEETING ("AGM")
OF DUTCH LADY MILK INDUSTRIES BERHAD ("THE COMPANY")
HELD AT ATLANTA BALLROOM, LEVEL 3, HOTEL ARMADA, LORONG UTARA C,
SECTION 52, 46200 PETALING JAYA, SELANGOR DARUL EHSAN
ON THURSDAY, 26 APRIL 2018 AT 9.00 A.M**

- SHAREHOLDERS** : As per Attendance List
- PROXYHOLDERS** : As per Attendance List
- DIRECTORS PRESENT** : Dato' Zainal Abidin Bin Putih (Chairman)
- Mr. Boey Tak Kong
- Mr. Foo Swee Leng
- Mr. Tarang Gupta
- Ms. Saw Chooi Lee
- Mr. Bernardus Hermannus Maria Kodden
- Dato' Dr Rosini Binti Alias
- IN ATTENDANCE** : Ms. Katina Nurani Abd Rahim, Company Secretary
- BY INVITATION** : As per Attendance List
- CHAIRMAN OF THE MEETING** : Dato' Zainal Abidin Bin Putih ("Dato' Chairman"), as Chairman of the Company, welcomed everyone present at the Meeting and introduced the Board Members and the new Company Secretary to the shareholders.
- Dato' Chairman informed that Mr. Foo Swee Leng, who has served the Board for more than 30 years, will resign at the conclusion of the 55th AGM. Dato' Chairman recorded the Board's appreciation and gratitude to Mr. Foo for his contribution to the Board and the Company.
- QUORUM & NOTICE** : The requisite quorum being present, Dato' Chairman declared the Meeting duly convened at 9.00 a.m.

PROCEDURE FOR MEETING : Before proceeding with the items on the Agenda, Dato' Chairman explained to the shareholders the procedures to be adhered to in tabling and approving the resolutions at Meeting.

Dato' Chairman informed the shareholders that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of Annual General Meeting are to be voted by poll and at least one (1) scrutineer has to be appointed to validate the votes cast at the Meeting.

He then announced that Symphony Corporatehouse Sdn Bhd has been appointed as the Independent Scrutineers to observe the polling process and to verify the poll results.

Dato' Chairman further informed the shareholders that the voting via electronic poll ("e-Polling") system would be conducted after dealing with all the items of the agenda of the Meeting.

Ordinary Business

Audited Financial Statements and Reports

Dato' Chairman informed the shareholders that pursuant to the provision of Section 340(1)(a) of the Companies Act, 2016, a formal approval from the shareholders for the Audited Financial Statements was not required. Therefore the Audited Financial Statements tabled was meant for discussion only and not put forward for voting.

Dato' Chairman highlighted to the shareholders that the Board of Directors had on 27 February 2018 approved the payment of a standard single tier interim dividend of 50.0 sen per ordinary share and a special single tier interim dividend of 60.0 sen per ordinary share to be made to the shareholders on 25 May 2018.

Dato' Chairman then invited Mr. Tarang Gupta ("Mr. Tarang"), the Managing Director of the Company to provide an overview of the Company's performance for the financial year ended 31 December 2017.

Upon presentation by Mr. Tarang, Dato' Chairman invited questions from the floor on the Audited Financial Statements.

The questions raised by the shareholders/proxies and the



corresponding replies are set out in Appendix 1 of the minutes.

RESOLUTION 1 : Directors' fees

Dato' Chairman informed that the first item on the agenda was to approve the payment of Directors' fees of RM450,000 to the Non-Executive Directors of the Company for the financial year ending 31 December 2018, to be payable quarterly in arrears.

On the proposal of Mr. Chiu Yong Soon and seconded by Madam Lai Ah Moi, the motion to approve the Directors' fees to Non-Executive Directors for the financial year ending 31 December 2018, was put to the Meeting.

RESOLUTION 2 : Directors' Benefits

Dato' Chairman informed that the second item on the agenda was to approve the payment of Directors' benefits (other than Directors' fees) of RM200,000 to the Non-Executive Directors of the Company for the period from 1 January 2018 until the conclusion of the next Annual General Meeting.

On the proposal of Mr. Stanley Lim Jit Chew and seconded by Ms. Asnida Binti Anuar, the motion to approve the Directors' benefits to Non-Executive Directors for the period from 1 January 2018 until the conclusion of the next Annual General Meeting, was put to the Meeting.

RESOLUTIONS 3 & 4 : Re-election of Directors retiring by rotation pursuant to Article 94(a) of the Company's Constitution - Dato' Zainal Abidin bin Putih and Mr. Boey Tak Kong

Dato' Chairman informed that as the next item on the Agenda was related to his own re-election as Director pursuant to Article 94(a) of the Company's Constitution, he then hand over the Chairmanship to Mr. Tarang, the Managing Director of the Company.

Mr. Tarang informed the floor that in accordance with Article 94(a) of the Company's Constitution, Dato' Zainal Abidin bin Putih would be retiring by rotation at the Meeting and being eligible, had offered himself for re-election.

On the proposal of Ms. Low Ping Lin and seconded by Mr. Lee



Cheng Hock, the motion to re-elect Dato' Zainal Abdin bin Putih to the Board was put to the Meeting.

Dato' Chairman then took over the chair to continue with the remaining items of the Agenda.

Dato' Chairman informed that in accordance with Article 94(a) of the Company's Constitution, Mr. Boey Tak Kong would be retiring by rotation at the Meeting and being eligible, had offered himself for re-election.

On the proposal of Ms. Low Ping Lin and seconded by Mr. Lee Cheng Hock, the motion to re-elect Mr. Boey Tak Kong to the Board was put to the Meeting.

RESOLUTIONS 5, 6 & 7 : Re-election of Mr. Tarang Gupta, Mr. Bernardus Hermannus Maria Kodden and Dato' Dr. Rosini binti Alias who were appointed during the financial year and retire pursuant to Article 97 of the Company's Constitution

Dato' Chairman informed the next item on the Agenda were on the re-election of Mr. Tarang Gupta, Mr. Bernardus Hermannus Maria Kodden and Dato' Dr. Rosini binti Alias, who were appointed to the Board during the financial year and retire pursuant to article 97 of the Company's Constitution. The re-election of the three (3) Directors will be dealt individually.

On the proposal of Madam Lai Ah Moi and seconded by Mr. Chow Ng Wae, the motion to re-elect Mr. Tarang Gupta to the Board was put to the Meeting.

On the proposal of Madam Lai Ah Moi and seconded by Mr. Chow Ng Wae, the motion to re-elect Mr. Bernardus Hermannus Maria Kodden to the Board was put to the Meeting.

On the proposal of Madam Lai Ah Moi and seconded by Ms. Low Ping Lin, the motion to re-elect Dato' Dr Rosini binti Alias to the Board was put to the Meeting.

RESOLUTION 8 : Re-Appointment of Auditors

Dato' Chairman informed that the retiring auditors, PricewaterhouseCoopers PLT, had indicated their willingness to continue to act as Auditors of the Company for the ensuing

financial year ending 31 December 2018.

On the proposal of Mr. Chow Ng Wae and seconded by Ms. Low Ping Lin the motion to re-appoint PricewaterhouseCoopers PLT as the Auditors of the Company was put to the Meeting.

Special Business

RESOLUTION 9 : Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

As all items under Ordinary Business have been dealt with, Dato' Chairman then proceeded to deal with the items under Special Business.

Dato' Chairman informed the shareholders that the first item under special business was to seek shareholders' approval for the new and renewal of shareholders' mandate to allow the Company to enter into recurrent related party transactions necessary for the day-to-day operations of the Company.

The Proposed Shareholders' Mandate, if approved, would remain in force until the conclusion of the next AGM of the Company.

The relevant information in respect of the Proposed Shareholders' Mandate contained in the Circular to Shareholders dated 28 March 2018, had been circulated to all shareholders together with the 2017 Annual Report of the Company.

Dato' Chairman advised that for avoidance of doubt, the proxies of Royal FrieslandCampina N.V., being the interested party to the Proposed Shareholders' Mandate, would abstain from voting.

On the proposal of Ms. Low Ping Lin and seconded by Mr. Chow Ng Wae, the motion to approve the Proposed Shareholders' Mandate was put to the Meeting.

RESOLUTION 10 : Retention of Mr. Boey Tak Kong as Independent Non-Executive Director of the Company

Dato' Chairman informed the shareholders that the second item under Special Business were to seek shareholders' approval for the retention of Mr. Boey Tak Kong, who have served as Independent



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Non-Executive Director for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Director of the Company.

Dato' Chairman explained to the shareholders that there have been several changes to the Board since 1 January 2018 and that Mr. Foo Swee Leng, who is an Independent Non-Executive Director, will resign as a Director after the conclusion of the 55th AGM. Hence, the Board was of the view that Mr. Boey Tak Kong should remain on the Board as an Independent Non-Executive Director until the next AGM. Further Mr. Boey has indicated that he will not seek re-election at the next AGM. The Board will seek the shareholders' approval for retention of Mr. Boey Tak Kong as Independent Non-Executive Director up to the next AGM using normal voting process.

Dato' Chairman further informed that the Nominating Committee and the Board have assessed the independence of Mr. Boey Tak Kong and recommended that he continues to act as Independent Non-Executive Director of the Company based on the justifications as set out in the Notice of AGM dated 28 March 2018.

On the proposal of Ms. Low Ping Lin and seconded by Mr. Chow Ng Wae, the motion to approve the retention of Mr. Boey Tak Kong as an Independent Non-Executive Director was put to the Meeting.

As all the resolutions of the Meeting have been dealt with, Ms. Katina Nurani Abd Rahim, the Company Secretary was invited to explain to the shareholders the procedures of the e-Polling process.

[The shareholders/proxies proceeded to vote at the e-Polling station. The Share Registrars proceeded to generate the Poll Results. Scrutineers then verified the results generated by the e-Polling system.]

After the poll results have been generated by the Share Registrars and verified by the Scrutineers, Dato' Chairman announced that the results of the poll for all resolutions set out in the Notice of the 55th AGM dated 28 March 2018 as set out below:

RESOLUTION 1

- **DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2018**



	Number of shares held	%
FOR	41,914,145	86.2088
AGAINST	6,705,200	13.7912
TOTAL	48,619,345	100.00

Based on the results of the poll, Dato' Chairman therefore declared that the Resolution 1 was passed and it was RESOLVED:

THAT the payment of Directors' fees of RM450,000 for the financial year ending 31 December 2018, be hereby approved for payment to the Non-Executive Directors of the Company.

RESOLUTION 2

- **DIRECTORS' BENEFITS (OTHER THAN DIRECTORS' FEES) OF RM200,000 FOR THE PERIOD FROM 1 JANUARY 2018 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING**

	Number of shares held	%
FOR	48,614,345	99.9897
AGAINST	5,000	0.0103
TOTAL	48,619,345	100.00

Based on the results of the poll, Dato' Chairman therefore declared that the Resolution 2 was passed and it was RESOLVED:

THAT the payment of Directors' benefits of RM200,000 for the period from 1 January 2018 until the conclusion of the next Annual General Meeting, be hereby approved for payment to the Non-Executive Directors of the Company.

RESOLUTION 3

- **RE-ELECTION OF DATO' ZAINAL ABIDIN BIN PUTIH**

	Number of shares held	%
FOR	48,615,045	99.9912
AGAINST	4,300	0.0088
TOTAL	48,619,345	100.00

Based on the results of the poll, Dato' Chairman therefore declared that the Resolution 3 was passed and it was RESOLVED:

THAT Dato' Zainal Abdin bin Putih, the Director who retired by rotation pursuant to Article 94(a) of the Company's Constitution, be and is hereby re-elected to office as a Director of the Company.

RESOLUTION 4

- **RE-ELECTION OF MR. BOEY TAK KONG**

	Number of shares held	%
FOR	34,140,895	82.2722
AGAINST	7,356,600	17.7278
TOTAL	41,497,495	100.00

Based on the results of the poll, Dato' Chairman therefore declared that the Resolution 4 was passed and it was RESOLVED:

THAT Mr. Boey Tak Kong, the Director who retired by rotation pursuant to Article 94(a) of the Company's Constitution, be and is hereby re-elected to office as a Director of the Company.

RESOLUTION 5

- **RE-ELECTION OF MR. TARANG GUPTA**

	Number of shares held	%
FOR	48,616,845	99.9949
AGAINST	2,500	0.0051
TOTAL	48,619,345	100.00

Based on the results of the poll, Dato' Chairman declared that the Resolution 5 was passed and it was RESOLVED:

THAT Mr. Tarang Gupta, the Director who was appointed during the financial year and retired pursuant to Article 97 of the Company's Constitution, be and is hereby re-elected to office as a Director of the Company.



RESOLUTION 6

- **RE-ELECTION OF MR. BERNARDUS HERMANNUS MARIA KODDEN**

	Number of shares held	%
FOR	48,271,945	99.2855
AGAINST	347,400	0.7145
TOTAL	48,619,345	100.00

Based on the results of the poll, Dato' Chairman declared that the Resolution 6 was passed and it was RESOLVED:

THAT Mr. Bernardus Hermannus Maria Kodden, the Director who was appointed during the financial year and retired pursuant to Article 97 of the Company's Constitution, be and is hereby re-elected to office as a Director of the Company.

RESOLUTION 7

- **RE-ELECTION OF DATO' DR. ROSINI BINTI ALIAS**

	Number of shares held	%
FOR	48,275,845	99.2935
AGAINST	343,500	0.7065
TOTAL	48,619,345	100.00

Based on the results of the poll, Dato' Chairman declared that the Resolution 7 was passed and it was RESOLVED:

THAT Dato' Dr Rosini Binti Alias, the Director who was appointed during the financial year and retired pursuant to Article 97 of the Company's Constitution, be and is hereby re-elected to office as a Director of the Company.

RESOLUTION 8

- **RE-APPOINTMENT OF PRICEWATERHOUSECOOPERS PLT AS THE COMPANY'S AUDITORS**

	Number of shares held	%
FOR	48,617,345	99.9959
AGAINST	2,000	0.0041
TOTAL	48,619,345	100.00



Based on the results of the poll, Dato' Chairman declared that the Resolution 8 was passed and it was RESOLVED:

THAT PricewaterhouseCoopers PLT (AF: 1146) be and is hereby re-appointed as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to determine their remuneration accordingly.

RESOLUTION 9

• PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

	Number of shares held	%
FOR	16,002,545	99.9875
AGAINST	2,000	0.0125
TOTAL	16,004,545	100.00

Based on the results of the poll, Dato' Chairman declared that the Resolution 9 was passed and it was RESOLVED:

THAT approval be and is hereby given to the Company to enter into and to give effect to the Recurrent Related Party Transactions of a Revenue or Trading Nature as stated in Section 2.1.4 with the specified classes of Related Parties as stated in Section 2.1.3 of the Circular to Shareholders dated 28 March 2018 which are necessary for the Company's day-to-day operations subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and
- (ii) the aggregate value of such transactions conducted pursuant to the Shareholders' Mandate during the financial year will be disclosed in the Annual Report for the said financial year;

AND THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the Meeting the authority is renewed; or



- (b) the expiration of the period within which the next AGM of the Company subsequent to the date it is required to be held pursuant to Section 340(1) of the Malaysian Companies Act, 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

RESOLUTION 10

- **RETENTION OF INDEPENDENT DIRECTOR OF THE COMPANY - MR. BOEY TAK KONG**

	Number of shares held	%
FOR	33,548,795	80.8453
AGAINST	7,948,700	19.1547
TOTAL	41,497,495	100.00

Based on the results of the poll, Dato' Chairman declared that the Resolution 10 was passed and it was RESOLVED:

THAT approval be and is hereby given to Mr. Boey Tak Kong, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company.

CONCLUSION

There being no further business, the Meeting came to a close at 10.50 a.m. with a vote of thanks to the Chair.

APPENDIX 1

DUTCH LADY MILK INDUSTRIES BERHAD (“DLMI”)

SUMMARY OF KEY MATTERS DISCUSSED AT THE FIFTY-FIFTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, 26 APRIL 2018

No.	Key Matters raised by the shareholders	Responses from the Board of Directors and Management Team
1.	Are the sales of DLMI mainly within Malaysia or for export to overseas?	DLMI exports to Singapore and nearby markets.
2.	What is the Company’s strategy for the next 5 years and is there any plan for expansion in the near future?	DLMI’s strategy is to drive expansion within the country in the coming years.
3.	What is the composition of the raw materials of DLMI?	The main ingredients for dairy products are milk fat and full cream powder. Local milk production in the country is still low and as such DLMI continues to import milk.
4.	Will there be any major capital expenditures for the financial year?	DLMI will continue to invest in various plant automation systems for better processing and production functionalities, as well as upgrade of production facilities to meet safety, quality and capacity requirements.
5.	Why is there a finance cost when the Company has no loans	The finance cost is related to financing for DLMI’s distributors.
6.	What platform DLMI is leveraging for e-commerce? How much percentage of the e-commerce contribution to DLMI’s revenue?	DLMI has already started venturing into e-commerce. E-commerce is still relatively small in the country and the contribution from e-commerce to DLMI’s revenue is still very low, but it is growing at a very fast pace and we see a big opportunity in the online business.

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7.	Dividends paid out in FY2017 are higher than DLMI's profit. Why?	Dividends paid in FY2017 were paid out of the earnings of DLMI and excess cash from FY2016
8.	Will DLMI pay the same extraordinary interim dividends as previous year?	As a manufacturing company, DLMI will need cash flow to sustain its business and operations. The Board will consider all circumstances before declaring extraordinary dividends.
9.	For the proposed increase and the payment of Directors' fees of RM450,000, what is the percentage of increase compared with last year?	There is a 5% increase in Directors' fees compared with last year. New appointments have also been made to the Board as a part of the Board's succession planning.