

press release

Dutch Lady Milk Industries Berhad announces optimisation of dairy production operations in Malaysia

PETALING JAYA, 29 November 2022: Dutch Lady Milk Industries Berhad (DLMI), the leading dairy manufacturer in the country today announced the optimisation of its dairy production operations. As part of the optimisation, it has been decided that its milk powder operations in Petaling Jaya will be discontinued. The targeted date of discontinuation is 31 May 2023.

Pursuant to this optimisation, milk powder operations will not be carried out at the new manufacturing facility in Bandar Enstek. The continued availability of its milk powder products for the Malaysian market, however, will not be impacted as DLMI will source these products from the FrieslandCampina network and continue to provide for the Malaysian market needs.

DLMI will also be discontinuing the production of some of its other lines in phases over the next two years in the intended optimisation exercise. The intended optimisation is in line with the approach of FrieslandCampina, to enhance business operations and to shift to a more sustainable business model that drives focus, innovation and efficiency for FrieslandCampina's long-term strategic reasons and to continue to cater for consumers in the future.

Managing Director of DLMI, Ramjeet Kaur Virik said, "Unfortunately, as a result of this decision we have taken, approximately 100 existing job roles will be impacted. These positions will not be required at our new facility at Bandar Enstek. We will honour our contractual obligations to help our impacted employees transition. DLMI is committed to supporting all our employees and to ensure business continuity, working closely with all our partners".





"The business model at DLMI remains unchanged, stable and solid. We have to make decisions that look into the overall commercial considerations for the long-term in order to continue winning in the market," Ramjeet added.

DLMI is committed to providing high-quality, Halal and affordable nutritious products long into the future with its impending move to Bandar Enstek. With the implementation of Industry 4.0 technology at the new manufacturing facility, DLMI strives to achieve operational excellence and efficiency to continue winning in Malaysia and future markets. The adoption of new innovations will allow the organisation to meet its dairy production growth and immensely benefit the growing local dairy industry while improving the quality and volume of local raw milk production.

DLMI has been part of the Malaysian landscape since 1963 and enjoys multigenerational appeal to continue **Nourishing the Planet and People in Every Stage of Life**. DLMI is part of Royal FrieslandCampina N.V.

DLMI's 'Grass to Glass' philosophy drives the company's sustainable roadmap with four objectives - nourishing Malaysians with better nutrition, driving sustainable initiatives at the farm level, better balance with a smaller carbon footprint and post-consumption efforts.

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.

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 Royal FrieslandCampina N.V.

FrieslandCampina is one of the largest dairy companies in the world with a cooperative tradition going back 150 years. The company processes the milk from dairy farms into a wide range of dairy products and ingredients. This way Royal FrieslandCampina provides hundreds of millions of people throughout the world with valuable nutrients from milk.

Royal FrieslandCampina N.V. is fully owned by Zuivelcoöperatie FrieslandCampina U.A., with 15,703 dairy farmers in the Netherlands, Belgium, and Germany as members. Through the cooperative, these member dairy farmers own and supervise the company. Together with member dairy farmers, FrieslandCampina manages the entire production chain: from grass to glass.

FrieslandCampina provides consumers with dairy products, such as milk, yoghurt, condensed milk, dairy-based beverages, cheese, butter, quark, and cream. The dairy company supplies specific nutrition to 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 product range, including creams, butters, desserts, and fillings. In addition, the company supplies high-quality ingredients to international food producers and pharmaceutical companies.

In 2021, 10,564 member dairy farms in the Netherlands, Germany, and Belgium supplied almost 10 billion kilos of milk for processing into dairy products and ingredients. FrieslandCampina has branches in 32 countries and exports to more than 100 countries worldwide. At year-end 2021, FrieslandCampina employed an average of 22,961 workers (FTEs). For additional information, please visit our website: www.frieslandcampina.com.

Issued by Dutch Lady Milk Industries Berhad

Muhammad Abdul Hadi Abdullah Corporate Affairs Director

Tel: 012-376 6497 Email: hadi.abdullah@frieslandcampina.com

Meera Selvaratnam Communications Manager

Tel: 012-911 0733 Email: meera.selvaratnam@frieslandcampina.com

