

## General Announcement for PLC (v13)

RELEASED

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COMPANY INFORMATION SECTION			
Announcement Type	<input checked="" type="radio"/> New Announcement <input type="radio"/> Amended Announcement		
Company Name	DUTCH LADY MILK INDUSTRIES BERHAD		
Stock Name	DLADY		
Stock Code	3026		
Board	Main Market		
Submitting Secretarial Firm	BOARDROOM CORPORATE SERVICES SDN BHD		

CONTACT DETAIL			
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MAIN	
Type	Announcement
Subject	OTHERS
Description	DUTCH LADY MILK INDUSTRIES BERHAD ("DLMI" OR "COMPANY") CONSTRUCTION OF NEW MANUFACTURING FACILITIES IN BANDAR BARU ENSTEK, DISTRICT OF SEREMBAN, STATE OF NEGERI SEMBILAN
Shareholder Approval	No

Announcement Details/Table Section			
<p>Further to the announcement of 17 December 2020 regarding the completion of the acquisition of three (3) parcels of freehold land held under Geran 270934 Lot No. 61320, Geran 270935 Lot No. 61321 and Geran 270936 Lot No. 61322 in Mukim of Bandar Baru Enstek, District of Seremban, State of Negeri Sembilan measuring approximately 40470 square meters, 40570 square meters and 50860 square meters respectively (collectively, "Lands"), the Board of Directors of the Company wishes to announce that new manufacturing facilities will be constructed on the Lands between the years 2021 to 2025 at a total capital investment of RM340 million. This investment is in line with DLMI's long-term plans of improving its manufacturing capabilities to keep up with the demand for its products and with new consumer trends which will strengthen its ability to provide the goodness and nutritional value of milk to its customers.</p> <p>Please refer to the attachment for further details.</p> <p>This announcement is dated 17 December 2020.</p>			
Attachment	No	File Name	Size
	1	<a href="#">DLMI-Announcement on Construction of new plant.pdf</a>	69.1KB

## **DUTCH LADY MILK INDUSTRIES BERHAD (“DLMI” OR “COMPANY”)**

### **CONSTRUCTION OF NEW MANUFACTURING FACILITIES IN BANDAR BARU ENSTEK, DISTRICT OF SEREMBAN, STATE OF NEGERI SEMBILAN**

#### **1. INTRODUCTION**

Further to the announcement of 17 December 2020 regarding the completion of the acquisition of three (3) parcels of freehold land held under Geran 270934 Lot No. 61320, Geran 270935 Lot No. 61321 and Geran 270936 Lot No. 61322 in Mukim of Bandar Baru Enstek, District of Seremban, State of Negeri Sembilan measuring approximately 40470 square meters, 40570 square meters and 50860 square meters respectively (collectively, “Lands”), the Board of Directors of the Company wishes to announce that new manufacturing facilities will be constructed on the Lands between the years 2021 to 2025 at a total capital investment of RM340 million. This investment is in line with DLMI’s long-term plans of improving its manufacturing capabilities to keep up with the demand for its products and with new consumer trends which will strengthen its ability to provide the goodness and nutritional value of milk to its customers.

#### **2. FACILITIES TO BE CONSTRUCTED**

The facilities which will be constructed on the Lands will include manufacturing and warehousing facilities, support facilities and office facilities (collectively, “New Facilities”). The New Facilities will be used for the manufacturing of DLMI’s dairy products with capacity and space for the manufacturing of other variations that the Company may produce. The New Facilities will be environmentally friendly and safe and will introduce new technology which will improve DLMI’s efficiency and productivity.

#### **3. SOURCE OF FUNDING**

The construction of the New Facilities will be funded through internal funds.

#### **3. FINANCIAL IMPACT**

The cost of the New Facilities is not expected to have any effect on the share capital of DLMI or on the shareholding of the shareholders of DLMI.

4. STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors of DLMI, after careful deliberation and having considered all aspects, is of the opinion that the construction of the New Facilities is in the best long-term interest of DLMI.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors and/or major shareholders of DLMI and/or persons connected with them has any interest, either direct or indirect with the construction of the New Facilities.

6. APPROVALS REQUIRED

The construction of the New Facilities is subject to all applicable approvals which DLMI will obtain accordingly but does not require shareholders' approval.

7. CURRENT FACTORY LAND

As informed in DLMI's announcement dated 9 September 2020, DLMI is currently assessing different scenarios alongside the prospects of a potential sale of its current factory land located and held under Lot 78, Lot 79 and Lot 48 in Jalan Prof. Khoo Kay Kim, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan ("Current Factory Land"). As part of the assessment, an independent real estate agent has been appointed to act on behalf of DLMI to seek offers for the Current Factory Land from the open market by way of a public tender. Final decisions on the Current Factory Land will only be made by the Board after the assessment of the various scenarios is completed and the necessary announcements will be made in due course.

This announcement is dated 17 December 2020