

# press release

## **Dutch Lady Milk Industries Berhad (DLMI) posts a revenue of RM351 million for 2023 second quarter results**

*Q2 net profit jumped 12.6 percent to RM24.3 million; Cautiously optimistic for the long-term due to brand strength and growing awareness about the critical need for dairy nutrition amongst Malaysians particularly children*

**PETALING JAYA, 24 August 2023:** Leading dairy manufacturer Dutch Lady Milk Industries Berhad (DLMI) achieved a 12.6 percent increase in net profit to RM24.3million and a 3.3 percent hike in Revenue to RM351 million in its second quarter (Q2) ended June 30 compared to the same period in 2022.

Operating profit excluding accelerated depreciation and one-offs stood at RM37.7 million compared to RM32.9 million from a year ago, an increase of 17.1%. On a like-for-like basis, this increase is due to the company's cost optimisation initiatives and Revenue growth management measures to stem inflationary headwinds, and buffering against the USD exchange rates.

The accelerated depreciation of existing assets in the Petaling Jaya factory is also consistent with the earlier announcement pertaining to investment in the new manufacturing plant in Bandar Enstek.

DLMI Managing Director Ramjeet Kaur Virik said the company will continue to ensure a wide range of affordable products by means of strategic pricing. DLMI will remain steadfast in its purpose of Nourishing Our Nation and continue to drive its position as market leader by continuing to operate in a volatile market due to global uncertainties and challenges and potential regulatory changes.

Ramjeet added that the company will continue to strictly manage its cash flow to





steer DLMI in a tough market and manage internal financing for the new facility construction in Bandar Enstek.

DLMI, a pre-eminent market leader since 1963, has demonstrated deep commitment to the country by investing RM540 million in the new world-class manufacturing plant under construction in Bandar Enstek. The future-ready manufacturing plant will be fully operational within the course of 2024.

“We will stay focused on our mission and at the same time, maintain healthy gross margins to enable DLMI to continue investing in our assets; our brands and people” said Ramjeet adding this will drive long-term engagement to make the company an employer of choice as well as increase milk penetration.

DLMI remains cautiously optimistic for the long-term due to robust brand strength and the growing stakeholder awareness about the critical need for dairy nutrition amongst Malaysians particularly children.

The company in the coming decades will continue to support and partner the Government’s health agenda in battling non-communicable diseases such as stunting and obesity in children. DLMI also remains committed in supporting the Government to achieve a 100% self-sufficiency level in local fresh milk production by upskilling local dairy farmers to increase the quality and volume of milk. This is part of DLMI’s Private-Public Partnership approach to continue enhancing the nation’s food security agenda.

Celebrating its 60<sup>th</sup> Anniversary in Malaysia, DLMI with an iconic generational appeal to Malaysian consumers since 1963, remains unwavering in its commitment to continue Nourishing Our Planet and People in Every Stage of Life.

#### **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, FrieslandCampina, 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](http://www.dutchlady.com.my)





### **About FrieslandCampina**

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 FrieslandCampina provides hundreds of millions of people throughout the world with valuable nutrients from milk.

FrieslandCampina is fully owned by Zuivelcoöperatie FrieslandCampina U.A., with 15,137 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 2022, 9,927 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 30 countries and exports to more than 100 countries worldwide. At year-end 2022, FrieslandCampina employed an average of 21,715 workers (FTEs). For additional information, please visit our website: [www.frieslandcampina.com](http://www.frieslandcampina.com).

### **Issued by Dutch Lady Milk Industries Berhad**

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