



Nourishing our Nation

**Investor Briefing
6th April 2026**



Financial Year 2025 at a Glance – Transition to Acceleration

Revenue increased by 3.8% to RM 1.50 billion

Gross margin increased by 1.5 ppts to 35.3%

Operating profit increased 17.8% to RM 154.74 million

Profit After Tax increased by 6.9% to RM 103.28 million

Operating cash flow increased 88% to RM 159.95 million

Successfully launched new **integrated Distribution Centre**

enabling network efficiency, service reliability and marking the completion of Enstek relocation

Launched Dutch Lady Omega 3*6

supports children's brain development and overall growth

Market Capitalisation of RM 1.992 bil
as at 31 December 2025

Purchased 5.2 million litres

of raw milk from local farms

*remain one of the largest purchasers of fresh raw milk in Malaysia

Supporting child nutrition nationwide through the **School Milk Programme**

14,388,320 Packs
74,000 Students

Reduction in Emissions (24%), Energy (27%) and Water (35%) intensity vs 2024



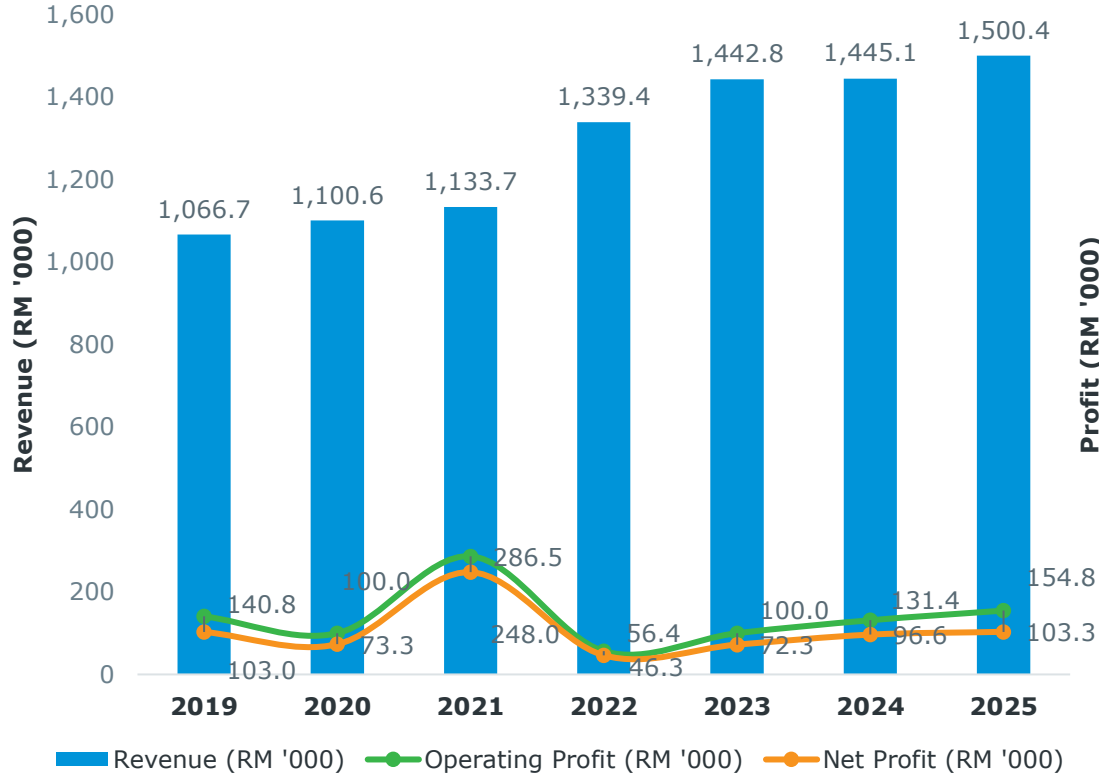
AGENDA

- **SECTION 1: FINANCIAL PERFORMANCE**
- **SECTION 2: STRATEGIC AND GROWTH THESIS**
- **SECTION 3: OPERATIONAL AND COMMERCIAL ACCELERATION**
- **SECTION 4: SUSTAINABILITY**
- **SECTION 5: 2026 OUTLOOK & DLMI GROWTH DRIVER &**
- **SECTION 6: Q & A**

FINANCIAL PERFORMANCE

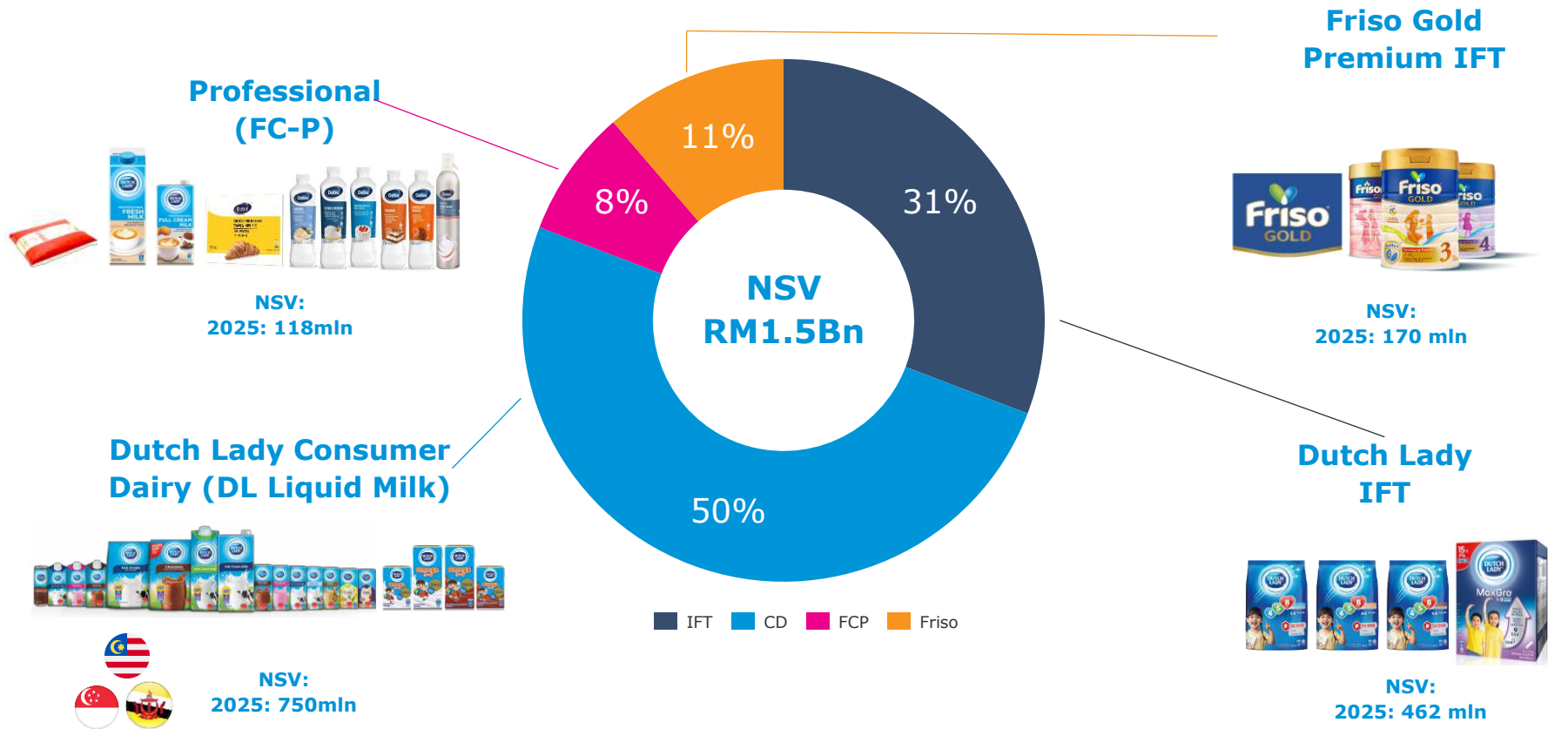


Revenue reaches Record RM1.5bn with Profitability Improving Post-Enstek Transition



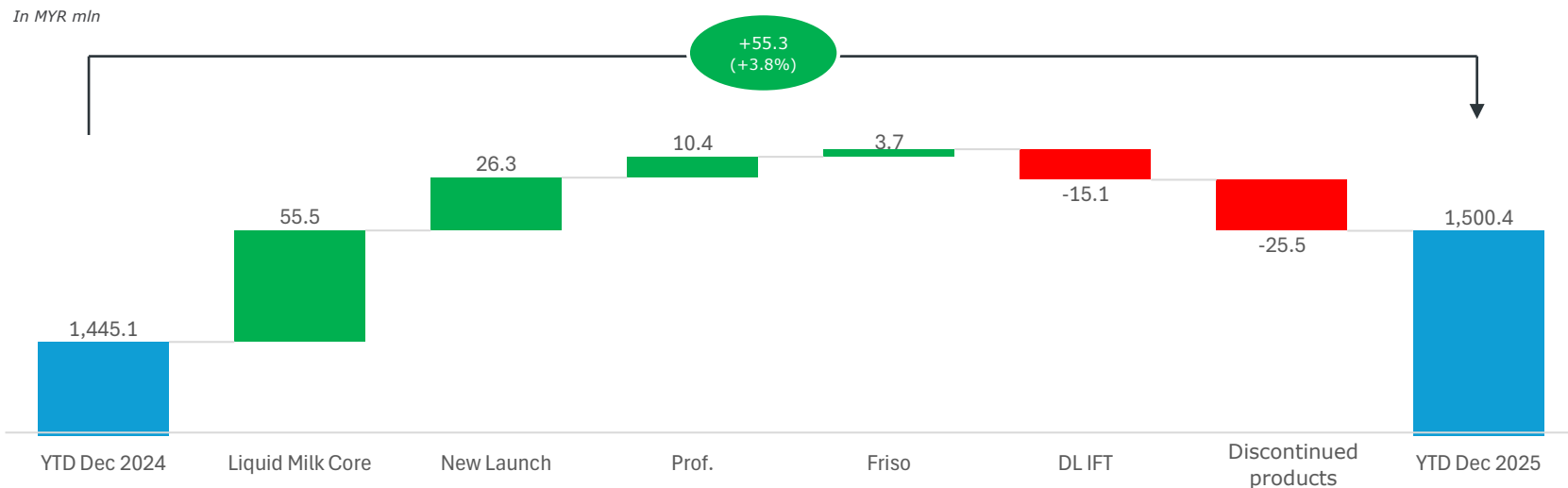
- Revenue reached RM1.50bn Milestone in FY2025 for the first time, representing steady growth from RM1.07bn in 2019.
- Profitability was temporarily impacted during the Bandar Enstek relocation and supply chain transition, which involved significant operational adjustments and one-off costs.
- With DLMI@Enstek and Distribution Centre fully operational, margins are improving as operational efficiencies are realized
- Net profit increased to RM103m driven by revenue growth, margin expansion and improved operating leverage

Four key product segments contributing to robust RM1.5bn revenue in 2025



Revenue growth fueled by Liquid Milk, Professional and new launches

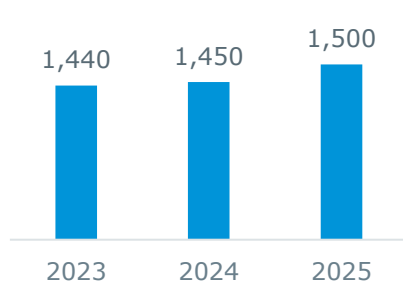
Stronger business performance across key strategic products, partially offset by discontinued range



FY2025 Financial Performance

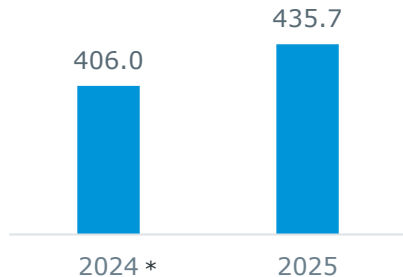
Revenue growth on the back of strong volume performance. Margin expansion translated into significant operating profit growth, reinforcing the strength of our core business and new launches.

Revenue
+3.8% YoY | RM1.50bn



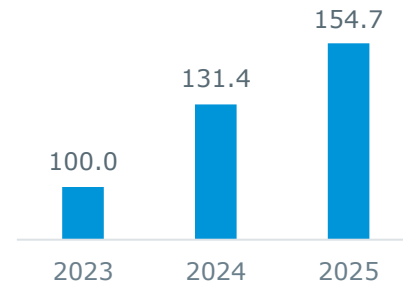
- Higher volumes in core Dutch Lady liquid milk portfolio.
- Continued momentum in HORECA channel.
- Successful new product launches.
- Supported by SARA programme retail offtake.
- Partially offset by softer IFT performance and SKU rationalisation.

Gross Profit
+7.3% YoY | RM435.7m



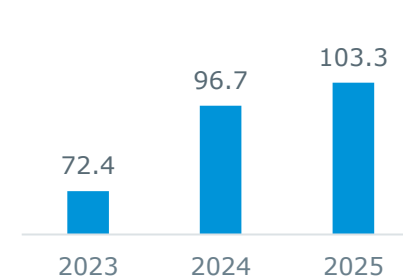
- Premium portfolio mix (IFT & specialised nutrition).
- Favorable dairy raw material pricing.
- FX appreciation supporting input costs.
- Ongoing cost discipline and Performance+ initiatives.
- Improved fixed-cost absorption from Enstek.

Operating Profit
+17.8% YoY | RM154.7m



- Lower transition-related one-offs (RM17.6m vs RM39.0m)
- Distribution expenses broadly stable.
- Higher administrative expenses from Enstek ramp-up and next gen ERP implementation.

Net Profit
+6.9% YoY | RM103.3m



- Net profit growth moderated by higher tax expense.
- Tax increase due to deferred tax adjustments and prior-year under-provision.
- Profit Before Tax +17.3% driven by margin expansion and operating leverage.

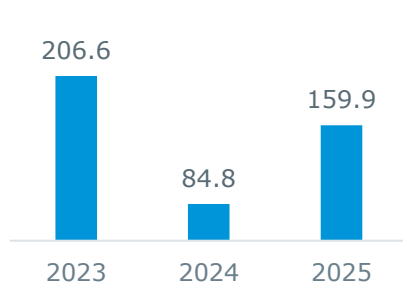
Operating Profit Growing by 17.8%

Strong profitability growth driven by volume, RGM and lower transition costs; COGS increase offset by positive FX



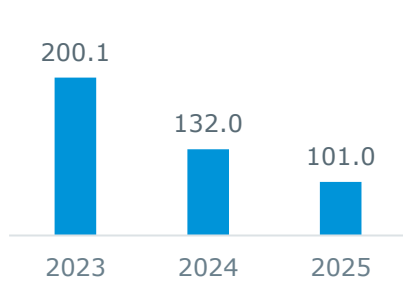
Strong Cash Generation, Normalising CAPEX & Improved Inventory turnover

Operating Cash Flow
+88% YoY | RM159.9m



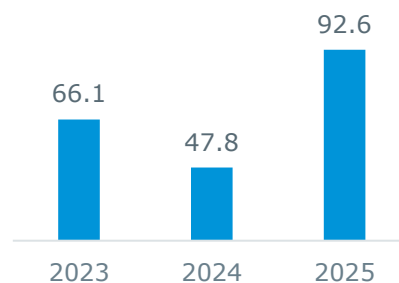
- Strong cash generation driven by higher operating profit and working capital discipline.
- Inventory optimisation and receivables management supported stronger cash conversion.
- Reinforces DLMI's strong underlying cash generation capability.

Capital Expense
-24% YoY | RM101m



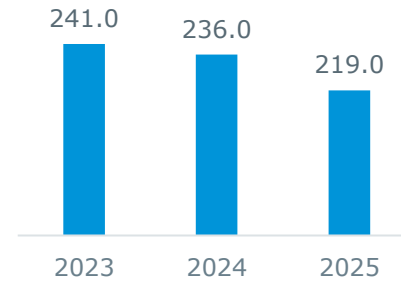
- CAPEX moderating following completion of the DLMI@Enstek manufacturing and distribution platform
- Cash CAPEX of RM101m substantially related to PY investments.
- FY2025 capital additions of RM40m in PPE and IA, reflecting transition from major investment phase.

Cash Balance
+94% YoY | RM92.6m



- Strengthened liquidity position supported by strong operating cash flow.
- Provides financial flexibility for investments, and lowering debt position.
- Supports DLMI's disciplined capital allocation approach.

Inventory
-7% YoY | RM219m



- Lower working capital intensity following Enstek supply chain optimization.
- Improved production planning and supply chain coordination
- Improved inventory efficiency supports stronger cash conversion.

STRATEGIC AND GROWTH THESIS



Growing National Focus on Child Nutrition Strengthens Dairy Relevance

Provide milk subsidies to fight child stunting, govt told

MALAYSIA

Parliamentary committee urges milk subsidies as child stunting rate climbs to 21.2pc in Malaysia

Milk vouchers better way to prevent stunting among kids

9 HOURS AGO
Zaza Atira

Share

The Galen Centre for Health and Social Policy says that a targeted approach will ensure children consume milk regularly without adding to the financial burden of B40 households.

Rising Child Nutrition Challenge

- **Child stunting increased to 21.2% in 2022** (17.7% in 2015, NHMS)
- Malaysia reportedly **only ASEAN country with rising stunting rates**

Policy Discussion on Nutrition Support

- Parliamentary committee proposed **milk subsidies to improve child nutrition**
- **Milk** recognised as **affordable source of nutrients for growth and brain development**

Expanded National Nutrition Interventions

- Recommendation to extend nutrition programmes from **1,000 → 2,000 days (up to age 5)**
- Proposed **mandatory child growth monitoring and nutrition consultations**

Nutrition Insights Drive Product Innovation and Relevance

Consumer nutrition insights enable DLMI to design products that address Malaysia's key nutritional challenges.

SEANUTS

Southeast Asian Nutrition Surveys in Southeast Asia. This study provided nutritional data from almost 14,000 children in Malaysia, Indonesia, Thailand and Vietnam.



Dairy

supports the intake of essential micronutrients



Enhancing essential micronutrients to support healthy growth.

Products fortified with key vitamins and minerals relevant to Malaysian nutritional needs.

Optimising nutritional profile while maintaining taste.

Malnutrition

The majority of Malaysian children studied suffer from some form of malnutrition



Stunted growth

13.8% of children below 5



Overweight and obesity

1 in 10 children between 0.5 - 12.9



Calcium and vitamin D

25.1 % of children have Vitamin D deficiency
79.4% not meeting recommended Calcium intake



Anemia

40.3% of children below 5

Malaysia's Dairy Consumption Gap Creates Long-Term Growth Opportunity

Below Age 12

0.6

Servings of milk/dairy per day

Below Age 5

76.8%

DID NOT consume milk/milk products at least two times daily. (NHMS MCS 2022)

Age 3-6

61%

Children drink **sugary drinks** at least 5 times a week. (BMC Public Health 2020 – For Kelantan State)

DLMI Opportunities

Nutritious & Affordable Breakfast

- Breakfast remains the largest dairy consumption occasion in Malaysia
- While 89% of Malaysians eat breakfast, only ~52% consume dairy in the morning
- Dairy provides protein and calcium essential for daily nutrition

Kids Nutrition Foundation

- The first 1,000 days of nutrition are critical for brain development and immunity
- DHA and brain development benefits are key drivers of purchase for young children
- Infant Formula and Liquid Milk remain key nutrition sources for children aged 1–4

Convenient & On-the-Go Consumption

- Busier lifestyles driving demand for convenient and nutritious dairy beverages
- Increasing on-the-go consumption occasions for ready-to-drink dairy products
- Expansion of proximity retail channels (minimarkets and convenience stores) supporting accessibility

Introducing the new Dutch Lady Omega 3*6

The first 5 years

shape how a child **thinks, learns, and grows** - it's when the brain develops fastest.

24
vitamins
&
minerals

High in
Calcium

Source of
Protein

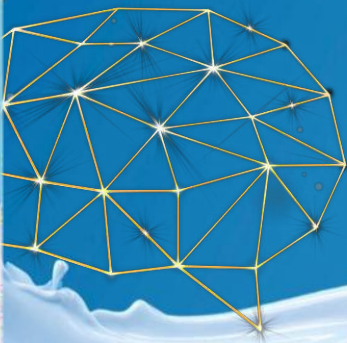
Packed with **brain-supportive nutrients** for a strong start, supporting growth of their curious minds and growing bodies.

Strengthen memory and stimulate blood circulation in the brain

Maintenance of normal brain function



Available in **Plain (0% sucrose) & Chocolate**, every drink time is a moment to boost the little minds and help them grow & learn smart!



Sources:

Higher Omega-3 (inclu. DHA) intake showed improvement in learning ability and memory in Children (Dalton A, et al., 2009).

Omega-3 (including DHA) supports learning, memory, and brain blood flow (Dighiriri IM et al., 2022)

Omega-3 (including DHA) may support attention and cognitive processing in Children, as shown by improvements in brain activity (Sittiprapaporn P et al., 2022)

Science-Backed IFT Innovation Supporting Malaysia's Childhood Growth

Deep dive: Key Findings

- Modern parents increasingly prioritise holistic child development and wellness
- Awareness of stunting and growth gaps remains limited
- Many parents are uncertain how to address early childhood nutrition needs



Strategic framework redefined: MaxGro 2.0

- Shift from conventional children's milk to science-based growth nutrition
- Focus on early intervention during critical growth years
- Strengthening credibility through clinical validation and nutrition education



Clinically Proven Growth Nutrition for Malaysian Children

- ❑ Visible growth improvement in 12 weeks
- ❑ Clinically tested on Malaysian children
- ❑ Strengthens DLMI's position as Malaysia's leading nutrition dairy brand



OPERATIONAL AND COMMERCIAL ACCELERATION



DLMI@Enstek: Integrated Plant Enabling Scale, Efficiency and Future Growth

DLMI@Enstek Integrated Manufacturing & Distribution Hub



- DLMI@Enstek integrated manufacturing and distribution hub now fully operational
- Designed with $\sim 2\times$ production capacity potential compared with the previous Petaling Jaya facility, providing long-term growth headroom
- Integrated distribution centre ($\sim 25,000$ pallet capacity) strengthening supply chain capability
- IR4.0-enabled automation supporting productivity, quality and operational resilience
- Improved sustainability performance, including lower energy and water intensity per tonne

Brand Leadership Driven by Innovation and Strong Commercial Execution

#1 Liquid Milk Brand in Malaysia

41.8% value share
45.0% volume share
Nielsen YTD Dec 2025

+4.3% Value Growth

Nielsen YTD Dec 2025

+7.6% Volume Growth

Nielsen YTD Dec 2025

Innovation and Portfolio Expansion in 2025



- Launch of **Dutch Lady Omega 3*6** supporting kids' nutrition.
- **Friso Gold Comfort Next** strengthening premium portfolio.
- Accessibility improved through **1.8kg IFT** pack and **RSS fresh milk** refresh.
- **Barista Milk** supporting professional channel growth.

Enhanced Commercial and Market Execution



- Strengthened **shopper communication and in-store visibility**.
- Reinforced trusted **No.1 nutrition brand positioning**.
- Expanded **retail activations and school engagement programmes**.

Q1 2026 Ramadan Activation – Winning the Sahur Consumption Occasion



Sahur Consumption Occasion



Leveraging key influencers and livestream commerce to capture the Sahur occasion



1.28M live viewers

8,720 orders recorded!

Geng Sahur Macam Berbuka
Sahur bernutrisi kuat sepanjang hari

Temui kami di lokasi berikut :

- 8 Feb 2026
- 1 Mac 2026
- 14 Mac 2026

Nutrisi No. 1*
Sahur untuk Menyokong
Kekuatan Badan

2026 - Packaging Refresh Strengthens Brand Standout and Consumer Relevance



The Need to Evolve



- Heavy focus on just functional nutrition claims
- Category-generic communication
- Limited emotional connection with consumers

What's Better?



- ✓ **Stronger Brand & Shelf Standout**
Bolder Dutch Lady logo and colour contrast improve visibility and brand recognition.
- ✓ **Clearer Benefit Communication**
“Build Strong Body” positioning strengthens the product’s core nutrition proposition.
- ✓ **Broader Family Relevance**
Family imagery reinforces Dutch Lady as a trusted nutrition brand for all ages.

Outperforms Current Packaging in On-shelf Visibility, Key Benefit Communication & Overall Persuasion

Taste Leadership Reinforces Dutch Lady's Consumer Preference

Consumer research shows Dutch Lady leading in taste preference across Full Cream and Chocolate, while remaining highly competitive in Fresh Milk.

FULL CREAM

Most Preferred by Moms



CHOCOLATE

No.1 Most Liked Chocolate Milk



FRESH

Competitive with Other Brands



Dutch Lady Full Cream leads in overall liking among moms and performs strongly across key taste attributes.

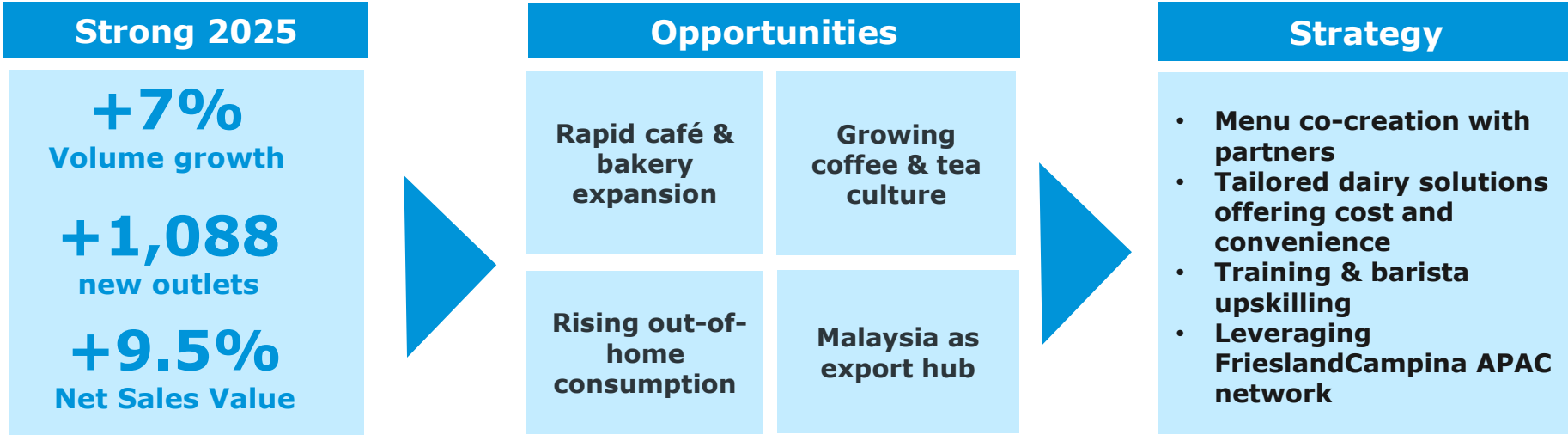


Dutch Lady is the most liked chocolate milk overall, outperforming competitors in taste perception.



Dutch Lady Fresh Milk performs on par with other brands and is perceived more positively on freshness and flavour.

FrieslandCampina Professional: Accelerating Out-of-Home Growth



Comprehensive & Versatile Professional Dairy Portfolio

Milk	Cream	Butter	Serve Serve
			
			

SUSTAINABILITY



Sustainability Performance – FY2025



Nutrition

FC Nutritional Standards (FCNS)

96.3% ↑

2024: 84.7%

Goal 2030: 95%

% of product sold compliant with FCNS *excluding IFT (ineligible)

Healthier Choice Logo Products (HCL)

85.7% ↑

2024: 83%

% of eligible products certified with Healthier Choice Logo



People

Health and Safety

0 ↓

2024: 0.20
Yearly Goal: 0

Total Recordable Frequency Rate (per 200k hours worked)

Top Employer

Sole Dairy company in Malaysia

Top Employer in Malaysia for 2025

Goal 2030: Achieve a "People-Positive and Fit-for-Purpose Workplace"



Foundation

Product Safety and Quality

0 ↔

2024: 0

Number of mandatory product recalls or critical food safety incidents

School Milk Program

14,388,320
Packs

74,000
Students

Beneficiaries distributed under School Milk Programme

Data Privacy and Cybersecurity

0 ↔

2024: 0

Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

Corruption Case

0 ↔

2024: 0

Number of corruption misconduct cases



Planet

GHG emissions intensity

0.15 ↓

▼ 24% vs 2024

Scope 1 & 2 emissions intensity (CO₂e per tonne unit manufactured)

Energy consumption intensity

1.18 ↓

▼ 27% vs 2024

Goal 2030: 0.826

Energy consumption intensity (MJ per tonne unit manufactured)

Water consumption intensity

3.73 ↓

▼ 35% vs 2024

Goal 2030: 2.38

Water consumption intensity (m³ per tonne unit manufactured)

Recyclable packaging

92.7% ↑

2025: CD: 98.7%
SN: 70.1%
FCP: 95.1%
2024: CD: 93.1%
SN: 66.2%

Goal 2030: 95%
% of packaging designed for recycling or reuse

DLMI embarked of National Sustainability Reporting Framework (NSRF) reporting one year ahead of mandatory requirements, aligning disclosures with IFRS S1 and S2. Will be disclosed in FY 2025 Annual Report.

2026 Outlook & Growth Driver



Outlook 2026: Acceleration with Discipline

DLMI expects continued revenue growth supported by innovation and channel expansion, while operational discipline and Enstek efficiencies support margin resilience.

Driver	Watchpoints	Management Actions
<ul style="list-style-type: none"> Malaysia's economy expected to grow 4.0%–4.5%, supporting consumer spending Stabilising dairy raw material prices supporting margin outlook Full-year operational benefits from DLMI@Bandar Enstek manufacturing and distribution plant Continued growth in the UHT dairy segment, where DLMI maintains market leadership 	<ul style="list-style-type: none"> Commodity price volatility in global dairy markets Geopolitical developments impacting global supply chains and markets Currency movements impacting input costs Policy developments impacting regulatory changes and operations Demographic shifts impacting birth rates and Infant Formula demand 	<ul style="list-style-type: none"> Leverage DLMI@Enstek to improve operational efficiency and supply chain resilience Maintain disciplined cost management and Performance+ initiatives to support margin resilience Strengthen innovation pipeline across core dairy and nutrition segments to sustain category leadership Active procurement and supplier management to mitigate commodity price volatility and input cost pressures Ongoing monitoring of macroeconomic, regulatory and geopolitical developments to ensure supply chain continuity

Impact of Middle-East Crisis on supply continuity and cost

Short- and Long-Term Effects

- **Short Term**
 - **Freight & Shipping Costs** - Shipping route disruptions and vessel rerouting around conflict zones may increase transit times, freight rates and insurance costs.
 - **Energy Price Volatility** - Spikes in global oil and gas prices may increase logistics costs and energy-related production costs across supply chains.
 - **Packaging Feedstock Costs** - Higher crude oil prices may place upward pressure on resin and laminate feedstocks used in beverage cartons and packaging materials.
- **Mid Term**
 - **Structural Freight Cost Increase** - If disruptions to key shipping routes persist, global shipping capacity may remain tighter and freight costs may stay structurally elevated.
 - **Commodity Cost Inflation** - Sustained increases in energy prices may raise production and logistics costs across the global food manufacturing supply chain.
 - **Global Dairy Trade Rebalancing** - Disruptions to dairy exports to the Middle East may require major exporters such as the EU and New Zealand to redirect supply to alternative markets or adjust product mix, potentially creating temporary price pressure before markets rebalance.

DLMI Response

- **Secured Raw Material Coverage** - Key dairy commodities, specialty ingredients and critical packaging inputs are currently secured through group procurement planning, providing near-term supply visibility and continuity.
- **Inventory & Safety Stock Management** - Maintaining prudent buffer inventories of key raw materials and packaging inputs to ensure production continuity during potential supply chain disruptions.
- **Strategic Procurement & Demand Planning** - Procurement is supported by structured demand forecasting and disciplined purchasing strategies to manage supply continuity and mitigate price volatility.
- **Leveraging FrieslandCampina's Global Supply Network** - Access to FrieslandCampina's global sourcing network provides diversified procurement channels and supplier relationships, enabling flexibility to optimise sourcing and manage supply risks.
- **Active Supply Chain & Logistics Monitoring** - Shipping routes, supplier lead times and logistics conditions are continuously monitored with suppliers and logistics partners to proactively manage potential disruptions.

DLMI Growth Drivers

Structural Advantages Reinforcing Leadership & Sustainable Growth



Market Leadership

- #1 market share in RTD and Infant Formula dairy categories
- Taste leadership reinforces brand strength.



Scale & Efficiency –

DLMI@Enstek

- Integrated manufacturing and distribution hub
- Enhances operational efficiency, innovation capability and future scalability



Strong Brand Trust & Nutrition Credentials

- 60+ years of brand heritage and consumer trust in Malaysia
- Strong nutrition credentials supporting category leadership



Innovation & Portfolio Breadth

- Portfolio spanning Infant Formula → Kids Milk → Liquid Milk → RTD Dairy
- Enables DLMI to capture multiple dairy consumption occasions



Distribution & Consumption Expansion

- Strong route-to-market enabling broader consumption occasions
- Presence across modern trade, proximity retail and out-of-home channels



Thank you

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