



Nourishing our Nation

63rd Annual General Meeting
Financial Year 2025





Financial Year 2025 -transition to acceleration.



FINANCIAL HIGHLIGHTS



Revenue

RM 1.50 bn **+3.8%**



Gross Margin

29.0% **+0.9%**



Operating Profit

RM154.7 m **+17.8%**



Profit After Tax

RM103.3 m **+6.9%**



Operating Cash Flow

RM159.9 m **+88%**



IMPACTFUL INNOVATION

Launched Dutch Lady Omega 3*6 RTD

Supporting children's brain development and overall growth.



OPERATIONS

Successfully launched new integrated Distribution Centre

Enabling network efficiency, service reliability – completing the Enstek relocation.



SOCIETAL

Supporting child nutrition through the School Milk Program



14.4 m packs delivered



74,000 students reached



SUSTAINABILITY

Reduction in intensity vs 2024

24%



Emissions

27%



Energy

35%



Water



LOCAL SOURCING

5.2 m litres

raw milk from local farms





Agenda

01

Financial Performance

02

Strategic & Growth Thesis

03

Operational & Commercial Acceleration

04

Sustainability

05

2026 Outlook & DLMI Growth Drivers

06

Q&A





2025 Financial Performance



REVENUE AT
A RECORD



MARGINS
EXPANDING

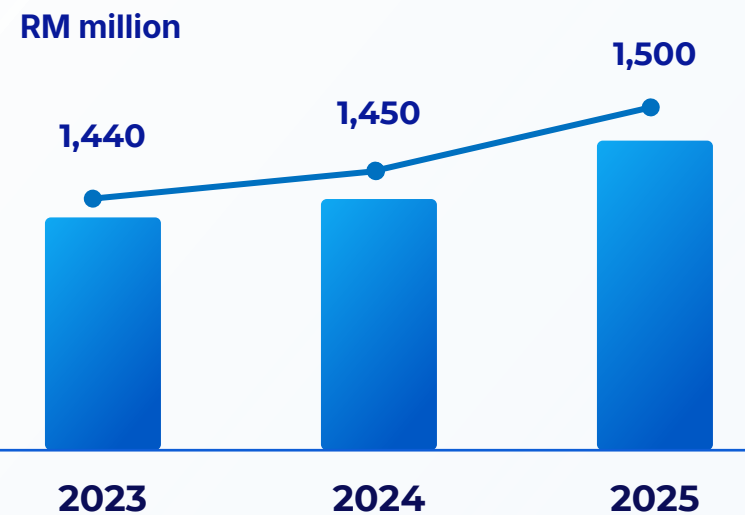


CASH GENERATION
STRONG



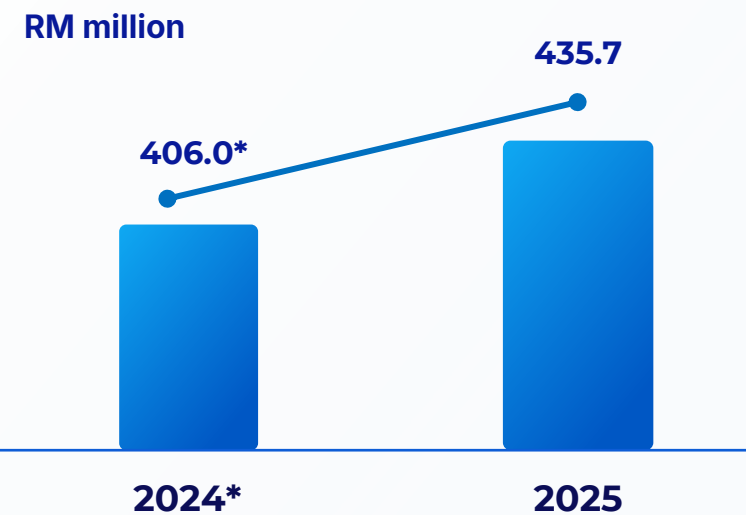
Volume strength and margin expansion translate into significant operating profit growth.

Revenue +3.8% YoY | RM 1.50 bn



- Higher core Dutch Lady liquid milk volumes
- HORECA channel momentum
- Successful new launches
- School Milk Programme support
- Offset by softer IFT & SKU rationalisation

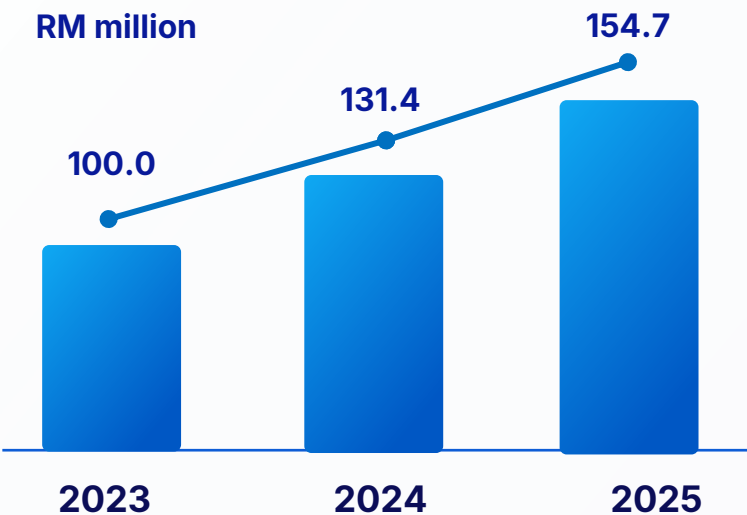
Gross Profit +7.3% YoY | RM 435.7 m



- Volume growth
- Revenue Growth Management
- FX appreciation supporting input costs
- Cost discipline & Performance+ initiatives
- Improved fixed-cost absorption in Enstek
- Higher (Dairy) raw material costs

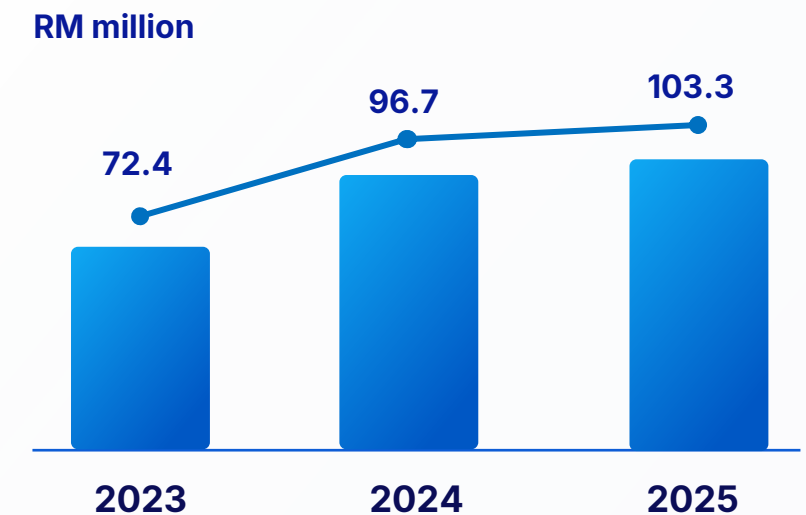
*Restated for FY24

Operating Profit +17.8% YoY | RM 154.7 m



- Lower transition one-offs (RM 17.6m vs RM 39.0m)
- Distribution expenses broadly stable
- Higher admin expenses: next-gen ERP

Net Profit +6.9% YoY | RM 103.3 m



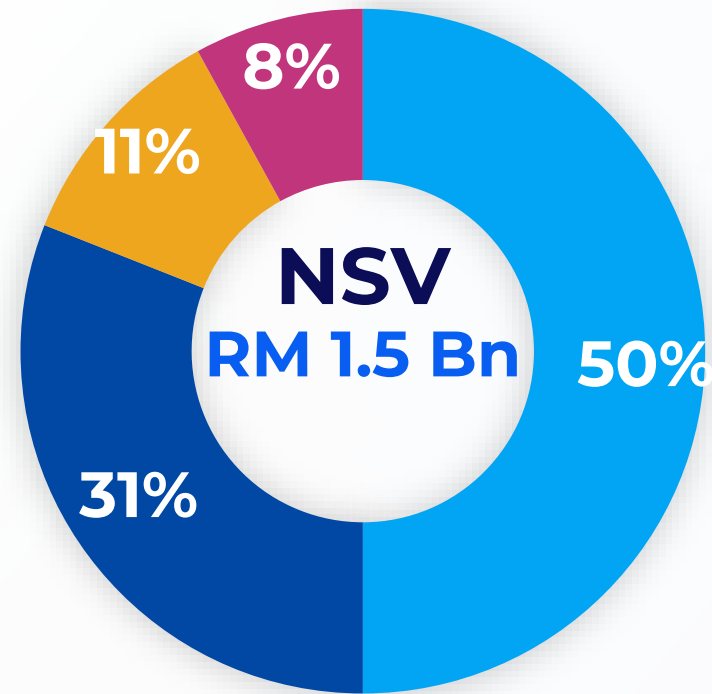
- Net profit growth moderated by higher tax expense
- Tax increase due to deferred adjustments on prior-year
- Profit Before Tax +17.3% on margin expansion & operating leverage



Four product segments delivering **RM 1.5 bn**

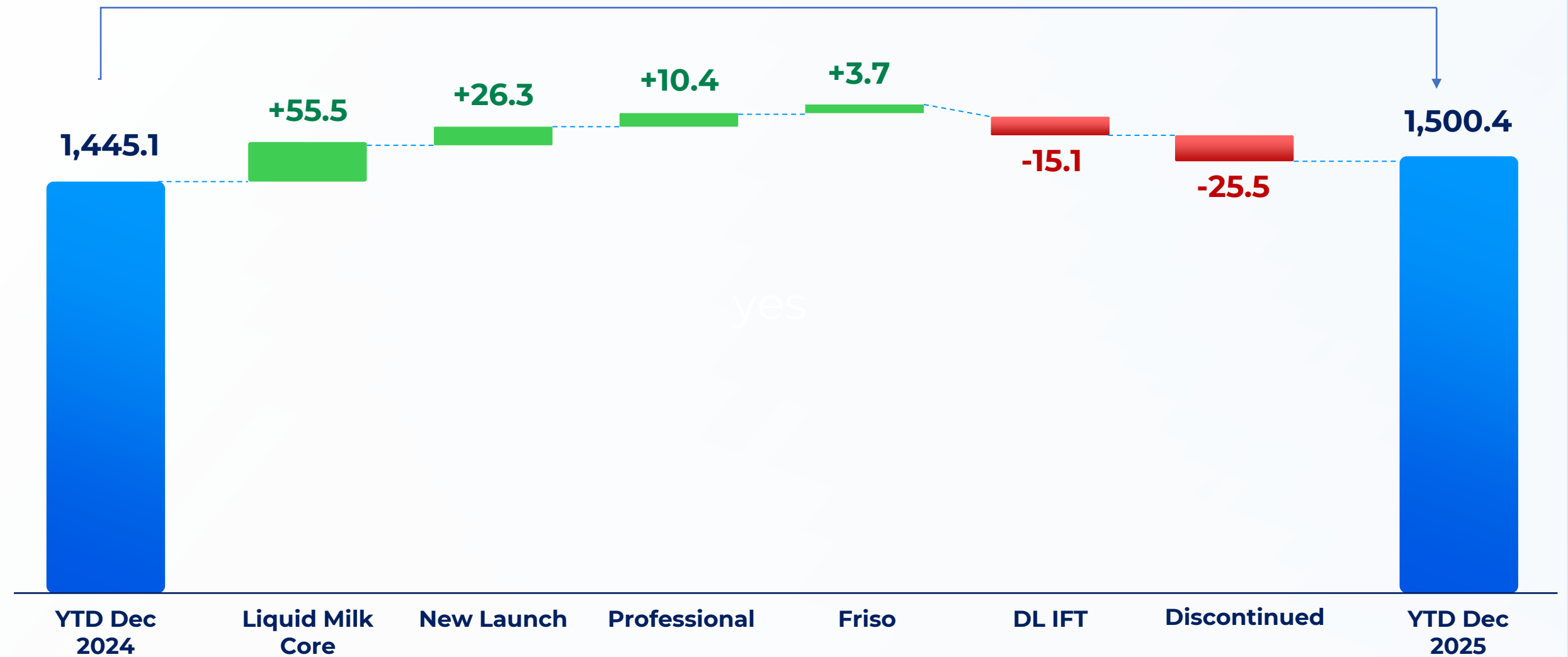
Growth fueled by Liquid Milk, Professional and new launches.

FY2025 NSV Mix · RM 1.5 bn



- Dutch Lady Liquid Milk (CD)**
50% · RM 750 m
- Dutch Lady IFT**
31% · RM 462 m
- Friso Gold Premium IFT**
11% · RM 170 m
- Professional (FC-P)**
8% · RM 118 m

+55.3 (+3.8%)



·RM millions unless stated



Operating profit increased to RM154.7 m - up 17.8%, supported by FX and one-off transition benefits.

Operating Profit Bridge

• 2024 – 2025 (RM millions)

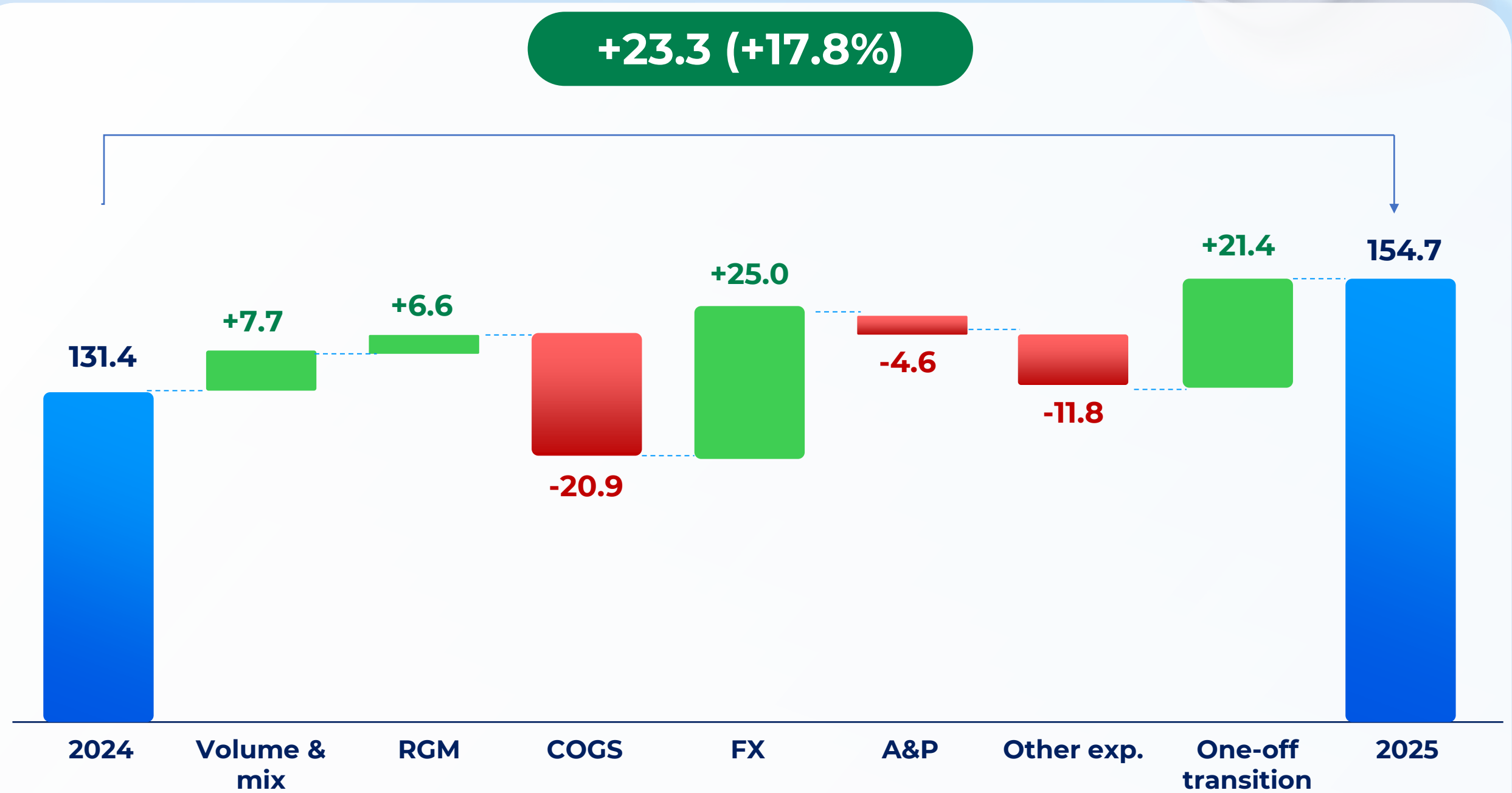
+23.3 (+17.8%)

1. Volume & mix: **+7.7**

2. RGM: **+6.6**

3. FX: **+25.0**

Key offsets from COGS (-20.9), A&P (-4.6), Other exp. (-11.8), partly offset by One-off transition (+21.4)



•RM millions unless stated



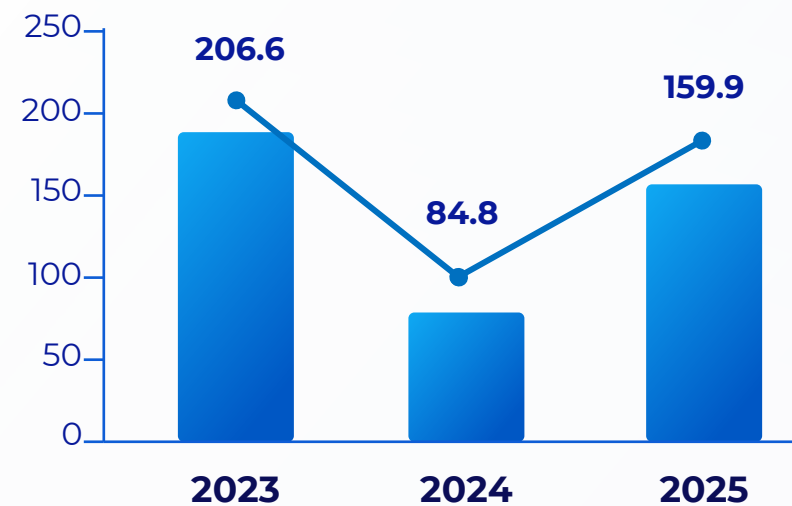
Strong cash generation, normalising CAPEX, improved inventory



Operating Cash Flow

+88% YoY · RM 159.9 m

RM million



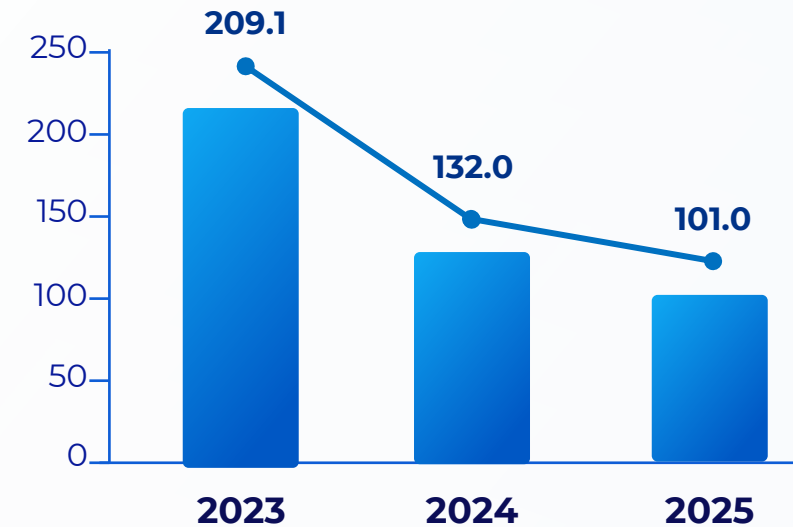
- Higher operating profit & working capital discipline
- Inventory & receivables management
- Reinforces underlying cash generation



Capital Expense

-24% YoY · RM 101 m

RM million



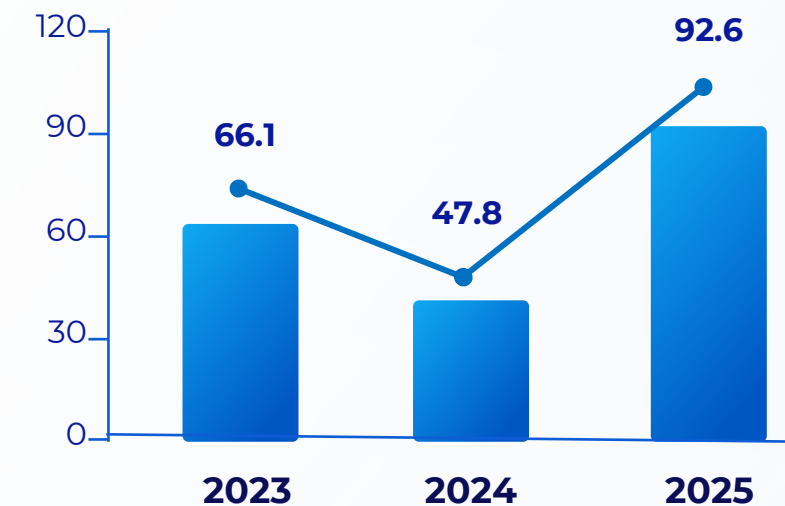
- Moderating post DLMI@Enstek build-out
- RM 101m largely settles prior-year investments
- FY2025 capital additions of RM 40m in PPE & IA



Cash Balance

+94% YoY · RM 92.6 m

RM million



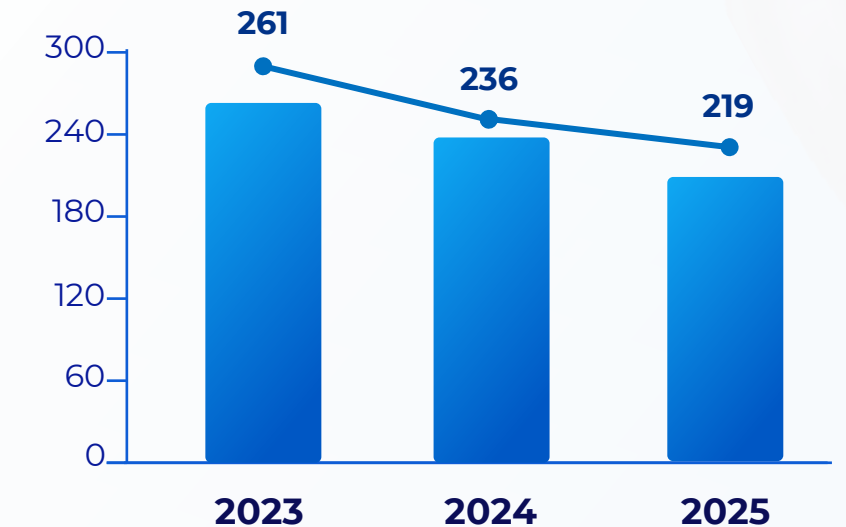
- Strengthened liquidity position
- Provides flexibility for investments & debt reduction
- Supports disciplined capital allocation



Inventory

-7% YoY · RM 219 m

RM million



- Lower working capital intensity post-Enstek
- Improved production planning & supply chain
- Stronger cash conversion



2026 QUARTER 1 RESULTS



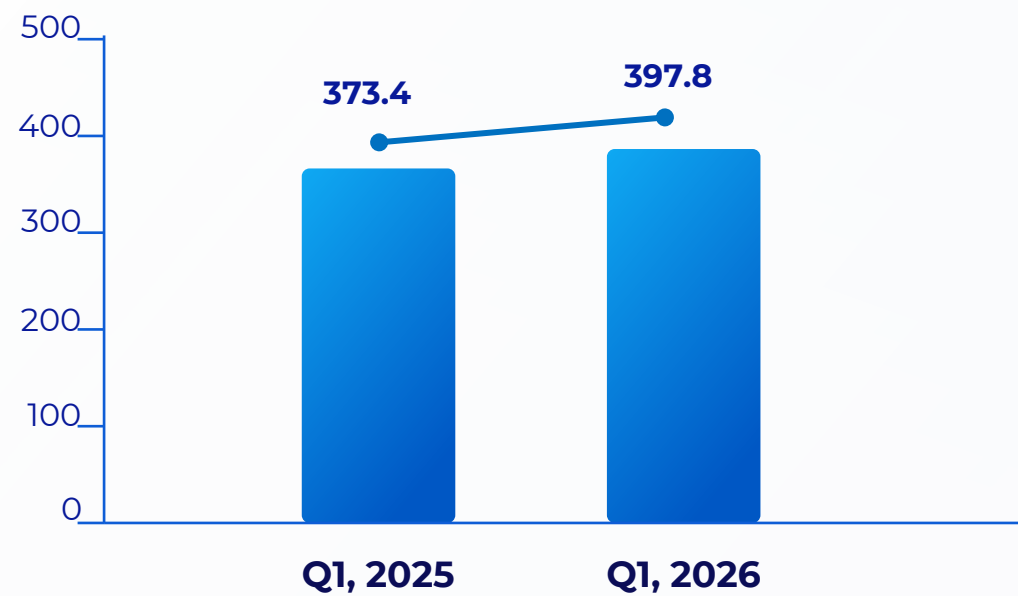
Q1'26 - Strong volume momentum and a cleaner cost base drive record Q1 revenue and double-digit profit growth.



Revenue

Highest quarterly revenue on record
+6.5% YoY · RM 397.8 m

RM million



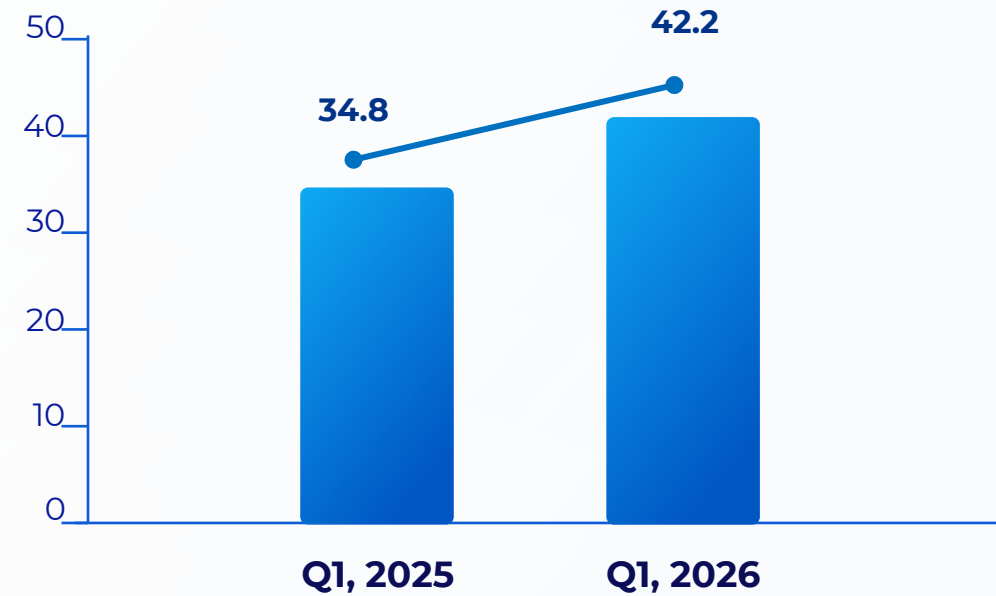
- Higher core Dutch Lady liquid milk volumes (+11%)
- Strong Out-of-Home / HORECA channel momentum
- Continued contribution from 2025 product launches
- Tailwinds from strong Ramadan season and SARA government assistance



Operating Profit

+21.5% YoY · RM 42.2 m

RM million



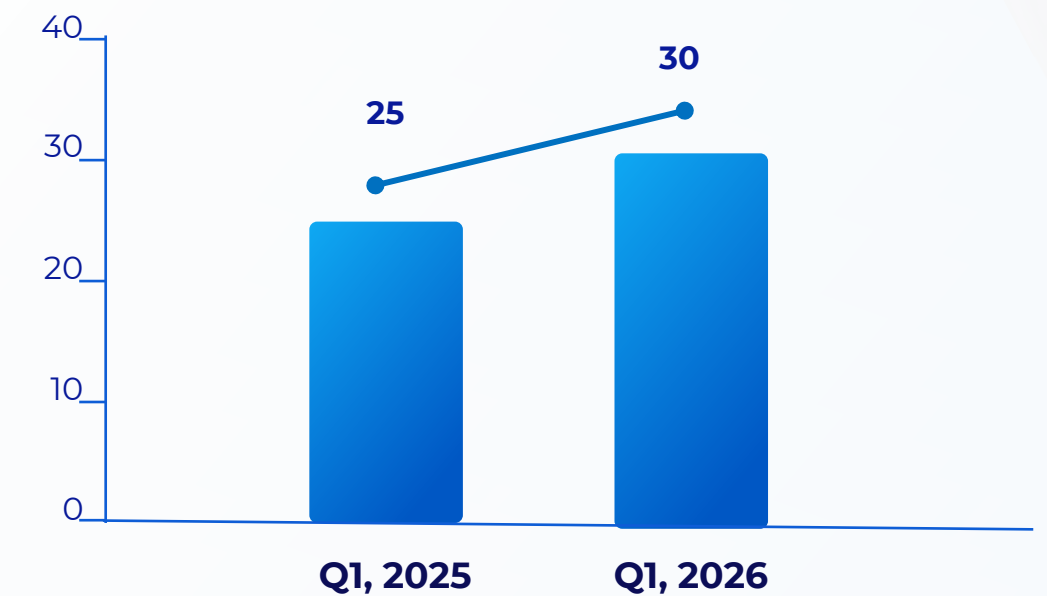
- Absence of transition-related one-offs (Q1 2025: RM 8.3 m)
- Lower dairy raw material and commodity costs
- Favourable FX from a stronger Ringgit
- Revenue Growth Management initiatives
- Partially offset by inventory revaluation and A&P investment to support brand equity



Net profit

+19.7% YoY · RM 30.0 m

RM million



- PBT +23.6% to RM 40.7 m on operating profit growth
- Effective tax rate in line with statutory rate
- Strong cash generation enabled USD 10.1 m (RM 42.4 m) intercompany loan repayment

•RM millions unless stated



Q1'26 Operating profit increased to RM42.2 m up 7.5%, supported by FX and one-off transition benefits.

Operating Profit
Q1, 2024 – Q1, 2025
(RM millions)

+7.5 (+21.6%)



1. One-off transition **+8.3**



2. FX: **+3.7**

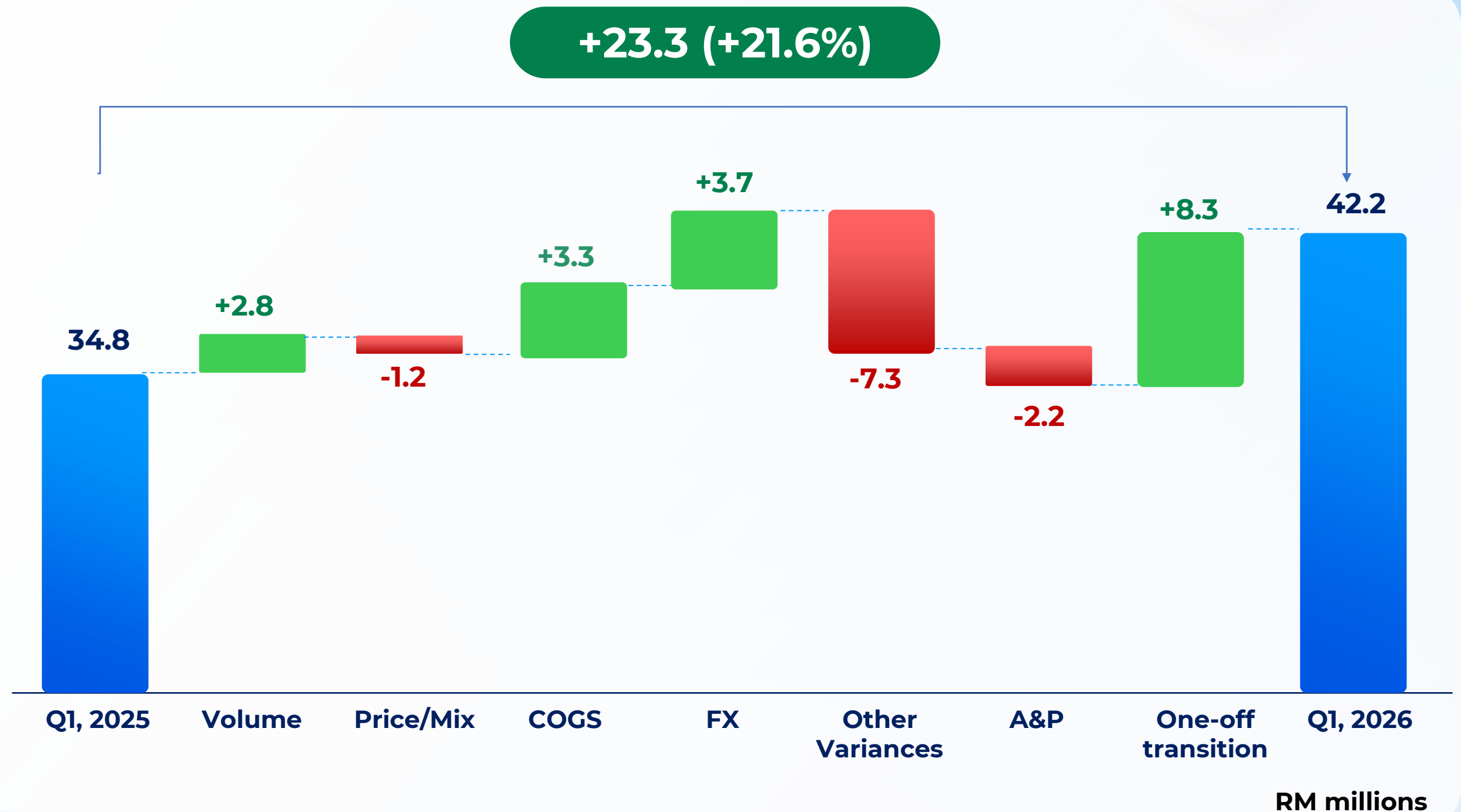


3. COGS: **+3.3**



4. Volume: **+2.8**

Volume, pricing, raw material costs, FX and end off one-off transition positively impacted Operating Profit, partially offset by negative mix, inventory reval and higher A&P.



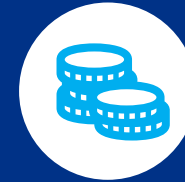
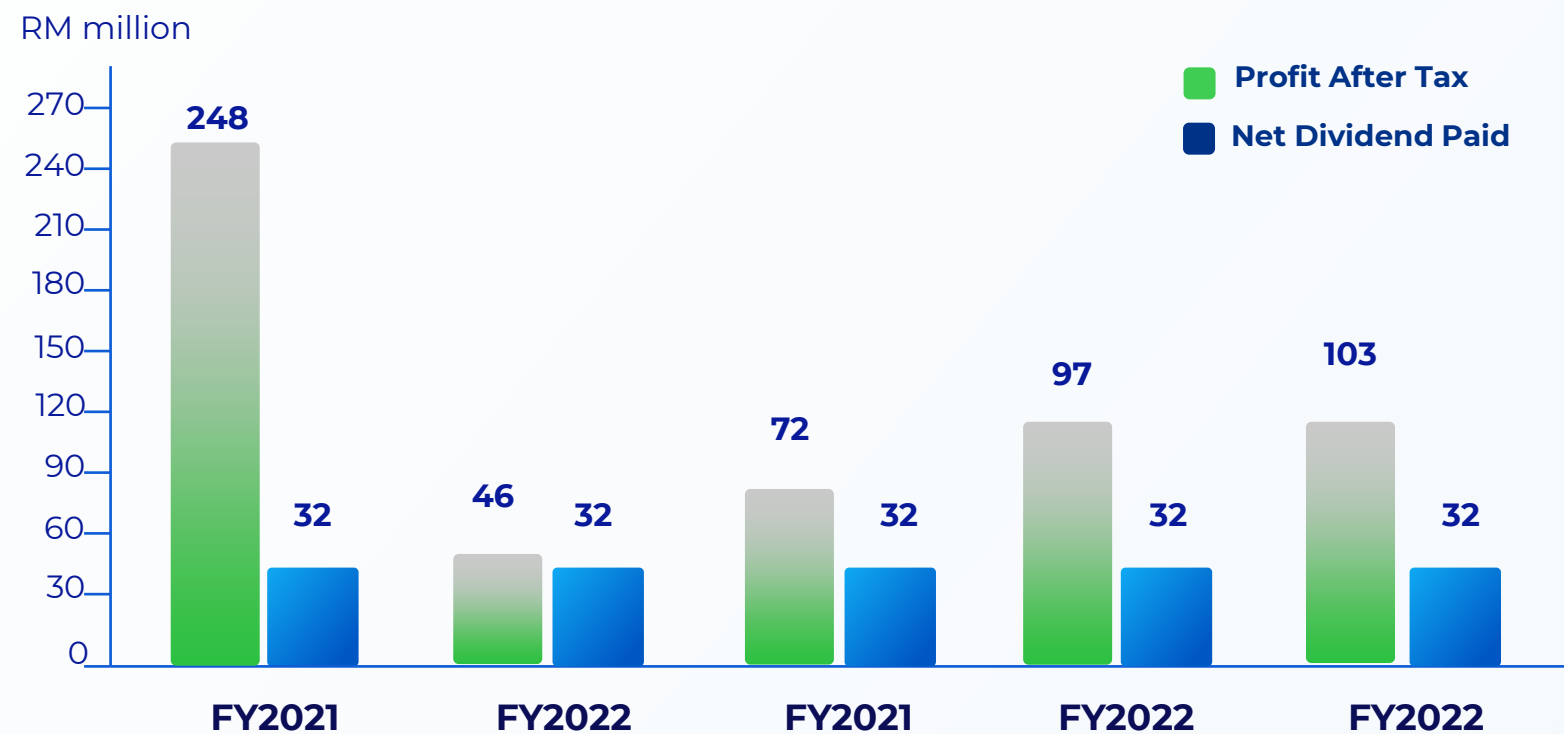
RM 0.25 per interim through 2025; stepped up to RM 0.30 first interim for FY2026 as the investment cycle completes.

Dividend of RM 0.25 per share in H1 and H2 2025 — in line with 2024 — supporting internal financing through the final phase of the Enstek manufacturing facility transition. First interim for FY2026 reflects strong cash generation as the investment cycle completes.



NET DIVIDEND PAY-OUT vs PROFIT AFTER TAX

RM millions



NET DIVIDEND PAY-OUT PER QUARTER

RM millions

DIVIDENDS	1ST INTERIM (Q2)	2ND INTERIM (Q4)	TOTAL PAID
FY2023 RM 0.25 per interim	16.0	16.0	32.0
FY2024 RM 0.25 per interim	16.0	16.0	32.0
FY2025 RM 0.25 per interim	16.0	16.0	32.0
FY2026 RM 0.30 first interim +20%	19.2	To be announced	19.2 YTD



FY2026 first interim of **RM 0.30 per share (+20% vs prior interims)** declared 19 May 2026, payable 16 June 2026. Subject to second interim / final dividend to be determined in due course.





Strategic & growth thesis

A nation moving towards better nutrition.
Nourishing the society to drive meaningful progress.



Nutrition insights drive product innovation and purpose.

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

SEANUTS

Southeast Asian Nutrition Surveys, nutritional data from almost **14,000 children** in Malaysia, Indonesia, Thailand and Vietnam.



MALAYSIA INDONESIA THAILAND VIETNAM

Triple Burden Nutrition



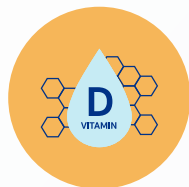
21.2%*

Stunted growth (under 5)



1 in 10

Overweight (0.5–12.9 yrs)



25.1%

Vitamin D deficiency



40.3%

Anaemia (under 5)

+ 79.4% not meeting recommended calcium intake.



routine dairy consumption helps to fulfill essential micronutrients



Enhancing essential micronutrients to support healthy growth.



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



Driving nutritional profile with winning taste for consumers



Nourishing our Nation

* Source: NHMS 2022

Growing national focus on child nutrition strengthens dairy relevance.



NEWS · MALAYSIA

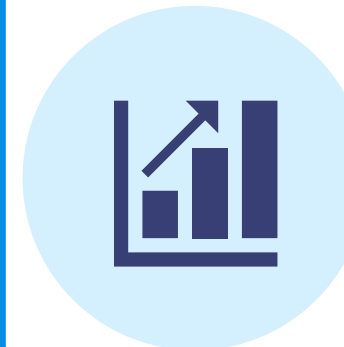
Provide milk subsidies to fight child stunting, govt told

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

Milk vouchers seen as effective way to prevent stunting among kids

The Galen Centre for Health and Social Policy notes targeted approaches help children consume milk regularly without adding to the financial burden of B40 households.

Source: Parliamentary Special Select Committee on Women, Children and Community Development (Feb 2026)



RISING CHILD NUTRITION CHALLENGE

Child stunting increased to **21.2%** in 2022, up from **17.7%** in 2015. Malaysia is reportedly the only ASEAN country with rising stunting rates.



POLICY DISCUSSION ON NUTRITION SUPPORT

Parliamentary committee proposed milk subsidies — milk recognised as an 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) and proposed mandatory child growth monitoring.



Malaysia's dairy consumption gap creates a long-term growth opportunity.

DLMI OPPORTUNITIES

ADOLESCENTS AGE 10-19/ ADULTS AGE 18+



2.9% / 0.7%

Meet the recommended 2 servings of milk / dairy per day (NHMS 2024)

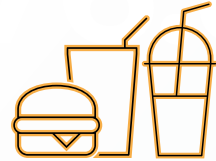
BELOW AGE 5



76.8%

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

ADOLESCENTS AGE 10-19/ ADULTS AGE 18+ / KIDS 3-6



~60%

Consume one serving of sugar-sweetened beverage a day (NHMS 2024)

Nutritious & Affordable Start of the Day

- Breakfast remains the largest dairy consumption occasion in Malaysia.
- 89% of Malaysians eat breakfast, but 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 drive purchase for young children.
- Infant Formula and Liquid Milk remain key nutrition sources for ages 1-4.



Convenient & On-the-Go Consumption

- Busier lifestyles driving demand for convenient, nutritious dairy beverages.
- Increasing on-the-go consumption — ready-to-drink dairy.
- Expansion of proximity retail (minimarkets and convenience stores) supports accessibility.





Nourishing our Nation


Operational & commercial acceleration




DLMI@Enstek — integrated plant enabling scale, efficiency and future growth.



-  Advanced & highly automated manufacturing supporting quality, efficiency & consistency at scale.
-  ~2× production capacity vs Petaling Jaya, providing long-term growth headroom.
-  Integrated DC (~25,000 pallet capacity) strengthening supply chain capability.
-  IR4.0-enabled automation supporting productivity, quality and resilience.
-  Improved sustainability — lower energy and water intensity per tonne.

 **~2×**
Production capacity vs Petaling Jaya

 **25,000**
Pallet capacity at distribution centre

 **IR4.0**
Automation across the site



Brand leadership driven by innovation and strong commercial execution.

MARKET POSITION



#1 Liquid Milk Brand in Malaysia

41.8%

Value share
Nielsen FY 2025

MARKET POSITION



#1 IFT Milk Brand in Malaysia

24.6%

Value share
Nielsen FY 2025

FIT TO WIN PORTFOLIO LAUNCH 2025



- Dutch Lady Omega 3*6 supporting kids' nutrition
- Friso Gold Comfort Next strengthening premium portfolio
- Competitive Pack Price Architecture · 1.8kg IFT & RSS fresh milk refresh

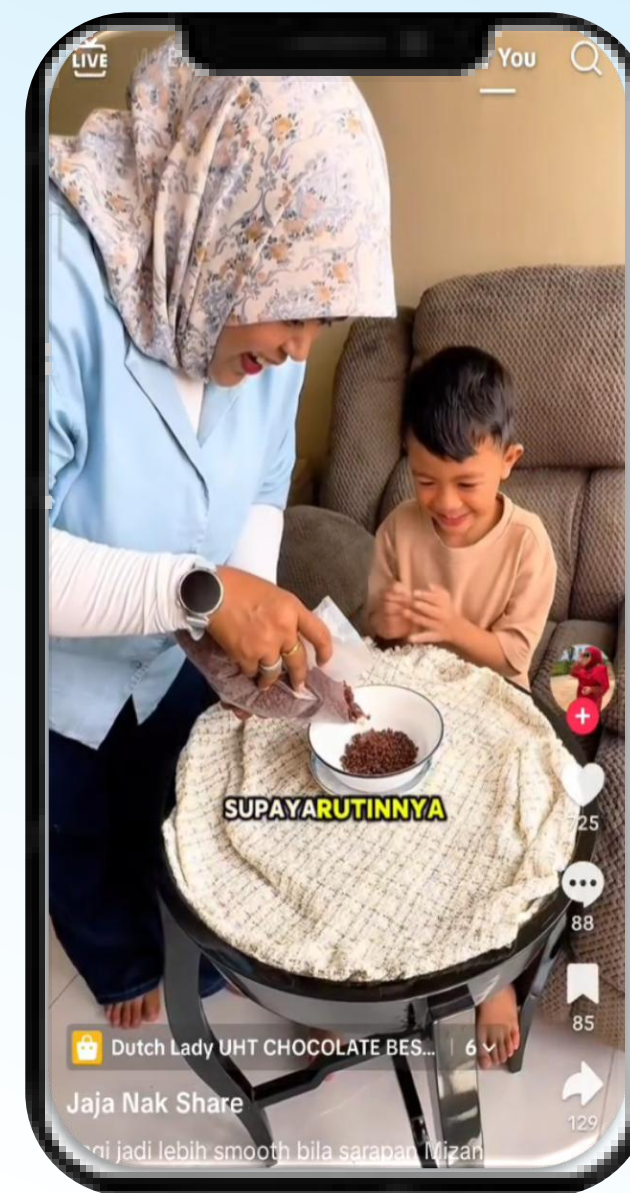
STORE POWER & FIT FOR PURPOSE-SCHOOL PROGRAM



- Strengthened shopper communication & store power
- Reinforced trusted "No.1 Nutrition" brand positioning
- Expanded retail activations & school engagement programs



Dutch Lady Omega 3*6, pioneer in smart brain RTDm



Nutrition-led innovations build on essential nutrition Life-stage relevant.

LAUNCH 02 · DUTCH LADY

MaxGro 2.0

Strategic framework redefined — clinically proven growth nutrition for Malaysian children.

DEEP DIVE

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

MAXGRO 2.0

- Shift from conventional kids' milk to science-based growth nutrition
- Focus on early intervention during critical years
- Credibility through clinical validation



Clinically Proven Growth

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

LAUNCH 01 · DUTCH LADY

Omega 3*6

The first 5 years shape how a child thinks, learns and grows — when the brain develops fastest.



24 vitamins & minerals

High in Calcium

Source of Protein

DHA · Omega-3 & 6

- ✓ Strengthens memory and stimulates blood circulation in the brain
- ✓ Supports maintenance of normal brain function
- ✓ Available in Plain (0% sucrose) and Chocolate



Q1 2026 Ramadan activation — winning the Sahur consumption occasion.



SAHUR CONSUMPTION OCCASION

DUTCH LADY
Full Cream Milk

Nutrisi No.1*
Sahur untuk Menyokong Kekuatan Badan

Tinggi Kalsium & Vitamin D₂, Protein

*Perbandingan Dutch Lady Milk Industries Bhd selengkapnya berdasarkan data yang dilaporkan oleh NQI Retail Index Service untuk kategori 'Liquid Milk' di Malaysia, bagi tempoh MAM yang berakhir Jun 2025 untuk Pasaran Perdagangan Mula-mula Semalam/Malam/Masa - Malaysia Timur. Insk. Cipta © 2025, NQI Malaysia.

DUTCH LADY MILK INDUSTRIES BERHAD 19630000165/19043-V1 adalah sebuah syarikat berstatus Franchise/Company Area 5, Quail 9, 12 Jalan Prof. Khoo Kay Kim, 46300 Penang Jaya, Selangor Darul Ehsan.

LEVERAGING KEY INFLUENCERS & LIVESTREAM COMMERCE

TikTok LIVE @khairulaming



DUTCH LADY

Geng Sahur Macam Berbuka
Sahur bernutrisi kuat sepanjang hari

Temui kami di lokasi berikut :

- 8 Feb 2026: Masjid Al-Farooq, Kuala Lumpur
- 1 Mac 2026: Masjid Duanah San Zaid, Wangsa Maju
- 14 Mac 2026: Masjid Bandar Seri Puteri, Bangi

www.dutchlady.com.my
Dutch Lady Milk Industries Berhad 19630000165/19043-V1 adalah sebuah syarikat berstatus Franchise/Company Area 5, Quail 9, 12 Jalan Prof. Khoo Kay Kim, 46300 Penang Jaya, Selangor Darul Ehsan.



Activating Dutch Lady at Sahur — when energy and nutrition decisions are made for the day.



1.28 M live viewers



8,720 orders recorded



Nutrisi No.1 Sahur untuk Menyokong Kekuatan Badan






Nourishing our Nation

2026 packaging refresh — strengthening brand standout and consumer relevance.

THE NEED TO EVOLVE



-  Heavy focus on 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 — improved visibility and recognition
-  **Clearer benefit communication**
"Build Strong Body" positioning strengthens 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 and 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



Dutch Lady Full Cream leads in overall liking among moms.

CHOCOLATE

 No.1 most-liked Chocolate Milk



Most-liked chocolate milk overall, outperforming competitors on taste.

FRESH MILK

 Strongly competitive with others



Performs on par with peers, with stronger freshness perception.

Source: Consumer Taste Test, 2026



Nourishing our Nation

FrieslandCampina Professional accelerating out-of-home growth.

PLAY THE
DUTCH LADY TEA LIVE
VIDEO

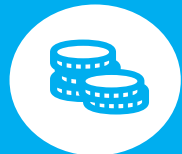
STRONG 2025



+7%
Volume growth



+1,088
New outlets



+9.5%
Net Sales Value

OPPORTUNITIES



Rapid café & bakery expansion



Growing coffee & tea culture



Rising out-of-home consumption



Malaysia as export hub

STRATEGY

- Menu co-creation with partners
- Tailored dairy solutions — cost & convenience
- Training & barista upskilling
- Leveraging Friesland Campina APAC network

COMPREHENSIVE & VERSATILE PROFESSIONAL DAIRY PORTFOLIO

Milk



BARISTA · FRESH · FULL CREAM

Cream



WHIPPING · COOKING · TOPPING

Butter



CROISSANT BUTTER SHEET

Soft Serve



SOFT-SERVE MIX



Nourishing our Nation

New Launch

DUTCH LADY X TEALIVE

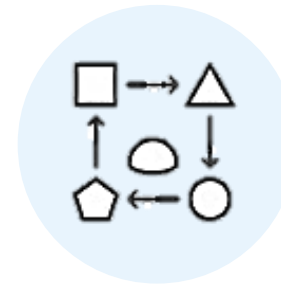
Driving Growth Through Progressive Innovation

A strategic collaboration between Dutch Lady & Tealive – bringing nutrition into exciting new consumption moments.



ELEVATE OCCASIONS

Winning younger consumer's Moments, in home & on-the-go



LIFESTYLE RELEVANCE

Tapping into Malaysia's growing tea lifestyle



CONTEMPORARY

making dairy nutrition further enjoyable & contemporary



Nutrition meets Lifestyle: A bold new chapter for Dutch Lady

Nourishing our Nation



Sustainability



Measurable progress across Nutrition, People, Planet and Foundation.

Anchored in global & local alignment — UN SDGs, FrieslandCampina, NETR, NSRF, NAP 2.0, Halal Industry Master Plan, Malaysia Madani.



DLMI embarked on National Sustainability Reporting Framework (NSRF) reporting one year ahead of mandatory requirements, aligning disclosures with IFRS S1 and S2. Disclosed in FY2025 Annual Report.





2026 outlook & Growth drivers



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.



Managing geopolitical volatility — safeguarding supply continuity, affordability and profitability.

DLMI continues to proactively manage evolving geopolitical risks through early mitigation actions, supply resilience and disciplined cost management.

KEY POTENTIAL IMPACTS

Short Term · Immediate Disruptions



Supply & Logistics

Shipping route disruptions and vessel rerouting may increase lead times, freight rates and insurance costs.



Energy & Fuel Volatility

Higher global oil and gas prices may increase logistics and manufacturing costs across the value chain.



Packaging & Input Costs

Petrochemical-linked packaging inputs — resins and laminates — may face cost escalation.

Medium Term · Structural Risk



Sustained Cost Inflation

Prolonged disruptions may result in structurally elevated freight and commodity costs.



Global Dairy Trade Rebalancing

Supply shifts from major exporters may create temporary commodity price volatility before stabilising..



FX & Consumer Demand Sensitivity

Stronger USD vs MYR may raise import costs; inflation may influence consumer purchasing behaviour.

DLMI RESPONSE · RESILIENCE & PROFIT PROTECTION

01



Secure Supply · Continuity First

- Active sourcing across key raw materials
- Strategic safety stock management
- Leveraging FrieslandCampina global network
- Alternative logistics & supplier coordination

02



Protect Margin, Cost Discipline

- Performance+ productivity initiatives
- Manufacturing & supply chain optimization
- Disciplined sourcing and supplier negotiations
- Active FX and input cost management
- RGM & Smart Pricing

03



Protect Consumers & Volume · Commercial Agility

- Balanced pricing & affordability focus
- Strengthening higher-value nutrition portfolio
- Dynamic resource allocation, promotions & channel mix
- Securing volume and consumer accessibility



Management and the Board continue to review geopolitical developments and related supply chain, cost and consumer impacts through ongoing business and risk management discussions, while proactively implementing mitigation measures to safeguard resilience, affordability and profitability.

DLMI remains focused on balancing resilience, affordability and sustainable profitability amidst external volatility.

Five structural advantages reinforcing leadership and sustainable growth.

01



Market Leadership & Brand Trust

- #1 market share in RTD and Infant Formula dairy categories
- 60+ years of brand heritage and consumer trust in Malaysia
- Taste leadership underpinned by quality milk

02



Nutrition Expert & Thought Leading Insight

- Strong nutrition credentials supporting category leadership
- Strong knowledge & insight on Malaysian consumers

03



Innovation & Portfolio Competitiveness

- Portfolio spanning Infant Formula → Kids Milk → Liquid Milk → RTD Dairy
- Future-proof Innovation, designed to meet nutrition by life stage

04



Scale & Efficiency Enstek

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

05



Distribution Stronghold

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

Five structural advantages together make DLMI's growth sustainable.

