press release

Dutch Lady Malaysia posts 63.2% profit growth in Q2 2026, driven by innovation momentum and operational efficiency

Strong portfolio performance and improved operating leverage support resilient first-half growth

PETALING JAYA, 18 August 2026: Dutch Lady Milk Industries Berhad (Dutch Lady Malaysia) delivered a strong performance for the second quarter ended 30 June 2026, recording revenue growth of 2.9% to RM386.6 million and Profit After Tax increasing 63.2% to RM38.2 million.

The results reflect resilient consumer demand, successful innovation efforts and greater operational efficiencies, supported by investments in manufacturing, product development and organisational capabilities over recent years.

Growth was led by the core Dutch Lady liquid milk range following its relaunch with a refreshed pack identity and continued growth in the out-of-home channel. New product introductions also contributed positively, particularly Dutch Lady Omega 3*6 and the recently launched Dutch Lady Tealive range, which helped broaden the Company's appeal to consumers and support overall sales performance.

Q2 2026 at a Glance

	Q2 2026	Year-on-year change
Revenue	RM386.6 million	+2.9%
Operating Profit	RM52.1 million	+53.6%
Profit Before Tax	RM50.8 million	+59.0%
Profit After Tax	RM38.2 million	+63.2%
Earnings Per Share	59.6 sen	+63.2%

The stronger growth in profitability relative to revenue reflects favourable foreign exchange movements, lower cost of goods sold and the absence of transition-related one-off costs incurred in the corresponding period last year.

The Company's performance also reflects the positive outcomes of a deliberate, future-focused transformation strategy. Continued gains in productivity and enhancements to its operating model have improved efficiency and operating leverage, building a stronger foundation for sustainable growth and profitability in the years ahead.

While revenue moderated by 2.8% against the preceding quarter following exceptionally strong festive-driven demand and support from the Sumbangan Asas Rahmah (SARA) programme in Q1 2026, operating profit increased 23.4% to RM52.1 million and profit after tax rose 27.4% to RM38.2 million. The improvement in profitability reflects effective execution, a favourable product mix and greater cost efficiency across the business.

Managing Director of Dutch Lady Malaysia, Veronika Utami, said: "This quarter's performance reflects the strength of our core portfolio, the positive contribution of our recent product launches and the benefits of the operational transformation journey we have undertaken over the past few years. Growth in our liquid milk range and out-of-home channel together with the encouraging response to Dutch Lady Omega 3*6 and Dutch Lady Tealive supported revenue, while improved productivity and cost discipline strengthened profitability".

"We continue to see consumers place increasing importance on both, value and nutrition in their purchasing decisions. In the second half, we will remain focused on strengthening our brands, scaling relevant nutrition-led innovations and using our enhanced manufacturing and distribution capabilities to deliver trusted, accessible dairy nutrition while creating sustainable long-term value," Utami added.

Strong First-Half Performance

For the first six months of 2026, Dutch Lady Malaysia recorded revenue of RM784.4 million, representing growth of 4.7% compared to the corresponding period last year. Operating profit increased 37.3% to RM94.4 million, while Profit After Tax rose 40.7% to RM68.1 million compared to the corresponding period last year.

The performance was supported by sustained demand across key product categories, continued expansion in the out-of-home channel, positive contributions from innovations, ongoing improvements in productivity and operational efficiency.

Strengthening Innovation and Operational Excellence

While Dutch Lady Malaysia continued to strengthen its portfolio through targeted innovations and brand investments designed to meet changing consumer preferences, the Company also benefited from the successful transition to its IR4.0-enabled manufacturing facility and integrated Distribution Centre in Bandar Enstek.

These strengthened capabilities have enhanced the Company's agility and scalability, enabling it to respond more effectively to changing consumer preferences and evolving market dynamics. By building a more resilient and future-ready operating platform, Dutch Lady Malaysia is better positioned to drive innovation, strengthen its competitive edge and create long-term value for stakeholders.

Looking Ahead

Malaysia's economy continues to demonstrate resilience, supported by healthy domestic demand, investment activity and a stable labour market. However, the operating environment remains influenced by global geopolitical uncertainties, commodity price volatility and inflationary pressures across selected input costs.

While consumer spending patterns continue to evolve, demand for essential nutrition products remains resilient. Government support measures, including the Sumbangan Asas Rahmah (SARA) programme, continue to support household spending among targeted consumer segments and contribute positively to retail demand.

Against this backdrop, Dutch Lady Malaysia will continue focusing on strengthening its portfolio, advancing nutrition-led innovation, improving productivity and maintaining disciplined cost management across its operations. It will also work with local farmers to support the continued development of Malaysia's dairy ecosystem. Through these priorities, Dutch Lady Malaysia remains committed to its purpose of Nourishing Our Planet and People in Every Stage of Life while creating sustainable long-term value for consumers, customers and shareholders.

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About Dutch Lady Milk Industries Berhad

Incorporated in 1963, Dutch Lady Milk Industries Berhad (Dutch Lady Malaysia) 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. We were 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, Dutch Lady Malaysia 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 FrieslandCampina

FrieslandCampina is a large international dairy company with a cooperative history dating back more than 150 years. The company processes milk into nutritious dairy products, such as milk, yoghurt, condensed milk, dairy based beverages, cheese, butter, quark and cream. The dairy company supplies specific nutrition for 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 range of products, including creams, butters, desserts and fillings. The company also supplies high-quality ingredients to food producers and pharmaceutical companies. Dutch, Belgian and German dairy farmers jointly own the company through Zuivelcoperatie FrieslandCampina U.A. For additional information: www.frieslandcampina.com.

Issued by Dutch Lady Milk Industries Berhad (Dutch Lady Malaysia)

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