

press release

Dutch Lady Malaysia's Farmer2Farmer Programme Makes A Return

Investing in the future through the dairy farming experience programme to tap its growth potential

Petaling Jaya, 16 April 2018 – Dutch Lady Milk Industries Berhad's (Dutch Lady Malaysia) Farmer2Farmer (F2F) programme - in collaboration with the Department of Veterinary Services (DVS) and the Royal Netherlands Embassy returns for the fifth time to help dairy farming smallholders to tap into the Malaysian Government's "New Wealth" vision for the domestic agri-food business.

F2F was set up in 2013 to allow Dutch dairy farmers to come to Malaysia to share their experience, best practices and expertise with local dairy smallholders.

This year F2F will involve 31 DVS officers and about 84 local farmers, who supply fresh milk to Dutch Lady.

The F2F programme focuses on good farming management and administration (sustainability and profitability), good milking/handling practices, effective feed and nutritional programme for cattle, monitoring methods, good breeding and fertility programme, with a particular emphasis on hygiene management and learning the essential elements in reducing the total plate count (TPC) in local milk.

In Budget 2018, Prime Minister Dato' Sri Najib Razak identified dairy farming as a "new wealth" industry that local farmers should tap into to build a sustainable and self-sufficient dairy sector. RM200 million was earmarked under the national budget to facilitate its adoption and growth.





At the launch of the F2F 2018, Dutch Lady Malaysia, Managing Director, Mr Tarang Gupta said the idea behind the programme was to help local smallholders to increase their yield and milk quality, and make dairy farming a steady and growing income source for them and their families.

"As a result of this knowledge exchange from F2F, and the continuous support of DVS and the Netherlands Embassy, we have seen significant improvements in the amount of milk supplied to Dutch Lady Malaysia over the last five years. Over this duration, Dutch Lady Malaysia, as the largest purchaser of local fresh milk in Malaysia, have been able to process over 21.0 million litres of liquid milk and produced over 85 million units of milk to feed Malaysian consumers," Tarang added.

Tarang further said that Dutch Lady Malaysia was grateful for the opportunity to work with DVS and the Royal Netherlands Embassy over the years - to identify the farmers from both countries that could benefit from this cooperation, as well as to facilitate the processes to make it work.

Deputy Director-General of the Department of Veterinary Services (DVS), Dr. Ahmad bin Salleh said DVS has been given the task to create better sustainable processes to empower smallholders/Malaysian farmers at the grassroot level by adopting best practices that can increase their yields. This is to meet the growing demands of Malaysian consumers for milk.

"DVS has seen a lot of improvement with this programme. We are seeing milk production increase from year to year. The sharing and transferring of dairy expertise and knowledge with local dairy farmers, creating shared values for sustainability in business innovation and expansion plans, is steadily opening the eyes of local farmers to new ways of dairy farming that will ultimately aid in increasing the quality and milk yield of our dairy farmers."

"As part of the Government's call to grow this sector, we believe programmes like F2F can help improve the livelihood of dairy smallholders and ensure that Malaysia develops a sustainable local dairy industry that is able to support the demands of the country and be less dependent on imported raw dairy materials in the future," he added.





During the launch, local farmer, Encik Zakaria Abd Rahman shared that the Farmer2Farmer programme has given him a lot of good guidance and exposure especially on the right procedures to follow to improve output of milk such as handling and using the right logistic systems.

"The programme has also allowed us to utilise good operation disciplines for us to adapt to our own current practices especially for scheduled and random milk quality checks and the support we can tap on through Dutch Lady's established lab facilities. It helps us sleep better at night knowing that the milk we produce is of good quality before it is processed and marketed to the Malaysian consumers," Encik Zakaria added.

Encik Zakaria further said that the short yearly visits and training with the Dutch farmers always inspire him to think over the current practices he uses for his farm especially on dairy cattle requirements. He is able to gain a better perspective on how to improve the productivity of his herd and ultimately to improve the quality and volume of the milk produced.

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About the Dairy Development Programme

Dutch Lady Milk Industries Berhad (Dutch Lady Malaysia) started the Dairy Development Programme (DDP) in 2008, in collaboration with the Department of Veterinary Services (DVS) and supported by the Netherlands Embassy in Malaysia. It began with an aim to improve the productivity of local dairy farmers and the quality and quantity of local fresh milk. As the largest purchaser of local fresh milk in Malaysia, Dutch Lady Malaysia, through the DDP, has facilitated the sharing of international business and technical expertise to local farmers and other stakeholders involved in the dairy industry, thereby helping local farmers improve their farming techniques and business operations. As a result, farmers who participated in the DDP reported increased production of milk in both quality and volume while ensuring sustainability of local milk supply. About Farmer 2Farmer (F2F) Programme.

About Farmer2Farmer Programme

Farmer2Farmer is a collaboration programme between FrieslandCampina N.V, Dutch Lady Milk Industries Berhad is fully endorsed by the Department of Veterinary Services. It is part of the Dairy Development Programme (DDP) which was developed in 2008 under the umbrella of Netherlands Embassy. Ever since, the programme that was designed to help local farmers had successfully resulted in a higher production of milk in both quality and volume as well as helped to ensure sustainability of milk supply to us.

The first F2F training in Malaysia was conducted in 2013 at Melaka & Perak farms with the intention of sharing information to improve the quality and increase the volume of locally produced fresh milk. Three farmers from the Netherlands were brought to Malaysia to meet selected farmers who were successful in dairy farming.

Moving society forward by giving back

Dutch Lady Malaysia believes in establishing and maintaining good relationship with our consumers, customers, shareholders, suppliers, business partners, organisations and communities in which we operate. We fully acknowledge and remain committed to conduct our business responsibly whilst contributing to society.





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.

Dutch Lady Malaysia 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. Dutch Lady Malaysia, awarded as the Company of the Year 2014 by The Edge Billion Ringgit Club, manufactures and sells a wide range of quality dairy products for the home and export market, with all products enjoying a strong following in brands like Dutch Lady and Friso Gold®.

Through a unique collaboration between FrieslandCampina and four international research teams/universities, the South East Asian Nutrition Surveys (SEANUTS) study was commissioned to study the nutritional status and insufficiency thereof found to be present in South East Asian children up to 12 years old.

About Royal FrieslandCampina Every day, Royal FrieslandCampina provides millions of consumers all over the world with food that is rich in valuable nutrients. With annual revenue of 11.4 billion euros, Royal FrieslandCampina is one of the world's five largest dairy companies, supplying consumer and professional products, as well as ingredients and half-finished products to the food industry and the pharmaceutical sector around the world. Royal FrieslandCampina has offices in 28 countries and almost 22,000 employees, and its products are available in more than 100 countries. The Company is fully owned by Zuivelcoöperatie FrieslandCampina U.A, with 19,244 member dairy farmers in the Netherlands, Germany and Belgium—making it one of the world's largest dairy cooperatives. For more information please visit: www.frieslandcampina.com.

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