



DUTCH LADY MILK INDUSTRIES BERHAD (5063-V)
(Incorporated in Malaysia under the then Companies Ordinances, 1940-1946)

NOTICE IS HEREBY GIVEN that the Fiftieth Annual General Meeting of the Company will be held at Hotel Armada, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, on Wednesday, 29 May 2013 at 10.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

To receive the Audited Financial Statements for the financial year ended 31 December 2012, together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note 1)

Resolution 1

- 1 To approve the increase and payment of Directors' fees of RM273,200 for the financial year ending 31 December 2013, to be payable quarterly in arrears.

Resolutions 2 & 3

- 2 To re-elect the following Directors, who retire by rotation pursuant to Article 94(a) of the Company's Articles of Association:-

- (i) Mr. Foo Swee Leng
- (ii) Mr. Huang Shi Chin

Resolution 4

- 3 To re-appoint Mr. Freek Rijna, who was appointed during the year and retires pursuant to Article 97 of the Company's Articles of Association.

Resolution 5

- 4 To re-appoint Messrs KPMG (AF: 0758) as the Company's Auditors and to authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions:

Resolution 6

- 5 **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT approval be and is hereby given to the Company to enter into and to give effect to the Recurrent Related Party Transactions of a Revenue or Trading Nature as stated in Section 2.1.4 with the specified classes of Related Parties as stated in Section 2.1.3 of the Circular to Shareholders dated 26 April 2013 which are necessary for the Company's day-to-day operations subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and
- (ii) the aggregate value of such transactions conducted pursuant to the Shareholders' Mandate during the financial year will be disclosed in the Annual Report for the said financial year;

AND THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the Meeting the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company subsequent to the date it is required to be held pursuant to Section 143(1) of the Malaysian Companies Act, 1965 ("the Act")(but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and / or authorised by this Ordinary Resolution."

Resolution 7

- 6 **RETENTION OF MR. BOEY TAK KONG AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

"THAT approval be and is hereby given to Mr. Boey Tak Kong, who has served as an independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an independent Non-Executive Director of the Company in accordance with the Malaysian Code of Corporate Governance 2012."

- 7 To transact any other business for which due notice shall have been given.

By Order of the Board

IZREEN FARA BINTI ISMAIL (MAICSA 7056439)
Company Secretary
Petaling Jaya
26 April 2013

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint a proxy/proxies to attend and vote instead of him. A proxy need not be a member of the Company and Section 149(1)(b) of the Companies Act, 1965 shall not apply. A proxy appointed to attend and vote at the Meeting shall have the same rights as a Member to speak at the Meeting.
2. Save for an Exempt Authorised Nominee as defined under the Central Depositories Act which may appoint multiple proxies in respect of each Omnibus Account it holds with ordinary shares of the Company standing to the credit of the said securities account, a Member (including an authorised nominee) shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. In any case, where more than one (1) proxy is appointed, such appointment shall not be valid unless the proportion of the holdings represented by each proxy is specified.
3. The instrument appointing the proxy must be signed by the Member or his attorney duly authorised in writing, or if the appointer is a corporation, the instrument must be executed under its common seal or under hand of its offer or attorney duly authorised.
4. Only Members whose names appear in the Record of Depositors on 22 May 2013 shall be entitled to attend and vote at the Meeting or appoint a proxy to attend and vote in his stead.
5. To be valid, the instrument appointing a proxy, duly completed (and if applicable) the power of attorney or other authority under which it is signed or notarially certified copy of that power of authority) must be deposited at the Registered Office of the Company at Level 5, Quill 9, No. 112, Jalan Semangat, 46300, Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time set for holding the Meeting or any adjournment thereof.

Explanatory Notes to the Agenda

(i) Item 1 of the Agenda

This item of the Agenda is meant for discussion only in accordance with the provision of Section 169(1) of the Companies Act, 1965.

(ii) Resolution 6: Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Please refer to the Circular to Shareholders dated 26 April 2013.

(iii) Resolution 7: Retention of Mr. Boey Tak Kong as an Independent Director of the Company

The Nomination Committee has assessed the independence of Mr. Boey Tak Kong, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, and the Board, upon the Nomination Committee's recommendation, had recommended for shareholders' approval for him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:-

- (a) He fulfilled the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus he would be able to function as check and balance and brings with him an element of objectivity to the Board;
- (b) He provides the Board with a diverse set of experience, skill and expertise as he is a highly qualified person who has been contributing in matters of internal control and risk management;
- (c) He has performed his duty diligently and in the best interest of the Company and provides a broader view, independent and balanced assessment of proposals from the Management; and
- (d) He does not hold any shares in the Company and has no business dealings and transactions with the Company save and except as being a member of the Board of Directors of the Company.