

CHAIRMAN'S STATEMENT

Dear Shareholders,

2003 has proven to be another challenging year for the domestic market as well as for the international economy. While the world continues to face uncertainties with the developments in the Middle East, the outbreak of Sever Acute Respiratory Syndrome (SARS) further dampened the economies of many countries especially in this region in the first six months of the year under review.

However, the Government's efforts in implementing measures to stimulate and strengthen the capital market coupled with the introduction of pro-growth strategies under the Package of New Strategies, the Malaysian economy has improved and was more optimistic with a significant growth of 5.2% in Gross Domestic Product (GDP) as oppose to 4.2% recorded in 2002.

On behalf of the Board of Directors of Mamee-Double Decker (M) Berhad and its group of companies (MDD), it is my pleasure to present to you the Annual Report for the financial year ended 31 December 2003.



CHAIRMAN'S STATEMENT (Cont'd)

Overview

Your company's financial performance continued on the up trend with another set of commendable results. The efforts in penetrating into new export market has seen to be bearing fruits with the Group's turnover growing by 6.2% from RM242 million in 2002 to RM257 million.

Profit Before Tax recorded a double-digit growth of 57.3% from RM9.6 million to RM15.1 million for the year under review as a result of increased production efficiency in manufacturing coupled with reduction in operational costs in distribution channels.

Our earnings per share jumped from 11.1 sen to 18.3 sen per share, a commendable increase of 64.9%. Net tangible assets per share gained 14 sen, rising from RM1.71 to RM1.85.

Your board has historically declared a reasonable dividend policy and is mindful of growing calls from shareholders for more generous dividends. As such, the board has recommended a final dividend of 3 sen per share, subject to shareholders approval at the AGM. The dividend recorded at 6 sen per share for year 2003, which represents an increase of 9% over the last financial year.

