



MAMEE-DOUBLE DECKER (M) BERHAD
(CO. NO. 222363-T)



A World Of Good Taste...

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Roasted Chicken Flavour
Snek Jagung Perisa Ayam Panggang

Draw Me & Own Your CornToz!



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Chilli Che
Snek Jagung Peris

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Barbeque Flavour
Snek Jagung Perisa BBQ

Your CornToz! Marker



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RECIPE FOR SUCCESS

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NOTICE OF ANNUAL GENERAL MEETING

MAMEE-DOUBLE DECKER (M) BERHAD (Incorporated in Malaysia - Co. No. 222363-T)

NOTICE IS HEREBY GIVEN that the 18th Annual General Meeting of MAMEE-DOUBLE DECKER (M) BERHAD (Co. No. 222363-T) will be held at Pendeta 4, Sofitel Palm Resort, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor Darul Takzim on Thursday, the 28th day of May, 2009 at 11.00 a.m.

AGENDA

1. To receive the Audited Financial Statements for the year ended 31 December 2008 together with the Reports of the Directors and Auditors thereon
2. To re-appoint Datuk Pang Chin Hin, a Director over the age of 70, pursuant to Section 129(6) of the Companies Act, 1965 (Resolution 1)
3. To re-appoint Y.A.M. Tunku Osman Ahmad, a Director over the age of 70, pursuant to Section 129(6) of the Companies Act, 1965 (Resolution 2)
4. To re-elect Datuk Pang Tee Nam, a Director retiring in accordance with Article 76 of the Articles of Association of the Company (Resolution 3)
5. To re-elect Puan Rozana Bte Tan Sri Dato' Haji Redzuan, a Director retiring in accordance with Article 82 of the Articles of Association of the Company (Resolution 4)
6. To approve the payment of Directors' Fees for the financial year ended 31 December 2008 (Resolution 5)
7. To declare a Final Dividend of 5 sen gross per ordinary share tax exempt in respect of the financial year ended 31 December 2008 (Resolution 6)
8. To re-appoint Messrs PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration (Resolution 7)

Special Business

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

9. ORDINARY RESOLUTION

AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"That pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares so issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." (Resolution 8)



10 ORDINARY RESOLUTION

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

"That, subject always to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and/or its subsidiary shall be mandated to enter into the category of recurrent transactions of a revenue or trading nature with PT Pacific Food Indonesia as specified in Part A Section 2.2 of the Circular dated 6 May 2009 subject further to the following:- (Resolution 9)

- i) the recurrent related party transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and are made on an arm's length basis and on normal commercial terms and are not detrimental to the shareholders;
- ii) disclosure is made in the annual report of the recurrent related party transactions conducted pursuant to the shareholders' mandate during the financial year in the manner required under the Listing Requirements of the Bursa Malaysia Securities Berhad;
- iii) that the shareholders' mandate shall continue in force until the date that the next Annual General Meeting of the Company is held unless revoked or varied by the Company in general meeting, or in any other manner provided for under the Listing Requirements of the Bursa Malaysia Securities Berhad; and
- iv) the Directors and/or any of them be and is hereby authorized to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorized by this Ordinary Resolution."

11 ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR PROPOSED SHARES BUY-BACK BY THE COMPANY

"That, subject to the Companies Act, 1965 (as may be amended, modified or re-enacted from time to time), the Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of any relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of RM1.00 each in the Company ("Proposed Share Buy-Back") as may be determined by the Board from time to time on Bursa Malaysia upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution does not exceed ten per centum (10.0%), which is equivalent to 8,637,804 ordinary shares of RM1.00 each, of the total issued and paid-up share capital of the Company amounting to RM86,378,042 ordinary shares of RM1.00 each based on the Record of Depositors as at 8 April 2009 AND THAT an amount not exceeding the total retained profits of RM25,769,852 and share premium account of RM9,187,862 based on the latest audited accounts of the Company as at 31 December 2008 be allocated by the Company for the Proposed Share Buy-Back AND THAT the ordinary shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and/or distributed as dividends and/or resold on Bursa Malaysia AND THAT the Board be and is hereby empowered generally to do all such acts and things to give effect to the Proposed Share Buy-Back AND FURTHER THAT such authority shall commence immediately upon passing of this ordinary resolution until the conclusion of the first Annual General Meeting of the Company following the general meeting at which such resolution was passed, at which time it will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or at the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or revoked or varied by ordinary resolution passed by the shareholders in general meeting; whichever occurs first, but so as not to prejudice the completion of the purchase of its own shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of Listing Requirements of Bursa Malaysia Securities Berhad or any other relevant authorities. (Resolution 10)

- 12 To transact any other matters for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

BY ORDER OF THE BOARD

Woo Min Fong
Wong Chee Yin
Company Secretaries

Johor Bahru
6 May 2009

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
2. A member shall be entitled to appoint more than two (2) proxies to attend and vote at the same Meeting.
3. Where a member appoints more than two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
4. Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
6. The Proxy Form must be deposited with the Company Secretary at the Registered Office, Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Takzim not less than 48 hours before the time set for the Meeting.

Explanatory Notes on Special Business

Resolution 8 - Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965

The Ordinary Resolution No. 8 proposed in Agenda 9 above, if passed, will empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting, unless earlier revoked or varied at a general meeting, to issue shares in the Company up to an aggregate number not exceeding 10% of the issued share capital of the Company for the time being for such purposes as they consider would be in the interest of the Company.

Resolution 9 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolutions No. 9 proposed in Agenda 10 above, if passed, will renew the mandates for the Company and /or its subsidiaries to enter into the categories of recurrent transactions of a revenue or trading nature with those related parties as specified in Part A Section 2.2 of the Circular to Shareholders dated 6 May 2009, which is sent out together with the Company's Annual Report 2008. The mandates shall continue to be in force until the date of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of the Company in a general meeting and is subject to annual renewal.

Resolution 10 - Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back by the Company

The Ordinary Resolution No. 10 proposed in Agenda 11 above, if passed, will renew the mandate for the Company to buy back its own shares. The mandate shall continue to be in force until the date of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of the Company in a general meeting and is subject to annual renewal. Further information on this resolution is set out in Part B of the Circular to Shareholders dated 6 May 2009, which is sent out together with the Company's Annual Report 2008.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that the Final Dividend of 5 sen gross per ordinary share tax exempt in respect of the financial year ended 31 December 2008, if approved at the forthcoming 18th Annual General Meeting of the Company, will be paid on 26th June 2009 to members whose name appear in the Record of Depositors at the close of business on 2nd June, 2009.

A depositor shall qualify for entitlement to the dividend only in respect of:

- a. shares transferred into the depositor's securities account before 5:00 p.m. on 2nd June, 2009 in respect of transfers; and
- b. shares bought on Bursa Malaysia Securities Berhad on a cum-entitlement basis according to the rules of Bursa Malaysia Securities Berhad .



STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

*** Names of Directors who are standing for re-appointment / re-election:**

1. Datuk Pang Chin Hin (Executive Chairman)
2. Y.A.M. Tunku Osman Ahmad (Independent Non-Executive Vice-Chairman)
3. Datuk Pang Tee Nam (Executive Director)
4. Puan Rozana Bte Tan Sri Dato' Haji Redzuan (Independent Non-Executive Director)

*** Details of attendance of Directors at Board Meetings during the financial year ended 31 December 2008:**

	Name	No. of Board Meetings attended in the financial year
1.	Datuk Pang Chin Hin	5 out of 5
2.	Tunku Osman Ahmad	3 out of 5
3.	Datuk Pang Tee Chew	5 out of 5
4.	Datuk Pang Tee Nam	5 out of 5
5.	Dato' Mohamed Nizam Bin Abdul Razak	5 out of 5
6.	Dato' Dr Shanmughalingam A/L Murugasu	5 out of 5
7.	Puan Rozana Bte Tan Sri Dato' Haji Redzuan - Appointed on 29 January 2009	-

*** The place, date and hour of the 18th Annual General Meeting:**

Date	Time	Place
Thursday 28 May 2009	11:00 a.m.	Pendeta 4, Sofitel Palm Resort, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor Darul Takzim

*** Securities holdings in the Company and its subsidiaries by the directors standing for re-appointment and re-election.**

(Please refer to the Statement of Directors' Interests in the Company and related corporation on pages 107 to 108)

*** Profile of Directors standing for re-appointment and re-election.**

(Please refer to the section on Directors' Profiles on page 10 to 13)



CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK PANG CHIN HIN

(Executive Chairman)

Y.A.M. TUNKU OSMAN AHMAD

(Independent Non-Executive Vice-Chairman)

DATUK PANG TEE CHEW

(Managing Director)

DATUK PANG TEE NAM

(Executive Director)

DATO' MOHAMED NIZAM BIN ABDUL RAZAK

(Independent Non-Executive Director)

DATO' DR SHANMUGHALINGAM A/L MURUGASU

(Independent Non-Executive Director)

PUAN ROZANA BTE TAN SRI DATO' HAJI REDZUAN

(Independent Non-Executive Director)

COMPANY SECRETARIES

WOO MIN FONG (ACIS)

WONG CHEE YIN (ACIS)

REGISTERED OFFICE

Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Takzim

SHARE REGISTRAR

CHUA, WOO & COMPANY SDN BHD (Co. No. 122754-U)

Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Takzim

Tel : 07-3322088 Fax : 07-3328096

AUDITORS

PRICEWATERHOUSECOOPERS

Chartered Accountants

PRINCIPAL BANKERS

OCBC BANK (MALAYSIA) BERHAD

HSBC BANK (MALAYSIA) BERHAD

MALAYAN BANKING BERHAD

STOCK EXCHANGE LISTING

MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD

PROFILE OF DIRECTORS

Datuk Pang Chin Hin

Datuk Pang, age 78, a Malaysian, is the Executive Chairman of the Company. He was appointed to the Board on 3 August 1991. He is also a member of the Options Committee. Under his stewardship over the past 30 odd years, the Group has grown from a small family concern into one of the largest local instant noodles and snack food manufacturers in Malaysia. In addition to possessing an intimate knowledge of production and machinery, he has extensive connections with both local and overseas machinery suppliers. He also holds directorship in several private limited companies.

He is the father of Datuk Pang Tee Chew and Datuk Pang Tee Nam, both of whom are Executive Directors and substantial shareholders of the Company. He is also the father of the late Mr Pang Tee Suan, a substantial shareholder of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the AGM held 28 May 2008. Details pertaining to these transactions are disclosed under Note 29 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

Y.A.M. Tunku Osman Ahmad

Y.A.M. Tunku Osman Ahmad, age 76, a Malaysian, is an Independent Non-Executive Vice-Chairman of the Company. He was appointed to the Board on 4 September 1991. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee.

After obtaining a diploma in Agricultural Engineering, Tunku served with the Johor Civil Service for 13 years from 1957 to 1970 in various capacities including that of State Treasurer. He then ventured into the private sector with wide ranging business interest including logging & sawmilling, palm oil refining, property development, plantations, manufacturing and banking. His business acumen is honed by over 30 years of experience in various capacities both in the public and private sectors.

He currently sits on the Boards of Keck Seng (Malaysia) Berhad Group, Alpha Industries Berhad, CHG Industries Berhad and Binaik Equity Bhd. He is also currently the Chairman of the Malaysian Timber Council. He was the past President of various major real estate associations in Malaysia and the Asian region, amongst which are F.I.A.B.C.I. Malaysia Chapter, an International Estate Federation with its Headquarters in Paris, M.O.H.S (Malaysian Organisation For Human Settlements) and A.A.P.H. (Asean Association For Planning And Housing), REHDA (Real Estate And Housing Developers' Association of Malaysia) and also the Patron of REHDA, Johor Branch.

He does not have any family relationship with any Director and/or substantial shareholder of the Company, and any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.



Datuk Pang Tee Chew

Datuk Pang Tee Chew, age 56, a Malaysian, is the Managing Director of the Company and also the Chief Executive Officer of the Group. He was appointed to the Board on 3 August 1991. He is also a member of the Remuneration Committee and the Option Committee. He has been with the Group since 1981 and is currently in charge of the corporate affairs of the Group. Being a member of the British Institute of Management, Datuk TC Pang was previously trained in Japan on food processing in the area of canning and packaging and has attended the Advanced Management Program at Harvard University, USA. With over twenty-eight (28) years of experience in the food industries, he has acquired a wide knowledge of both the local and overseas food markets. He also sits on the board of several private limited companies.

He is the son of Datuk Pang Chin Hin and a brother to Datuk Pang Tee Nam, both of whom are Executive Directors and substantial shareholders of the Company. He is also the brother to the late Mr Pang Tee Suan, a substantial shareholder of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the AGM held 28 May 2008. Details pertaining to these transactions are disclosed under Note 29 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

Datuk Pang Tee Nam

Datuk Pang Tee Nam, age 55, a Malaysian, is an Executive Director of the Company & also the Chief Operating Officer of the Group. He was appointed to the Board on 16 August 1995. He is also the Chairman of the Options Committee. He is currently in charge of the Group's supply and logistics operations. He holds a Diploma in Business Studies from the Warnambool Institute of Advanced Education, Australia. He is a member of the Malaysian Institute of Accountants (MIA) and the Australian Society of Certified Practising Accountants. He has over twenty-four (24) years of experience in the food business having joined the Group in January 1983.

He is the son of Datuk Pang Chin Hin and the brother to Datuk Pang Tee Chew, both of whom are Executive Directors and substantial shareholders of the Company. He is also the brother to the late Mr Pang Tee Suan. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the AGM held 28 May 2008. Details pertaining to these transactions are disclosed under Note 29 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

Dato' Mohamed Nizam Bin Abdul Razak

Dato' Mohamed Nizam Bin Abdul Razak, age 50, a Malaysian, is an Independent Non-Executive Director of the Company. He was appointed to the Board on 4 September 1991. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee. He graduated from Oxford University, United Kingdom in 1980 with a degree in Politics, Philosophy and Economics. He began his career in 1981 when he joined the Corporate Finance Department in Bumiputra Merchants Bankers Berhad as a Corporate Finance Officer. In 1984, he joined GP Securities (now known as PB Securities Sdn Bhd) as General Manager and became the Chief Executive Officer in 1992, a position he held until his retirement in 1998. He currently sits on the Boards of Delloyd Ventures Bhd, Yeo Hiap Seng (Malaysia) Berhad, Wah Seong Corporation Berhad Group, Hiap Teck Venture Berhad, Synergy Track Berhad, Deutsche Bank (Malaysia) Bhd and several other private limited companies. He is also a Trustee of several charitable foundations such as Noah Foundation, Hong Leong Foundation and the National Children Welfare Foundation, Yayasan Rahah and Yayasan Wah Seong.

He does not have any family relationship with any Director and/or substantial shareholder of the Company, and any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.



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Dato' Dr Shanmughalingam a/l Murugasu

Dato' Dr Shanmughalingam, age 69, a Malaysian, is an Independent Non-Executive Director of the Company. He was appointed to the Board on 17 June 2003. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee.

Dato' Dr Shan obtained a Bachelor of Arts (Honours) degree in Economics from the University of Malaya in 1962, a Masters degree in Economics and Government from the Harvard University, USA in 1971, a Doctorate of Philosophy in Economics and Government from Oxford University, UK in 1978 and is also a Fellow of the Economic Development Institute, World Bank.

He had served in the Treasury, Ministry of Finance from 1962 to 1978 with his last post being the Deputy Secretary (Economics) and in PETRONAS from 1979 to 1991 with his last post being the General Manager. He was the Managing Director of Sri Inderajaya Sdn Bhd from 1992 to April 1996. Since May 1996, he has been the Managing Director of Trilogic Sdn Bhd and sits on the advisory panels of the Malaysian Institute of Economic Research and the Asian Strategy and Leadership Institute.

Dato' Dr Shan also sits on the Boards of several Main Board public listed companies including Delloyd Ventures Bhd, PBA Holdings Bhd and Hextar Holdings Bhd as well as several non-listed companies, including Trilogic Sdn Bhd, CIMB Discount House Bhd and CIMB Securities Sdn Bhd.

Dato' Dr Shan had represented Malaysia at international conferences of the Asian Development Bank, the Commonwealth, the International Monetary Fund, the Organisation of Petroleum Exporting Countries, the United Nations and the World Bank. He was also the Chairman and lead speaker at several sittings of the Pacific Economic Co-operation Conference. On invitation by the Kennedy School of Government, Harvard University and the Harvard Institute for International Development, USA, he had helped in the design of a new Executive Programme for Leaders in Development: Managing Economic and Political Reform for Harvard University.

He does not have any family relationship with any director and/or substantial shareholder of the Company, and any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

Puan Rozana Bte Tan Sri Dato' Haji Redzuan

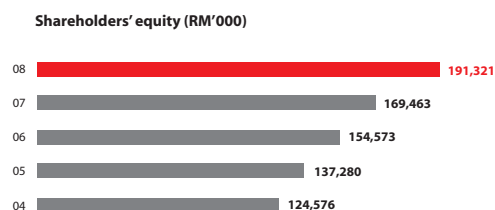
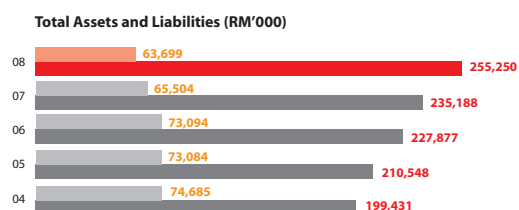
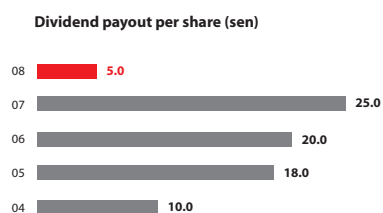
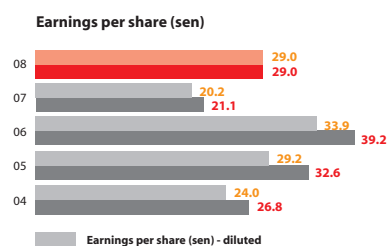
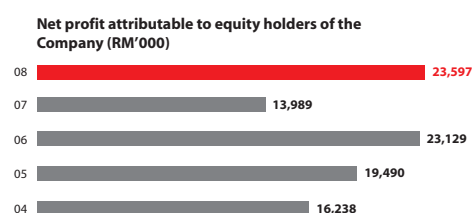
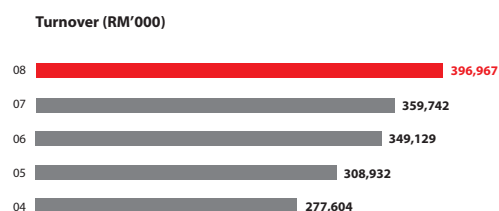
Puan Rozana, age 45, a Malaysian, is an Independent Non-Executive Director of the Company. She was appointed to the Board on 29 January 2009. She is also a member of the Audit Committee. She obtained her Bachelor of Arts (Honours) Degree in Accountancy from the London Metropolitan University and is currently a member of the Chartered Association of Certified Accountants ("ACCA") and the Malaysian Institute of Accountants ("MIA").

Puan Rozana started her career as a Staff Accountant with Arthur Andersen & Co. from 1990-1991. She joined PB Securities Sdn Bhd as an investment analyst in 1991 and as a remisier in 1992. She joined Plantation & Development (Malaysia) Bhd Group of Companies ("P&D") in September 1995 and was the CEO of P&D from 1999 to 2003. She currently sits on the Board of several public listed companies including Perduren (M) Bhd, BSL Corporation Bhd and Karyon Industries Bhd. She is also director of several private companies in which she has direct interest.

She does not have any family relationship with any director and/or substantial shareholder of the Company, and any personal interest in any business arrangement involving the Company. She has had no convictions for any offences within the past 10 years.

5 YEARS' FINANCIAL HIGHLIGHTS

	2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000
Financial Performance					
Turnover	277,604	308,932	349,129	359,742	396,967
Profit before tax	22,642	25,522	29,710	19,918	30,089
Net profit attributable to equity holders of the Company	16,238	19,490	23,129	13,989	23,597
Financial Ratio					
Earnings per share (sen) - basic	26.8	32.6	39.2	21.1	29.0
Earnings per share (sen) - diluted	24.0	29.2	33.9	20.2	29.0
Total dividend payout per share (sen)	10.0	18.0	20.0	25.0	5.0
Financial Position					
Total assets	199,431	210,548	227,877	235,188	255,250
Total liabilities	74,685	73,084	73,094	65,504	63,699
Shareholders' Funds	124,576	137,280	154,573	169,463	191,321
Minority interest	170	184	210	221	230
	199,431	210,548	227,877	235,188	255,250





CHAIRMAN'S STATEMENT



Dear esteemed shareholders, it gives me great pleasure to present Mamee Double-Decker (M) Berhad (MDD) 2008 annual report

Fiscal 2008 was indeed a challenging year for MDD Group as we had to weather through the tougher market conditions and unprecedented commodity volatility, as highlighted by record prices for wheat and fuel, among many other input costs. In order to perform under this difficult economic environment throughout the year, we have taken immediate steps, starting with a cost cutting exercise which improved prospects by cutting overheads and expenses. We have also increased our spending on advertising and other consumer marketing programs, which helped to generate consumer brand awareness and the purchase of our products.

Financial Performance:

Despite softening market conditions, MDD achieved total group revenue growth of 10% to RM 397.0 million. Profit after tax increased by 69% to RM 23.6 million as compared to the same period last year of RM 14.0 million, taking into account input cost inflation and loss in foreign currency exchange.

In addition, total assets of the Group grew by 8% to RM 255.2 million, contributing to MDD's healthy balance sheet, with zero borrowing, though cash equivalents decreased by 1.5% to RM 44.9 million from RM45.6 million. On 8 January 2009, MDD paid a tax-exempt interim dividend of RM0.05 (5%) to its shareholders. In-line with the management's ethos of enhancing shareholder value and healthy dividend policy, the Board of Directors (Board) will be recommending a final dividend of RM0.05 (tax-exempt), subject to the approval of shareholders. It will be payable on 26 June 2009. Therefore, the total dividends for the year will amount to RM 8,164,144; representing a total payout ratio of 35% of FY 2008 net profit after tax. Earnings per share (EPS) and return of equity (ROE) improved to RM0.29 and 12 % from RM0.20 and 8% the year before.

Corporate exercises for FY 2008

The Group acquired 100% equity in Eightedge Solutions Sdn Bhd and Pacific United Group Ventures Ltd (PUGV shelf company) for a cash consideration of RM450,000 and RM4,095 respectively during the financial year. PUGV is an investment company, wholly owned by MDD. The acquisitions of these two new subsidiaries did not have a significant impact to the Group's and Company's financial statements.

Operational Excellence

During the financial year, our company undertook the monumental task of increasing productivity and cost savings to protect our margins. To achieve this, we engaged a consultant to coach our production staff, methods of enhancing productivity, automating lines and saving costs. We encouraged people from the research and development (R&D) department and the marketing department to come together for brain storming sessions to identify ways to improve quality, food safety standards and spotting cost cutting opportunities without compromising on quality.

Awards

Last year, MDD won 2008 Anugerah Kecemerlangan Industri Award also known as Industrial Excellence Award from the Ministry of International Trade and Industry (MITI). It is a remarkable recognition of our continuous efforts and our commitment to become a major exporter of quality food and beverage products. We also received another RM2.0 million matching grant from Matrade in recognition of Mister Potato's successful brand building in many countries and its potential to build a global brand at certain strategic markets.

2009 Outlook

We look to fiscal 2009 and beyond with great optimism. As always, we will be relying on our proven disciplined approach to building our businesses: strong marketing behind innovative new products, entry into new markets and continuous improvement in everything we do. Our optimism also comes from our ongoing focus of developing healthy and functional food, to build on our best opportunities for sustained growth. We consistently hold the No. 1 or No. 2 market position in most of the food categories that we represent. We will work continuously to improve our established brands by creating cutting edge marketing strategies. Besides our in-house R&D facilities, we also outsource our R&D by working with local universities and flavoring house, to develop new and functional products which we plan to launch for the next five years or as soon as the market is ready to accept such innovative products. In order to enhance our taste and quality, we constantly conduct internal and external taste tests, go head-to-head with our direct competitors, to test for quality consistency and to keep tracking our direct competitors' quality.

Corporate Social Responsibility

We continuously contribute to the needs of the less fortunate and the local community, both in Malaysia and abroad, albeit our contributions and efforts are mostly low key in nature. Every festive season and New Year, we bring children of all races from the orphanage homes to the department store to buy new clothing of their choice, in addition to giving them pocket money. For the elderly of all races, we give them cash and instant noodles during each of the many festive seasons. We are also always ready to lend a hand to those in need in countries affected by natural disasters by donating instant noodles and other essential items.

Appreciation

On behalf of the Board, I would like to take this opportunity to extend my heartfelt appreciation to our talented management team and staff for their commitment, enthusiasm, talents and hard work during this challenging year. I also like to thank our Board for their continuous involvement and unwavering support. My special thanks also go to our valued distributors, business associates, shareholders and customers for sustaining the Company's leading performance in the food and beverage industry. On behalf of the Board and management, I would also like to congratulate our Chief Operating Officer, Datuk Pang Tee Nam, who had recently been awarded with a Datukship by the Yang Di-Pertua Negeri Melaka in conjunction with the celebration of His Excellency's 70th Birthday, as well as our gratitude to the relevant regulatory authorities for their invaluable guidance and advice.

Datuk Pang Chin Hin

Executive Chairman
Mamee-Double Decker (M) Berhad.

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CORPORATE GOVERNANCE STATEMENT

Mamee-Double Decker (M) Berhad is committed to high standards of corporate governance in performing its business. The Board of Directors is therefore pleased to report that the Company has complied with the major principles set out in Part 1 of the Malaysian Code of Corporate Governance, and this statement, together with the Audit Committee Report on page 25 explains how the Company has applied the best practices set out in Part 2 of the Code.

1. The Board of Directors

Composition

The Board comprises four (4) Non-Executive Directors and three (3) Executive Directors. There is a balance in the Board as all of the Non-Executive Directors are independent. The Directors with their different backgrounds and areas of specialisation collectively bring with them a mix of industry-specific knowledge and broad business and commercial experiences. There is a clear division of responsibilities between the Chairman and the Managing Director to ensure a balance of power and authority. An Independent Director Tunku Osman Ahmad has been identified as the one to whom concerns may be conveyed.

Personal profiles of the Directors are set out on pages 10 to 13.

Supply of Information

The Directors have full and unrestricted access to all information pertaining to the Group's material business affairs. Prior to the Board Meeting, all directors are provided with notices, agendas and board papers pertaining to various significant aspects of the Group's performance and operations, including strategic plans and budgets for the Group, and business development issues. Material acquisitions and disposals of assets, and potential investments by the Group are also considered extensively at Board level. These are issued in sufficient time prior to the meeting. In furtherance of Board's responsibilities, the Board has access to the independent advice and services of professionals such as lawyers, external auditors and company secretary at the Company's expense.

The Board normally meet 4 times a year and has met 5 times during this financial year. Details of the attendance of the Directors at the Board meetings are disclosed in the Statement Accompanying Notice of Annual General Meeting set out on page 7.

Appointments and re-elections to the Board

The identification and appointment of new Directors undergo a process led by the Nomination Committee. Thereafter upon approval by the Board, the Company provides an induction programme for the new Directors to allow them to better understand the business and ultimately to enable them to contribute effectively at Board meetings. In addition, all of the Directors have attended the Mandatory Accreditation Programme.

In accordance to the Bursa Malaysia Securities Berhad Listing Requirements and the Articles of Association of the Company, all Directors seek re-election at least once every three years. Director(s) over seventy years of age are required to submit themselves for reappointment annually in accordance with Section 129(6) of the Companies Act, 1965.

Role of Board Committees

The Company has formed several committees, each of which have defined terms and reference, for reporting and recommendation to the Board. These committees are:-

- Audit Committee;
- Nomination Committee;
- Remuneration Committee;
- Option Committee

a) Audit Committee

Members: Y.A.M. Tunku Osman Ahmad (Chairman)
Dato' Mohamed Nizam Bin Abdul Razak
Dato' Dr. Shanmughalingam A/L Murugasu
Puan Rozana Bte Tan Sri Dato' Haji Redzuan

The Audit Committee ('AC') formed on 14 October 1993. Current composition of AC is made up of four (4) Non-Executive Independent Directors. It is primarily responsible for the review of reporting financial information to shareholders, systems of internal control and risk management, the audit process and the related party transactions. The report of the Audit Committee is set out on page 25 to 29 of this annual report.

b) Nomination Committee

Members: Y.A.M. Tunku Osman Ahmad (Chairman)
Dato' Mohamed Nizam Bin Abdul Razak
Dato' Dr. Shanmughalingam A/L Murugasu

The Nomination Committee ('NC'), set up on 17 May 2001, comprised mainly of Independent Non-Executive Directors. It is responsible for the assessment and recommendation of new Directors to the Board, and for the annual review of the required mix of skills and experience, and other qualities to enable the Board to function completely and efficiently. Assessment and appraisal processes have also been implemented, for the evaluation of the effectiveness of the Board as a whole, the committees and the individual contribution of each Board member.

c) Remuneration Committee

Members: Y.A.M. Tunku Osman Ahmad (Chairman)
Dato' Mohamed Nizam Bin Abdul Razak
Dato' Dr. Shanmughalingam A/L Murugasu
Datuk Pang Tee Chew

The Remuneration Committee ('RC'), formed on 17 May 2001, whose membership currently comprise three Independent Non-Executive Directors and one Executive Director, is responsible for making recommendations to the Board the remuneration of Executive Directors based on an acceptable framework. The Remuneration Committee shall meet at least once a year.

d) Options Committee

Members: Datuk Pang Tee Nam (Chairman)
Datuk Pang Chin Hin
Datuk Pang Tee Chew
Goh Wee Lim
Tan Chai Lin
Caryn Chong
Tan Chin An

The Options Committee was established to administer the Company's Employees' Share Option Scheme in accordance with the objectives and regulations thereof and to determine participation eligibility, option offers and share allocations and to attend to such other matters as may be required. Meetings of the Committee are held when necessary.

2. Directors' Remuneration

The Company recognises the need to ensure that remuneration of Directors are reflective towards the responsibility and commitment that goes with Board membership. In line with this, the Company has adopted the following remuneration structure that attempts to retain and attract the right Directors needed to run the Company successfully:-

- The Remuneration Committee recommends to the Board on the remuneration of Executive Directors; and
- The Board as a whole determines the remuneration of the Non-Executive Directors.

Contrary to the disclosure requirement as indicated in the best practices of the Malaysian Code of Corporate Governance, the Board would not be providing details of remuneration awarded to each director. However, in compliance with the Bursa Malaysia Securities Berhad listing requirements, the remuneration paid to Directors, in aggregation and analysed into bands of RM50,000 are as follows:-

	Executive Directors	Non-Executive Directors
	RM	RM
Salaries & Other Remuneration	2,181,835	-
Allowances	240,570	60,000
Fees	102,000	100,000
Benefits-in-kind	59,000	-
Successive Band		
<RM50,001		2
RM 50,001 - RM100,000	-	1
RM100,001 - RM750,000	-	-
RM750,001 - RM800,000	1	-
RM800,001 - RM850,000	-	-
RM850,001 - RM900,000	1	-
RM900,001 - RM950,000	1	

3. Shareholder relations

3.1 Relationship with Shareholders and Investors

The Company maintains a regular policy of disseminating information that is material for shareholders attention. In line with the regulatory requirements, various announcements, including quarterly financial reports were made during the year via the Bursa Malaysia Securities Berhad website.

Developments in the Company's website at www.mamee.com have also allowed the Company to make a great deal of information and presentation accessible to shareholders and customers at all times.

3.2 Annual General Meeting (AGM)

At the Annual General Meeting, the Directors welcome the opportunity to gather the views of shareholders. Notices of each meeting are issued on a timely manner to all, and in the case of special businesses, a statement explaining the effect of the proposed resolutions is provided.



4. Directors' Training

The Board views continuous learning and training as an integral part of the directors' development. All Board members have completed the Mandatory Accreditation Programme (MAP) and Continuing Education Programme (CEP) in accordance with the Listing requirements of Bursa Malaysia Securities Berhad.

In addition, members of the Board are informed of various development programmes and encouraged to attend these programmes to keep abreast with the development in the industry and relevant regulatory updates in furtherance of their duties.

The Directors had attended the following training:-

- a. Malaysian Code of Corporate Governance Revised 2007
- b. Bluesky Conference
- c. Teambuilding & Cross Functional Team Workshop
- d. Get-Together Networking Session With The Ministry Of Domestic Trade & Consumer Affairs.

5. Accountability and Audit

5.1 Financial Reporting

In an attempt to produce a balanced and understandable assessment of the Company's position and prospects, particularly in the financial reports, the Directors have implemented a quality control procedure to ensure that all financial reports have been prepared based on acceptable accounting standards and policies. These financial reports also undergo a review process by the Audit Committee prior to approval by the Board.

5.2 Internal Control

The Board understands that in order to strengthen the accountability aspect of financial reporting, the Company needs to maintain a sound system of internal control to safeguard shareholders' investment and the Company's assets. Hence the Group has developed a comprehensive system of internal control comprising of clear structures and accountabilities, well-understood policies and procedures and budgeting and review process.

The effectiveness of the system of internal control is then scrutinised by internal auditors, who operate independently from the activities of the Company, under the purview of the Audit Committee.

5.3 Relationship with External Auditors

The Board also maintains an appropriate relationship with the Company's external auditors, Messrs. PricewaterhouseCoopers, through formal and transparent arrangement with the Audit Committee. These arrangements are stated on page 25 to 29 of the Audit Committee report.

This Corporate Governance Statement is made in accordance with resolution of the Board of Directors dated 15 April 2009.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENT

Companies Act 1965 requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the Group and the Company at the end of the financial year, and of the results and cash flows of the Group and the Company for the financial year.

In preparing the financial statements, the Directors are also responsible for the adoption of suitable accounting policies and their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements.

The Directors hereby confirm that suitable accounting policies have been consistently applied in respect of preparation of the financial statements. The Directors also confirm that the Company maintains adequate accounting records and sufficient internal controls to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities. These are described more fully in the Corporate Governance Statement.

This Directors' Responsibility Statement is made in accordance with resolution of the Board of Directors dated 15 April 2009.



AUDIT COMMITTEE REPORT

The Audit Committee of Mamee-Double Decker (M) Berhad is pleased to present its report for the year ended 31 December 2008. The Board has approved this report by a resolution dated 15 April 2009 for submission to shareholders.

Composition

As at 29 January 2009, the Board of Directors has appointed Puan Rozana Bte Tan Sri Dato' Haji Redzuan as Independent Non-Executive Director and a member of the Audit Committee Report.

As at financial year end, the Committee held meetings on 28 February 2008, 15 April 2008, 23 April 2008, 28 May 2008, 28 August 2008 and 25 November 2008 respectively, a total of six (6) meetings. Details of the members of the Committee and their attendance at the meetings are as follows:-

Name	Designation in Audit Committee	Number of Meetings Attended
Y.A.M. Tunku Osman Ahmad (Independent Non-Executive Vice Chairman)	Chairman	3 out of 6
Dato' Mohamed Nizam Bin Abdul Razak (Independent Non-Executive Director)	Member	6 out of 6
Dato' Dr Shanmughalingam A/L Murugasu (Independent Non-Executive Director)	Member	6 out of 6
Puan Rozana Bte Tan Sri Dato' Haji Redzuan (Independent Non-Executive Director) - Appointed on 29 January 2009	Member	-

TERMS OF REFERENCE

Membership

The Committee shall be appointed by the Board from among their members and shall consist of not less than three (3) members. All the audit committee members must be non-executive directors with a majority of them being Independent Directors.

At least one of the members of the Committee:

- (i) must be a member of the Malaysian Institute of Accountants (MIA); or
- (ii) if he is not a member of the MIA, he must have at least 3 years' working experience and:
 - (aa) must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
 - (bb) must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- (iii) must fulfill such other requirements as prescribed or approved by the Exchange.

No alternate director shall be appointed as a member of the Committee.

The members of the Committee shall elect a Chairman from among their members who shall be an Independent Director.

The terms of office and performance of each member shall be reviewed at least once every three years by the Board.

Purpose of the Committee

The purposes of the Committee are as follows:

1. To provide assistance to the Board in fulfilling its fiduciary responsibilities relating to corporate accounting and reporting practices for the Company.
2. To maintain, through regularly scheduled meetings, a direct line of communication between the Board and the external auditors as well as the internal auditors.
3. To avail to the external and internal auditors a private and confidential audience at any time they desire and to request such audience through the Chairman of the Committee, with or without the prior knowledge of Management.
4. To act upon the Board's request to investigate and report on any issue of concern with regard to the management of the Company.
5. To ensure compliance with any such changes/amendments/updates/Insertions of the listing requirements and any other applicable laws and regulations, arising thereof from time to time.

Secretary

The Secretary of the Committee shall be the Company Secretary.

Frequency and Attendance of Committee Meetings

Meetings shall be held not less than 4 times a year and as and when required during each financial year. The external auditors may request a meeting if they deem necessary.

The Board members, employees, and / or internal auditors may attend any meeting, at the Audit Committee's invitation, and specific to the relevant meeting.

The quorum for a meeting shall be 2 members, and if only two members present both of them must be Independent Directors. If the number of members present for the meeting is more than two, the majority of members present must be Independent Directors.

In the absence of the Chairman of the Committee, members present shall elect a Chairman for the meeting from amongst the Independent Directors.

Teleconferencing

1. A committee member shall be deemed to be present at a meeting of the Committee if he participates by instantaneous telecommunication device and all members of the Committee participating in the meeting of the Committee are able to hear each other and recognize each other's voice, and for this purpose, participation constitutes prima facie proof of recognition. For the purposes of recording attendance, the Chairman or Secretary of the Committee shall mark on the attendance sheet that the committee member was present and participating by instantaneous telecommunication device.
2. A committee member may not leave the meeting by disconnecting his instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the meeting and a committee member will be conclusively presumed to have been present and to have formed part of the quorum at all times during the committee meeting by instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the committee meeting to leave the meeting.

3. Minutes of the proceedings at a committee meeting by instantaneous telecommunication device will be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as correct minutes by the Chairman of the committee meeting.
4. Instantaneous telecommunication device means any telecommunication conferencing device with or without visual capacity.

Minutes

All minutes of meetings shall be circulated to every member of the Board. The minutes of each meeting shall be kept and distributed to each member. The Chairman of the Committee shall report on each meeting to the Board.

A resolution in writing signed or approved by a majority of the Committee and who are sufficient to form a quorum shall be as valid and effectual as if it had been passed at a Meeting of the Committee duly called and constituted.

Authority

The Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Company:-

1. have authority to investigate any matters within its terms of reference, where it deems necessary, investigate any matter referred to it or that it has come across in respect of a transaction that raises questions of management integrity, possible conflict of interest, or abuse by a significant or controlling shareholder;
2. have resources which are required to perform its duties;
3. have full and unrestricted access to any information pertaining to the Company;
4. (i) have direct communication channels with the external auditors;
(ii) have direct authority over the internal audit function of which is independent from management and operations;
5. be able to obtain and seek outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary;
6. be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company.

Functions and Duties

The functions and duties of the Committee are as follows:

1. (i) To consider and recommend the appointment of the external auditors, the audit fee, and any questions of resignation or dismissal, and inquire into the staffing and competence of the external auditors in performing their work and assistance given by the Company's officers to the external auditors.
(ii) Where the external auditors are removed from office or give notice to the Company of their desire to resign as external auditors, the Committee shall ensure that the Company immediately notify Bursa Malaysia Securities Bhd ("the Exchange") and forward to the Exchange a copy of any written representations or written explanations of the resignation made by the external auditors at the same time as copies of such representations or explanations are submitted to the Registrar of Companies pursuant to section 172A of the Companies Act 1965.

2. (i) To discuss with the external auditors before the audit commences the nature, scope and any significant problems that may be foreseen in the audit, ensure adequate tests to verify the accounts and procedures of the Company and ensure co-ordination where more than one audit firm is involved; and
 - (ii) To ensure and confirm that the management has placed no restriction on the scope of the audit.
3. To review the quarterly announcements to Bursa Malaysia Securities Berhad and financial statements before submission to the Board, focusing particularly on:-
 - any changes in accounting policies and practice;
 - major judgmental areas;
 - significant adjustments resulting from the audit;
 - any significant transactions which are not a normal part of the Group's business;
 - the going concern assumptions;
 - compliance with the accounting standards;
 - compliance with stock exchange and legal requirements;
 - assess the quality and effectiveness of the internal control system and the efficiency of the Company's operations;
 - the quality and effectiveness of the entire accounting and internal control systems; and
 - the adequacy of the disclosure of information essential to a fair and full presentation of the financial affairs of the Group.
4. To discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss (in the absence of the management where necessary).
5. For the internal audit function, to:-
 - (a) Review the adequacy of the competency of the internal audit function including the scope and resources of the internal audit functions and ensuring that the internal auditors have the necessary authority to carry out their work;
 - (b) Review internal audit program;
 - (c) Ensure co-ordination of external audit with internal audit;
 - (d) Consider major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - (e) If the internal audit function is outsourced:-

To consider and recommend the appointment or termination of the internal auditors, the fee and inquire into the staffing and competence of the internal auditors in performing their work.
 - (f) If the internal audit function is performed in-house, to
 - (i) To review any appraisal or assessment of the performance of the staff of the internal audit function;
 - (ii) To approve any appointment or termination of senior staff member of the internal audit function; and
 - (iii) To inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reason of resignation.
6. To review the external auditors' management letter and management's response;
7. To report to Bursa Malaysia Securities Berhad ("Bursa") on matters reported by it to the Board that have not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa.

8. To consider:-

- any related party transactions that may arise within the Company or the Group and to ensure that Directors report such transactions annually to shareholders via the annual report, and
- in respect of the recurrent related party transactions of a revenue or trading nature which are subject of a shareholders' mandate, prescribed guidelines and review procedures to ascertain that such transactions are in compliance with the terms of the shareholders' mandate.

9. To consider other topics, as may be defined and directed by the Board from time to time.

Activities during the year

In line with the terms of reference of the Committee, the following activities were carried out:-

(i) External Audit	Review of the audit plans for the year Meeting with the auditor without the presence of the Executive Directors Assessment of the auditors' performance and audit fees prior to submission to the Board for their approval
(ii) Internal Audit	Review of the audit plans and audit findings for the year Address issues pertaining to risk management
(iii) Financial Reporting	Review of the quarterly and annual financial reports of the Company and the Group, for recommendation to the Board of Directors
(iv) Related Party Transactions	Review of the related party transactions entered into by the Company and the Group

Statement by the Audit Committee in Relation to the ESOS Allocation

The Company had implemented an Executive Share Option Scheme ("ESOS") since 12 September 2005.

Pursuant to Para 8.2A of the Listing Requirement of Bursa Malaysia Securities Berhad for the Main Board, the Audit Committee confirms that there is no new allocation of options in the financial year under review to the employees pursuant to the ESOS implemented throughout the Group.

A breakdown of the options offered to and exercised by Non-Executive Directors pursuant to the ESOS is stated on page 46 of the annual report.



STATEMENT OF INTERNAL CONTROL

Boards Responsibility

The Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness whilst the role of Management is to implement the Board's policies on risk and control. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives. In pursuing these objectives, internal controls can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board confirms that there is a continuous process for identifying, evaluating and managing the significant risks threatening the Group during the financial year under review and prior to the date of approval of the annual report and financial statements.

Internal Audit Function

The Group's internal audit function was outsourced to an independent audit firm who report directly to the Audit Committee. The outsource audit firm perform regular reviews of business processes to assess the effectiveness of internal controls and highlight significant risks impacting the Group. The Audit Committee conducts annual reviews on the adequacy of the internal audit firm's scope of work and resources.

The Audit Committee regularly reviews the internal auditor's reports and discusses the highlighted issues with the Management to ensure every issue has been properly resolved.

Other Key Elements of Internal Control

Other key elements that the directors have established in reviewing the adequacy and integrity of the system of internal control, are as follows:

- There is in place an organizational structure which formally defines lines of responsibility and delegation of authority.
- Key functions such as finance, taxation, treasury, corporate and legal matters are controlled centrally.
- There are strategic planning, annual-budgeting and target setting processes that include forecasting for each area of businesses. The detail reviews are conducted at the operational level. Forecasting is revised on a timely basis taking into account significant business risks.
- There is a clearly defined framework for investment appraisal covering the acquisition or disposal of any business, acceptance of projects, application of capital expenditure and approval on borrowings. Post implementation reviews are conducted and reported to the Board.
- The Board receives and reviews regular reports from the Management on business activities that include information on key operating statistics, legal, environmental and regulatory matters. The Board approves appropriate responses or amendments to the Group's policy.
- The results of the business activities are reported on monthly basis where variances are determined and remedial actions are formulated and executed timely. The Management is also conducting a quarterly review on the actual results where the causes of significant variances are detailed out and explained.
- Monthly Management and operational meetings are held to identify, discuss and resolve business and operational issues. The management team exercises hand-on approach to resolve these business and operational risks.

- Significant part of the Group's operation is ISO accredited and therefore required to adhere to the ISO Quality Standards. The related operations are subject to periodic ISO audits where the results are communicated to the Management through a formal report. Issues raised are deliberated by the Management and appropriate action plans implemented to address them. During the financial year, there has been no major issue highlighted by the ISO Auditor.
- The staff professionalism and competencies are maintained through number of training programmes, yearly performance appraisal and stringent recruitment process.

Statement made in accordance with the resolution of the Board of Directors dated 15 April 2009.



OTHER COMPLIANCE INFORMATION

Utilisation of Proceeds

No proceeds were raised by the Company from any corporate proposal during the financial year.

Share Buybacks

Share buybacks by the Company during the financial year are disclosed under page 92.

Monthly breakdown	No. of shares purchased and retained as Treasury Shares	Purchase price per share (RM)		* Average cost per share (RM)	* Total consideration paid (RM)
		Lowest	Highest		
January 2008	-	-	-	-	-
February 2008	-	-	-	-	-
March 2008	79,400	2.03	2.10	2.07	164,342.35
April 2008	15,000	2.05	2.10	2.11	31,629.32
May 2008	48,800	2.10	2.20	2.17	105,790.00
June 2008	62,900	2.10	2.15	2.13	134,062.08
July 2008	-	-	-	-	-
August 2008	-	-	-	-	-
September 2008	-	-	-	-	-
October 2008	-	-	-	-	-
November 2008	-	-	-	-	-
December 2008	14,900	1.73	1.75	1.76	26,167.66
Total :	221,000				461,991.41

* Note: inclusive of brokerage and other charges

During the financial year ended 31 December 2008, a total of 221,000 shares were purchased and held as Treasury Shares. None of the Treasury Shares were resold or cancelled during the financial year.

Exercise of Options, Warrants or Convertible Securities

During the financial year, the number of ordinary shares of RM1 each covered under options granted, exercised and un-issued pursuant to the Scheme are disclosed on pages 92 to 93.

Warrants exercised in respect of the Group during the financial year are disclosed on pages 93.

Monthly breakdown	No of Warrant Exercised	Warrant Price	Total Proceed from Warrant Exercised
January 2008	35,600	1.33	47,348.00
February 2008	5,745,762	1.33	7,641,863.46
March 2008	-	-	-
April 2008	-	-	-
May 2008	-	-	-
June 2008	-	-	-
July 2008	-	-	-
August 2008	-	-	-
September 2008	-	-	-
October 2008	-	-	-
November 2008	-	-	-
December 2008	-	-	-
Total :	5,781,362		7,689,211.46

ADR or GDR Programme

The Company did not sponsor any American Depositary Receipts or Global Depositary Receipts programmes during the financial year.

Impositions of Sanctions/Penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the regulatory bodies.

Non-audit Fees

The amount of non-audit fee paid or payable to the external auditor by the Group for the financial year ended 31 December 2008 was RM3,850.

Profit Estimate, Forecast or Projection

The Company did not release any profit estimate, forecast or projection for the financial year. The variance between the results for the financial year and the unaudited results previously released by the Company was immaterial.

Profit Guarantee

During the financial year, there was no profit guarantee given by the Company.

Material Contracts

There were no material contracts of the Company and its subsidiaries involving directors' and major shareholders' interest.

Related Party Transactions

Related party transactions entered into by the subsidiary companies of the Company which involve Directors' and major shareholders' interest either still subsisting at the end of the financial year ended 31 December 2008 or entered into since the end of the previous financial year are as follows:

- Recurrent revenue transactions in respect of sales of instant noodles, snack food and confectionery products and subsidy on advertisement and promotion provided by Kilang Makanan Mamee Sdn Bhd and Pacific Food Products Sdn Bhd, subsidiary companies of the Company, to PT Pacific Food Indonesia, a company connected to Directors and major shareholders of the Company and persons connected with them.

Details of the recurrent related parties transactions are disclosed on page 99 to 100.

CORPORATE SOCIAL RESPONSIBILITY

Mamee-Double Decker is committed to behave ethically and contribute to economic development while improving the quality of life of our workforce as well as of the local community and society at large. We discharge our Corporate Responsibility (CR) obligation towards our customers, consumers, employees, shareholders, business partners, the Government and the various communities in which the Group's businesses operate in through our CR programme.



Caring through sharing

Besides continually leading as one of the local giants in food products, Mamee-Double Decker also constantly does more than its fair share of contributing to the needs of the less fortunate and the community.

In conjunction with the CNY festival, our company's Domestic Sales team has organized a charity visit to the Handicapped & Mentally Disabled Children Centre at Malacca on 2 February 2008. During the visit, lots of goodies & Ang Pau were distributed to all the children.

Mamee also actively take part in the "bring cheers to the less fortunate" organized by Badan Amal dan Kebajikan Isteri-isteri Wakil Rakyat ("BISTARI"). Our Chairman has given away goodies bags and contributions to the Indians on Deepavali, Malays on Hari Raya Aidilfitri and Portugese on Christmas day.

Environment

Mamee-Double Decker has various procedures in place for managing usage of recyclable materials, energy, water, emissions, effluent & waste. Independent verifications were performed in 2008 to ascertain:

- The dust and flue gas emission level was in compliance with Malaysian Environmental Quality (Clean Air) Regulations
- Waste water treatment was in compliance with Malaysian Environmental Quality Act (Sewage & Industrial Effluents) Regulations

Fire Safety At Work

Mamee-Double Decker continues to roll out its ongoing Occupational Health & Safety ("OHS") initiatives. Staff were sent for training organized by Persatuan Sukan Dan Kebajikan Bomba Melaka ("PSKBM") to gain knowledge, latest information and procedures relating to Jabatan Bomba & Penyelamat Malaysia. In-house Fire Safety and Prevention Training Programmes were conducted annually and participants from various departments were not only required to attend classroom training but also to get practical experience on using the fire extinguisher, etc. Upon completion of the training, the participants have learned to:

- Incorporate the Fire Safety Team (Pasukan Keselamatan Kebakaran (PKK))
- Extinguish fire at the beginning stage before fire brigades arrive.
- Provide basic knowledge of danger and how a building can be on fire.
- Provide basic theory and practical knowledge of procedure to fight and extinguish fire along with saving the building.

Setting High Standard of Product Safety

Our instant noodle, snack and chilled manufacturing plants have systematic planned approach to controlling product safety hazards. These plants were Hazard Analysis and Critical Control Point ("HACCP") certified. Thorough hazard prevention plans and controls were performed by our Quality Assurance Team and Research & Development staff to ensure product safety from material input to final products.

Fulfilling consumers' expectation comes next by carrying out extensive sensory tests. These sensory tests were carried out by our internal team as well as by external agencies, who were engaged to study the consumer's preferences.



HUMAN RESOURCES PRACTICE

General

Human Resources at Mamee-Double Decker demonstrate the commitment in developing the strong ties to our employees. We are always seeking ways to better integrate the company's growth with the employee development and employee engagement to ensure two key principles are achieved, (1) Our people shall deliver the promised result / performance, and enjoy competitive remuneration and career advancement; (2) Our people's code of conduct and ethics is the foundation of our professional relationship - with customers, shareholders, business partners and we expected it from every employees.

Promised Result Vs Competitive Remuneration & Career Advancement

Our continued success relies on the employees, so we do everything to create an environment that contributes to the promised results. We have assured our people that good performance pays off and the impact of individual performance on compensation must be a direct experience.

Throughout the years, our performance measurement system has result in a corporate culture that is both individually and organizationally driven. Our people are passionate for achievement and always strike for outstanding results to fulfill ambitious goals of the company.

Being one of the Malaysia's successful consumer goods companies, we have ambitious goals to continue our growth. As we develop and expand, new opportunities are always arising, creating space for us to realise potential through people's talents and career advancement.

Code of Conduct & Ethics

The "Employee Code of Conduct & Ethics" is the foundation for all people system, which outlined most business situation in the integrity and professional manner. With the consistent enforcement of the employee code of conduct & ethics being the success drivers, our people from diversity, both culture and background, are able to work together, turning creative thought into business reality.

Our people system is firmly committed to provide equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. We create creativity from within, maintain harmony working environment, have smart casual dress code in most of our work sites and support our people in achieving a work/life balance.

CORPORATE CULTURE

Integrity

We believe the quality of being honest in working with our consumers and business partners and always earn the trust from each other.

Intensity

We emphasis on the strength of being intense and continuous in every work you done, with strong faith and conviction. "Small steps lead to a giant steps"

Innovative

We always initiate proactive change to create profitable growth and satisfy our ever-changing consumer needs and expectations.

Involvement

We shall accomplish our goals through strong teamwork and employees' commitment.

Our motto "A World of Good Taste" applies as much to ourselves as it does to the consumers we serve.

At Mamee-Double Decker, our employees are discovering an ideal environment with lively and built-in culture of 4 I's - Integrity, Intensity, Innovative and Involvement to work.

Mamee-Double Decker is committed to providing clear and transparent objectives for every single employee. 360 degree performance feedback tools is used to recognise the value of our people resources and helping them to grow.

At Mamee-Double Decker, people are MDD's greatest asset. We pride ourselves on our products with good taste, consistent quality, better value and nutrition. Recruitment for key positions represents a major investment in the future business of Mamee-Double Decker. We invest in candidates who are able to grow with us and who possess the potential and willingness to manage future business challenges within the context of our Group.



“In Mamee-Double Decker Group, 4 I’s - Integrity, Intensity, Innovative, Involvement are woven into the culture - we live it.”

Mamee-Double Decker creates a leading organization by consistently attracting, nurturing and rewarding the best professionals and specialists within its dynamic and complex business environment. The Group encourages openness, approachable team players and a lively work environment, in order to meet the ever-changing business globally.

The first step on the way to sustainable organizational growth is to give attention to our people's personal ambition and behaviour. We aligning the employee ambition / behaviour with corporate culture - Integrity, Intensity, Innovative, Involvement to develop inner peace and personal charisma, as well as improving our people credibility with others.

We believe that a shared ethical values are required of everyone within the group.



Sport Activities



Oversea Incentive Trip



Inhouse Training



Teambuilding & Motivation

EMPLOYEES' DEVELOPMENT

Employees' development programme is seen as a strategic investment for the future success of Mamee-Double Decker. In year 2008, we have constantly challenging the status quo by conducting various on-going activities from external and internal best practices based on our employees' development programme as above.

Mamee-Double Decker shall continue sourcing for talented graduates and professionals through various career programme, such as Malaysia Student Internship Programme, Management Trainee Programme, Trainee Executive Programme and Applied Skills Development Programme.

If you've got the ability, we've got the opportunity.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report to the members together with the audited financial statements of the Group and Company for the financial year ended 31 December 2008.

Principal activities

The principal activity of the Company consists of investment holding and provision of management services to subsidiaries. The principal activities of the Group consist of manufacturing and marketing of food and dairy products, soft drinks and property development activity.

There was no significant change in the nature of these activities during the financial year.

Financial results

	Group RM	Company RM
Net profit for the financial year	23,606,357	177,178
Attributable to		
Equity holders of the Company	23,596,507	177,178
Minority interests	9,850	0
	23,606,357	177,178

Dividends

The amounts of dividends paid or declared by the Company since 31 December 2007 are as follows:

	RM
In respect of the financial year ended 31 December 2007 as shown in the Directors' report of that year:	
Final dividend of 5.0 sen gross per share tax exempt on 81,794,042 ordinary shares (date of Directors' Report)	4,089,702
Adjustments for dividends on repurchase of ordinary shares under the Company's Share Buy-Back Plan	(3,140)
Total dividends paid on 26 June 2008	4,086,562
In respect of the financial year ended 31 December 2008:	
Interim tax exempt dividend of 5.0 sen gross per share declared on 26 November 2008 and paid on 8 January 2009	4,082,072

On 15 April 2009, the Directors proposed, subject to the approval of the members at the forthcoming Annual General Meeting of the Company, a final dividend of 5.0 sen gross per share tax exempt on 81,641,442 ordinary shares, amounting to RM4,082,072 for the financial year ended 31 December 2008.

Reserves and provisions

All material transfers to or from reserves or provisions during the financial year are shown in the financial statements.

Share capital

During the financial year, the issued and fully paid-up share capital of the Company was increased from RM80,596,680 to RM86,378,042 by issuing 5,781,362 ordinary shares of RM1 each by virtue of exercise of the warrant at an exercise price of RM1.33 per ordinary share.

The new issued shares rank pari-passu in all respects with the existing ordinary shares of the Company, except that they will not be entitled to any dividends, rights, allotments and/or other distributions which entitlement date precedes the relevant exercise date of the Scheme or Warrant.

Treasury shares

During the financial year, the Company repurchased 221,000 of its issued share capital from the open market on Bursa Malaysia Securities Berhad for RM461,992. The average price paid for the shares repurchased was approximately RM2.09 per share.

Details of the treasury shares are set out in Note 21(a) to the financial statements.

Executive Share Option Scheme

The Executive Share Option Scheme ("ESOS" or "the Scheme") was approved by the shareholders at the Extraordinary General Meeting held on 18 May 2005 and became effective on 12 September 2005. Details of the Scheme are set out in Note 21(b) to the financial statements.

During the financial year, the number of ordinary shares of RM1 each covered under the options granted, exercised and unissued pursuant to the Scheme is as follows:

<u>Date</u>	<u>Price</u>	<u>Number of ordinary shares of RM1 each covered under Options</u>				<u>At</u>
		<u>At</u>	<u>Granted</u>	<u>Exercised</u>	<u>Lapsed</u>	<u>At</u>
		<u>1.1.2008</u>				<u>31.12.2008</u>
12.9.2005	1.56	81,100	0	0	2,000	79,100

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose in this report the name of the persons to whom options have been granted during the period and details of their holding. This information has been separately filed with the Companies Commission of Malaysia.

Warrants

The Warrants were detached from the Redeemable Unsecured Bonds 1998/2004 as constituted by a Trust Deed dated 22 June 1998. The warrants are quoted on Bursa Malaysia Securities Berhad. Each warrant entitles its registered holder at any time not exceeding five (5) years from the date of its issue, to subscribe for one new ordinary share of RM1 each in the Company at an exercise price of RM1.33 per warrant. The duration and exercise period of the outstanding warrants were extended from 16 February 2003 to 16 February 2008.

During the financial year, 5,781,362 warrants have been exercised.

As at 31 December 2008, the number of warrants remaining unexercised was 147,858 warrants.

The listing of warrants have been removed from the official list of Bursa Malaysia Securities Berhad with effect from 18 February 2008.

Directors

The Directors who have held office during the period since the date of the last report are:-

Datuk Pang Chin Hin
Y.A.M. Tunku Osman Ahmad
Datuk Pang Tee Chew
Datuk Pang Tee Nam
Dato' Mohamed Nizam bin Abdul Razak
Dato' Dr. Shanmughalingam A/L Murugasu
Puan Rozana bte Tan Sri Dato' Haji Redzuan (appointed on 29 January 2009)

Datuk Pang Chin Hin and Y.A.M. Tunku Osman Ahmad retire pursuant to Section 129(2) of the Companies Act, 1965 and seek re-appointment as Directors under Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

In accordance with the Company's Articles of Association, Datuk Pang Tee Nam retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

In accordance with the Company's Articles of Association, Puan Rozana bte Tan Sri Dato' Haji Redzuan appointed during the period retires at the forthcoming Annual General Meeting and, being eligible, offers herself for election.

Directors' benefits

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the options over shares granted by the Company to Eligible Employees, including certain Directors of the Company, pursuant to the Executive Share Option Scheme.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits disclosed as Directors' remuneration in Note 7 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the transactions in the ordinary course of business with companies in which certain of the Directors have substantial financial interests and as disclosed in Note 29 to the financial statements.

Directors' interests in shares and debentures

According to the Register of Director's Shareholdings, the interests of Directors in office at the end of the financial year in shares, warrants and options in the Company are as follows:

	At	Number of ordinary shares of RM1 each		At
	1.1.2008	Bought	Sold	31.12.2008
Datuk Pang Chin Hin	9,904,024	23,500	0	9,927,524
	10,878,252	0	0	10,878,252*
Y.A.M Tunku Osman Ahmad	210,000	0	0	210,000
Datuk Pang Tee Chew	16,884,402	3,080,342	0	19,964,744
	4,950,153	0	0	4,950,153*
Datuk Pang Tee Nam	7,140,181	1,346,000		8,486,181
	4,923,819	0	0	4,923,819*
Dato' Mohamed Nizam bin Abdul Razak	1,133,333	0	0	1,133,333

	At	Number of warrants #		At
	1.1.2008	Bought	Exercised	31.12.2008
Datuk Pang Tee Chew	3,080,342	0	3,080,342	0
Datuk Pang Tee Nam	1,346,000	0	1,346,000	0

Each warrant entitles its registered holder to subscribe for one new ordinary share of RM1 each in the Company at an exercise price of RM1.33 per warrant.

	At	Number of options over ordinary shares of RM1 each		At
	1.1.2008	Granted	Exercised	31.12.2008
Datuk Pang Chin Hin	8,000	0	0	8,000*
Dato' Mohamed Nizam bin Abdul Razak	20,000	0	0	20,000
Dato' Dr. Shanmughalingam A/L Murugasu	20,000	0	0	20,000

* Represent the Director's indirect interests.

The share options were granted pursuant to the Executive Share Option Scheme of the Company and entitles the holder to subscribe for one new ordinary share of RM1 each for every option held at RM1.56 per share.

Other than disclosed above, none of the other Directors in office at the end of the financial year held any interest in shares in the Company and its related corporations. No Directors held any interest in debentures of the Company and its related corporations during the financial year.

Statutory information on the financial statements

Before the income statements and balance sheets were made out, the Directors took reasonable steps:

- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Group and Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors,

- (a) the results of the Group's and Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

Auditors

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 15 April 2009

DATO' DR. SHANMUGHALINGAM A/L MURUGASU
DIRECTOR

DATUK PANG TEE CHEW
DIRECTOR

STATEMENT BY DIRECTORS AND STATUTORY DECLARATION

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Dato' Dr. Shanmughalingam A/L Murugasu and Datuk Pang Tee Chew, two of the Directors of Mamee-Double Decker (M) Berhad, state that in the opinion of the Directors, the financial statements set out on pages 51 to 104 are drawn up so as to give a true and fair view of the state of affairs of the Group and Company as at 31 December 2008 and of the results and cash flows of the Group and Company for the financial year ended on that date in accordance with the provisions of the Companies Act, 1965 and the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities.

Signed on behalf of the Board of Directors in accordance with their resolution dated 15 April 2009

DATO' DR. SHANMUGHALINGAM A/L MURUGASU
DIRECTOR

DATUK PANG TEE CHEW
DIRECTOR

STATUTORY DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Datuk Pang Tee Chew, the Director primarily responsible for the financial management of Mamee-Double Decker (M) Berhad, do solemnly and sincerely declare that the financial statements set out on pages 51 to 104 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

DATUK PANG TEE CHEW

Subscribed and solemnly declared by the abovenamed Datuk Pang Tee Chew at Melaka in Malaysia on 15 April 2009, before me.

P. MURUGIAH
COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAMEE-DOUBLE DECKER (M) BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Mamee-Double Decker (M) Berhad, which comprise the balance sheets as at 31 December 2008 of the Group and of the Company and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 51 to 104.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies Act, 1965 and the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2008 and of their financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which is indicated in Note 18 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

ERIC OOI LIP AUN
(No. 1517/06/10 (J))
Chartered Accountant

Melaka

15 April 2009

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

	Note	2008 RM	2007 RM
Revenue	5	396,967,181	359,741,695
Cost of sales		(283,826,619)	(256,280,480)
Gross profit		113,140,562	103,461,215
Other operating income		7,176,904	5,213,634
Selling and distribution costs		(68,734,602)	(64,740,487)
Administrative expenses		(19,162,068)	(19,954,748)
Other operating expenses		(1,752,968)	(3,182,059)
Profit from operations	6	30,667,828	20,797,555
Finance costs	8	(579,214)	(879,664)
Profit before tax		30,088,614	19,917,891
Tax expense	9	(6,482,257)	(5,917,687)
Net profit for the financial year		23,606,357	14,000,204
Attributable to:			
Equity holders of the Company		23,596,507	13,989,101
Minority interests		9,850	11,103
Net profit for the financial year		23,606,357	14,000,204
Earnings per share attributable to the ordinary equity holders of the Company (sen)			
- Basic	10(a)	29.0	21.1
- Fully diluted	10(b)	29.0	20.2
Dividends declared per share (sen)	11	10.0	20.0
Dividends paid per share (sen)	11	5.0	25.0

COMPANY INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

	Note	2008 RM	2007 RM
Revenue	5	5,000,420	53,794,373
Other operating income		42,999	303,145
Administrative expenses		(5,449,809)	(4,865,803)
Other operating income/(expenses)		941,687	(90,426)
Profit from operations	6	535,297	49,141,289
Finance costs	8	(265,119)	(531,223)
Profit before tax		270,178	48,610,066
Tax expense	9	(93,000)	(13,232,113)
Net profit for the financial year		177,178	35,377,953

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2008

	Note	2008 RM	2007 RM
ASSETS			
Non current assets			
Property, plant and equipment	12	72,446,110	67,457,362
Prepaid lease rentals	13	11,375,279	11,434,985
Land held for property development	14	9,192,977	8,960,001
Investments	15	16,155,691	14,554,581
Intangible asset	16	458,703	172,998
Deferred tax assets	17	577,000	399,000
		110,205,760	102,978,927
Current assets			
Inventories	19	30,640,434	29,013,007
Receivables	20	68,355,848	56,041,387
Tax recoverable		762,012	1,595,342
Fixed deposits with licensed banks		33,729,500	17,400,000
Cash and bank balances		11,556,541	28,159,499
		145,044,335	132,209,235
TOTAL ASSETS		255,250,095	235,188,162
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	21	86,378,042	80,596,680
Treasury shares	21(a)	(9,807,957)	(9,345,965)
Non-distributable reserves	22	13,348,032	12,237,794
Retained earnings		101,402,397	85,974,524
		191,320,514	169,463,033
Minority interests		230,487	220,637
Total equity		191,551,001	169,683,670
Non current liabilities			
Deferred tax liabilities	17	3,999,190	3,767,190
		3,999,190	3,767,190
Current liabilities			
Payables	23	57,643,181	49,630,768
Current tax liabilities		1,658,598	2,106,534
Borrowings - interest bearing	24		
- bank overdraft		398,125	0
- others		0	10,000,000
		59,699,904	61,737,302
Total liabilities		63,699,094	65,504,492
TOTAL EQUITY AND LIABILITIES		255,250,095	235,188,162

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2008

	Note	2008 RM	2007 RM
ASSETS			
Non current assets			
Property, plant and equipment	12	497,313	496,167
Investments	15	7,440,129	7,062,789
Investments in subsidiaries	18	21,863,900	21,409,805
		29,801,342	28,968,761
Current assets			
Receivables	20	3,647,082	164,908
Amounts receivable from subsidiaries (net of allowance for doubtful debts of RM2,106,259, 2007: RM2,106,259)	25	76,565,377	77,874,934
Tax recoverable		0	87,072
Fixed deposits with a licensed bank		6,100,000	3,300,000
Cash and bank balances		669,828	13,198,111
		86,982,287	94,625,025
TOTAL ASSETS		116,783,629	123,593,786
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	21	86,378,042	80,596,680
Treasury shares	21(a)	(9,807,957)	(9,345,965)
Share premium		9,187,862	7,280,013
Retained earnings	26	25,769,852	33,761,308
Total equity		111,527,799	112,292,036
Current liabilities			
Payables	23	5,249,902	1,301,750
Current tax liabilities		5,928	0
Borrowings - interest bearing	24	0	10,000,000
		5,255,830	11,301,750
Total liabilities		5,255,830	11,301,750
TOTAL EQUITY AND LIABILITIES		116,783,629	123,593,786

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

	----- Attributable to the equity holders of the Company -----						
	Share capital RM	Treasury Shares RM	Non- distributable - Reserves RM	Distributable - Retained earnings RM	Total RM	Minority interests RM	Total equity RM
2008							
Balance as at 1 January	80,596,680	(9,345,965)	12,237,794	85,974,524	169,463,033	220,637	169,683,670
Dividends for the financial year ended							
- 31 December 2007	0	0	0	(4,086,562)	(4,086,562)	0	(4,086,562)
- 31 December 2008	0	0	0	(4,082,072)	(4,082,072)	0	(4,082,072)
Purchase of treasury shares	0	(461,992)	0	0	(461,992)	0	(461,992)
Issue of shares							
- exercise of warrants	5,781,362	0	1,907,849	0	7,689,211	0	7,689,211
Currency translation differences	0	0	(797,611)	0	(797,611)	0	(797,611)
Expense recognised directly in equity	0	0	(797,611)	0	(797,611)	0	(797,611)
Net profit for the financial year	0	0	0	23,596,507	23,596,507	9,850	23,606,357
Total recognised (expense)/income for the year	0	0	(797,611)	23,596,507	22,798,896	9,850	22,808,746
Balance as at 31 December	86,378,042	(9,807,957)	13,348,032	101,402,397	191,320,514	230,487	191,551,001

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008 (Continued)

	----- Attributable to the equity holders of the Company -----						
	Share capital RM	Treasury Shares RM	Non- distributable - Reserves RM	Distributable - Retained earnings RM	Total RM	Minority interests RM	Total equity RM
2007							
Balance as at 1 January	66,358,700	(7,545,277)	7,495,300	88,264,543	154,573,266	209,534	154,782,800
Dividends for the financial year ended							
- 31 December 2006	0	0	0	(4,880,233)	(4,880,233)	0	(4,880,233)
- 31 December 2007	0	0	0	(11,398,887)	(11,398,887)	0	(11,398,887)
Purchase of treasury shares	0	(1,800,688)	0	0	(1,800,688)	0	(1,800,688)
Issue of shares							
- exercise of warrants	14,216,980	0	4,691,610	0	18,908,590	0	18,908,590
- pursuant to ESOS	21,000	0	11,760	0	32,760	0	32,760
Currency translation differences	0	0	39,124	0	39,124	0	39,124
Income recognised directly in equity	0	0	39,124	0	39,124	0	39,124
Net profit for the financial year	0	0	0	13,989,101	13,989,101	11,103	14,000,204
Total recognised income for the year	0	0	39,124	13,989,101	14,028,225	11,103	14,039,328
Balance as at 31 December	80,596,680	(9,345,965)	12,237,794	85,974,524	169,463,033	220,637	169,683,670

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

	Share capital RM	Treasury shares RM	Non- distributable - Share premium RM	Distributable - Retained earnings RM	Total RM
2008					
Balance as at 1 January	80,596,680	(9,345,965)	7,280,013	33,761,308	112,292,036
Net profit for the financial year	0	0	0	177,178	177,178
Dividends for the financial year ended					
- 31 December 2007	0	0	0	(4,086,562)	(4,086,562)
- 31 December 2008	0	0	0	(4,082,072)	(4,082,072)
Purchase of treasury shares	0	(461,992)	0	0	(461,992)
Issue of shares					
- exercise of warrants	5,781,362	0	1,907,849	0	7,689,211
Balance as at 31 December	86,378,042	(9,807,957)	9,187,862	25,769,852	111,527,799

	Share capital RM	Treasury shares RM	Non- distributable - Share premium RM	Distributable - Retained earnings RM	Total RM
2007					
Balance as at 1 January	66,358,700	(7,545,277)	2,576,643	14,662,475	76,052,541
Net profit for the financial year	0	0	0	35,377,953	35,377,953
Dividends for the financial year ended					
- 31 December 2006	0	0	0	(4,880,233)	(4,880,233)
- 31 December 2007	0	0	0	(11,398,887)	(11,398,887)
Purchase of treasury shares	0	(1,800,688)	0	0	(1,800,688)
Issue of shares					
- exercise of warrants	14,216,980	0	4,691,610	0	18,908,590
- pursuant to ESOS	21,000	0	11,760	0	32,760
Balance as at 31 December	80,596,680	(9,345,965)	7,280,013	33,761,308	112,292,036

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

	Note	2008 RM	2007 RM
Cash flows from operating activities			
Net profit attributable to equity holders of the Company		23,596,507	13,989,101
Adjustments for:			
Property, plant and equipment			
- depreciation		8,612,933	10,174,096
- profit on disposal		(1,058,889)	(540,318)
- written off		133,511	57,974
- impairment loss		0	1,009,163
Prepaid lease rental			
- amortisation		189,820	186,869
Interest expense		253,151	525,000
Dividend income		(144,396)	(342,717)
Interest income		(1,535,197)	(1,034,839)
Tax charge		6,482,257	5,917,687
Allowance for diminution in value of investments		2,001,224	0
Gain on disposal of investments		(168,992)	(704,401)
Unrealised (gain)/loss on foreign exchange		(185,751)	324,214
Minority interests		9,850	11,103
		38,186,028	29,572,932
Changes in working capital:			
Inventories		(1,381,515)	(3,069,271)
Receivables		(12,100,466)	3,218,018
Payables		1,953,413	(7,345,583)
Cash from operations		26,657,460	22,376,096
Tax paid		(6,042,864)	(6,284,982)
Net cash from operating activities		20,614,596	16,091,114
Cash flows from investing activities			
Acquisition of subsidiary (Note 18)		(396,652)	0
Proceeds from disposal of investments		11,844,842	15,739,630
Proceeds from disposal of property, plant and equipment		1,846,499	722,244
Purchase of investments		(15,257,967)	(15,473,115)
Purchase of property, plant and equipment		(13,657,733)	(7,942,655)
Land held for property development paid		(232,976)	(55,081)
Prepaid lease rentals paid		(23,006)	0
Interest received		1,514,982	836,862
Dividends received		144,396	342,717
Net cash used in investing activities		(14,217,615)	(5,829,398)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008 (Continued)

	Note	2008 RM	2007 RM
Cash flows from financing activities			
Dividends paid		(4,086,562)	(16,279,120)
Interest paid		(253,151)	(525,000)
Repayment of term loan		(10,000,000)	0
Purchase of treasury shares		(461,992)	(1,800,688)
Proceeds from issuance of shares		7,689,211	18,941,350
Net cash (used in)/from financing activities		(7,112,494)	336,542
Net (decrease)/increase in cash and cash equivalents			
		(715,513)	10,598,258
Effect on exchange rate difference			
		43,930	(19,163)
Cash and cash equivalents at beginning of the financial year			
		45,559,499	34,980,404
Cash and cash equivalents at end of the financial year			
	27	44,887,916	45,559,499

COMPANY CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

	Note	2008 RM	2007 RM
Cash flows from operating activities			
Net profit for the financial year		177,178	35,377,953
Adjustments for:			
Property, plant and equipment			
- depreciation		152,629	129,362
- profit on disposal		(42,999)	0
Interest expense		253,151	525,000
Dividend income		0	(49,041,425)
Interest income		(772,754)	(573,948)
Tax charge		93,000	13,232,113
Allowance for diminution in value of investments		562,800	0
Gain on disposal of investments		0	(303,145)
Unrealised (gain)/loss on foreign exchange		(690,946)	82,242
		(267,941)	(571,848)
Changes in working capital:			
Receivables		(3,482,174)	(67,964)
Payables		(133,920)	(1,441,084)
Balances with subsidiaries		2,315,269	9,597,011
Net cash (used in)/from operating activities		(1,568,766)	7,516,115
Cash flows from investing activities			
Purchase of investments		(6,020,215)	(6,750,000)
Acquisition of subsidiaries	18	(454,095)	(249,999)
Proceeds from disposal of investments		5,080,075	8,774,222
Purchase of property, plant and equipment		(153,776)	(410,991)
Proceeds from disposal of property, plant and equipment		43,000	1,702
Dividend received		0	33,600
Interest received		457,988	36,219
Net cash (used in)/from investing activities		(1,047,023)	1,434,753

COMPANY CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008 (Continued)

	Note	2008 RM	2007 RM
Cash flows from financing activities			
Dividends paid		(4,086,562)	(16,279,120)
Interest paid		(253,151)	(525,000)
Repayment of term loan		(10,000,000)	0
Purchase of treasury shares		(461,992)	(1,800,688)
Proceeds from issuance of shares		7,689,211	18,941,350
Net cash (used in)/from financing activities		(7,112,494)	336,542
Net (decrease)/increase in cash and cash equivalents			
		(9,728,283)	9,287,410
Cash and cash equivalents at beginning of the financial year			
		16,498,111	7,210,701
Cash and cash equivalents at end of the financial year			
	27	6,769,828	16,498,111

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The principal activity of the Company consists of investment holding and provision of management services to subsidiary companies.

The principal activities of the Group consist of manufacturing and marketing of food and dairy products, soft drinks and property development activity.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor.

The address of the principal place of business of the Company is Lot 1, Ayer Keroh Industrial Estate, Ayer Keroh, 75450 Melaka.

2. Summary of significant accounting policies

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of the Group and Company have been prepared in accordance with the Companies Act, 1965 and the MASB Approved Accounting Standards for Entities Other than Private Entities.

The financial statements have been prepared under the historical cost conversion, unless otherwise indicated in this summary of significant accounting policies.

The preparation of financial statements in conformity with the provisions of the MASB Approved Accounting Standards for Entities Other than Private Entities requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(i) Standards, amendments to published standards and interpretations that are applicable to the Group and are effective

The new accounting standards, amendments to published standards and interpretations to existing standards effective for the Group's financial year ended 31 December 2008 and applicable to the Group are as follows:

- FRS 107 Cash Flow Statements (2007)
- FRS 112 Income Taxes (2007)
- FRS 118 Revenue (2007)
- FRS 120 Accounting for Government Grants and Disclosure of Government Assistance (2007)
- FRS 121 Amendments to FRS 121 - The Effects of Changes in Foreign Exchange Rates
- FRS 134 Interim Financial Reporting (2007)
- FRS 137 Provisions, Contingent Liabilities and Contingent Assets (2007)

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(i) Standards, amendments to published standards and interpretations that are applicable to the Group and are effective (continued)

All changes in accounting policies have been made in accordance with the transitional provisions in the respective standards, amendments to published standards and interpretations. All standards, amendments and interpretations adopted by the Group require retrospective application.

The adoption of the above standards, amendments to published standards and interpretations have no material effect on the Group's and Company's financial statements.

(ii) Standards, amendments to published standards and interpretations that are effective but not relevant

The following standards, amendments and interpretations to published standards are mandatory for the Group's accounting periods beginning on or after 1 January 2008 but they are not relevant to the Group's operations:

- FRS 111 Construction Contracts (2007)
- IC Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments
- IC Interpretation 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IC Interpretation 6 Liabilities arising from Participating in a Specific Market Waste Electrical and Electronic Equipment
- IC Interpretation 7 Applying the Restatement Approach under FRS 129 Financial Reporting in Hyperinflationary Economies
- IC Interpretation 8 Scope of FRS 2

(iii) Standards, amendments to published standards and interpretations to existing standards that are not yet effective and have not been early adopted

The new standards, amendments to published standards and interpretations that are applicable to the Group's financial periods beginning on or after 1 January 2009 or later periods, but which the Group has not early adopted, are as follows:

- FRS 8 Operating Segments (effective for annual period beginning on or after 1 July 2009). FRS 8 replaces FRS 114²⁰⁰⁴ Segment Reporting. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply this standard from financial periods beginning on 1 January 2010.
- IC Interpretation 9 Reassessment of Embedded Derivatives (effective for annual period beginning on or after 1 January 2010). IC Interpretation 9 requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. The Group will apply this standard from financial periods beginning on 1 January 2010.

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(iii) Standards, amendments to published standards and interpretations to existing standards that are not yet effective and have not been early adopted (continued)

- IC Interpretation 10 Interim Financial Reporting and Impairment (effective for annual period beginning on or after 1 January 2010). IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. The Group will apply this standard from financial periods beginning on 1 January 2010.

The following standards will be effective for annual period beginning on or after 1 January 2010. The Group will apply these standards from financial periods beginning on 1 January 2010. The Group has applied the transitional provision in the respective standards which exempts entities from disclosing the possible impact arising from the initial application of the standard on the financial statements of the Group and Company.

- FRS 139 Financial Instruments: Recognition and Measurement
- FRS 4 Insurance Contracts
- FRS 7 Financial Instruments: Disclosures

(b) Economies entities in the Group

(i) Subsidiaries

Subsidiaries are those corporations in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are consolidated using the purchase method of accounting except for certain business combinations which were accounted for using the merger method as these subsidiaries were consolidated prior to 1 January 2002 in accordance with Malaysian Accounting Standard No. 2 "Accounting for Acquisition and Mergers", the general accepted accounting principle prevailing at that time.

The Group has taken advantage of the exemption provided by FRS 3 to apply these Standards prospectively. Accordingly, business combinations entered into prior to the respective effective dates have not been restated to comply with these Standards.

Under the purchase method of accounting, subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases. The cost of an acquisition is measured as fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired at the date of acquisition is reflected as goodwill. See the accounting policy Note 2(k) on goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

2. Summary of significant accounting policies (continued)

(b) Economies entities in the Group (continued)

(i) Subsidiaries (continued)

Minority interest represent that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since that date.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current and previous years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between the cost of merger and the nominal value of the shares acquired is adjusted against retained earnings.

Intragroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group in the consolidated income statement.

The gain or loss on disposal of a subsidiary is the difference between the disposal proceeds and the Group's share of its net assets as of the date of disposal including the cumulative amount of any exchange differences that relate to the subsidiary is recognised on the consolidated income statement.

(ii) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. For purchases from minority interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is deducted from equity. Gains or losses on disposals to minority interests are also recorded in equity. For disposals to minority interests, differences between any proceeds received and the relevant share of minority interests are also recorded in equity.

(c) Property, plant and equipment

Freehold land and assets under construction are stated at cost. Land and buildings are stated at Directors' valuation with subsequent additions at cost, less accumulated depreciation/impairment.

The Directors have applied the transitional provisions of International Accounting Standard (IAS) No 16 (revised) "Property, Plant and Equipment" as permitted by Malaysian Accounting Standards Board (MASB) which allows property, plant and equipment to be stated at their last recorded valuations less depreciation. Freehold and leasehold land, and buildings acquired in 1991 or earlier are stated at valuations determined by independent professional valuers in 1991 using open market value. The 1991 recorded valuations have not been updated as the Group has not adopted a policy of regular periodic revaluations of property, plant and equipment as permitted by the IAS 16 (revised) transitional provisions.

Freehold land and buildings acquired after 1991 are stated at cost less accumulated depreciation and impairment losses. The other property, plant and equipment are stated at cost less accumulated depreciation/impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

2. Summary of significant accounting policies (continued)

(c) Property, plant and equipment (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Freehold land is not depreciated as it has an infinite life. Other property, plant and equipment are depreciated on the straight line basis to write off the cost of the assets, or their revalued amounts, to their residual values over their estimated useful lives, summarised as follows:

	Years
Buildings	5 - 50
Plant and machinery	2 - 14
Furniture, fittings and equipment	2 - 10
Motor vehicles	2 - 5

Depreciation on assets under construction commences when the assets are ready for their intended use.

Residual values and useful life of assets are reviewed, and adjusted if appropriate, at each balance sheet date.

At each balance sheet date, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(e) on impairment of assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit/loss from operations.

(d) Prepaid lease rentals

Payments for rights to use land over a predetermined period is classified as prepaid lease rentals and is stated at cost less accumulated amortisation and accumulated impairment losses. The prepaid lease rentals are depreciated on a straight line basis over the lease periods ranging from 60 to 99 years.

(e) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to the income statement. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in the income statement.

2. Summary of significant accounting policies (continued)

(f) Investments

Investments in subsidiaries are shown at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(e) on impairment of assets.

Investments in other non-current investments are shown at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the year in which the decline is identified.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged/credited to the income statement.

(g) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non current asset and is stated at cost less accumulated impairment losses.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(e) on impairment of assets.

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where the development activities can be completed within the Group's normal operating cycle.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs.

Consumables and store items are valued at the lower of cost and net realisable value, cost being determined on the first-in, first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(i) Income taxes

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits, and real property gains taxes payable on disposal of properties.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

2. Summary of significant accounting policies (continued)

(i) Income taxes (continued)

Deferred tax is recognised on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

(j) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follow:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

(k) Intangible assets - Goodwill

Goodwill represents the excess of the cost of acquisition of subsidiaries over the fair value of the Group's share of their identifiable net assets at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arose. The Group allocates the entire goodwill to a single business segment which manufacture, market and contract pack soft drinks. See accounting policy Note 2(e) on impairment of non-financial assets.

2. Summary of significant accounting policies (continued)

(l) Trade receivables

Trade receivables are carried at invoice amount less an allowance for doubtful debts. The allowance is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

(m) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that grant will be received and the Group will comply with all attached conditions.

(n) Cash and cash equivalents

For the purposes of cash flow statements, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short term, highly liquid investments with original maturities of three months or less, and bank overdraft. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

(o) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of sales tax/value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(i) Sales of goods

Sales of goods are recognised when a group entity has delivered products to the customers, the customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

(ii) Income from provision of advertising services

Income from provision of advertising services is recognised when the services are rendered.

(iii) Interest income

Interest income is recognised on a time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

(iv) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(p) Share capital

(i) Classification

Ordinary shares are classified as equity.

2. Summary of significant accounting policies (continued)

(p) Share capital (continued)

(ii) Share issue costs

Incremental external costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(iii) Dividends to shareholders of the Company

Dividends on ordinary shares are recognised as a liability when proposed or declared by the Board of Directors before the balance sheet date. Dividends when proposed or declared by the Board of Directors after the balance date but before the financial statements are authorised for issue will be accounted for in the next financial year.

(iv) Purchase of own shares

Where the Company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental external costs, net of tax, is deducted from total shareholders' equity as treasury shares until they are cancelled, reissued or disposed of.

Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental external costs and the related tax effects, is included in shareholders' equity.

(q) Borrowings

Classification

Borrowings are initially recognised based on the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings.

Interest, dividends, losses and gains relating to a financial instrument, or a component part, classified as a liability is reported within finance cost in the income statement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(r) Financial instruments

(i) Description

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

2. Summary of significant accounting policies (continued)

(r) Financial instruments (continued)

(ii) Financial instruments recognised on the balance sheet

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statements associated with each item.

(iii) Fair value estimation for disclosure purposes

In assessing the fair value of non-traded derivatives and financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for the specific or similar instruments are used for long term debt. Other techniques, such as option pricing models and estimated discounted value of future cash flows, are used to determine fair value for the remaining financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

The face values, less any estimated credit adjustments, for financial assets and liabilities with tenure to maturity of less than one financial year are assumed to approximate their fair values.

(s) Employee benefits

(i) Short term employee benefits

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments.

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Post-employment benefits

The Group's post-employment benefit scheme comprises only defined contribution plan.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

The Group's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan for the employees of the Group.

The fair value of the employees services received in exchange for the grant of the share options is recognised as an expense in the income statement over the vesting periods of the grant with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the Group revises its estimates of the number of share options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

2. Summary of significant accounting policies (continued)

(s) Employee benefits (continued)

(iii) Share-based compensation (continued)

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(t) Segment reporting

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risk and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risk and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expense, assets and segment liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process, except to the extent that such intragroup balances and transactions are between Group enterprises within a single segment.

3. Critical accounting estimates and judgments

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are outlined below.

Classification between investment properties and property, plant and equipment

The Group developed certain criteria based on FRS 140 in making judgment whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both, while other properties without the above intention are considered held for use in the production of goods and services or for administration purposes, and are considered property, plant and equipment.

The Group has vacant land and buildings as at 31 December 2008 which were not used in the production of goods and services. The Group has decided not to treat these properties as investment properties because it is not the Group's intention to hold these properties for long term capital appreciation or rental income. The carrying amount of these properties as at 31 December 2008 was RM1,755,490 (2007: RM1,798,406).

4. Impairment of assets

(a) Impairment tests for goodwill

The carrying amount of goodwill is allocated to the Group's cash-generating unit (CGU) as follows:-

	Group 2008 RM	2007 RM
Beverage plant, Malaysia	172,998	172,998
Advertising contractor and agent, Malaysia	285,705	0
	458,703	172,998

Recoverable amount based on value in use

The recoverable amount of a CGU is determined based on value in use calculations. These calculations use pre-tax cash flow forecast based on financial budgets approved by the Directors covering a period of twelve months. If the twelve months' cash flow forecast shows indication of impairment, a five years' cash flow projection will be performed.

The Directors have determined the cash flow forecast based on past performance and its expectations of market development and major material price trends.

(b) Impairment loss

	Group 2008 RM	2007 RM
Impairment loss of property, plant and equipment was included in the following income statement line item		
- other operating expenses	0	1,009,163

5. Revenue

	Group 2008 RM	2007 RM	Company 2008 RM	2007 RM
Sale of goods	396,967,181	359,741,695	0	0
Management fee income	0	0	4,227,666	4,179,000
Gross investment income:				
- dividends	0	0	0	49,041,425
- interest	0	0	772,754	573,948
	396,967,181	359,741,695	5,000,420	53,794,373

6. Profit from operations

Profit from operations is arrived at after charging/(crediting):

	Group		Company	
	<u>2008</u> RM	<u>2007</u> RM	<u>2008</u> RM	<u>2007</u> RM
Auditors' remuneration				
- statutory audit				
- current year	81,250	77,600	13,600	13,000
- prior year's overaccrual	0	(2,000)	0	(2,000)
- other service	3,850	3,850	3,850	3,850
Property, plant and equipment				
- depreciation	8,612,933	10,174,096	152,629	129,362
- profit on disposal	(1,058,889)	(540,318)	(42,999)	0
- written off	133,511	57,974	0	1,702
- impairment loss	0	1,009,163	0	0
Prepaid lease rental				
- amortisation	189,820	186,869	0	0
Rental of buildings	237,285	273,839	0	2,000
Staff costs (including remuneration of executive Directors)				
- salaries, wages, bonus and other employee benefits	29,406,816	32,673,399	3,123,329	3,248,511
- defined contribution retirement plan	2,361,295	2,782,753	412,581	422,221
(Gain)/loss on foreign exchange				
- realised	(574,970)	331,539	0	8,184
- unrealised	(185,751)	324,214	(690,946)	82,242
Income from investments (gross):				
- quoted in Malaysia	(144,396)	(342,717)	0	(33,600)
- unquoted subsidiary companies	0	0	0	(49,007,825)
Interest income	(1,535,197)	(1,034,839)	(772,754)	(573,948)
Gain on disposal of investments	(168,992)	(704,401)	0	(303,145)
(Write back)/allowance for doubtful debts (net)	(194,287)	206,076	0	0
Allowance for diminution in value of investments	2,001,224	0	562,800	0
Government grant received	(224,074)	(92,337)	0	0

The cost of inventories recognised as an expense during the financial year amounted to RM283,826,619 (2007: RM256,280,480) for the Group.

7. Directors' remuneration

The aggregate amount of emoluments receivable by Directors of the Company during the financial year are as follows:

	Group		Company	
	<u>2008</u> RM	<u>2007</u> RM	<u>2008</u> RM	<u>2007</u> RM
Non-executive Directors:				
- fees	100,000	100,000	100,000	100,000
- allowances	60,000	60,000	60,000	60,000
Executive Directors:				
- fees	102,000	122,000	80,000	100,000
- basic salaries, bonus and other emoluments	2,200,200	2,052,229	2,150,520	2,002,549
- defined contribution retirement plan	222,205	211,565	222,205	211,565
- estimated monetary value of benefits-in-kind	59,000	57,800	0	0
	2,743,405	2,603,594	2,671,725	2,474,114

8. Finance costs

Interest on term loans	253,151	525,000	253,151	525,000
Other bank charges	326,063	354,664	11,968	6,223
	579,214	879,664	265,119	531,223

9. Tax expense

(a) The tax charge comprise:

Current tax:				
- Malaysian tax	6,286,819	6,034,307	93,000	13,232,113
- Foreign tax	141,438	278,380	0	0
	6,428,257	6,312,687	93,000	13,232,113
Deferred tax (Note 17)	54,000	(395,000)	0	0
	6,482,257	5,917,687	93,000	13,232,113

9. Tax (Continued)

(a) The tax charge comprise: (continued)

	Group		Company	
	2008	2007	2008	2007
	RM	RM	RM	RM
Current tax				
Current year	7,017,000	6,148,012	93,000	13,232,113
Benefit from previously unrecognised tax losses	(63,000)	(18,909)	0	0
(Over)/under accrual in prior year (net)	(525,743)	183,584	0	0
	6,428,257	6,312,687	93,000	13,232,113
Deferred tax				
Origination and reversal of temporary difference (net)	54,000	(395,000)	0	0
	6,482,257	5,917,687	93,000	13,232,113

(b) Numerical reconciliation of tax expense

The tax on the Group's and Company's profit before tax differs from the theoretical amount that would arise using the statutory income tax rate of Malaysia as follows:

	Group		Company	
	2008	2007	2008	2007
	RM	RM	RM	RM
Profit before tax	30,088,614	19,917,891	270,178	48,610,066
Theoretical tax charge at statutory tax rate of 26% (2007: 27%)	7,823,039	5,377,831	70,246	13,124,718
Tax effects of:				
- different tax rate in other country	0	(7,542)	0	0
- lower tax rate for small and medium enterprise	(90,000)	(105,000)	0	0
- expenses not deductible for tax purposes	1,020,306	1,162,941	22,754	280,688
- income not subject to tax	(94,640)	(320,514)	0	(95,395)
- current year's tax losses not recognised	275,037	1,076,341	0	0
- temporary differences not recognised	413,842	240,710	0	34,928
- utilisation of tax incentives	(1,948,700)	(1,505,250)	0	0
- utilisation of prior year's tax losses	(63,000)	(18,909)	0	0
- others	(27,679)	(165,084)	0	(112,826)
Prior year's (over)/under accrual (net)	(825,948)	182,163	0	0
	6,482,257	5,917,687	93,000	13,232,113

10. Earnings per share

(a) Basic earnings per share

Basic earnings per share of the Group was calculated by dividing the net profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

	2008	2007
Net profit attributable to the equity holders of the Company (RM)	23,596,507	13,989,101
Weighted average number of ordinary shares in issue	81,235,745	66,296,757
Basic earnings per share (sen)	29.0	21.1

(b) Diluted earnings per share

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: executive share options.

In calculating diluted earnings per share, the executive share options are assumed to have been exercised and converted into ordinary shares. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2008	2007
Net profit attributable to the equity holders of the Company (RM)	23,596,507	13,989,101
Weighted average number of ordinary shares in issue	81,235,745	66,296,757
Adjustment for:		
- warrants	0	2,964,610
- executive share options	42,387	57,538
Weighted average number of ordinary shares for diluted earnings per share	81,278,132	69,318,905
Diluted earnings per share (sen)	29.0	20.2

11. Dividends

Dividends declared or proposed are as follows:

	Group and Company		Group and Company	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	Gross per share Sen	Amount of dividend net of tax RM	Gross per share Sen	Amount of dividend net of tax RM
Interim dividend	5.0	4,082,072	10.0	7,599,258
Special dividend	0	0	5.0	3,799,629
Proposed final dividend	5.0	4,082,072	5.0	4,089,702
Adjustments for dividends on repurchase of ordinary shares under the Company's Share Buy- Back Plan	0	0	0	(3,140)
	10.0	8,164,144	20.0	15,485,449

Dividends paid in respect of ordinary shares are as follows:

	<u>2008</u>	<u>2007</u>
	RM	RM
In respect of the financial year ended 31 December 2007:		
- Interim tax exempt dividend of 10 sen and special tax exempt dividend of 5 sen per ordinary share, paid on 24 November 2007	0	11,398,887
- Final tax exempt dividend of 5 sen per ordinary share, paid on 26 June 2008	4,086,562	
In respect of the financial year ended 31 December 2006:		
- Final dividend of 10 sen gross per ordinary share less income tax at 27%, paid on 26 June 2007	0	4,880,233
	4,086,562	16,279,120

The interim tax exempt dividend of 5.0 sen gross per share amounting to RM4,082,072 was declared on 26 November 2008 and paid on 8 January 2009.

On 15 April 2009, the Directors proposed, subject to the approval of the members at the forthcoming Annual General Meeting of the Company, a final dividend of 5 sen gross per share tax exempt, on 81,641,442 ordinary shares, amounting to RM4,082,072 for the financial year ended 31 December 2008.

12. Property, plant and equipment

Group	Freehold Land RM	Buildings on freehold land RM	Buildings on leasehold land RM	Plant and machinery RM	Furniture, fittings and equipment RM
At cost/valuation					
Balance as at 1 January 2008					
At cost	2,501,980	16,390,831	29,116,724	115,275,840	18,354,265
At valuation	2,318,000	277,000	6,264,000	0	0
	4,819,980	16,667,831	35,380,724	115,275,840	18,354,265
Currency translation difference	0	0	969,331	1,435,139	240,385
Additions	559,935	6,958,981	627,974	3,061,626	1,223,649
Acquisition of subsidiary	0	0	0	0	106,864
Disposals	0	(89,000)	0	(3,509,843)	(93,952)
Write off	0	(330)	0	(5,093,765)	(44,797)
Transfer	0	0	0	0	0
Balance as at 31 December 2008					
At cost	3,061,915	23,260,482	30,714,029	111,168,997	19,786,414
At valuation	2,318,000	277,000	6,264,000	0	0
	5,379,915	23,537,482	36,978,029	111,168,997	19,786,414
Accumulated depreciation/impairment					
Balance as at 1 January 2008	0	6,279,149	15,797,488	89,248,843	14,850,734
Currency translation difference	0	0	385,360	1,320,615	174,728
Depreciation charge	0	666,896	1,597,167	4,283,359	910,177
Acquisition of subsidiary	0	0	0	0	31,091
Disposals	0	(15,723)	0	(2,882,429)	(45,938)
Write off	0	(125)	0	(4,966,911)	(38,348)
Balance as at 31 December 2008	0	6,930,197	17,780,015	87,003,477	15,882,444
Net book value as at 31 December 2008	5,379,915	16,607,285	19,198,014	24,165,520	3,903,970

12. Property, plant and equipment (continued)

Group	Motor vehicles RM	Assets under construction RM	Total RM
At cost/valuation			
Balance as at 1 January 2008			
At cost	15,338,787	1,061	196,979,488
At valuation	0	0	8,859,000
	15,338,787	1,061	205,838,488
Currency translation difference	96,981	0	2,741,836
Additions	1,225,568	0	13,657,733
Acquisition of subsidiary	0	0	106,864
Disposals	(1,090,596)	(1,061)	(4,784,452)
Write off	(2,302)	0	(5,141,194)
Balance as at 31 December 2008			
At cost	15,568,438	0	203,560,275
At valuation	0	0	8,859,000
	15,568,438	0	212,419,275
Accumulated depreciation/impairment			
Balance as at 1 January 2008	12,204,912	0	138,381,126
Currency translation difference	71,837	0	1,952,540
Depreciation charge	1,155,334	0	8,612,933
Acquisition of subsidiary	0	0	31,091
Disposals	(1,052,752)	0	(3,996,842)
Write off	(2,299)	0	(5,007,683)
Balance as at 31 December 2008	12,377,032	0	139,973,165
Net book value as at 31 December 2008	3,191,406	0	72,446,110

12. Property, plant and equipment

Group	Freehold Land RM	Buildings on freehold land RM	Buildings on leasehold land RM	Plant and machinery RM	Furniture, fittings and equipment RM
At cost/valuation					
Balance as at 1 January 2007					
At cost	2,501,980	15,719,783	28,745,686	112,755,801	16,880,895
At valuation	2,318,000	277,000	6,264,000	0	0
	4,819,980	15,996,783	35,009,686	112,755,801	16,880,895
Currency translation difference	0	0	(181,147)	(384,070)	(23,841)
Additions	0	684,948	609,263	4,197,788	1,555,082
Disposals	0	(13,900)	0	(2,438,919)	(28,197)
Write off	0	0	(57,078)	(26,000)	(29,674)
Reclassification	0	0	0	1,171,240	0
Balance as at 31 December 2007					
At cost	2,501,980	16,390,831	29,116,724	115,275,840	18,354,265
At valuation	2,318,000	277,000	6,264,000	0	0
	4,819,980	16,667,831	35,380,724	115,275,840	18,354,265
Accumulated depreciation/impairment					
Balance as at 1 January 2007	0	5,621,917	14,363,567	84,629,237	14,309,999
Currency translation difference	0	0	(62,367)	(192,188)	(11,323)
Depreciation charge	0	657,232	1,510,377	6,267,615	595,394
Impairment	0	0	0	1,009,163	0
Disposals	0	0	(13,899)	(2,438,985)	(14,747)
Write off	0	0	(190)	(25,999)	(28,589)
Balance as at 31 December 2007	0	6,279,149	15,797,488	89,248,843	14,850,734
Net book value as at 31 December 2007	4,819,980	10,388,682	19,583,236	26,026,997	3,503,531

12. Property, plant and equipment (continued)

Group	Motor vehicles RM	Assets under construction RM	Total RM
At cost/valuation			
Balance as at 1 January 2007			
At cost	16,349,694	1,177,127	194,130,966
At valuation	0	0	8,859,000
	16,349,694	1,177,127	202,989,966
Currency translation difference	(65,378)	(4,826)	(659,262)
Additions	895,574	0	7,942,655
Disposals	(1,841,103)	0	(4,322,119)
Write off	0	0	(112,752)
Reclassification	0	(1,171,240)	0
Balance as at 31 December 2007			
At cost	15,338,787	1,061	196,979,488
At valuation	0	0	8,859,000
	15,338,787	1,061	205,838,488
Accumulated depreciation/impairment			
Balance as at 1 January 2007	12,787,141	0	131,711,861
Currency translation difference	(53,145)	0	(319,023)
Depreciation charge	1,143,478	0	10,174,096
Impairment	0	0	1,009,163
Disposals	(1,672,562)	0	(4,140,193)
Write off	0	0	(54,778)
Balance as at 31 December 2007	12,204,912	0	138,381,126
Net book value as at 31 December 2007	3,133,875	1,061	67,457,362

12. Property, plant and equipment (continued)

Company	Furniture, fittings and equipment RM	Motor vehicles RM	Total RM
At cost			
Balance as at 1 January 2008	72,408	862,764	935,172
Additions	8,076	145,700	153,776
Disposal	0	(140,729)	(140,729)
Balance as at 31 December 2008	80,484	867,735	948,219
Accumulated depreciation			
Balance as at 1 January 2008	58,760	380,245	439,005
Depreciation charge	5,663	146,966	152,629
Disposal	0	(140,728)	(140,728)
Balance as at 31 December 2008	64,423	386,483	450,906
Net book value as at 31 December 2008	16,061	481,252	497,313
At cost			
Balance as at 1 January 2007	67,180	458,994	526,174
Additions	7,221	403,770	410,991
Written off	(1,993)	0	(1,993)
Balance as at 31 December 2007	72,408	862,764	935,172
Accumulated depreciation			
Balance as at 1 January 2007	53,675	256,259	309,934
Depreciation charge	5,376	123,986	129,362
Written off	(291)	0	(291)
Balance as at 31 December 2007	58,760	380,245	439,005
Net book value as at 31 December 2007	13,648	482,519	496,167

Land and buildings acquired in 1991 or earlier of the Group were revalued in 1991 by the Directors based on an independent firm of professional valuers and are stated at valuation on the open market basis as approved by the then Capital Issues Committee.

Had the property, plant and equipment been included in the financial statements at cost less depreciation, the net book value of the revalued assets would have been as follows:

	Group 2008 RM	2007 RM
Freehold land	2,111,314	2,111,314
Buildings on freehold land	94,033	103,022
Buildings on long leasehold land	597,130	755,347
	2,802,477	2,969,683

13. Prepaid lease rentals

Group	Long leasehold land RM	Short leasehold land RM	Total RM
At cost			
Balance as at 1 January 2008	11,917,586	1,768,596	13,686,182
Currency translation difference	0	167,609	167,609
Additions	23,006	0	23,006
Balance as at 31 December 2008	11,940,592	1,936,205	13,876,797
Accumulated depreciation/impairment			
Balance as at 1 January 2008	1,607,218	643,979	2,251,197
Currency translation difference	0	60,501	60,501
Depreciation charge	156,746	33,074	189,820
Balance as at 31 December 2008	1,763,964	737,554	2,501,518
Net book value as at 31 December 2008	10,176,628	1,198,651	11,375,279
At cost/valuation			
Balance as at 1 January 2007	17,303,586	1,795,381	19,098,967
Currency translation difference	0	(26,785)	(26,785)
Reclassification to land held for property development	(5,386,000)	0	(5,386,000)
Balance as at 31 December 2007	11,917,586	1,768,596	13,686,182
Accumulated depreciation/impairment			
Balance as at 1 January 2007	1,450,549	623,907	2,074,456
Currency translation difference	0	(10,128)	(10,128)
Depreciation charge	156,669	30,200	186,869
Balance as at 31 December 2007	1,607,218	643,979	2,251,197
Net book value as at 31 December 2007	10,310,368	1,124,617	11,434,985

14. Land held for property development

	Group 2008 RM	2007 RM
Long leasehold land, at cost		
Balance as at 1 January	8,960,001	3,518,920
Reclassification from property, plant and equipment	0	5,386,000
Incurred during the financial year	232,976	55,081
Balance as at 31 December	9,192,977	8,960,001

15. Investments

	Group 2008 RM	2007 RM	Company 2008 RM	2007 RM
At cost				
Quoted in Malaysia	3,969,268	3,385,395	0	0
Quoted outside Malaysia	9,109	9,109	0	0
Unquoted	2,000	2,000	0	0
Shares in corporations	3,980,377	3,396,504	0	0
Less: Allowance for diminution in value	(1,442,433)	(4,009)	0	0
	2,537,944	3,392,495	0	0
Quoted in Malaysia Unit Trust and money market funds	14,180,547	11,162,086	8,002,929	7,062,789
Less: Allowance for diminution in value	(562,800)	0	(562,800)	0
	13,617,747	11,162,086	7,440,129	7,062,789
	16,155,691	14,554,581	7,440,129	7,062,789
Market value of quoted investments				
Shares in corporations	2,581,752	3,561,963	0	0
Unit Trust and money market funds	13,631,192	11,205,108	7,440,129	7,076,010
	16,212,944	14,767,071	7,440,129	7,076,010

16. Intangible asset

	Group 2008 RM	2007 RM
Goodwill arising on consolidation		
Balance as at beginning of financial year	172,998	172,998
Arising from current year's acquisition	285,705	0
Balance as at end of financial year	458,703	172,998

The impairment test for goodwill is disclosed in Note 4(a) to the financial statements.

17. Deferred tax assets/(liabilities)

Deferred tax assets and liabilities are offset when there is legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

	Group 2008 RM	2007 RM
Deferred tax assets	577,000	399,000
Deferred tax liabilities:		
- subject to income tax	(3,999,190)	(3,767,190)
	(3,422,190)	(3,368,190)

The movements during the financial year relating to deferred tax assets and liabilities are as follows:

	Group 2008 RM	2007 RM
As at beginning of the financial year	(3,368,190)	(3,763,190)
(Charged)/credited to income statement (Note 9)		
- property, plant and equipment	335,810	(99,000)
- tax losses	(37,000)	(28,000)
- allowances	(352,810)	522,000
	(54,000)	395,000
As at end of the financial year	(3,422,190)	(3,368,190)

17. Deferred tax assets/(liabilities) (continued)

	Group 2008 RM	2007 RM
Subject to income tax		
Deferred tax assets (before offsetting)		
Property, plant and equipment	577,000	362,000
Tax losses	0	37,000
Allowances	1,176,000	1,528,810
	1,753,000	1,927,810
Offsetting	(1,176,000)	(1,528,810)
Deferred tax assets (after offsetting)	577,000	399,000
Deferred tax liabilities (before offsetting)		
Property, plant and equipment	(5,175,190)	(5,296,000)
Offsetting	1,176,000	1,528,810
Deferred tax liability (after offsetting)	(3,999,190)	(3,767,190)

The amounts of deductible temporary differences and unutilised tax losses (both of which have no expiry date) for which no deferred tax asset is recognised in the balance sheet are as follows:

	Group 2008 RM	2007 RM
Deductible temporary differences	3,346,000	2,817,000
Unutilised tax losses	18,065,000	14,748,000

18. Investments in subsidiaries

	Company 2008 RM	2007 RM
Shares in unquoted corporations, at cost	24,519,428	24,065,333
Allowance for impairment in value of investments	(2,655,528)	(2,655,528)
	21,863,900	21,409,805

18. Investments in subsidiaries (Continued)

The details of the subsidiaries are as follows:

<u>Name of company</u>	<u>Group's effective equity interest</u>		<u>Principal activities</u>	<u>Country of incorporation And principal place of business</u>
	<u>2008</u> %	<u>2007</u> %		
Pacific Food Products Sendirian Berhad	100	100	Manufacturing and marketing of food products	Malaysia
<u>Subsidiaries of Pacific Food Products Sendirian Berhad</u>				
- Pacific Plantations Sdn Bhd	98	98	Oil palm cultivation and production - inactive	Malaysia
- MDD Beverage Sdn Bhd	99.7	99.7	Manufacturing, marketing and contract packing of soft drinks	Malaysia
<u>Subsidiary of MDD Beverage Sdn Bhd</u>				
- Pure Products Sdn Bhd	99.7	99.7	Marketing of soft drinks	Malaysia
Kilang Makanan Mamee Sdn Bhd	100	100	Manufacturing and marketing of food and dairy products	Malaysia
<u>Subsidiary of Kilang Makanan Mamee Sdn Bhd</u>				
Δ - Mamee-Double Decker Foods (Suzhou) Co. Ltd	100	100	Manufacturing and marketing of food products	People's Republic of China
Mamee-Double Decker Distribution (M) Sdn Bhd	100	100	Marketing of food products and soft drinks	Malaysia
Milk Specialities Distribution Sdn Bhd	100	100	Marketing of dairy products	Malaysia
Δ Mamee-Double Decker ICT Sdn Bhd	100	100	Provision of information system management and motor vehicle rental services	Malaysia

18. Investments in subsidiaries (Continued)

<u>Name of company</u>	<u>Group's effective equity interest</u>		<u>Principal activities</u>	<u>Country of incorporation And principal place of business</u>
	<u>2008</u> %	<u>2007</u> %		
Myanmar Mamee-Double Decker Ltd *	100	100	Manufacturing and marketing of food products	The Union of Myanmar
Mamee-Double Decker Ltd *	100	100	Dormant	The Union of Myanmar
MDD Bulk Food Sdn Bhd	100	100	Marketing of food products - inactive	Malaysia
MDD Properties Sdn Bhd	100	100	Property development	Malaysia
Eightedge Solutions Sdn Bhd	100	0	Advertising contractor and agent	Malaysia
Pacific United Group Ventures Ltd	100	0	Investment Holding - Dormant	Mauritius

Subsidiary of Pacific United Group Ventures Ltd

Rosedale Investments Pte Ltd	100	0	Investment Holding - Dormant	Singapore
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* Not audited by PricewaterhouseCoopers Malaysia.

Δ The auditors' report on the financial statements of this subsidiary contained emphasis of matter relating to the preparation of financial statements on going concern basis.

The Group acquired 100% equity in Eightedge Solutions Sdn Bhd and Pacific United Group Ventures Ltd (shelf company) for cash consideration of RM450,000 and RM4,095 respectively during the financial year.

RM

Purchase consideration	
- cash consideration	450,000
Fair value of net assets acquired	(164,295)
Goodwill (Note 16)	285,705

18. Investments in subsidiaries (continued)

Details of net assets acquired are as follows:

	Acquirer's carrying value RM	Fair value RM
Property, plant and equipment	75,773	75,773
Receivables	105,041	105,041
Cash and bank balances	57,443	57,443
Payables	(73,962)	(73,962)
Net assets	164,295	164,295

Details of cash flows arising from acquisitions are as follows:

	RM
Purchase consideration settled in cash	454,095
Less: Cash and cash equivalents of subsidiary acquired	(57,443)
Cash outflow of the Group on acquisition	396,652
Cash outflow of the Company on acquisition	454,095

19. Inventories

	Group 2008 RM	2007 RM
Finished goods	9,051,013	8,267,299
Work-in-progress	2,586,830	2,261,440
Raw materials	16,381,835	17,147,466
Consumable stores	2,620,756	1,336,802
	30,640,434	29,013,007

20. Receivables

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Trade receivables	64,837,610	60,710,644	0	0
Allowance for doubtful debts	(7,238,653)	(7,666,312)	0	0
	57,598,957	53,044,332	0	0
Other receivables	1,769,369	1,825,476	0	0
Deposits and prepayments	5,991,494	2,798,481	3,647,082	1,791,810
Down payment for purchase of property, plant and equipment	2,996,028	0	0	0
Allowance for doubtful deposits and other receivables	0	(1,626,902)	0	(1,626,902)
	10,756,891	2,997,055	3,647,082	164,908
	68,355,848	56,041,387	3,647,082	164,908

Credit terms of trade receivables range from payment in advance to 60 days (2007: payment in advance to 60 days).

Included in deposits and prepayments for the Group and Company is an amount of RM3,032,265 (2007: Nil) being deposit paid for the proposed investment in a joint venture (Note 31)

21. Share capital

	Group and Company			
	2008 Number of shares	2008 RM	2007 Number of Shares	2007 RM
Authorised:				
Balance as at beginning and at end of financial year	500,000,000	500,000,000	500,000,000	500,000,000
Issued and fully paid:				
Balance as at beginning of financial year	80,596,680	80,596,680	66,358,700	66,358,700
Issued during the year				
- Exercise of Warrant	5,781,362	5,781,362	14,216,980	14,216,980
- Pursuant to the Executive Share Option Scheme	0	0	21,000	21,000
Balance as at end of financial year	86,378,042	86,378,042	80,596,680	80,596,680

21. Share capital (continued)

(a) Treasury shares

The shareholders of the Company, by an Ordinary Resolution passed in a general meeting held on 18 May 2005, approved the Company's Share Buy-Back plan. The Share Buy-Back will enable the Company to utilise its financial resources not immediately required for use, to purchase its own shares. The Shares Buy-Back may enhance the earnings per share and reduce the liquidity level of the shares in the Bursa Malaysia Securities Berhad (BMSB), which generally will have a positive impact on the market prices of the shares. The Shares Buy-Back will in the longer term enhance the value of the Company's shares in terms of capital appreciation.

During the financial year, the Company repurchased 221,000 shares from the open market on the BMSB for RM461,992. The average price paid for the share repurchased was approximately RM2.09 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares as allowed under Section 67A of Companies Act, 1965. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distributions are suspended. As at 31 December 2008 the total treasury shares repurchased was 4,736,600 of the issued share capital and none of the treasury shares repurchased has been sold as at 31 December 2008.

At the balance sheet date, the number of outstanding shares in issue after setting treasury shares off against equity is 81,641,442 (2007: 76,081,080).

(b) Executive Share Option Scheme

The Company implemented the Executive Share Option Scheme as approved by the shareholders at the Extraordinary General Meeting held on 18 May 2005 and became effective on 12 September 2005.

The main features of the Scheme are as follows:

- (a) The total number of new ordinary shares of the Company, which may be made available under the Scheme shall not exceed 10% of the total issued and paid-up share capital of the Company at any point of time during the existence of the Scheme;
- (b) The Scheme offers Eligible Employees to participate in the "Selling Flexibility" scheme or conventional scheme. The "Selling Flexibility" refers to a scheme whereby the Selling Shareholders allocate a certain quantum of the shareholdings in the Company to facilitate the immediate selling of options by Eligible Employees;
- (c) Eligible Employees includes:-
 - full time employees with designation of Executive within the Group whose appointment or service has been confirmed in writing and with two (2) continuous years of service in the Group; or
 - full time employees with designation of Director and Manager, whose appointment or service has been confirmed in writing;
 - Independent Directors of the Group;
- (d) The options granted are valid for five (5) years and may be exercised any time before the expiry of the Scheme on 27 July 2010 except for certain periods as determined by the Scheme's Option Committee. The options may be exercised in full or in such lesser number of ordinary shares provided that the number shall be in multiples of 1,000;
- (e) The price at which the grantees are entitled to subscribe for shares under the Scheme is the average of the mean market quotation of the shares stated in the daily official issued by the Bursa Malaysia for the five (5) market days immediately preceding the respective dates of offer of the option;
- (f) The new ordinary shares of the Company to be issued pursuant to the Scheme will, upon allotment and issue, rank pari passu in all respects within its then existing ordinary shares of the Company, except that they will not be entitled to any dividends, rights, allotments and/or other distributions which entitlement date precedes the relevant exercise date of the Scheme.

21. Share capital (continued)

(b) Executive Share Option Scheme (continued)

During the financial year, the number of ordinary shares of RM1 each covered under the options granted, exercised and unissued pursuant to the Scheme is as follows:

<u>Date</u>	<u>Price</u>	<u>Number of ordinary shares of RM1 each covered under Options</u>				<u>At 31.12.2008</u>
		<u>At 1.1.2008</u>	<u>Granted</u>	<u>Exercised</u>	<u>Lapsed</u>	
12.9.2005	1.56	81,100	0	0	2,000	79,100
					<u>2008</u>	<u>2007</u>
Number of share option vested at balance sheet date					79,100	81,100

Details relating to options exercised during the financial year are as follows:

<u>Exercise date</u>	<u>Fair value of shares at share issue date</u>		<u>Exercise price</u> RM/share	<u>Number of shares issued</u>	
	<u>2008</u> RM/share	<u>2007</u> RM/share		<u>2008</u>	<u>2007</u>
February 2007	N/A	2.93	1.56	0	6,000
March 2007	N/A	2.72	1.56	0	1,000
April 2007	N/A	2.83	1.56	0	2,000
May 2007	N/A	2.85	1.56	0	11,000
June 2007	N/A	2.65	1.56	0	1,000
				0	21,000
				<u>2008</u> RM	<u>2007</u> RM
Ordinary share capital - at par				0	21,000
Share premium				0	11,760
Proceeds received on exercise of share options				0	32,760
Fair value at exercise date of shares issued				0	59,960

(c) Warrants

The Warrants were detached from the Redeemable Unsecured Bonds 1998/2004 as constituted by a Trust Deed dated 22 June 1998. The warrants are quoted on the Bursa Malaysia Securities Berhad. Each warrant entitles its registered holder at any time not exceeding five (5) years from the date of its issue, to subscribe for one new ordinary share of RM1 each in the Company at an exercise price of RM1.33 per warrant. The duration and exercise period of the outstanding warrants were extended from 16 February 2003 to 16 February 2008.

During the financial year, 5,781,362 warrants have been exercised.

As at 31 December 2008, the number of warrants remaining unexercised was 147,858 warrants.

The listing of warrants have been removed from the official list of the Bursa Malaysia Securities Berhad with effect from 18 February 2008.

22. Non-distributable reserves

Group	Share premium reserve RM	Foreign currency translation reserve * RM	Reserve fund ** RM	Total RM
2008				
Balance as at 1 January	7,280,013	4,431,323	526,458	12,237,794
Currency translation differences	0	(797,611)	0	(797,611)
Issue of shares - exercise of warrants	1,907,849	0	0	1,907,849
Balance as at 31 December	9,187,862	3,633,712	526,458	13,348,032
2007				
Balance as at 1 January	2,576,643	4,392,199	526,458	7,495,300
Currency translation differences	0	39,124	0	39,124
Issue of shares - exercise of warrants	4,691,610	0	0	4,691,610
- pursuant to ESOS	11,760	0	0	11,760
Balance as at 31 December	7,280,013	4,431,323	526,458	12,237,794

* The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

** The reserve fund is maintained by a subsidiary in compliance with the provisions of People's Republic of China Business Law.

23. Payables

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Trade payables	31,149,244	26,997,078	0	0
Trade accruals	17,277,036	15,931,370	987,830	733,714
Other payables	4,954,829	6,502,320	0	368,036
Dividend payable	4,082,072	0	4,082,072	0
Proposed directors' fees	180,000	200,000	180,000	200,000
	57,643,181	49,630,768	5,249,902	1,301,750

Credit terms of trade payables vary from 30 to 90 days (2007: 30 to 90 days).

24. Borrowings - interest bearing

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Current				
Term loan - unsecured	0	10,000,000	0	10,000,000
Bank overdraft - unsecured	398,125	0	0	0
	398,125	10,000,000	0	10,000,000

Interest on term loan is chargeable at the rate of 5.25% (2007: 5.25% to 6.65%) per annum during the financial year. The term loan has been repaid in one lump sum in June 2007.

Interest on bank overdraft is chargeable at the rate of 2% (2007: Nil) per annum above bank base lending rate.

25. Amounts receivable from subsidiaries

Included in the amounts receivable from subsidiaries is an amount of RM62,026,230 (2007: RM62,836,643), which is unsecured, with no fixed terms of repayment and bears interest at the rate of 1.0% (2007: 1.0%) per annum. The other amounts receivable from subsidiaries are unsecured and interest free with no fixed terms of repayment.

26. Retained earnings

Under the single-tier system which came into effect from the year of assessment 2008, the Company is not required to have tax credits under Section 108 of the Income Tax Act 1967 for dividend payment purposes.

Companies with Section 108 credits as at 31 December 2007 may continue to pay franked dividends until the Section 108 credits are exhausted or 31 December 2013 whichever is earlier unless the Company opts to disregard the Section 108 credits to pay single-tier dividends under the special transitional provisions of the Finance Act 2007. As at 31 December 2008, subject to agreement with the tax authorities, the Company has sufficient Section 108 tax credits and tax exempt income to pay in full (2007: full) all of the retained earnings of the Company as franked and exempt dividends.

27. Cash and cash equivalents

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Fixed deposits with licensed banks	33,729,500	17,400,000	6,100,000	3,300,000
Cash and bank balances	11,556,541	28,159,499	669,828	13,198,111
Bank overdraft	(398,125)	0	0	0
	44,887,916	45,559,499	6,769,828	16,498,111

28. Segment information

The Group is organised into two main business segments:

- (i) Food and beverage - manufacture and marketing of a range of food and dairy products and soft drinks.
- (ii) Property development - development of land into commercial buildings.

Other operations of the Group comprise mainly inactive companies, none of which are of a sufficient size to be reported separately.

(a) Primary reporting format - business segments

<u>2008</u>	<u>Food and beverage RM</u>	<u>Property development RM</u>	<u>Other RM</u>	<u>Eliminations RM</u>	<u>Group RM</u>
Sales					
External sales	396,967,181	0	0	0	396,967,181
Results					
Segment results (external)	29,114,487	(126,252)	0	0	28,988,235
Unallocated income (net)					1,679,593
Profit from operations					30,667,828
Finance cost					(579,214)
Profit before tax					30,088,614
Tax expenses					(6,482,257)
Net profit for the financial year					23,606,357
Other information					
Segment assets	210,854,506	9,218,892	29,792	(16,077,298)	204,025,892
Unallocated assets					51,224,203
Total assets					255,250,095
Segment liabilities	60,600,178	13,518,426	0	(16,077,298)	58,041,306
Unallocated liabilities					5,657,788
Total liabilities					63,699,094
Capital expenditure	13,811,509	232,976	0	0	14,044,485
Depreciation and amortisation	8,802,753	0	0	0	8,802,753

28. Segment information (Continued)

(a) Primary reporting format - business segments

<u>2007</u>	<u>Food and beverage RM</u>	<u>Property development RM</u>	<u>Other RM</u>	<u>Eliminations RM</u>	<u>Group RM</u>
Sales					
External sales	359,741,695	0	0	0	359,741,695
Results					
Segment results (external)	18,499,812	(149,732)	0	0	18,350,080
Unallocated income (net)					2,447,475
Profit from operations					20,797,555
Finance cost					(879,664)
Profit before tax					19,917,891
Tax expenses					(5,917,687)
Net profit for the financial year					14,000,204
Other information					
Segment assets	201,302,374	8,998,960	6,664,601	(15,726,696)	201,239,239
Unallocated assets					33,948,923
Total assets					235,188,162
Segment liabilities	52,182,333	13,173,631	1,500	(15,726,696)	49,630,768
Unallocated liabilities					15,873,724
Total liabilities					65,504,492
Capital expenditure	7,942,655	0	0	0	7,942,655
Depreciation and amortisation	10,174,096	0	0	0	10,174,096

28. Segment information (continued)

(a) Primary reporting format - business segments (continued)

Unallocated income includes interest income and dividend from other investments. Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash, and mainly exclude fixed deposits, investments, current and deferred tax assets. Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings.

Capital expenditure comprises additions to property, plant and equipment and intangible assets.

(b) Secondary reporting format - geographical segments

The Group operates in three main geographical areas.

- i) Malaysia* - manufacture and marketing of food and dairy products, and soft drinks
- ii) China - manufacture and marketing of food products
- iii) Myanmar - manufacture and marketing of food products

* Company's home country

	Sales		Total assets		Capital expenditure	
	2008	2007	2008	2007	2008	2007
	RM	RM	RM	RM	RM	RM
Malaysia	259,017,711	253,926,218	186,710,129	183,440,657	13,774,575	7,618,845
China	11,907,869	6,824,162	9,102,737	10,075,279	263,502	306,917
Myanmar	13,952,751	11,986,877	8,213,026	7,723,303	6,408	16,893
Other Asia countries	58,408,446	43,782,081	0	0	0	0
Others	53,680,404	43,222,357	0	0	0	0
	396,967,181	359,741,695	204,025,892	201,239,239	14,044,485	7,942,655
Unallocated assets			51,224,203	33,948,923		
Total assets			255,250,095	235,188,162		

In determining the geographical segments of the Group, sales are based on the country in which the customer is located. There are no sales between the segments. Total assets and capital expenditure are determined based on where the assets are located.

29. Significant related party disclosures

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions. The related party transactions described below were carried out on agreed terms. The transactions were conducted in accordance with the general mandate obtained from shareholders for recurrent related party transactions.

	Group	
	2008	2007
	RM	RM
(a) Sale of goods to PT Pacific Food Indonesia	3,364,830	2,572,995

PT Pacific Food Indonesia is a company wholly-owned by Datuk Pang Chin Hin, Datuk Pang Tee Chew and Datuk Pang Tee Nam, who are the Directors and major shareholders of Mamee-Double Decker (M) Berhad ("MDD").

	Group	
	2008	2007
	RM	RM
(b) Sale of goods to Yang-Yang Co Ltd	249,844	380,195

Yang-Yang Co Ltd is a company wholly-owned by persons connected to Datuk Pang Chin Hin, Datuk Pang Tee Chew and Datuk Pang Tee Nam, who are the Directors and major shareholders of MDD.

(c) Other income from subsidiaries				
		Company		
		2008	2007	
		RM	RM	
Management fees income from subsidiaries		4,227,666	4,179,000	
Interest income from subsidiaries		314,766	397,800	

(d) Key management compensation				
		Group		Company
	2008	2007	2008	2007
	RM	RM	RM	RM
Executive Directors:				
- basic salaries, bonus and other emoluments benefits	2,200,200	2,052,229	2,150,520	2,002,549
- defined contribution retirement plan	222,205	211,565	222,205	211,565
	2,422,405	2,263,794	2,372,725	2,214,114

29. Significant related party disclosures (continued)

(e) Year-end balances arising from sale/purchase of goods/services

	2008 RM	Group 2007 RM
Receivables from related parties - PT Pacific Food Indonesia	5,247,918	5,939,358
Provision for doubtful debts - Yang-Yang Co Ltd	0	(1,862,065)

The receivables from related parties arise mainly from sales transactions and are due within normal terms of trade. The receivables are unsecured in nature and bear no interest.

No expense was recognised during the financial year in respect of doubtful debts due from related parties (2007: 886,405).

30. Financial risk management

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its risks.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:

(a) Foreign currency exchange risk

The Group is exposed to foreign currency risk as a result of its normal business activities. The Group's policy is to minimise the exposure of foreign exchange risk either by entering into a forward contract or to pay from its foreign currency accounts.

The currency exposure of financial assets and financial liabilities of the Group set out below. Currency risk in respect of intragroup receivables and payables have been included in the Group's currency exposure table as this exposure is not eliminated at Group level.

	Currency exposure at 31.12.2008					Currency exposure at 31.12.2007				
	US Dollar RM	S'pore Dollar RM	Aust Dollar RM	HK Dollar RM	Others RM	US Dollar RM	S'pore Dollar RM	Aust Dollar RM	HK Dollar RM	Others RM
Group										
Functional										
currency										
- Ringgit										
Malaysia										
Receivables										
- external	15,288,229	4,006,464	5,566,887	669,925	1,782,236	13,430,351	4,695,201	2,756,182	791,821	3,544,349
- intragroup	30,737,512	0	0	0	0	29,190,613	0	0	0	0
Deposits, cash and bank balances	4,342,176	0	6,275,905	0	22,288	1,068,979	0	2,015,516	0	25,999
Trade payables										
- external	(174,034)	(21,806)	(35,649)	(10,964)	(73,948)	(1,321,079)	(21,913)	(77,243)	(14,510)	(1,236,320)
Unhedged	50,193,883	3,984,658	11,807,143	658,961	1,730,576	42,368,864	4,673,288	4,694,455	777,311	2,334,028

30. Financial risk management (continued)

(a) Foreign currency exchange risk (continued)

Group Functional currency - US Dollar	Currency exposure at 31.12.2008		Currency exposure at 31.12.2007	
	Ringgit Malaysia	RM	Ringgit Malaysia	RM
Receivables	1,400,699		1,176,871	
Deposits, cash and bank balances	401,926		544,220	
Payables				
- external	(1,674,084)		(791,851)	
- intragroup	(7,957,029)		(8,484,746)	
Unhedged	(7,828,488)		(7,555,506)	

Group Functional currency - Renminbi	Currency exposure at 31.12.2008		Currency exposure at 31.12.2007	
	Ringgit Malaysia	US Dollar	Ringgit Malaysia	US Dollar
	RM	RM	RM	RM
Receivables	1,278,395	0	2,413,418	0
Deposits, cash and bank balances	213,211	0	55,141	0
Payables				
- external	(7,917,307)	0	(7,140,046)	0
- intragroup	0	(10,573,346)	0	(14,094,190)
Unhedged	(6,425,701)	(10,573,346)	(4,671,487)	(14,094,190)

Company Functional currency - Ringgit Malaysia	Currency exposure at 31.12.2008		Currency exposure at 31.12.2007	
	US Dollar	Others	US Dollar	Others
	RM	RM	RM	RM
Deposits, cash and bank balances	544,387	22,528	30,639	25,999
Receivables				
- intragroup	7,719,057	0	8,484,746	0
Unhedged	8,263,444	22,528	8,515,385	25,999

30. Financial risk management (continued)

(b) Interest rate risk

The Group always ensure that a cost-effective borrowing structure is maintained at all times.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arising from the Group's borrowings and deposits is managed through the use of fixed and floating rate debt.

The net exposure of financial assets and liabilities of the Group and Company to interest rate cash flow risk is as follows:

Financial instruments	Functional currency/ currency exposure	Effective interest at balance sheet date % per annum	Total carrying amount RM	Fixed interest rate	
				< 1 year	1 - 5 years
				RM	RM
Group					
As at 31 December 2008					
Deposits	RM/RM	3.60	30,200,500	30,200,500	0
Deposits	RM/AUD	3.80	3,529,000	3,529,000	0
			33,729,500	33,729,500	0
As at 31 December 2007					
Deposits	RM/RM	3.00	17,400,000	17,400,000	0
Term loans	RM/RM	5.25	(10,000,000)	(10,000,000)	0
			7,400,000	7,400,000	0
Company					
As at 31 December 2008					
Deposits	RM/RM	3.50	6,100,000	6,100,000	0
As at 31 December 2007					
Deposits	RM/RM	3.00	3,300,000	3,300,000	0
Term loans	RM/RM	5.25	(10,000,000)	(10,000,000)	0
			(6,700,000)	(6,700,000)	0

30. Financial risk management (continued)

(c) Credit risk

Credit risk is controlled by the approvals of credit application, limits, and monitoring of procedures.

Concentration of credit risk with respect to trade receivables are limited due to the Group's large number of customers, who are dispersed and have a variety of end markets in which they sell. The Group's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond amounts of allowance for collection losses is inherent in the Group's trade receivables.

(d) Liquidity, cash flow risk and interest rate risk

The Group always ensures that a cost-effective borrowing structure is maintained at all times.

(e) Fair values

The carrying amounts of financial assets and liabilities of the Group and Company at the balance sheet date approximated their fair values except as set out below:

	Group		Company	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair Value RM
As at 31 December 2008				
Investments:				
- other quoted investments	16,155,691	16,212,944	7,440,129	7,440,129
As at 31 December 2007				
Investments:				
- other quoted investments	14,554,581	14,767,071	7,062,789	7,076,010

The methods by which fair value information was determined and the significant assumptions made in its application are as follows:

- quoted shares - quoted market prices at balance sheet date.
- cash equivalents, receivables and payables with a maturity period of less than one financial year (all of which were subject to normal credit terms) - carrying value at balance sheet date.
- borrowings other than bank overdrafts - future contractual cash flows discounted at current market interest rates available for similar financial instruments.

31. Capital commitments

Capital expenditure not provided for in the financial statements is as follows:

	2008 RM	Group 2007 RM
Contracted but not provided for - purchase of property, plant and equipment	4,661,767	0
Authorised but not contracted for - proposed investment in a joint venture	7,672,935	0

On 3 June 2008, Rosedale Investment Pte Ltd ("Rosedale"), a wholly-owned subsidiary of Pacific United Group Ventures Ltd, which is in turn a wholly-owned subsidiary of the Company entered into a Basic Agreement ("the Agreement") with PT Rana Central Nugraha ("RCN"), a company incorporated in Indonesia for a Joint Venture Project in Central Kalimantan, Indonesia involving the development, management and operation of an oil palm plantation.

The consideration sum for the 60% share of RCN is estimated at US\$3,300,000 (equivalent to RM10,705,200 @US\$1 = RM3.244), based on the formula of 60% multiplied by US\$550 multiplied by the estimated project area of 10,000 hectares. The actual consideration sum shall be determined on the Completion Date of the Agreement when the total area of the Project Site has been determined.

32. Contingent liabilities

On 16 September 2008, Tianjin Xiqing District Kexin Trading Co., Ltd. ("Plaintiff") filed a contract dispute case at the Tianjin Xiqing District People's Court ("Xiqing Court") against the Company, in which it claimed for compensation of RMB7,450,356.50 (Reminbi Seven Million Four Hundred Fifty Thousand Three Hundred Fifty-seven Only) from the Company pursuant to a "Supplement Contract". The Company raised a jurisdictional challenge on 28 October, 2008, after which the Xiqing Court transferred the case to the First Intermediate People's Court of Tianjin (the "First Trial Court"). The First Trial Court conducted a hearing on 12 and 13 January, 2009.

King & Wood, who represented the Company, submitted their defense arguments in which they argued that:

- (i) the Supplemental Agreement was forged by the Plaintiff and hence, was not authentic; and
- (ii) the rights and liabilities of the Plaintiff and the Company have been fully determined by previous arbitration and litigation proceedings, and performed by the parties. Therefore, the Plaintiff no longer has any right to claim further compensation against the Company. The First Trial Court has not yet made any judgment to date.

Based on legal advice, the Board is of the opinion that no material liability is anticipated.

33. Approval of financial statements

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 15 April 2009.

STATEMENT OF SHAREHOLDINGS

As At 8 April 2009

CLASS OF SHARES	:	Ordinary Shares of RM1.00 Each
AUTHORISED SHARE CAPITAL	:	RM500,000,000.00
ISSUED AND FULLY PAID-UP CAPITAL	:	RM86,378,042 (out of which 4,736,600 ordinary shares of RM1.00 each are held as Treasury Shares)
VOTING RIGHTS	:	One (1) Vote Per Ordinary Share.
NUMBER OF HOLDERS	:	

A. Distribution of Shareholdings

	<u>No. of Holders</u>	<u>Holdings</u>	<u>Total Holdings</u>	<u>Percentage (%)</u>
	136	Less than 100 shares	6,539	0.0080
	864	100 to 1,000 shares	750,904	0.9198
	2112	1,001 to 10,000 shares	7,713,203	9.4476
	301	10,001 to 100,000 shares	7,906,970	9.6850
	37	100,001 to less than 5% of issued shares	25,182,838	30.8457
	6	5% and above of issued shares	40,080,988	49.0939
Total:	3491		81,641,442	100.00

B. List of 30 Largest Shareholders

<u>No</u>	<u>Name</u>	<u>No. of Shares Held</u>	<u>Percentage (%)</u>
1	PANG TEE CHEW	17,264,744	21.1470
2	PANG TEE SUAN (Deceased)*	5,250,074	6.4306
3	TANAH SUBOR SDN BHD	4,986,121	6.1073
4	PANG TEE NAM	4,286,181	5.2500
5	PANG TEE NAM	4,200,000	5.1444
6	PANG CHIN HIN	4,093,868	5.0144
7	PANG TEE SUAN	2,782,351	3.4000
8	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Pang Tee Chew	2,700,000	3.3071
9	TIW LAN @ YONG TIW LAN	2,385,881	2.9224
10	PANG CHIN HIN	2,264,157	2.7733
11	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD Pledged Securities Account for Pang Chin Hin	2,241,666	2.7457
12	AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD SKIM AMANAH SAHAM BUMIPUTERA PERMODALAN NASIONAL BERHAD	1,783,333	2.1843
13	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Pang Chin Hin	1,333,333	1.6332
14	PANG SOON PENG	1,085,000	1.3290
15	PANG SOON LUAN	1,072,333	1.3135
16	CITIGROUP NOMINEES (ASING) SDN BHD GSCO for Truffle Hound Global Value LLC	1,000,000	1.2249
17	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Mohamed Nizam Bin Abdul Razak	983,333	1.2045
18	PANG SOON WAH	948,332	1.1616
19	HONG LEONG ASSURANCE BERHAD As Beneficial Owner (Life Par)	569,000	0.6969

B. List of 30 Largest Shareholders (continued)

<u>No</u>	<u>Name</u>	<u>No. of Shares Held</u>	<u>Percentage (%)</u>
20	KOAY KENG HUAT	332,000	0.4067
21	TIW LAN @ YONG TIW LAN	321,553	0.3939
22	KOAY KENG TEIK @ KOAY CHIA WAH	300,000	0.3675
23	GAN TENG SIEW REALTY SDN BHD	237,500	0.2909
24	TUNKU OSMAN AHMAD	190,000	0.2327
25	GOH LEONG CHUAN	180,000	0.2205
26	HSU CHENG SEN	171,333	0.2099
27	MALAYSIA NOMINEES (TEMPATAN) SDN BHD		
	Pledged Securities for Pang Soon Wah	170,000	0.2082
28	GOH BENG CHOO	167,800	0.2055
29	JF APEX NOMINEES (TEMPATAN) SDN BHD		
	Pledged Securities for Lim Gaik Bway @ Lim Chiew Ah	166,000	0.2033
30	CHONG TOKE CHONG	165,300	0.2025
		63,631,193	77.9397

C. List of Substantial Shareholders

<u>Substantial shareholders</u>	<u>-----Ordinary shares of RM1-00 each-----</u>			
	<u>Direct Interest</u>		<u>Deemed Interest</u>	
	<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
Datuk Pang Chin Hin	9,933,024(i)	12.17	10,878,252(ii)	13.32
Datuk Pang Tee Chew	19,964,744(iii)	24.45	4,950,153(iv)	6.06
Datuk Pang Tee Nam	8,486,181	10.39	4,923,819(v)	6.03
Pang Tee Suan (Deceased)*	8,032,425	9.84	4,988,486(v)	6.11
Tanah Subor Sdn Bhd	4,986,121	6.11	-	-

NOTES:-

- (i) 2,241,666 and 1,333,333 ordinary shares of MDD are held through Malaysia Nominees (Tempatan) Sdn. Bhd. and CIMB Group Nominees (Tempatan) Sdn. Bhd. respectively.
- (ii) Deemed interested by virtue of his shareholding in Tanah Subor Sdn. Bhd., his wife's direct shareholding in MDD and indirect shareholding via Pacific Food Sales and Service Sdn. Bhd. and his daughters' direct shareholdings in MDD. Tanah Subor Sdn Bhd holds 4,986,121 ordinary shares in MDD and Pacific Food Sales and Service Sdn. Bhd holds 76,332 ordinary shares in MDD.
- (iii) 2,700,000 ordinary shares of MDD are held through CIMB Group Nominees (Tempatan) Sdn. Bhd and TCL Nominees (Tempatan) Sdn Bhd.
- (iv) Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in MDD and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd. and his daughter's and son's direct shareholdings in MDD.
- (v) Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in MDD and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd.

* As at to date, transfer of the shares under the name of Pang Tee Suan (Deceased) to his estate is still pending.

STATEMENT OF DIRECTORS' INTEREST IN THE COMPANY AND RELATED CORPORATIONS

As At 8 April 2009

THE COMPANY

A. ORDINARY SHARES & SHARE OPTION GRANTED PURSUANT TO THE EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

Directors	Ordinary Shares of RM1.00 each				No. of Options over Ordinary Shares of RM1.00 each	
	Direct Interest		Deemed Interest		Direct Interest	Deemed Interest
	No. of shares	%	No. of shares	%	No.	No.
Datuk Pang Chin Hin	9,933,024 ⁽ⁱ⁾	12.17	10,878,252 ⁽ⁱⁱ⁾	13.32	-	8,000 ⁽ⁱⁱⁱ⁾
Tunku Osman Ahmad	210,000	0.26	-	-	-	-
Datuk Pang Tee Chew	19,964,744 ^(iv)	24.45	4,950,153 ^(v)	6.06	-	-
Datuk Pang Tee Nam	8,486,181	10.39	4,923,819 ^(vi)	6.03	-	-
Dato' Mohamed Nizam Bin Abdul Razak	1,133,333 ^(vii)	1.39	-	-	20,000	-
Dato' Dr Shanmughalingam A/L Murugasu	-	-	-	-	20,000	-

NOTES:-

- (i) 2,241,666 and 1,333,333 ordinary shares of MDD are held through Malaysia Nominees (Tempatan) Sdn. Bhd. CIMB Group Nominees (Tempatan) Sdn. Bhd. respectively.
- (ii) Deemed interested by virtue of his shareholding in Tanah Subor Sdn. Bhd., his wife's direct shareholding in MDD and indirect shareholding via Pacific Food Sales and Service Sdn. Bhd. and his daughters' direct shareholdings in MDD. Tanah Subor Sdn Bhd holds 4,986,121 ordinary shares in MDD and Pacific Food Sales and Service Sdn. Bhd holds 76,332 ordinary shares in MDD.
- (iii) Deemed interested by virtue of shares option granted under ESOS to his daughters.
- (iv) 2,700,000 ordinary shares of MDD are held through CIMB Group Nominees (Tempatan) Sdn. Bhd
- (v) Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in MDD and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd. and his daughter's and son's direct shareholdings in MDD.
- (vi) Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in MDD and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd.
- (vii) 983,333 ordinary shares of the Company are held through PB Invest Nominees (Tempatan) Sdn. Bhd.

B. SUBSIDIARIES

1. MDD BEVERAGE SDN. BHD.

Directors	Ordinary Shares of RM1.00 each			
	Direct Interest		Deemed Interest	
	No.	%	No.	%
Datuk Pang Tee Nam	1	-	-	-

2. PACIFIC PLANTATIONS SDN. BHD.

Directors	Ordinary Shares of RM1.00 each			
	Direct Interest		Deemed Interest	
	No.	%	No.	%
Datuk Pang Chin Hin	6,001	0.13	20,000 ⁽ⁱ⁾	0.44
Datuk Pang Tee Chew	6,002	0.13	24,000 ⁽ⁱⁱ⁾	0.53
Datuk Pang Tee Nam	-	-	20,000 ⁽ⁱⁱ⁾	0.44

Note:

*i Deemed interested by virtue of shares held by his wife and his daughter.

*ii Deemed interested by virtue of shares held by his wife.

By virtue of their interests in the shares of the Company, Datuk Pang Chin Hin, Datuk Pang Tee Chew and Datuk Pang Tee Nam are also deemed to be interested in the shares of all the subsidiaries of the Company to the extent the Company has an interest.

LIST OF PROPERTIES HELD

Location	Description	Existing Use	Approximate Age Of Building (Year)	Land Area	Date of acquisition /valuation	NBV as at 31/12/2008 (RM)
Plot 1 & Plot PT3659, Mukim Of Bukit Katil, District of Melaka Tengah, Melaka	Leasehold industrial building (99 years expiring 15.07.2070 & 27.02.2090)	Factory/ Head Office	34	2.54 acres (Built up: 80,000 square feet)	31/12/1991 *	3,981,447
Lot 6998S & 6999S, Bandar Ipoh, Daerah Kinta, Perak Darul Ridzuan.	Freehold two-storey intermediate shophouses	Vacant	26	3,080 square feet (Built up: 2,200 square feet)	31/12/1991 *	142,316
Lot PTD 10081 HS(D) 12482, Township Of Johore Bahru, Johor Darual Takzim.	Freehold two-storey intermediate shophouses	Office/ Warehouse	28	1,540 square feet (Built up: 2,700 square feet)	31/12/1991 *	148,406
GM 6374 PT 20705 Mukim Of Kuala Kuantan, District of Kuantan, Pahang Darul Makmur	Freehold two-storey corner terrace house	Vacant	25	2,228 square feet (Built up: 1,400 square feet)	31/12/1991 *	75,125
Lot No 8177, Town of Seremban, District of Seremban, Negeri Sembilan.	Freehold two-storey end-terrace shophouses	Office/ Warehouse	33	1,600 square feet (Built up: 3,060 square feet)	7/9/1994	70,075
PT 10182 HS(D) 3990 Mukim of Kuala Kuantan District of Kuantan Pahang.	Leasehold industrial building (66 years expiring 1.1.2045)	Factory / Office	30	5.129 acres (Built up: 48,800 square feet)	15/7/1994 **	2,075,213
Lot 203 & Lot 204 Pengkalan Maju Industrial Park Mukim Maju Kinta, Perak	Leasehold 1 1/2 storey industrial building (99 years expiring 18.7.2092)	Office/ Warehouse	13	20,000 square feet (Built up: 7,200 square feet)	30/6/1996	290,182
No.9, 1130 Lane, TongPu Road, PuTuo District, Shanghai China 200333	Leasehold 3 Storey industrial building (50 years expiring on 15/08/2050)	Office/ Store	9	2,923.25 square meter (Built up: 2,102 square meter)	9/6/2000	2,143,814
Lot PT 13 Mukim of Bukit Katil, District of Melaka Tengah, Melaka	Leasehold industrial building (99 years expiring 13.06.2071)	Factory	26	2 acres (Built up: 95,000 square feet)	31/12/1991 *	2,872,003
H.S. (M) 9720, PT 11551, Sek.13, Mukim of Kajang District Of Hulu Langat. Selangor Darul Ehsan	Leasehold industrial building.(99 years expiring 23 August 2086)	Factory/Office	21	3.08 acres	31/8/2002	5,602,914
Lot 793 Mukim of Damansara, District of Petaling	Freehold industrial land and building	Office/ Factory/ Warehouse	14	2.87 acres (Built up: 21,232 square meter)	31/12/1991 *	16,981,166

Location	Description	Existing Use	Approximate Age Of Building (Year)	Land Area	Date of acquisition /valuation	NBV as at 31/12/2008 (RM)
Lot 794 Mukim Of Damansara, District of Petaling	Freehold industrial land and building	Warehouse	1	2.875 acres (Build up: 4,336 square feet)	1/4/1994	4,236,728
Lot 9 & 10 Air Keroh Industrial Estate Phase IV Air Keroh, Melaka	Leasehold industrial land (99 years expiring 24.05.2091)	Vacant		517,806 square feet	13/7/2004	3,749,237
Luzhi Economic Development Zone, Luzhi Town Wu County, Suzhou Jiang Su Province, China 215127	Leasehold (50 years expiring 2042)	Factory/ Office		4 hectares	12/7/1993	3,031,939
Level 1 Block AD, Good Year Court 10, Subang Perdana Phase 9, Selangor.	Freehold Apartment	Apartment	11	98.50 square meter	1/2/1998	123,880
Lot 35 Kawasan Perusahaan Pangkalan Chepa 2, Mukim Panchor, Daerah Kemumin, Seksyen 44 Kota Bahru, Kelantan	Leasehold 2 storey building (99 years expiring 11.01.2098)	Office / Warehouse	11	62,377 square feet (Built Up: 12,509 square feet)	31/12/1994	727,825
Lot 4338, PT 12396 Mukim Bukit Katil Daerah Melaka Tengah Melaka	Leasehold 1 storey industrial building (expiring 30.05.2072)	Warehouse	33	150,523 square feet	30/11/1997	6,633,702
Plot No 41 Truck Road, Pyinmabin Industrial Complex, Mingaladon Township, Htauk Kyant Yangon Myanmar	Leasehold (25 years expiring 2022)	Office / Warehouse	11	17,011 square meter	31/3/1997	1,705,782
Lot 259 Tebrau IV Industrial Area, JB	Leasehold industrial land (60 years expiring 31.01.2060)	Vacant		2.456 acres (106,983.36 square feet)	30/6/1996	1,538,049
Level 2, Block P2 Good Year Court 8, Subang Perdana, Selangor.	Freehold Apartment	Apartment	3	98.50 square meter	31/12/2005	94,705
Level 3, Block N1, Good Year Court 7, Subang Perdana, Selangor.	Freehold Apartment	Apartment	3	98.50 square meter	31/12/2005	85,222
HS (D) 4956 & HS (D) 4957 Bukit Katil, Melaka Tengah Melaka	Leasehold Land (99 years expiring 09.07.2074)	Vacant		14.4 acres & 10.4 acres	7/12/2006	5,443,740

* Date of Valuation

** Date of acquisition of the particular subsidiary.

PROXY FORM

MAMEE-DOUBLE DECKER (M) BERHAD

(Incorporated in Malaysia - Co. No. 222363-T)

I/We.....of.....
.....being a member / members of MAMEE-DOUBLE DECKER (M) BERHAD do hereby appoint.....
(I/C No.....) of.....
or failing him,..... (IC.No.....)
of as my/our proxy
to vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Thursday, 28th day of May, 2009 at 11.00 a.m. at Pendeta 4, Sofitel Palm Resort, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor Darul Takzim and at any adjournment thereof.

No	RESOLUTION	FOR	AGAINST
1	To re-appoint Datuk Pang Chin Hin, a Director over the age of 70, pursuant to Section 129(6) of the Companies Act, 1965		
2	To re-appoint Y.A.M. Tunku Osman Ahmad, a Director over the age of 70, pursuant to Section 129(6) of the Companies Act, 1965		
3	To re-elect Datuk Pang Tee Nam, a Director retiring in accordance with Article 76 of the Articles of Association of the Company		
4	To re-elect Puan Rozana Bte Tan Sri Dato' Haji Redzuan, a Director retiring in accordance with Article 82 of the Articles of Association of the Company		
5	To approve the payment of Directors' Fees for the financial year ended 31 December 2008		
6	To declare a Final Dividend of 5 sen gross per ordinary share tax exempt in respect of the financial year ended 31 December 2008		
7	To re-appoint Messrs PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration		
Special Business:			
8	Authority to Allot and Issue Shares pursuant to Section 132D of the Companies Act, 1965		
9	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions with PT Pacific Food Indonesia		
10	Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back by the Company		

Please indicate with a cross (X) in the spaces whether you wish your votes to be cast for or against the resolution. In the absence of such specific directions, your proxy will vote or abstain as he thinks fit.

Number of shares held

Dated this.....day of2009

Signature of Member/Members

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not to be a member of the Company.
2. A member shall be entitled to appoint more than two (2) proxies to attend and vote at the same Meeting.
3. Where a member appoints more than two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
4. Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
6. The Proxy Form must be deposited with the Company Secretary at the Registered Office, Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Takzim not less than 48 hours before the time set for the Meeting.

fold

AFFIX
STAMP
HERE

THE COMPANY SECRETARY
MEMEE-DOUBLE DECKER (M) BERHAD
(Co. No. 222363-T)

Suite 1301, 13th Floor, City Plaza, Jalan Tebrau,
80300 Johor Bahru, Johor Darul Takzim.

fold





Mamee-Double Decker (M) Berhad (222363-T)

Lot 1, Air Keroh Industrial Estate, 75450 Melaka, Malaysia. Tel: 606 232 4466 - 9 (4 lines) Fax: 606 232 9696