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## NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of MAMEE-DOUBLE DECKER (M) BERHAD (Co. No. 222363-T) will be held at Sri Mersing, Lower Ground Floor, Hyatt Regency Johor Bahru, Jalan Sungai Chat, 80720 Johor Bahru, Johor on Thursday, the 22nd day of June, 2000 at 11.00 a.m.

### AGENDA

#### *Ordinary Business*

1. To receive the Audited Accounts for the financial year ended 31 December 1999 together with the Reports of the Directors and Auditors thereon.  
(Resolution 1)
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 2)
3. To re-elect Encik Mohamed Nizam Bin Tun Abdul Razak, a director retiring under Article 81 of the Articles of Association of the Company  
(Resolution 3)
4. To approve the payment of Directors' Fees for the financial year ended 31 December 1999.  
(Resolution 4)
5. To declare a Final Dividend of 3.5% less tax in respect of the financial year ended 31 December 1999.  
(Resolution 5)
6. To re-appoint Messrs PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration.  
(Resolution 6)

#### *Special Business*

7. To consider and, if thought fit, pass with or without modification, the following ordinary resolution 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 7)
8. 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  
Tan Siew Hua  
Lim Sock Ling  
Company Secretaries  
  
Johor Bahru  
6 June 2000

#### Note:

- a. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company. Where a Member appoints two (2) or more proxies, the Member shall specify in each proxy form the proportion of the Member's shareholdings to be represented by each proxy.
- b. The Proxy Form must be deposited with the Company Secretaries 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.
- c. 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

#### d. Explanatory Notes on Special Business

##### **Resolution 7**

The Ordinary Resolution proposed in Agenda 7 above, if passed, will empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting, unless previously 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.

#### CLOSURE OF BOOKS

To determine shareholders entitlement to the dividend payment, if approved at the forthcoming 9th Annual General Meeting of the Company, the Share transfer books and Register of Members will be closed from 24 July 2000 to 26 July 2000, both days inclusive.

The dividend if approved will be paid on 15 August 2000 to shareholders whose name appear in the Register of Members at the close of business on 21 July 2000.

- shares deposited into the depositor's securities account before 12.30 p.m. on 19 July 2000 (in respect of shares which are exempted from mandatory deposit);
- shares transferred into the depositor's securities account before 12.30 p.m. on 21 July 2000 in respect of ordinary transfers;
- shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the rules of the Kuala Lumpur Stock Exchange.

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

*Executive Chairman*  
Datuk Pang Chin Hin

*Non-Executive Vice Chairman*  
Y.A.M. Tunku Osman Ahmad

*Managing Director*  
Pang Tee Chew

*Executive Director*  
Pang Tee Nam

*Executive Director*  
Pang Tee Suan

*Non-Executive Director*  
Mohamed Nizam Bin Tun Abdul Razak

### **AUDIT COMMITTEE**

Y.A.M. Tunku Osman Ahmad (Chairman of the Committee)  
*Independent Non-Executive Vice Chairman*

Pang Tee Chew  
*Managing Director*

Mohamed Nizam Bin Tun Abdul Razak  
*Independent Non-Executive Director*

### **COMPANY SECRETARIES**

Woo Min Fong (ACIS)  
Tan Siew Hua (ACIS)  
Lim Sock Ling (ACIS)

### **REGISTERED OFFICE**

MAMEE-DOUBLE DECKER (M) BERHAD (Co. No. 222363-T)  
Suite 1301, 13<sup>th</sup> Floor, City Plaza,  
Jalan Tebrau, 80300 Johor Bahru,  
Johor Darul Takzim  
Tel : 07-3322088 Fax : 07-3328096

### **SHARE REGISTRARS**

CHUA, WOO & COMPANY SDN BHD (Co. No. 122754 - U)  
Suite 1301, 13<sup>th</sup> Floor, City Plaza,  
Jalan Tebrau, 80300 Johor Bahru,  
Johor Darul Takzim  
Tel : 07-3322088 Fax : 07-3328096

### **PRINCIPAL BANKERS**

OCBC Bank (Malaysia) Berhad  
HSBC Bank (Malaysia) Berhad  
Malayan Banking Berhad  
Southern Bank Berhad

### **AUDITORS**

PricewaterhouseCoopers

### **STOCK EXCHANGE LISTING**

Main Board of the Kuala Lumpur Stock Exchange

## AUDIT COMMITTEE

Chairman of Audit Committee :	Y.A.M. Tunku Osman Ahmad	<i>(Independent Non-Executive Vice Chairman)</i>
Members :	Pang Tee Chew	<i>(Managing Director)</i>
	Mohamed Nizam Bin Tun	<i>(Independent Non-Executive Director)</i>
	Abdul Razak	

## TERMS OF REFERENCE

### MEMBERSHIP

The Committee shall be appointed by the board from among their number of which the majority must be of Non-Executive Directors of the company. It shall consist of not less than 3 members. A quorum shall be 2 members.

The Chairman of the Committee shall be appointed by the Board.

### ATTENDANCE AT MEETINGS

The Finance Director, the Financial Controller, Chief of Finance Department/Accounts Department/Internal Audit, and a representative of the external auditors shall normally attend meetings. However, at least once a year the Committee shall meet with the external auditors without any executive board member present.

The Financial Controller/Chief of Finance Department/Chief of Accounts Department shall be the secretary of the Committee.

### FREQUENCY OF MEETINGS

Meetings shall be held not less than 3 times during the company's financial year. The external auditors may request a meeting if they consider that one is necessary.

### AUTHORITY

The Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employees and all employees are directed to cooperate with any request made by the Committee.

The Committee is authorised by the board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

### DUTIES

The duties of the Committee shall be :

- to evaluate the quality of the auditors and to make recommendation for the appointment of the external auditors, the audit fee, and any questions of resignation or dismissal.
- to discuss with the external auditors before the audit commences the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved.
- to review the half-year and annual financial statements before submission to the board, focusing particularly on :
  - any changes in accounting policies and practices
  - major judgmental areas
  - significant adjustments resulting from the audit
  - the going concern assumption
  - compliance with accounting standards
  - compliance with stock exchange and legal requirements
- to discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of the management where necessary).
- to review the internal audit programme, consider the major findings of internal audit investigations and management's response, and ensure co-ordination between the internal and external auditors.
- to keep under review the effectiveness of internal control systems, and in particular review the external auditors' management letter and management's response.
- to consider other topics, as defined.

### REPORTING PROCEDURES

The company secretary shall receive the minutes of meetings of the Committee for circulating to all members of the board.

## **EXECUTIVE CHAIRMAN STATEMENT**

I am pleased to present the Ninth Annual Report of Mamee-Double Decker (M) Berhad and its group of companies for the financial year ended December 31, 1999.

It is with great pleasure that I report a strong recovery in our performance for the year under review. Consolidated pre-tax profit rose by over 2000% from RM507,000 the previous year to RM12 million on the back of a 3% increase in turnover from RM169 million to RM175 million.

### **ECONOMIC REVIEW**

The Malaysian Economy made an impressive recovery towards the second half of the year. The initiatives taken by the government to overcome the financial crisis paid off as reflected in the 5.4% growth in the Gross Domestic Product for 1999. The low interest rate environment, stable exchange rate regime and benign inflationary conditions combined with the efforts by the government to restructure the banking and other sectors paved the way for the strong recovery. Your company benefited from this economic recovery as the return of consumer spending and confidence augured well for its product sales.

### **COMPANY OVERVIEW**

Our company had responded well to the financial crisis. The measures taken to reduce costs, increase product range, gain market share both domestically and internationally, measures which were taken as early as first half of 1998 were all responsible for the performance in the year under review. The steps taken by the company proved to be right and timely as we have come out of the crisis leaner and stronger and better equipped to continue on our vision to becoming the leading food manufacturer in Malaysia.

### **FINANCIAL HIGHLIGHTS**

Despite a 3% increase in turnover, the improvement in the pre-tax profit was over 2000%, from RM500,000 to RM12 million. The vast improvement in margins was a direct result of the measures taken during the crisis. In view of the substantially better results your Board is recommending a final dividend of 3.5sen per share. Together with the interim dividend of 2.5sen, the total dividend of 6sen for the year is an improvement over the 5sen dividend for the previous year.

### **FOOD DIVISION**

The domestic food division is still the largest contributor to our turnover and profit, with RM154 million and RM11 million respectively for the year. New products that were launched included Fruit Nation, a line of fruit juices, Liteyo, an adult yogurt drink and Mamee 2-in-1. Additional flavours were also added to the Mamee Classic range, Mi Goreng and Nutrigen light yogurt.

### **PLANTATION DIVISION**

For the year under review the plantation division incurred losses of RM469,000 from a turnover of RM742,000. The sharply reduced turnover from RM1,793,000 the previous year resulted from lower cocoa bean prices.

### **OVERSEA OPERATIONS**

Although still loss-making, the overseas division came in with much better results, a loss of RM285,000 compared with a loss of RM2,242,000 the year before. The improvement was largely due to the Myanmar operations which became profitable after just one year of operations.

## **EXECUTIVE CHAIRMAN STATEMENT(continued)**

### **CORPORATE EXERCISE**

- In June 1998, your company issued 24,000,000 warrants which were to expire on February 2003. Following the receipt of all the necessary approvals and the execution of the second supplemental deed poll, the exercise year of the outstanding warrants which was on July, 27 2003 was extended to 2008.
- Following the purchase of additional 180,482 shares in MDD Beverage Sdn Bhd, your company equity ownership in that company increased from 97.40% to 99.73%.
- During the year a total of 244,000 shares were issued pursuant to the company's Employees Share Option Scheme, bringing the share capital to RM60,256,333.

### **COMPANY OUTLOOK**

Given the government forecast of 5.8% growth for the year 2000, your company expects that barring unforeseen circumstances this year will be better than 1999. We look forward to the increasing domestic demand for our products in a fairly buoyant economy. Our product range will increase. Our Myanmar operations are expected to continue expanding. We will also look for new overseas markets for our products.

### **ACKNOWLEDGEMENTS**

The performance of the company is due to the commitment of the staff, and especially to their perseverance and patience during the difficult operating environment. The high level of professionalism displayed by the staff has helped us to overcome problems and to do well now that the economy is back on the growth track.

The Board of Directors would like to place on record their appreciation for the valuable efforts of the staff and management of your company. I, too, wish to express my sincere gratitude and thanks.

We also acknowledge with gratitude the assistance from our suppliers, business partners, clients and shareholders.

Encik Mirzan Mahathir resigned from our Board on 31 May 1999. The Board of Directors, management and staff of the company will miss his counsel, support and encouragement that we have all enjoyed during his tenure on the board. We thank him sincerely for his invaluable contributions and we wish him all the best in his future endeavours.

Thank you,

**DATUK PANG CHIN HIN**  
**EXECUTIVE CHAIRMAN**

## DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the audited accounts of Mamee-Double Decker (M) Berhad ("the Company") and of the Group for the year ended 31 December 1999.

## PRINCIPAL ACTIVITIES

The principal activity of the Company consists of investment holding. The principal activities of the subsidiary companies are set out in note 12 on the accounts. There have been no significant changes in these activities during the financial year.

## FINANCIAL RESULTS

	Group RM	Company RM
Profit after taxation	11,941,275	2,741,327
Minority interests	117,280	-
Profit attributable to shareholders	12,058,555	2,741,327
Retained profits brought forward	15,509,543	34,951
Profits available for appropriations	27,568,098	2,776,278
Dividends	(2,631,874)	(2,631,874)
Retained profits carried forward	24,936,224	144,404

## DIVIDENDS

The amounts of dividends paid or declared by the Company since 31 December 1998 were as follows:

	RM
In respect of the financial year ended 31 December 1998 as shown in the directors' report of that year -	
Final dividend of 2.5 sen gross per share, less income tax at 28%, paid on 16 August 1999	1,080,216
In respect of the financial year ended 31 December 1999 -	
Interim dividend of 2.5 sen gross per share, less income tax at 28%, paid on 6 January 2000	1,084,614

The directors now recommend the payment of a final dividend of 3.5 sen gross per share, less income tax at 28%, amounting to RM1,518,460, which subject to the approval of members at the forthcoming Annual General Meeting of the Company, will be paid on 15 August 2000 to shareholders registered on the Company's register at the close of business on 21 July 2000.

## **DIRECTORS' REPORT (CONTINUED)**

### **RESERVES AND PROVISIONS**

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the accounts.

### **SHARE CAPITAL**

During the financial year, the issued and fully paid-up share capital of the Company was increased from RM60,012,000 to RM60,256,333 by way of:-

- (i) exercise of the options to subscribe for 244,000 ordinary shares of RM1 each under The Employees' Share Option Scheme at the exercise price of RM1.33 per ordinary share,
- (ii) exercise of nominal amount of 333 warrants to 333 fully paid ordinary shares of RM1 each at the exercise price of RM1.33 per warrant.

The new issued shares rank pari passu in all respects with 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.

### **EMPLOYEES' SHARE OPTION SCHEME**

The Employees' Share Option Scheme ("the Scheme") was approved by the shareholders at the Extraordinary General Meeting held on 25 May 1998 and became effective on 25 August 1998.

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 one point of time during the existence of the Scheme;
- (b) Eligible employees and Executive Directors are full time employees of the Company and/or its subsidiary companies who have been in the service of the Group for at least one continuous year;
- (c) The options granted are valid for five years and may be exercised at any time before the expiry of the Scheme on 25 August 2003 except for certain periods as determined by the Scheme's Options Committee, subject to the annual limit of 20% of the total shares comprised in the option. The option may be exercised in full or in such lesser number of ordinary shares provided that the number shall be in multiples of 1,000 shares;
- (d) 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 list issued by the Kuala Lumpur Stock Exchange for the five market days immediately preceding the respective dates of offer of the option;



## DIRECTORS' REPORT (CONTINUED)

### EMPLOYEES' SHARE OPTION SCHEME (CONTINUED)

- (e) 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 with 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.

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

Tranche	Date	Price	Number of ordinary shares of RM1 each covered under Options			
			At 1.1.1999	Granted	Exercised	At 31.12.1999
1	31.10.1998	1.33	1,080,000	-	244,000	836,000
2	30.11.1999	2.09	-	2,066,000	-	2,066,000
			1,080,000	2,066,000	244,000	2,902,000

### BONDS AND WARRANTS

The 7% Redeemable Unsecured Bonds 1998/2003 were constituted by a Trust Deed dated 22 June 1998. Unless previously redeemed, purchased and cancelled or surrendered for cancellation pursuant to an exercise of the Warrants in accordance with the Deed Poll and cancelled during the Redemption Period, the Company shall redeem the remaining outstanding Bonds in cash at their nominal value on maturity on 25 June 2003. Interest rate of 7% per annum on the nominal value of the Bonds is payable half yearly in arrears on 30 June and 31 December.

The Bonds were issued with 24,000,000 Detachable Warrants at an offer price of 45.63 sen per warrant on the basis of two warrants for every five ordinary shares held. The warrants are quoted on the Kuala Lumpur Stock Exchange. Each warrant entitles its registered holder at any time not exceeding five years from the date of its issue, to subscribe for one new ordinary shares of RM1 each in the Company at an exercise price of RM1.33 per warrant.

During the financial year, the Company obtained approval from all relevant parties for the extension of the duration and exercise period of the warrants to 16 February 2008.

As at 31 December 1999, the number of warrants remaining unexercised is 23,999,667.

### 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  
Pang Tee Chew  
Pang Tee Nam  
Pang Tee Suan  
Mohamed Nizam bin Tun Abdul Razak  
Mirzan bin Mahathir (resigned on 31 May 1999)

## DIRECTORS' REPORT (CONTINUED)

### DIRECTORS (CONTINUED)

Datuk Pang Chin Hin retires pursuant to Section 129(2) of the Companies Act, 1965 and seeks re-appointment as director 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, Mohamed Nizam bin Tun Abdul Razak retires at the forthcoming Annual General Meeting and, being eligible, offers himself for re-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 Employees' Share Option Scheme of Mamee-Double Decker (M) Berhad.

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 5 on the accounts) 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.

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares, warrants and options in the Company were as follows:

	Number of ordinary shares of RM1 each			
	At 1.1.1999	Bought	Sold	At 31.12.1999
Datuk Pang Chin Hin	6,821,392	133,333	-	6,954,725
	4,701,544	-	-	4,701,544*
Y.A.M Tunku Osman Ahmad	190,000	-	-	190,000
Pang Tee Chew	13,648,403	75,000	-	13,723,403
	620,998	1,000	-	621,998*
Pang Tee Nam	5,863,181	8,000	-	5,871,181
	631,664	-	-	631,664*
Pang Tee Suan	5,671,018	-	-	5,671,018
	678,331	-	-	678,331*
Mohamed Nizam bin Tun Abdul Razak	1,133,333	-	-	1,133,333

\* Represent the director's indirect interests.

## DIRECTORS' REPORT (CONTINUED)

### DIRECTORS' INTERESTS (CONTINUED)

	Number of warrants			
	At 1.1.1999	Bought	Sold	At 31.12.1999
Datuk Pang Chin Hin	2,648,999	-	-	2,648,999
	6,616,207	-	-	6,616,207*
Pang Tee Chew	5,445,342	10,000	-	5,455,342
	4,980,655	-	-	4,980,655*
Pang Tee Nam	2,346,000	-	-	2,346,000
	4,983,655	-	-	4,983,655*
Pang Tee Suan	2,268,407	-	-	2,268,407
	4,976,655	-	-	4,976,655*

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.

\* Represent the director's indirect interests.

	Number of options over ordinary shares of RM1 each			
	At 1.1.1999	Granted	Exercised	At 31.12.1999
Datuk Pang Chin Hin	25,000	50,000	-	75,000
Pang Tee Chew	25,000	50,000	-	75,000
Pang Tee Nam	21,000	41,000	8,000	54,000
Pang Tee Suan	24,000	47,000	-	71,000

The share options is granted pursuant to the Employees' Share Option Scheme and entitles the holder to subscribe for one new ordinary share of RM1 each for every option held at either RM1.33 and/or RM2.09 per share.

### STATUTORY INFORMATION ON THE ACCOUNTS

Before the profit and loss accounts and balance sheets were made out, the directors took reasonable steps:

- to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision 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 of the 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:

- which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the accounts of the Group and of the Company inadequate to any substantial extent; or

## **DIRECTORS' REPORT (CONTINUED)**

### **STATUTORY INFORMATION ON THE ACCOUNTS (CONTINUED)**

- (b) which would render the values attributed to current assets in the accounts of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the 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 and of 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 of the 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 of the Company which has arisen since the end of the financial year.

### **OTHER STATUTORY INFORMATION**

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

In the opinion of the directors,

- (a) the results of the Group's and of the 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 of the Company for the financial year in which this report is made.

### **SIGNIFICANT EVENTS**

Significant events during the year are disclosed in note 28 on the accounts.

## **DIRECTORS' REPORT (CONTINUED)**

### **AUDITORS**

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

On behalf of the Board

DATUK PANG CHIN HIN  
DIRECTOR

PANG TEE CHEW  
DIRECTOR

Melaka  
25 February 2000

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1999**

	Note	<u>1999</u> RM	<u>1998</u> RM
TURNOVER	4	174,998,592	169,177,487
PROFIT BEFORE TAXATION	5	12,006,172	506,744
TAXATION	6	(64,897)	45,954
PROFIT AFTER TAXATION		11,941,275	552,698
MINORITY INTERESTS		117,280	945,502
PROFIT ATTRIBUTABLE TO SHAREHOLDERS		12,058,555	1,498,200
RETAINED PROFITS BROUGHT FORWARD		15,509,543	40,448,761
PROFITS AVAILABLE FOR APPROPRIATIONS		27,568,098	41,946,961
APPROPRIATIONS			
Dividends	7	(2,631,874)	(2,160,216)
Transfer to reserve funds	19	-	(277,202)
Capitalised by way of bonus issue		-	(24,000,000)
RETAINED PROFITS CARRIED FORWARD	19	24,936,224	15,509,543
EARNINGS PER SHARE (SEN)			
Basic	8	20.0	2.5
Fully diluted	8	16.4	2.5

The notes on pages 19 to 36 form part of these accounts.

# **CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 1999**

	Note	<u>1999</u> RM	<u>1998</u> RM
<b>FIXED ASSETS</b>	9	108,333,083	113,343,846
<b>INVESTMENTS</b>	10	135,608	135,608
<b>INTANGIBLE ASSETS</b>	11	1,400,721	1,984,518
<b>CURRENT ASSETS</b>			
Stocks	13	17,378,754	16,563,210
Debtors	14	40,689,966	35,564,595
Fixed deposits with licensed banks		5,090,000	9,967,452
Cash and bank balances		6,872,018	5,911,170
		70,030,738	68,006,427
<b>CURRENT LIABILITIES</b>			
Creditors	15	27,938,873	28,929,656
Short term borrowings	17	20,794,482	29,227,929
Provision for taxation		266,979	941,961
Proposed directors' fees		208,500	158,000
Dividend payable		1,084,614	1,080,000
Proposed dividend		1,518,460	1,080,216
		51,811,908	61,417,762
<b>NET CURRENT ASSETS</b>		18,218,830	6,588,665
		128,088,242	122,052,637
<b>Financed by:</b>			
<b>SHARE CAPITAL</b>	18	60,256,333	60,012,000
<b>RESERVES</b>	19	29,817,823	20,310,512
		90,074,156	80,322,512
<b>MINORITY INTERESTS</b>		3,770,948	4,092,809
<b>LONG TERM LIABILITIES</b>	20	31,873,138	35,331,816
<b>DEFERRED TAXATION</b>	22	2,370,000	2,305,500
		128,088,242	122,052,637

The notes on pages 19 to 36 form part of these accounts.

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1999**

	Note	<u>1999</u> RM	<u>1998</u> RM
TURNOVER	4	5,961,281	33,275,491
PROFIT BEFORE TAXATION	5	2,741,327	31,571,926
TAXATION	6	-	(6,806,661)
PROFIT AFTER TAXATION		2,741,327	24,765,265
RETAINED PROFITS BROUGHT FORWARD		34,951	1,429,902
PROFITS AVAILABLE FOR APPROPRIATIONS		2,776,278	26,195,167
APPROPRIATIONS			
Dividends	7	(2,631,874)	(2,160,216)
Capitalised by way of bonus issue		-	(24,000,000)
RETAINED PROFITS CARRIED FORWARD	19	144,404	34,951

The notes on pages 19 to 36 form part of these accounts.



# **BALANCE SHEET AS AT 31 DECEMBER 1999**

	Note	<u>1999</u> RM	<u>1998</u> RM
FIXED ASSETS	9	62,967	78,674
SUBSIDIARY COMPANIES	12	23,815,332	20,815,334
CURRENT ASSETS			
Debtors	14	708,494	1,827,436
Amounts due from subsidiary companies	16	68,711,664	60,693,580
Fixed deposits with licensed bank		2,090,000	9,967,452
Cash and bank balances		477,041	719,837
		71,987,199	73,208,305
CURRENT LIABILITIES			
Creditors	15	667,134	742,268
Amounts due to subsidiary companies	16	1,650,485	747,942
Provision for taxation		266,978	266,976
Proposed directors' fees		192,500	134,000
Dividend payable		1,084,614	1,080,000
Proposed dividend		1,518,460	1,080,216
		5,380,171	4,051,402
NET CURRENT ASSETS		66,607,028	69,156,903
		90,485,327	90,050,911
Financed by:			
SHARE CAPITAL	18	60,256,333	60,012,000
RESERVES	19	228,994	38,911
		60,485,327	60,050,911
LONG TERM LIABILITIES	20	30,000,000	30,000,000
		90,485,327	90,050,911

The notes on pages 19 to 36 form part of these accounts.

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 1999**

	Note	<u>1999</u> RM	<u>1998</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		12,006,172	506,744
Adjustments for:			
Amortisation of goodwill		105,779	127,262
Depreciation of fixed assets		11,632,464	10,901,240
Interest expense		3,707,826	6,203,789
Preliminary and pre-operating expenses amortised		267,938	71,725
Exchange difference		-	220,591
(Profit)/loss on disposal of fixed assets		(158,270)	22,425
		27,561,909	18,053,776
Increase in stocks		(815,544)	(1,104,723)
(Increase)/decrease in debtors		(5,167,518)	14,721,720
Decrease in creditors		(546,861)	(5,308,060)
Cash generated from operations		21,031,986	26,362,713
Tax paid		(675,379)	(653,226)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>20,356,607</b>	<b>25,709,487</b>
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>	25	<b>(6,415,785)</b>	<b>(23,405,561)</b>
<b>NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES</b>	26	<b>(13,287,122)</b>	<b>12,342,883</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>653,700</b>	<b>14,646,809</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>7,600,769</b>	<b>(7,130,752)</b>
Foreign exchange differences on opening balances		-	84,712
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	27	<b>8,254,469</b>	<b>7,600,769</b>

The notes on pages 19 to 36 form part of these accounts.

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999

### 1. BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention modified by the revaluation of certain fixed assets in accordance with the applicable approved accounting standards in Malaysia.

### 2. PRINCIPAL ACTIVITIES

The principal activity of the company consists of investment holding. The principal activities of the subsidiary companies are set out in note 12 on the accounts.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of consolidation

The consolidated accounts include the accounts of the Company and its subsidiary companies made up to the end of the financial year. The results of the subsidiary companies are included in the consolidated profit and loss account from the date of their acquisition except that acquisitions of subsidiaries companies which meet the criteria for merger accounting under Malaysian Accounting Standard No. 2, Accounting for Acquisitions and Mergers, are accounted for under that method. All significant intercompany transactions are eliminated upon consolidation.

Goodwill on consolidation represents the excess of purchase consideration over the fair value of the net tangible assets of subsidiaries at date of acquisition. It is stated at cost and amortised over a period of ten years with effect from the date of acquisition.

#### (b) Fixed assets and depreciation

Freehold land and capital work-in-progress are not depreciated. Land and buildings are stated at directors' valuation with subsequent additions at cost, less accumulated depreciation. Directors' valuation is based on a valuation done by an independent firm of professional valuers in 1991 using the open market basis. The land and buildings have not been revalued since the last valuation exercise as the directors have not adopted a policy of regular revaluations of such assets.

Accordingly, the valuation of the revalued assets has not been updated and they continue to be stated at their last revalued amounts less depreciation as allowed under the transitional provisions issued by Malaysian Accounting Standards Board on adoption of International Accounting Standard No.16 (revised).

The other fixed assets are stated at cost less accumulated depreciation.

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (b) Fixed assets and depreciation (continued)

Leasehold land and plantation and development expenditure are amortised over the remaining periods of the respective leases ranging from 50 to 99 years. The other fixed assets are depreciated on the straight line basis to write off the cost or valuation of each asset over its estimated useful life. The principal annual rates of depreciation used for this purpose are as follows:

	%
Buildings	2 - 20
Plant and machinery	7 - 50
Furniture, fittings and equipment	10 - 50
Motor vehicles	20 - 50

#### (c) Investments

Investments in subsidiaries and other long term investments are stated at cost. Provision for diminution in value of investments is only made when the directors consider that there has been a permanent diminution in their values.

#### (d) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes where relevant, appropriate proportion of overheads and is determined on the first-in, first-out or weighted average basis, after providing for all items considered obsolete or slow moving.

#### (e) Deferred taxation

Deferred taxation is provided using the liability method on all material timing differences between taxable and accounting profits. Debit balances on the deferred taxation account are not recognised unless there is reasonable expectation of their recovery.

#### (f) Foreign currencies

Transactions in foreign currencies are converted into Ringgit Malaysia at the rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the balance sheet date are converted into Ringgit Malaysia at the rates of exchange ruling on that date. All foreign exchange differences are taken to the profit and loss account.

In the Group accounts, income and expense items of foreign subsidiary companies are translated into Ringgit Malaysia at average rates of exchange for the financial year. Assets and liabilities of foreign subsidiary companies, both monetary and non-monetary, at the rates of exchange ruling at the balance sheet date. Exchange differences arising from the translation of income and expense items at average rates and assets and liabilities at balance sheet date rates and the restatement at balance sheet date rates of the opening net investments in the foreign subsidiary companies are taken to reserves.

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**(g) Finance leases**

Fixed assets acquired under finance leases are capitalised and are depreciated in accordance with the policy set out in paragraph 3(b) above. Outstanding obligations due under the lease agreements after deducting finance charges are included as liabilities in the accounts. Finance charges are allocated to the profit and loss account over the period of the lease.

**(h) New planting expenditure and replanting expenditure**

All expenditure incurred on new planting from land clearing to the point of maturity is capitalised and included in fixed assets under plantation development expenditure.

**(i) Preliminary and pre-operating expenses**

Preliminary and pre-operating expenses are being amortised over a period of five years as from date of commencement of operations.

**(j) Receivables**

Receivables are carried at anticipated realisable value. An estimate is made for doubtful debts based on review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

**(k) Cash and cash equivalents**

Cash consists of cash and demand deposits. Cash equivalents are short term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, less short term borrowings payable on demand.

**(l) Income Recognition**

Sales is recognised upon delivery of goods and acknowledgement of acceptance by customers.

Interest and rental income are recognised on an accrual basis.

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

### 4. TURNOVER

Turnover for the Group represents sales of goods and commodity net of discounts, sales tax and returns.

Turnover for the Company represents interest income and gross dividends from subsidiary companies.

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Group		Company	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
	RM	RM	RM	RM
Amortisation of goodwill	105,779	127,262	-	-
Auditors' remuneration				
- current year	46,580	54,300	20,000	20,000
- prior year's underprovision	-	2,600	-	-
Depreciation of fixed assets	11,632,464	10,901,240	21,397	21,113
Directors' remuneration				
- fees	208,500	158,000	192,500	134,000
- other emoluments	1,251,998	1,139,135	-	46,000
Interest expense	3,707,826	6,203,789	2,100,000	1,227,090
Preliminary and pre-operating expenses amortised	267,936	71,725	-	-
Rental of building	489,681	556,297	-	-
Loss/(gain) on foreign exchange	165,922	(2,383,730)	73,062	(443,808)
Gain on forward contract	(1,156,181)	-	(1,156,181)	-
Gross dividends from unquoted subsidiary companies	-	-	(3,001,500)	(32,001,960)
Income from investments (gross):				
Quoted in Malaysia	(1,873)	(5,241)	-	-
Quoted outside Malaysia	(1,765)	(139)	-	-
Unquoted	-	(100)	-	-
Interest income	(290,703)	(829,066)	(1,940,505)	(1,273,531)

### 6. TAXATION

The taxation (charge)/credit comprise:

Current taxation:

On profit for the year	-	(661,480)	-	(6,832,000)
Prior years' (under)/overprovision	(397)	429,434	-	25,339
	(397)	(232,046)	-	(6,806,661)
Deferred taxation (Note 22)	(64,500)	278,000	-	-
	(64,897)	45,954	-	(6,806,661)

In accordance with the Income Tax (Amendment) Act, 1999, the tax assessment system based on income derived in the preceding financial year will be changed to the current financial year beginning from the year 2000, and tax on income, except for dividend income, derived in 1999 will be waived. Accordingly, the Group and Company have not made any tax provisions in respect of their income for the financial year ended 31 December 1999.

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 7. DIVIDENDS

	Group and Company	
	<u>1999</u>	<u>1998</u>
	RM	RM
Interim:		
2.5 sen (1998: 2.5 sen) gross per share less income tax at 28%	1,084,614	1,080,000
Proposed final:		
3.5 sen (1998: 2.5 sen) gross per share less income tax at 28%	1,518,460	1,080,216
Underprovision of final dividend declared in respect of prior year	28,800	-
	2,631,874	2,160,216

### 8. EARNINGS PER SHARE

The basis earnings per share have been calculated based on the Group's profit after taxation and minority interests of RM12,058,555 (1998: RM1,498,200) and on the weighted average number of ordinary shares in issue during the year of 60,134,167 (1998: 60,001,000).

The fully diluted earnings per share are calculated based on adjusted earnings of RM14,265,058 after adding back:

- (i) Notional savings on interest on the 7% Redeemable Unsecured Bonds,
- (ii) Notional income deemed to be received from interest on fixed deposits at 3.5% from the assumed proceeds that will be derived from the exercise of Warrants net of the redemption of the Bonds,
- (iii) Notional income deemed to be received from interest on fixed deposits at 3.5% from the proceeds of options exercised under the Employees' Share Option Scheme,

and on the weighted average number of shares issued and issuable for the year of 87,035,834 shares on the assumption that 23,999,667 Warrants and 2,902,000 Options were exercised on 1.1.1999.

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 9. FIXED ASSETS

	Freehold land	Buildings on freehold land	Long leasehold land	Buildings on long leasehold land	Plantation and development expenditure	Plant and machinery	Furniture, fittings, equipment and motor vehicles	Capital work-in- progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM
<u>Group-1999</u>									
At cost or valuation									
Balance as at 1 Jan									
At cost	2,501,980	13,104,297	13,505,326	22,266,747	789,259	80,579,582	23,045,418	81,686	155,874,295
At valuation	2,318,000	277,000	3,279,820	6,502,170	3,283,010	-	-	-	15,660,000
	4,819,980	13,381,297	16,785,146	28,768,917	4,072,269	80,579,582	23,045,418	81,686	171,534,295
Additions	-	247,996	57,995	235,135	322,415	3,913,545	1,738,478	185,464	6,701,028
Transfer	-	-	-	74,019	-	7,667	-	(81,686)	-
Reclassification	-	-	-	(423,875)	-	422,853	1,022	-	-
Disposals	-	-	-	-	-	(371,709)	(353,470)	-	(725,179)
Balance as at 31 Dec									
At cost	2,501,980	13,352,293	13,563,321	22,152,026	1,111,674	84,551,938	24,431,448	185,464	161,850,144
At valuation	2,318,000	277,000	3,279,820	6,502,170	3,283,010	-	-	-	15,660,000
	4,819,980	13,629,293	16,843,141	28,654,196	4,394,684	84,551,938	24,431,448	185,464	177,510,144
Accumulated depreciation									
Balance as at 1 Jan	-	988,660	1,112,895	5,040,276	459,751	37,375,802	13,213,065	-	58,190,449
Charge for the year	-	543,100	245,607	1,157,669	75,801	6,925,819	2,684,468	-	11,632,464
Disposals	-	-	-	-	-	(356,275)	(289,577)	-	(645,852)
Balance as at 31 Dec	-	1,531,760	1,358,502	6,197,945	535,552	43,945,346	15,607,956	-	69,177,061
Net book value as at 31 Dec	4,819,980	12,097,533	15,484,639	22,456,251	3,859,132	40,606,592	8,823,492	185,464	108,333,083
<u>Group-1999</u>									
At cost or valuation									
Balance as at 1 Jan									
At cost	2,501,980	12,242,139	13,226,707	17,108,006	614,982	65,258,685	20,534,313	56,203	131,543,015
At valuation	2,318,000	277,000	3,279,820	6,502,170	3,283,010	-	-	-	15,660,000
	4,819,980	12,519,139	16,506,527	23,610,176	3,897,992	65,258,685	20,534,313	56,203	147,203,015
Exchange rate adjustments	-	-	269,069	434,271	-	1,095,295	256,737	3,999	2,059,371
Additions	-	862,158	9,550	4,726,773	174,277	14,969,516	2,435,750	21,484	23,199,508
Disposals	-	-	-	(2,303)	-	(743,914)	(181,382)	-	(927,599)
Balance as at 31 Dec									
At cost	2,501,980	13,104,297	13,505,326	22,266,747	789,259	80,579,582	23,045,418	81,686	155,874,295
At valuation	2,318,000	277,000	3,279,820	6,502,170	3,283,010	-	-	-	15,660,000
	4,819,980	13,381,297	16,785,146	28,768,917	4,072,269	80,579,582	23,045,418	81,686	171,534,295
Accumulated depreciation									
Balance as at 1 Jan	-	76,807	850,062	3,853,945	415,964	30,969,795	10,249,876	-	47,102,449
Exchange rate adjustments	-	-	17,853	53,723	-	265,267	118,740	-	455,582
Charge for the year	-	225,853	244,980	1,132,700	43,787	6,329,935	2,923,985	-	10,901,240
Disposals	-	-	-	(92)	-	(189,195)	(79,536)	-	(268,823)
Balance as at 31 Dec	-	988,660	1,112,895	5,040,276	459,751	37,375,802	13,213,065	-	58,190,449
Net book value as at 31 Dec	4,819,980	12,392,637	15,672,251	23,728,641	3,612,518	43,203,780	9,832,353	81,686	113,343,846



## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 9. FIXED ASSETS (CONTINUED)

#### Company - 1999

#### Furniture, fittings, equipment and motor vehicles RM

#### At cost

Balance as at 1 January	214,173
Additions	5,690

Balance as at 31 December	219,863
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#### Accumulated depreciation

Balance as at 1 January	135,499
Charge for the year	21,397

Balance as at 31 December	156,896
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Net book value as at 31 December	62,967
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#### Company - 1998

#### Furniture, fittings, equipment and motor vehicles

#### At cost

Balance as at 1 January	214,173
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Balance as at 31 December	214,173
---------------------------	---------

#### Accumulated depreciation

Balance as at 1 January	114,386
Charge for the year	21,113

Balance as at 31 December	135,499
---------------------------	---------

Net book value as at 31 December	78,674
-------------------------------------	--------

Land and buildings 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.

## 9. FIXED ASSETS (CONTINUED)

Had the fixed assets been included in the accounts at cost less depreciation, the net book value of the revalued assets would have been as follows:

	Group	
	<u>1999</u>	<u>1998</u>
	RM	RM
Freehold land	2,111,314	2,111,314
Buildings on freehold land	176,000	187,000
Long leasehold land	929,428	941,860
Buildings on long leasehold land	2,121,276	2,264,111
Plantation development expenditure	2,260,229	2,291,729
	7,598,247	7,796,014

Certain of the land and buildings with net book value of RM4,956,362 (1998: RM5,122,315) have been charged as security for borrowings.

Included in fixed assets is the net book value of fixed assets acquired under finance lease and hire purchase agreements amounting to RM613,503 (1998: RM894,535).

## 10. INVESTMENTS

	Group	
	<u>1999</u>	<u>1998</u>
	RM	RM
At cost		
Shares in corporations:		
Quoted in Malaysia	124,499	124,499
Quoted outside Malaysia	9,109	9,109
Unquoted	2,000	2,000
	135,608	135,608
Market value of quoted investments	163,766	142,788

## 11. INTANGIBLE ASSETS

Preliminary and pre-operating expenses		
Balance as at 1 January	1,361,912	88,118
(Adjustments)/additions during the year	(210,080)	1,341,975
Exchange rate adjustments	-	3,544
Less: Amount amortised	(267,938)	(71,725)
Balance as at 31 December	883,894	1,361,912

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 11. INTANGIBLE ASSETS (CONTINUED)

	1999 RM	Group 1998 RM
Goodwill on consolidation		
Balance as at 1 January	622,606	749,868
Less: Amount amortised	(105,779)	(127,262)
Balance as at 31 December	516,827	622,606
	1,400,721	1,984,518

### 12. SUBSIDIARY COMPANIES

The investments in subsidiary companies are stated at cost. Details of the subsidiaries, which are unquoted 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>1999</u> %	<u>1998</u> %		
Pacific Food Products Sendirian Berhad	100	100	Manufacturing and marketing of food products	Malaysia
Kilang Makanan Mamee Sdn Bhd	100	100	Manufacturing and marketing of food and dairy products	Malaysia
Pacific Plantations Sdn Bhd	98	98	Cocoa and oil palm production	Malaysia
Mamee-Double Decker Foods (Suzhou) Co. Ltd *	60	60	Manufacturing and marketing of food products	People's Republic of China
Milk Specialities Sdn Bhd	100	100	Providing motor vehicle rental services	Malaysia
MDD Beverage Sdn Bhd	99.7	97.4	Manufacturing, marketing and contract packing of soft drinks	Malaysia

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 12. SUBSIDIARY COMPANIES (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>1999</u> %	<u>1998</u> %		
Pure Products Sdn Bhd	99.7	97.4	Marketing of soft drinks	Malaysia
MDD Distribution (M) Sdn Bhd	100	100	Marketing of food products and soft drinks	Malaysia
Mamee-Double Decker Ltd *	100	100	Dormant	The Union of Myanmar
Myanmar Mamee-Double Decker Ltd *	60	60	Manufacturing and marketing of food products	The Union of Myanmar
Milk Specialities Distribution Sdn Bhd	100	100	Marketing of dairy products	Malaysia
MDD Bulk Foods Sdn Bhd	70	70	Marketing of food products	Malaysia
MDD Properties Sdn Bhd (formerly known as Optima Alam Development Sdn Bhd)	100	-	Dormant	Malaysia

\* Overseas subsidiaries audited by an associated firm of PricewaterhouseCoopers, Malaysia.

### 13. STOCKS

	<u>Group</u>	
	<u>1999</u> RM	<u>1998</u> RM
Finished goods	6,077,044	5,134,158
Work-in-progress	1,075,846	919,665
Raw materials	8,639,072	9,054,477
Consumable stores	1,572,926	1,222,705
Cocoa	54,000	201,977
Container stocks	-	30,228
	17,418,888	16,563,210
Less: Provision for obsolete stocks	40,134	-
	17,378,754	16,563,210

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 14. DEBTORS

	Group		Company	
	<u>1999</u> RM	<u>1998</u> RM	<u>1999</u> RM	<u>1998</u> RM
Trade debtors	37,712,767	30,505,452	-	-
Less: Provision for doubtful debts	(4,229,349)	(4,149,329)	-	-
	33,483,418	26,356,123	-	-
Other debtors, deposits and prepayments	7,206,548	9,208,472	708,494	1,827,436
	40,689,966	35,564,595	708,494	1,827,436

### 15. CREDITORS

Trade creditors	15,910,853	15,900,731	-	-
Other creditors and accruals	11,878,509	12,485,992	667,134	742,268
Finance lease and hire purchase creditors (Note 20)	149,511	542,933	-	-
	27,938,873	28,929,656	667,134	742,268

### 16. AMOUNTS DUE FROM/(TO) SUBSIDIARY COMPANIES

The amounts due from subsidiary companies include an amount of RM19,556,019 (1998: RM19,560,368) which carried interest at the rate of 9% (1998: 9%) per annum.

The amounts due to subsidiary companies are unsecured, interest free with no fixed terms of repayment.

### 17. SHORT TERM BORROWINGS

	Group	
	<u>1999</u> RM	<u>1998</u> RM
Secured:		
Bank overdrafts	-	689,748
Trade finance	914,000	1,205,000
Short term loan	1,842,400	1,842,400
	2,756,400	3,737,148
Unsecured:		
Portion of long term loan repayable within 12 months (Note 20)	1,897,476	2,912,676
Bank overdrafts	3,382,586	7,588,105
Trade finance	12,758,020	14,990,000
	18,038,082	25,490,781
	20,794,482	29,227,929

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 17. SHORT TERM BORROWINGS (CONTINUED)

The secured bank overdrafts and trade finance are secured by a legal charge on land and buildings and fixed and floating charge over certain assets of a subsidiary company. Interest on borrowings is chargeable at the rate of 1% (1998: 1%) per annum above the banks' base lending rates.

The short term loan is secured by certain assets of a subsidiary company and bears interest at 5.16% (1998: 5.16%) per annum.

### 18. SHARE CAPITAL

	Group and Company	
	1999	1998
	RM	RM
<u>Ordinary shares of RM1 each</u>		
Authorised:		
Balance as at 1 January	500,000,000	60,000,000
Created during the year	-	440,000,000
Balance as at 31 December	500,000,000	500,000,000
Issued and fully paid:		
Balance as at 1 January	60,012,000	36,000,000
Issued during the year		
- Pursuant to The Employees' Share Option Scheme	244,000	12,000
- Exercise of Warrants	333	-
- Bonus issue of 2:3 via capitalisation of retained profits	-	24,000,000
Balance as at 31 December	60,256,333	60,012,000

The main features of the Employees' Share Option Scheme are as follows:

- 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 one point of time during the existence of the Scheme;
- Eligible employees and Executive Directors are full time employees of the Company and/or its subsidiary companies who have been in the service of the Group for at least one continuous year;
- The options granted are valid for five years and may be exercised at any time before the expiry of the Scheme on 25 August 2003 except for certain periods as determined by the Scheme's Options Committee, subject to the annual limit of 20% of the total shares comprised in the option. The option may be exercised in full or in such lesser number of ordinary shares provided that the number shall be in multiples of 1,000 shares;
- 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 list issued by the Kuala Lumpur Stock Exchange for the five market days immediately preceding the respective dates of offer of the option;

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 18. SHARE CAPITAL (CONTINUED)

- (e) 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 with 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.

During the financial year, 244,000 shares were issued by virtue of the exercise of options at RM1.33 per share. As at 31 December 1999, the number of ordinary shares under options granted pursuant to the Scheme remaining unexercised is 2,902,000.

### 19. RESERVES

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
<b>NON-DISTRIBUTABLE</b>				
Reserve funds				
Balance as at 1 January	526,458	249,256	-	-
Transfer from profit and loss account	-	277,202	-	-
Balance as at 31 December	526,458	526,458	-	-
Exchange adjustments				
Balance as at 1 January	4,270,551	3,342,262	-	-
Translation of opening reserves	-	928,289	-	-
Balance as at 31 December	4,270,551	4,270,551	-	-
<u>Share premium</u>				
Balance as at 1 January	3,960	-	3,960	-
Arising from shares issued during the year				
- Pursuant to The Employees' Share Option Scheme	80,520	3,960	80,520	3,960
- Exercise of Warrants	110	-	110	-
Balance as at 31 December	84,590	3,960	84,590	3,960
<b>DISTRIBUTABLE</b>				
<u>Retained profits</u>				
Balance as at 31 December	24,936,224	15,509,543	144,404	34,951
Total reserves	29,817,823	20,310,512	228,994	38,911

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 19. RESERVES (CONTINUED)

As at 31 December 1999, the Group has sufficient tax credits under Section 108 of the Income Tax Act, 1967 and tax exempt income, subject to agreement with the tax authorities to frank in full all of its retained profits if paid out as dividends.

Pursuant to the requirements of Section 365(IA) of the Companies Act, 1965, the distribution of dividends out of the Company's retained profits may only be declared for a financial year up to an amount not exceeding the after-tax profit of that financial year, or not exceeding the average dividends declared in respect of the two financial years immediately preceding that financial year, whichever is the greater.

### 20. LONG TERM LIABILITIES

	Group		Company	
	<u>1999</u> RM	<u>1998</u> RM	<u>1999</u> RM	<u>1998</u> RM
Bank term loans (unsecured)	3,770,614	8,094,981	-	-
Portion repayable within 12 months included in short term borrowings (Note 17)	(1,897,476)	(2,912,676)	-	-
Amount repayable after 12 months	1,873,138	5,182,305	-	-
Finance lease and hire purchase creditors	149,511	692,444	-	-
Portion repayable within 12 months included in creditors (Note 15)	(149,511)	(542,933)	-	-
Amount repayable after 12 months	-	149,511	-	-
Redeemable unsecured bonds (Note 21)	30,000,000	30,000,000	30,000,000	30,000,000
	31,873,138	35,331,816	30,000,000	30,000,000

Interest on bank term loans is chargeable ranging from 0.5% to 0.75% (1998: 0.5% to 0.75%) per annum above the bank's base lending rates.

### 21. REDEEMABLE UNSECURED BONDS

	Group and Company	
	<u>1999</u> RM	<u>1998</u> RM
7% Redeemable Unsecured Bonds 1998/2003		
Balance as at 31 December	30,000,000	30,000,000



## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 21. REDEEMABLE UNSECURED BONDS (CONTINUED)

The 7% Redeemable Unsecured Bonds 1998/2003 were constituted by a Trust Deed dated 22 June 1998. Unless previously redeemed, purchased and cancelled or surrendered for cancellation pursuant to an exercise of the Warrants in accordance with the Deed Poll and cancelled during the Redemption Period, the Company shall redeem the remaining outstanding Bonds in cash at their nominal value on maturity on 25 June 2003.

Interest rate of 7% per annum on the nominal value of the Bonds is payable half yearly in arrears on 30 June and 31 December.

The Bonds were issued with 24,000,000 Detachable Warrants at an offer price of 45.63 sen per warrant on the basis of two warrants for every five ordinary shares held. The warrants are quoted on the Kuala Lumpur Stock Exchange. Each warrant entitles its registered holder at any time not exceeding five years from the date of its issue, to subscribe for one new ordinary shares of RM1 each in the Company at an exercise price of RM1.33 per warrant.

During the financial year, the Company obtained approval from all relevant parties for the extension of the duration and exercise period of the warrants to 16 February 2008.

Proceeds from the exercise of the warrants and options will be placed in a sinking fund account for purposes of redeeming the Bonds.

As at 31 December 1999, the number of warrants remaining unexercised is 23,999,667.

### 22. DEFERRED TAXATION

	1999 RM	Group 1998 RM
Balance as at 1 January	2,305,500	2,583,500
Transfer from/(to) profit and loss account (note 6)	64,500	(278,000)
Balance as at 31 December	2,370,000	2,305,500
Representing the tax effects of:		
Excess of capital allowances over depreciation	2,370,000	2,305,500
Deferred taxation not provided for in the accounts:		
Arising from revaluation of certain land and buildings held for long term purposes	783,000	783,000

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 23. SEGMENT INFORMATION

	1999 RM	Group 1998 RM
<b>Analysis by activity</b>		
<b>TURNOVER</b>		
Manufacturing and marketing	174,256,836	167,384,436
Plantation	741,756	1,793,051
	174,998,592	169,177,487
<b>PROFIT BEFORE TAXATION</b>		
Manufacturing and marketing	11,024,813	(1,104,553)
Plantation	(469,163)	776,751
Investment and interest income	1,450,522	834,546
	12,006,172	506,744
<b>GROSS ASSETS EMPLOYED</b>		
Manufacturing and marketing	168,788,656	167,674,063
Plantation	5,885,886	5,693,276
Investment	5,225,608	10,103,060
	179,900,150	183,470,399
<b>Analysis by geographical location</b>		
<b>TURNOVER</b>		
Malaysia	153,336,007	149,813,604
Overseas	21,662,585	19,363,883
	174,998,592	169,177,487
<b>PROFIT BEFORE TAXATION</b>		
Malaysia	12,289,768	2,749,483
Overseas	(283,596)	(2,242,739)
	12,006,172	506,744

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 23. SEGMENT INFORMATION (CONTINUED)

	<u>1999</u>	Group <u>1998</u>
	RM	RM
GROSS ASSETS EMPLOYED		
Malaysia	139,500,664	142,263,821
Overseas	40,399,486	41,206,578
	179,900,150	183,470,399

### 24. SIGNIFICANT RELATED PARTY TRANSACTIONS

In the normal course of business, the company undertakes on agreed terms the following transactions with its related companies:

	<u>1999</u>	Company <u>1998</u>
	RM	RM
Interest income from wholly owned subsidiary		
- Pacific Food Products Sendirian Berhad	1,346,041	436,162
- Kilang Makanan Mamee Sdn Bhd	144,000	27,750
- Milk Specialities Distribution Sdn Bhd	90,000	-
- MDD Distribution Sdn Bhd	180,000	-

### 25. NET CASH OUTFLOW FROM INVESTING ACTIVITIES

	<u>1999</u>	Group <u>1998</u>
	RM	RM
Proceeds from disposal of fixed assets	237,597	636,252
Preliminary and pre-operating expenses	210,080	(1,341,975)
Purchase of investments	-	(155)
Purchase of fixed assets *	(6,701,028)	(22,699,683)
Purchase of additional interest in subsidiary **	(162,434)	-
	(6,415,785)	(23,405,561)

\* Purchase of fixed assets exclude assets which were acquired under hire purchase agreements amounted to RM Nil (1998: RM499,825).

\*\* Purchase of additional interest in subsidiary:-

	<u>1999</u>	Group <u>1998</u>
	RM	RM
Additional net assets of subsidiary acquired	(204,581)	-
Reserve on consolidation	42,147	-
Discharged by cash	(162,434)	-

## NOTES ON THE ACCOUNTS - 31 DECEMBER 1999 (CONTINUED)

### 26. NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES

	1999 RM	Group 1998 RM
Proceeds from bonds issued	-	30,000,000
Proceeds from bank term loans drawdown	-	1,842,400
Proceeds from shares issued to minority shareholders of subsidiary companies	-	231,684
Dividends paid	(2,189,016)	(2,044,800)
Dividends paid to minority interest	-	(3,576,484)
Interest paid	(3,707,826)	(6,203,789)
Repayment of hire purchase and lease liabilities	(542,933)	(1,251,177)
Repayment of bank term loans	(4,324,367)	(2,358,345)
Net repayment of trade finance	(2,522,980)	(4,312,566)
Proceeds from issuance of shares	324,963	15,960
Contribution to sinking fund	(324,963)	-
	(13,287,122)	12,342,883

### 27. CASH AND CASH EQUIVALENTS

Fixed deposits with licensed banks	5,090,000	9,967,452
Less: Deposits placed under sinking fund	(324,963)	-
	4,765,037	9,967,452
Cash and bank balances	6,872,018	5,911,170
Bank overdrafts	(3,382,586)	(8,277,853)
	8,254,469	7,600,769

### 28. SIGNIFICANT EVENTS

During the financial year,

- the Group acquired the entire issued and fully paid-up capital of a newly incorporated company, MDD Properties Sdn Bhd (formerly known as Optima Alam Development Sdn Bhd for a cash consideration of RM2.
- the Group increased its equity interest in MDD Beverage Sdn Bhd from 97.3% to 99.7% by acquiring additional 180,482 ordinary shares of RM1 each for a cash consideration of RM162,434.
- the Group subscribed for the entire newly issued share capital of 999,998 ordinary shares of RM1 each in its subsidiary company, Milk Specialities Distribution Sdn Bhd.
- the Group subscribed for the entire newly issued share capital of 1,999,997 ordinary shares of RM1 each in its subsidiary company, MDD Distribution Sdn Bhd.

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

We, Datuk Pang Chin Hin and Pang Tee Chew, two of the directors of Mamee-Double Decker (M) Berhad, state that in the opinion of the directors, the accounts set out on pages 14 to 36 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 1999 and of the results of the Group and of the Company and cash flows of the Group for the year ended on that date in accordance with the applicable approved accounting standards in Malaysia.

On behalf of the Board

DATUK PANG CHIN HIN  
DIRECTOR

PANG TEE CHEW  
DIRECTOR

Melaka  
25 February 2000

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

I, Pang Tee Chew, the director primarily responsible for the financial management of Mamee-Double Decker (M) Berhad, do solemnly and sincerely declare that the accounts set out on pages 14 to 36 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.

PANG TEE CHEW

Subscribed and solemnly declared by the abovenamed Pang Tee Chew at Melaka in Malaysia on 25 February 2000, before me.

A. SUPRAMANIAM, PIS  
COMMISSIONER FOR OATHS (NO. M018)  
MELAKA

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
MAMEE-DOUBLE DECKER (M) BERHAD  
(Company No. 222363 - T)**

We have audited the accounts set out on pages 14 to 36. These accounts are the responsibility of the company's directors. Our responsibility is to express an opinion on these accounts based on our audit.

We conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and significant estimates made by directors, as well as evaluating the overall accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the accounts give a true and fair view of the state of affairs of the group and the company as at 31 December 1999 and of the results of the group and the company and cash flows of the group for the year ended on that date in accordance with the applicable approved accounting standards in Malaysia, and comply with the Companies Act, 1965; and
- (b) the accounting and other records and the registers required by the Act to be kept by the company and by the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

The names of the subsidiaries of which we have not acted as auditors are indicated in note 12 on the accounts. We have considered the accounts of these subsidiaries and the auditors' reports thereon.

We are satisfied that the accounts of the subsidiaries that have been consolidated with the company's accounts are in form and content appropriate and proper for the purposes of the preparation of the consolidated accounts and we have received satisfactory information and explanations required by us for those purposes.

The audit reports on the accounts of the subsidiaries were not subject to any qualification and did not include any comment made under subsection (3) of section 174 of the Act.

PRICEWATERHOUSECOOPERS  
(No. AF-1146)  
Public Accountants

P'NG BENG HOE  
(No. 1563/8/01 (J))  
Partner of the firm

Melaka  
25 February 2000

**ANALYSIS OF SHAREHOLDINGS  
AS AT 8 May 2000**

AUTHORISED SHARE CAPITAL	:	<b>RM500,000,000.00</b>
ISSUED AND FULLY PAID-UP CAPITAL	:	<b>RM60,874,666.00</b>
CLASS OF SHARES	:	<b>Ordinary Shares Of One Ringgit Each</b>
VOTING RIGHTS	:	<b>One Vote Per Ordinary Share</b>

**DISTRIBUTION OF SHAREHOLDINGS**

<u>Range</u>	<u>No. Of Shares</u>	<u>Percentage (%)</u>	<u>No. Of Shareholders</u>	<u>Percentage (%)</u>
Less than 500	21,136	0.03	80	1.85
500 - 5,000	7,659,137	12.58	3,576	82.49
5,001 - 10,000	3,089,940	5.08	372	8.58
10,001 - 100,000	6,855,916	11.26	274	6.32
100,001 - 1,000,000	7,692,328	12.64	23	0.53
Above 1,000,000	35,556,209	58.41	10	0.23
	-----	-----	-----	-----
	60,874,666	100.00	4,335	100.00
	=====	=====	=====	=====

**TOP 20 LARGEST SHAREHOLDERS  
(as shown in the Register Of Members)**

<u>No</u>	<u>Name</u>	<u>No. Of Shares Held</u>	<u>Percentage (%)</u>
1.	PANG TEE CHEW	11,720,070	19.25
2.	PANG TEE NAM	5,887,181	9.67
3.	PANG TEE SUAN	5,671,018	9.32
4.	PANG CHIN HIN	2,829,726	4.65
5.	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD <i>PLEDGED SECURITIES ACCOUNT FOR PANG CHIN HIN</i>	2,241,666	3.68
6.	TIW LAN @ YONG TIW LAN	1,819,882	2.99
7.	PERMODALAN NASIONAL BERHAD	1,783,333	2.93
8.	BOC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR PANG CHIN HIN</i>	1,333,333	2.19
9.	BOC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR PANG TEE CHEW</i>	1,200,000	1.97
10.	WONG KIE CHIE	1,070,000	1.76
11.	PB SECURITIES NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR MOHAMED NIZAM BIN ABDUL RAZAK</i>	983,333	1.62
12.	UOBM NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR PANG TEE CHEW</i>	833,333	1.37
13.	PANG SOON PENG	774,999	1.27
14.	PANG SOON LUAN	768,333	1.26
15.	PANG SOON WAH	628,332	1.03
16.	JF APEX NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR LIM GAIK BWAY @ LIM CHIEW AH</i>	600,000	0.99
17.	TCL NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TEE ENG TUAN @ TEE HENG CHAI</i>	510,000	0.84
18.	AMSEC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR RIMBA HOLDINGS SDN BHD</i>	301,000	0.49
19.	MALAYSIA EXPORT CREDIT INSURANCE BERHAD	250,000	0.41
20.	JF APEX NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR LEE PUAY CHING</i>	195,000	0.32
		-----	-----
	Total:	41,400,539	68.01
		=====	=====

**ANALYSIS OF SHAREHOLDINGS  
AS AT 8 MAY 2000 (CONTINUED)**

**LIST OF SUBSTANTIAL SHAREHOLDERS  
(As shown in the Register of Substantial Shareholders as  
at 8.5.2000)**

No	Name Of Shareholders	NO. OF ORDINARY SHARES		Percentage (%)
		Direct	Indirect	
1.	PANG TEE CHEW	13,753,403* <sup>5</sup>	223,998* <sup>2</sup>	22.96
2.	DATUK PANG CHIN HIN	6,404,725* <sup>4</sup>	4,366,544* <sup>1</sup>	17.69
3.	PANG TEE NAM	5,887,181	221,664* <sup>3</sup>	10.04
4.	PANG TEE SUAN	5,671,018	268,331* <sup>3</sup>	9.76
5.	TIW LAN @ YONG TIW LAN	1,824,882	78,332* <sup>6</sup>	3.13
6.	PERMODALAN NASIONAL BHD	1,783,333	-	2.93
7.	YAYASAN PELABURAN BUMIPUTRA	-	1,783,333* <sup>7</sup>	2.93
8.	MALAYSIA NOMINEES (TEMPATAN) SDN BHD	2,478,331* <sup>8</sup>	-	4.07
	Beneficial holders :-			
	Chua Chong Seng @ Chua Bah Bee	43,333		
	Chua Kian Wee	16,666		
	Neo Teong Hian	3,333		
	Ng Yee Tiong	3,333		
	Pang Chin Hin	2,241,666		
	Pang Soon Wah	170,000		
9.	BOC NOMINEES (TEMPATAN) SDN BHD	2,535,000* <sup>8</sup>	-	4.16
	Beneficial holders :-			
	Noraziah Binti Salehuddin	1,667		
	Pang Chin Hin	1,333,333		
	Pang Tee Chew	1,200,000		
9.	JF APEX NOMINEES (TEMPATAN) SDN BHD	1,290,999* <sup>9</sup>	-	2.12

**Note :**

- \*1 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.
- \*2 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 direct shareholdings in MDD.
- \*3 Deemed interested by virtue of his shareholdings in Tanah Subur Sdn. Bhd., his wife's direct shareholdings in MDD and indirect shareholdings via Pacific Food Sales and Services Sdn. Bhd.
- \*4 2,241,666 and 1,333,333 ordinary shares of MDD are held through Malaysia Nominees (Tempatan) Sdn. Bhd. and BOC Nominees (Tempatan) Sdn. Bhd. respectively.
- \*5 1,200,000 and 833,333 ordinary shares of MDD are held through BOC Nominees (Tempatan) Sdn. Bhd. and UOBM Nominees (Tempatan) Sdn. Bhd. respectively.
- \*6 Deemed interested by virtue of her shareholdings in Pacific Food Sales and Service Sdn. Bhd.
- \*7 Deemed interested by virtue of its shareholdings in Permodalan Nasional Berhad
- \*8 Bare Trustee
- \*9 Bare Trustee for beneficial owners who hold less than 2% each.



## LIST OF PROPERTIES HELD

The details of the landed properties owned by MDD Group are as follows :

Location	Description	Existing use	Approximate age of building (Year)	Land Area	NBV as at 31.12.1999 (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	25	2.54 acres (Built-up : 80,000 sq. ft.)	4,970,400
Lots 6998S & 6999S, Bandar Ipoh, Daerah Kinta Perak Darul Ridzuan	Freehold two-storey intermediate shophouses	Vacant	17	3,080 sq. ft. (Built-up : 2,200 sq. ft.)	193,672
Lot PTD, 10081, HS(D) 12482, Township of Johore Bahru, Johor Darul Takzim	Freehold two-storey intermediate shophouses	Vacant	19	1,540 sq. ft. (Built-up : 2,700 sq. ft.)	175,531
GM 6374, PT 20705 Mukim of Kuala Kuantan, District of Kuantan, Pahang Darul Makmur	Freehold two-storey corner terrace house	Vacant	16	2,228 sq. ft. (Built-up : 1,400 sq. ft.)	118,425
Lot No : 8177 Town of Seremban District of Seremban Negeri Sembilan	Freehold two-storey end-terrace shophouses	Vacant	24	1,600 sq. ft. (Built up : 3,060 sq. ft.)	129,925
PT 10182 HS (D) 3990 Mukim of Kuala Kuantan District of Kuantan Pahang Darul Makmur	Leasehold industrial building (66 years expiring 1.1.2045)	Factory/ Office	21	5.129 acres (Built up : 48,800 sq. ft.)	1,148,822
Lot 203 & Lot 204 Pengkalan Maju Industrial Park Mukim Maju Kinta, Perak.	Leasehold 1½ storey industrial building (99 years expiring 18.7.2092)	Office/ Store	4	20,000 sq. ft. (Built-up : 5,810 sq. ft.)	507,393
CL24531946 District of Kunak, Sabah	Leasehold cocoa plantation (99 years expiring 31.12.2071)	Plantation		1,000 acres	1,256,997

# **LIST OF PROPERTIES HELD (CONTINUED)**

<b>Location</b>	<b>Description</b>	<b>Existing use</b>	<b>Approximate age of building (Year)</b>	<b>Land Area</b>	<b>NBV as at 31.12.1999 (RM)</b>
Lot PT13, Mukim of Bukit Katil, District of Melaka Tengah Melaka	Leasehold industrial building (99 years expiring 13.06.2071)	Factory	17	2 acres (Built-up : 95,000 sq. ft.)	3,890,608
Lot 793, Mukim of Damansara, District of Petaling	Freehold industrial land	Office/Store	5	2.87 acres	13,840,349
Lot 794, Mukim of Damansara District of Petaling	Freehold industrial land	Vacant		2.875 acres	2,459,608
PT 10034, HS (D) 3928, Mukim of Kuala Kuantan District of Kuantan Pahang Darul Makmur	Leasehold industrial building (66 years expiring 18.07.2044)	Office/Store	16	6,424 sq. ft. (Built-up : 8,721 sq. ft.)	148,776
Lot 9 & 10, Air Keroh Industrial Estate Phase IV Air Keroh, Melaka	Leasehold industrial land (99 years expiring year 2091)	Vacant		517,806 sq. ft.	3,339,558
Luzhi Economic Development Zone Luzhi Town Wu County Suzhou Jiang Su Province China, 215127	Leasehold (50 years expiring year 2042)	Factory/Office		4 Hectares	8,893,567
Level 1, Block AD, Good Year Court 10, Subang Perdana, Phase 9, Selangor	Apartment	Apartment			203,008
Lot 35, Kawasan Perusahaan Pengkalan Chepa 2, Mukim Pachor, Seksyen 44, Kota Bahru	Leasehold 2 storey building (66 years expiring 19.12.2060)	Warehouse/Office	2	11,000 sq. ft.	850,766
Lot 4338, Mukim Bukit Katil Daerah Melaka Tengah Melaka	Leasehold 1 storey industrial building (expiring 30.05.2072)	Warehouse	24	150,523 sq. ft.	7,217,967
Plot No.41, Trunk Road, Pyinmabin Industrial Complex, Mingaladon Township, Htauk Kyant Yangon Myanmar	Leasehold (25 years expiring year 2022)	Warehouse/Office	2	17,011 sq. metres	4,276,674
Lot 259 Tebrau IV Industrial Area, Johor Bahru, Johor Darul Takzim	Leasehold industrial land (99 years)	Vacant		2.456 acres	1,833,647
					55,456,693

## BRANCH NETWORK

The Group now has a widening branch network that spans across Peninsula Malaysia and East Malaysia. With an increasing number of branches strategically located in the main towns, we are able to serve our dealers and retailers more effectively and efficiently. Our sales network includes over 150 sales vans to directly service numerous outlets.

- **ALOR SETAR**  
 ADD : No. 140 & 141 Jalan Manggis 1  
 Taman Tunku Hosna  
 Jalan Tanjung Bendebara  
 05300 Alor Setar  
 Kedah Darul Aman  
 TEL : 04-734 2213  
 FAX : 04-734 1328
- **BUTTERWORTH**  
 ADD : No 12, Lorong Perusahaan Maju 12  
 Taman Pelangi Prai, Juru  
 13600 Penang  
 TEL : 04-507 5755  
 FAX : 04-507 5595
- **IPOH**  
 ADD : No 14, Off Jalan Persiaran  
 Kilang Pengkalan 28,  
 Kawasan Perindustrian Pengkalan Maju  
 31500 Pengkalan Ipoh  
 Perak Darul Ridzuan  
 TEL : 05-322 2318/9886  
 05-322 9885
- **JOHOR BAHRU**  
 ADD : No 4, Jalan Arung  
 Kawasan Perindustrian Taman Johor  
 81200 Johor Bahru  
 Johor Darul Takzim  
 TEL : 07-236 6610/3  
 FAX : 07-238 2917
- **KOTA BAHRU**  
 ADD : Lot 35,  
 Kawasan Perusahaan Pengkalan Chepa II  
 Mukim Panchor, Seksyen 44,  
 Daerah Kemumin, 16100 Kota Bahru  
 Kelantan Darul Naim  
 TEL : 09-774 2811/6388  
 FAX : 09-774 1197
- **KUALA TERENGGANU**  
 ADD : Lot 12042, Kampung Banggol Pauh  
 21300 Kuala Nerus, Kuala Terengganu  
 Terengganu Darul Iman  
 TEL : 09-667 1698  
 FAX : 09-667 1695
- **SUBANG JAYA**  
 ADD : Lot 793, Off Jalan SS 13/1K  
 Mukim Damansara, 47500 Subang Jaya,  
 Selangor  
 TEL : 03-732 5588  
 FAX : 03-731 0822
- **KUANTAN**  
 ADD : Lot 28, Kawasan Perindustrian Semambu  
 25350 Kuantan, Pahang Darul Makmur  
 TEL : 09-566 7662  
 FAX : 09-566 5493
- **MELAKA**  
 ADD : Lot 1 Air Keroh Industrial Estate  
 75450 Melaka  
 TEL : 06-232 4466-9  
 FAX : 06-231 2812
- **MENTAKAB**  
 ADD : No 16 & 17, Jalan Seraya  
 Taman Rimba, 28400 Mentakab  
 Pahang Darul Makmur  
 TEL : 09-278 3309/277 8997  
 FAX : 09-277 8997
- **SEREMBAN**  
 ADD : No 787 & 788, Jalan Temiang  
 70200 Seremban, Negeri Sembilan  
 TEL : 06-761 1850  
 FAX : 06-764 9451
- **SABAH**  
 ADD : C/O Syarikat Lui Kim Chock Sdn Bhd  
 Lot 84, SEDCO Industrial Estate  
 Kolombong, P.O.Box 10445  
 88055 Kota Kinabalu, Sabah  
 TEL : 088-425341/49/51/422 834 (Direct Line)  
 FAX : 088-429 469
- **SARAWAK**  
 ADD : Lot 7576, 1<sup>st</sup> Floor  
 Wisma Hii Yii Ngilik  
 Jalan Kwong Lee Bank  
 93450 Kuching Sarawak  
 TEL : 082-337 166  
 FAX : 082-334 391

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

**FORM OF PROXY**

I/We \_\_\_\_\_ of \_\_\_\_\_

being a member/members of MAMEE-DOUBLE DECKER (M) BERHAD do hereby  
appoint \_\_\_\_\_ (IC. No. \_\_\_\_\_)  
of \_\_\_\_\_

or failing him, \_\_\_\_\_ (IC. No. \_\_\_\_\_)

of \_\_\_\_\_ as my/our proxy to  
vote for me/us on my/our behalf at the Ninth Annual General Meeting of the Company to be held on Thursday, the  
22<sup>nd</sup> day of June, 2000 at 11.00 a.m. at Sri Mersing, Lower Ground Floor, Hyatt Regency Johor Bahru, Jalan Sungai Chat,  
80720 Johor Bahru, Johor and at any adjournment thereof.

No.	RESOLUTION	FOR	AGAINST
1	Adoption of Reports and Accounts.		
2	Re-appointment of Director - Datuk Pang Chin Hin.		
3	Re-election of Director - Encik Mohamed Nizam Bin Abdul Razak.		
4	Approval of Directors' Fees.		
5	Declaration of Final Dividend.		
6	Re-appointment of PricewaterhouseCoopers as Auditors		
	<b>Special Business :</b>		
7	Ordinary Resolution pursuant to Section 132D of the Companies Act, 1965.		

(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	
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Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2000.

\_\_\_\_\_  
Signature

- NOTE : (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company. Where a Member appoints two(2) or more proxies, the Member shall specify in each proxy form the proportion of the Member's shareholdings to be represented by each proxy.
- (ii) The Proxy Form must be deposited with the Company Secretaries 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.
- (iii) 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.

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STAMP

COMPANY SECRETARY  
MAMEE-DOUBLE DECKER (M) BERHAD  
Suite 1301, 13<sup>th</sup> Floor, City Plaza, Jalan Terbrau,  
80300 Johor Bahru, Johor Darul Takzim

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