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## **MAMEE-DOUBLE DECKER (M) BERHAD**

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

### **NOTICE OF MEETING**

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting of MAMEE-DOUBLE DECKER (M) BERHAD (Co. No. 222363-T) will be held at Jasmine Room, Level 6, Eden Garden Hotel, Kompleks Bebas Cukai Johor Bahru, No. 88, Jalan Ibrahim Sultan, Stulang Laut, 80300 Johor Bahru, Johor Darul Takzim on Monday, the 24th day of June, 2002 at 11.00 a.m.

#### **AGENDA**

1. To receive the Audited Financial Statements for the year ended 31 December 2001 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(2) of the Companies Act, 1965. (Resolution 2)
3. To re-elect Tunku Osman Ahmad, a director retiring in accordance with Article 77 of the Articles of Association of the Company. (Resolution 3)
4. To re-elect Mr Pang Tee Nam, a director retiring in accordance with Article 77 of the Articles of Association of the Company. (Resolution 4)
5. To approve the payment of Directors' Fees for the financial year ended 31 December 2001. (Resolution 5)
6. To declare a Final Dividend of 3.0% less tax in respect of the financial year ended 31 December 2001. (Resolution 6)
7. To re-appoint Messrs PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration. (Resolution 7)

#### **Special Business**

8. To consider and, if thought fit, to 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 8)
9. 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  
Company Secretaries

Johor Bahru  
31 May 2002

**Note :**

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 need not be a member of the Company.
2. A member shall be entitled to appoint more than one (1) proxy to attend and vote ~~at~~ the same Meeting.
3. Where a member appoints more than one (1) proxy, 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 Central Depositories Act, 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 Ta'zim not less than 48 hours before the time set for the Meeting.

**Explanatory Notes on Special Business****Resolution 8**

The Ordinary Resolution proposed in Agenda 8 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 11th Annual General Meeting of the Company, the Share transfer books and Register of Members will be closed from 1 July 2002 to 3 July 2002, both days inclusive.

The dividend if approved will be paid on 25 July 2002 to shareholders whose name appear in the Register of Members at the close of business on 28 June 2002.

- a. shares deposited into the depositor's securities account before 12.30 p.m. on 26 June 2002 (in respect of shares which are exempted from mandatory deposit);
- b. shares transferred into the depositor's securities account before 12.30 p.m. on 28 June 2002 in respect of ordinary transfers;
- c. shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the rules of the Kuala Lumpur Stock Exchange.

## 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. Tunku Osman Ahmad (*Independent Non-Executive Vice-Chairman*)
3. Mr Pang Tee Nam (*Executive Director*)

- Details of attendance of Directors at Board Meetings:**

	Name	No. of Board Meetings attended in the financial year
1.	Datuk Pang Chin Hin	5 out of 5
2.	Tunku Osman Ahmad	4 out of 5
3.	Pang Tee Chew	5 out of 5
4.	Pang Tee Suan	5 out of 5
5.	Pang Tee Nam	5 out of 5
6.	Mohamed Nizam Bin Abdul Razak	5 out of 5

- The place, date and hour of the Board of Directors' Meeting held during the financial year:**

	Date	Hour	Place
1.	28-2-2001	1 hr 5 min	The Company's Conference Room at its factory at Lot 793, Off Jalan SS 13/1K, 47500 Subang Jaya, Selangor.
2.	17-5-2001	15 min	The Company's Conference Room at its factory at Lot 793, Off Jalan SS 13/1K, 47500 Subang Jaya, Selangor.
3.	21-6-2001	25 min	The Conference Room of The Legends Golf Resort Bhd, Lot 1302, Kebun Sedenak, 81000 Kulai, Johor.
4.	30-8-2001	25 min	The Company's Conference Room at its factory at Lot 793, Off Jalan SS 13/1K, 47500 Subang Jaya, Selangor.
5.	12-11-2001	35 min	The Company's Conference Room at its factory at Lot 793, Off Jalan SS 13/1K, 47500 Subang Jaya, Selangor.

- 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 page 62 to 63)

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

(Please refer to the section on Profile of Directors on page 16 to 17)

## **CHAIRMAN STATEMENT**

2001 was a good year for Mamee. We enjoyed the benefits of efforts made during the recession years of the late 1990s to improve productivity, reduce costs and expand and diversify product range including heavy advertising investment. During the year we continued to build on the foundation for stability, future growth and development.

In line with the better economic climate in Malaysia, Mamee posted improved performances all round. Turnover was a record RM233 million, up 15% on the previous year. Profit after tax was RM9.1 million, an increase of 32% over the RM6.9 million that was recorded in 2000. Total dividend for the year is being proposed at 5.5 %, a level consistent with that of the previous year.

The improvement in the financials of the company was also due to the introduction of new products and stable raw material prices. New products launched in 2001 were Vegetable Potato Crisps, 3D Snack, Bi-Hoon Goreng, Kiwi Flavor Drinking Yogurt and Pineapple Beverage.

In view of the strong demand for the Mister Potato Crisps, we have invested a substantial amount during the year in review to install the second production line at the factory in Subang. With the commencement of the line in the middle of year 2002, we expect to capture greater market share in the local as well as overseas markets.

RM8.5 million was spent on the acquisition of a plant in Bangi last year. The plant is expected to be operational in the middle of this year, therefore heralding a new era for the company in venturing into nutrition bars. The new range of products will further increase the diversity of products and will add to the profile of the group as a leader in introducing lifestyle changes to the consumer market.

An additional RM4.1 million was provided for another production line at our beverage plant in Kuantan. The expected resultant increase in the production capacity will offer exciting opportunities and possibilities in the growing market in beverages.

To cater for the future expansion of the business and services, RM1.5 million was devoted towards information technology. SAP software and related hardware were procured and implemented to assist management in having better control over the Group's operations and having on-line information for improved decision making.

In the area of operations, the overseas ventures in China and Myanmar continue to experience difficulties. Your company is making efforts to improve the contributions from these two subsidiaries. However, the export market is expanding and we continue to penetrate new countries for our snack food in general and for Mister Potato Crisps in particular.

We are optimistic that our investments as outlined to you will reap rewards in the current year and years to come.

Our success would not be possible without the support of our staff, our customers and suppliers. I wish to place on record our appreciation to all those associated with us.

**DATUK PANG CHIN HIN**  
EXECUTIVE CHAIRMAN

26 APRIL 2002

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Executive Chairman  
Datuk Pang Chin Hin

Independent Non-Executive Vice Chairman  
Tunku Osman Ahmad

Managing Director  
Pang Tee Chew

Executive Director  
Pang Tee Nam

Executive Director  
Pang Tee Suan

Independent Non-Executive Director  
Mohamed Nizam Bin Abdul Razak

### **AUDIT COMMITTEE**

Tunku Osman Ahmad (Chairman of the Committee)  
Independent Non-Executive Vice Chairman

Pang Tee Nam  
Executive Director

Mohamed Nizam Bin Abdul Razak  
Independent Non-Executive Director

### **COMPANY SECRETARIES**

Woo Min Fong (ACIS)  
Tan Siew Hua (ACIS)

### **REGISTERED OFFICE**

Suite 1301, 13<sup>th</sup> Floor, City Plaza,  
Jalan Tebrau, 80300 Johor Bahru,  
Johor Darul Takzim  
Tel : 07-3322088 Fax : 07-3328096

### **SHARE REGISTRAR**

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

## **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 principles set out in Part 1 of the Malaysian Code of Corporate Governance, and this statement, together with the Audit Committee Report on page 11 explains how the Company has applied the best practices set out in Part 2 of the Code.

### **1. The Board of Directors**

#### **1.1 Composition**

The Board comprises of 4 Executive Directors and 2 Non-Executive Directors. All of the Non-Executive Directors are independent. The Chairman and Chief Executive Officer's roles are separated, and together with the mix of skills and experience of the other Board members, have resulted in an effective Board. 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 16 to 17.

#### **1.2 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 KLSE 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.

#### **1.3 Board Procedures**

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 4. Notices, agendas and board papers of each meeting are issued in a timely manner prior to Board meetings. There is a list of matters, which are reserved specifically for Board's consideration and these include 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. In furtherance of Board's responsibilities, the Board has access to the services of professionals such as lawyers and external auditors at the Company's expense, and to the advice and services of a company secretary.

#### **1.4 Use 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;
- Options Committee

## Corporate Governance Statement (continued)

### 1.4 Use of Board Committees (continued)

#### a) Audit Committee

The Audit Committee ('AC '),formed on 14 October 1993, is made up of two (2) Independent Directors and one (1) executive director. 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 11 of this annual report.

#### b) Nomination Committee

Members: Tunku Osman Ahmad  
Mohamed Nizam Bin Abdul Razak

The Nomination Committee ('NC '),set up on 17 May 2001, comprised mainly of Independent Non Executive Directors, 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: Tunku Osman Ahmad  
Mohamed Nizam Bin Abdul Razak  
Pang Tee Chew

The Remuneration Committee ('RC '), formed on 17 May 2001,whose membership comprise two 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 normally meets twice a year.

#### d) Options Committee

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. The Chairman of the Committee is Pang Tee Nam and members are Datuk Pang Chin Hin, Pang Tee Chew, Pang Tee Suan, Sim Lim Chan, Goh Wee Lim, Tan Chai Lin and Chew Chin Teck.

### 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



## Corporate Governance Statement (continued)

### 2. Directors ' Remuneration (continued)

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 KLSE 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	1,626,540	
Allowances	88,000	40,000
Fees	126,000	70,000
Benefits-in-kind	70,575	
Successive Band	-	-
RM50,001 - RM100,000	-	2
RM100,001 - RM150,000	-	-
RM150,001 - RM400,000	-	-
RM400,001 - RM450,000	2	-
RM450,001 – RM500,000	-	-
RM500,001 – RM550,000	2	-

### 3. Shareholder relations

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 KLSE website.

Developments in the Company 's website at [www.mamee.com](http://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.

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. Accountability and Audit

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.

## **Corporate Governance Statement (continued)**

### **4. Accountability and Audit (continued)**

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 Company 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. Details of the internal audit activities carried out during the year are outlined on page 14 of the Audit Committee report.

The Board also maintains an appropriate relationship with the Company's external auditors, through formal and transparent arrangement with the Audit Committee. These arrangements are stated on page 14 of the Audit Committee report.

This Corporate Governance Statement is made in accordance with resolution of the Board of Directors dated 26 April 2002.

## **Statement of Directors' Responsibility In Respect of the Financial Statements**

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 profit 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 26 April 2002.

## Audit Committee Report

The Audit Committee of Mamee-Double Decker (M) Berhad is pleased to present its report for the year ended 31 December 2001. The Board has approved this report by a resolution, dated 26 April 2002 for submission to shareholders.

### Composition

The Committee comprises two independent non-executive directors and one executive director, and during the year ended 31 Dec 2001, the Committee held meetings on 28 Feb 2001, 17 May 2001, 30 Aug 2001 and 12 Nov 2001 respectively, a total of four (4) 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
Tunku Osman Ahmad (Independent Non-Executive Vice Chairman)	Chairman	3 out of 4
Mohamed Nizam bin Abdul Razak (Independent Non-Executive Director)	Member	4 out of 4
*Pang Tee Chew (Resigned on 17 May 2001) (Managing Director)	Member	2 out of 4
*Pang Tee Nam (Appointed on 17 May 2001) (Executive Director)	Member	2 out of 4

## 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, the majority of whom shall be Independent Directors.

At least one of the members of the Committee must be a member of the Malaysian Institute of Accountants (MIA) or he must have at least 3 years' working experience and have either passed the examinations specified in Part 1 of the 1 st Schedule of the Accountants Act 1967 or a member of one of the associations of accountants specified in Part 2 of the 1 st Schedule of the said Act.

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

### PURPOSE OF THE COMMITTEE

The purpose of the Committee are as follows:

## **Audit Committee Report (continued)**

### **PURPOSE OF THE COMMITTEE (CONTINUED)**

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.

### **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 Finance Director, the Financial Controller, Chief of Finance Department/Accounts Department/Internal Audit, and a representative of the external auditors shall normally attend meetings. Other Board members may attend meetings upon invitation of the Committee. However, at least once a year the Committee shall meet with the external auditors without any executive board member present. The quorum for meetings shall be 2 members and 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.

### **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.

### **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. have direct communication channels with the external auditors and persons carrying out internal audit function or activity (if any); and

## **Audit Committee Report (continued)**

### **AUTHORITY (CONTINUED)**

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.

### **FUNCTIONS AND DUTIES**

The functions and duties of the Committee are as follows :

1. 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.
2. 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.
3. To review the quarterly announcements to the Kuala Lumpur Stock Exchange and annual 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;
  - 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. To do the following when the internal audit function is established:-
  - review the adequacy of the scope, functions and resources of internal audit department and that it has the necessary authority to carry out its work;
  - review internal audit program;
  - ensure co-ordination of external audit with internal audit;
  - 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;
  - review any appraisal or assessment of the performance of the staff of the internal audit function;
  - approve any appointment or termination of senior staff member of the internal audit function;
  - 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;

## **Audit Committee Report (continued)**

### **FUNCTIONS AND DUTIES (CONTINUED)**

7. To report any breaches of the Listing Requirements, which have not been satisfactorily resolved to the KLSE.
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, prescribe 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.<br>Attendance to concerns raised by the auditor without the presence of the Executive Directors.<br>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<br>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.   |

### **Internal Audit Function**

The Company has an internal audit department whose principal responsibility is to conduct periodic audits on internal control matters to ensure their compliance with systems and standard operating procedures in each of the operations in the Group. The main objective of these audits is to provide a reasonable assurance that they operate satisfactorily and effectively. Investigations are also conducted with regard to various specific areas of concern and high risk areas. 8 audit reports were issued by the internal audit department during the financial year. The major findings and concerns of these reports were discussed at Committee meetings. Arising from these reports, appropriate corrective action was taken and subsequently reported to the Board.

## OTHER COMPLIANCE INFORMATION

### Utilisation of Proceeds

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

### Share Buybacks

There were no share buybacks by the Company 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 unissued pursuant to the Scheme are disclosed on page 20. No warrants or convertible securities were exercised in respect of the Group during the financial year.

### 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

There were no non-audit fees paid to the external auditors for the financial year.

### Profit Estimate, Forecast or Projection

The Company did not release any profit estimate, forecast or projection for the financial year. There is no variance between the results for the financial year and the unaudited results previously released by the Company.

### Profit Guarantee

During the 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.

### Contracts Relating to Loan

There were no contracts relating to a loan by the Company and its subsidiaries in respect of the Preceding item.

### 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 Dec 2001 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.
- Recurrent revenue transactions in respect of sales of instant noodles, snack food and confectionery products by Kilang Makanan Mamee Sdn Bhd, a subsidiary companies of the Company, to Yang-Yang Co. Ltd, a company connected to directors and major shareholders of the Company.

Details of the recurrent related parties transactions are disclosed on page 56.

## Profile of Directors

**Datuk Pang Chin Hin** , aged 72, 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 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 Pang Tee Chew, Pang Tee Nam and Pang Tee Suan, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders 'Mandate has been obtained in the EGM held 21 June 2001. Details pertaining to these transactions are disclosed on Note 31 of the Notes to the Financial Statements. He has no convictions for any offences within the past 10 years.

**Tunku Osman Ahmad**, aged 69, 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 degree in Agricultural Engineering, Tunku served with the Johor Civil Service for 16 years from 1957 to 1973 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 capacity both in the public and private sectors. He currently sits on the Boards of Pelangi Berhad Group, Keck Seng (Malaysia) Berhad Group, Alpha Industries Berhad and CHG Industries Berhad. He is also the Chairman of Malaysian Timber Council and past President of various major real estate associations in Malaysia and the Asean region.

He does not have any family relationship with any director and/or substantial shareholders of the Company, nor any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

**Pang Tee Chew** , aged 49, a Malaysian, is the Managing Director of the Company. 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. He is a member of the British Institute of Management and was previously trained in Japan on food processing in the area of canning and packaging. With over twenty two (22) 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, Pang Tee Nam and Pang Tee Suan, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders 'Mandate has been obtained in the EGM held 21 June 2001. Details pertaining to these transactions are disclosed on Note 31 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years



## Profile of Directors (continued)

**Pang Tee Nam** , aged 48, a Malaysian, is an Executive Director of the Company. He was appointed to the Board on 16 August 1995. He is also a member of the Audit Committee and the Chairman of the Options Committee. He is currently in charge of the Group's supply and logistics. He holds a Diploma in Business Studies from Warnambool Institute of Advanced Education, Australia. He is a member of the Malaysian Institute of Accountants (MIA) and Australian Society of Certified Practising Accountants. He has over seventeen (17) years of experience in the food business having joined the Group in January 1983.

He is a son of Datuk Pang Chin Hin and a brother to, Pang Tee Chew and Pang Tee Suan, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the EGM held 21 June 2001. Details pertaining to these transactions are disclosed on Note 31 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

**Pang Tee Suan** , aged 45, a Malaysian, is an Executive Director of the Company. He was appointed to the Board on 28 August 1991. He is also a member of the Options Committee. He holds a Bachelor of Science (Honours) degree in Computer Science from Teeside Polytechnic, United Kingdom. He is currently in charge of the sales and marketing aspects of the Group. He is also a Director of several private limited companies.

He is a son of Datuk Pang Chin Hin and a brother to, Pang Tee Chew and Pang Tee Nam, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the EGM held 21 June 2001. Details pertaining to these transactions are disclosed on Note 31 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

**Mohamed Nizam Bin Abdul Razak**, aged 43, 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 in Politics, Philosophy and Economics from Oxford University, United Kingdom in 1980. He began his career in 1981 when he joined the Corporate Finance Department in Bumiputra Merchants Bankers Berhad. 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 Sunway Building Technology Bhd, Delloyd Ventures Bhd, PK Resources Bhd, Winitex Holdings Berhad Group and several 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 and sits on the Board of Governors of Nilai College.

He does not have any family relationship with any director and/or substantial shareholders of the Company, nor any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

## DIRECTORS' REPORT

The directors have pleasure in submitting their report to the members together with the financial statements of Mamee-Double Decker (M) Berhad ("the Company") and of the Group for the financial year ended 31 December 2001.

### Principal activities

The principal activity of the Company consists of investment holding. The principal activities of the subsidiaries are set out in note 14 to the financial statements. There have been no significant changes in these activities during the financial year.

### Financial results

	Group RM	Company RM
Profit after taxation	9,121,535	2,578,339
Minority interests	732,228	-
Net profit for the financial year attributable to shareholders	9,853,763	2,578,339

### Dividends

The amounts of dividends paid or declared by the Company since 31 December 2000 were as follows:

	RM
In respect of the financial year ended 31 December 2000 as shown in the directors' report of that year -	
Final dividend of 3.0 sen gross per share, less income tax at 28%, paid on 16 July 2001	1,317,319
In respect of the financial year ended 31 December 2001 -	
Interim dividend of 2.5 sen gross per share, less income tax at 28%, paid on 16 January 2002	1,098,108

The directors now recommend the payment of a final dividend of 3.0 sen gross per share, less income tax at 28%, amounting to RM1,317,730, which subject to the approval of members at the forthcoming Annual General Meeting of the Company, will be paid on 15 July 2002 to shareholders registered on the Company's register at the close of business on 28 June 2002.

### Reserves and provisions

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

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

### **Share capital**

During the financial year, the issued and fully paid-up share capital of the Company was increased from RM60,987,000 to RM61,006,000 by way of exercise of the options to subscribe for 3,000 and 16,000 ordinary shares of RM1 each under The Employees' Share Option Scheme at the exercise price of RM1.33 and RM1.32 respectively per ordinary share.

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;
- (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.

## DIRECTORS' REPORT (CONTINUED)

### Employees' share option scheme (continued)

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
			1.1.2001	Granted	Exercised	Lapsed	31.12.2001
1	31.10.1998	1.33	537,000	-	3,000	132,000	402,000
2	30.11.1999	2.09	1,635,000	-	-	184,000	1,451,000
3	24.09.2001	1.32	-	2,973,000	16,000	-	2,957,000
			2,172,000	2,973,000	19,000	316,000	4,810,000

### 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 share of RM1 each in the Company at an exercise price of RM1.33 per warrant.

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 2001, the number of warrants remaining unexercised was 23,999,000.

### 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

## 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, Y.A.M. Tunku Osman Ahmad and Pang Tee Nam retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves 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 6 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 31 to the financial statements.

### Directors' interests

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 were as follows:

	<b>Number of ordinary shares of RM1 each</b>			
	<b>At 1.1.2001</b>	<b>Bought</b>	<b>Sold</b>	<b>At 31.12.2001</b>
Datuk Pang Chin Hin	6,404,725	-	-	6,404,725
	4,424,544	98,000	-	4,522,544*
Y.A.M Tunku Osman Ahmad	190,000	-	-	190,000
Pang Tee Chew	13,753,403	138,000	-	13,891,403
	232,998	5,000	-	237,998*
Pang Tee Nam	5,887,181	-	-	5,887,181
	230,664	-	-	230,664*
Pang Tee Suan	5,681,018	-	-	5,681,018
	277,331	20,000	-	297,331*
Mohamed Nizam bin Tun Abdul Razak	1,133,333	-	-	1,133,333

\* Represent the director's indirect interests.

## DIRECTORS' REPORT (CONTINUED)

### Directors' interests (continued)

	<b>Number of warrants</b>			
	<b>At 1.1.2001</b>	<b>Bought</b>	<b>Sold</b>	<b>At 31.12.2001</b>
Datuk Pang Chin Hin	2,148,999	-	-	2,148,999
	6,116,207	-	-	6,116,207*
Pang Tee Chew	5,455,342	116,000	-	5,571,342
	4,480,655	-	-	4,480,655*
Pang Tee Nam	2,346,000	-	-	2,346,000
	4,483,655	-	-	4,483,655*
Pang Tee Suan	2,268,407	-	-	2,268,407
	4,476,655	-	-	4,476,655*

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.

	<b>Number of options over ordinary shares of RM1 each</b>			
	<b>At 1.1.2001</b>	<b>Granted</b>	<b>Exercised</b>	<b>At 31.12.2001</b>
Datuk Pang Chin Hin	45,000	63,000	-	108,000
Pang Tee Chew	45,000	63,000	-	108,000
	6,000	12,000	-	18,000*
Pang Tee Nam	38,000	55,000	-	93,000
Pang Tee Suan	71,000	59,000	-	130,000
	-	5,000	-	5,000*

The share option 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, RM2.09 and/or RM1.32 per share.

### Statutory information on the financial statements

Before the income statements 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 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 of the Company have been written down to an amount which they might be expected so to realise.

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

### **Statutory information on the financial statements (continued)**

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 of the 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 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 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 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.

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

### **Auditors**

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

**In accordance with a resolution of the Board of Directors dated 26 April 2002**

DATUK PANG CHIN HIN  
DIRECTOR

PANG TEE CHEW  
DIRECTOR

Melaka



## **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 financial statements set out on pages 28 to 57 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 2001 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

In accordance with a resolution of the Board of Directors dated 26 April 2002

DATUK PANG CHIN HIN  
DIRECTOR

PANG TEE CHEW  
DIRECTOR

Melaka

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

I, Sim Lim Chan, the officer 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 28 to 57 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.

SIM LIM CHAN

Subscribed and solemnly declared by the abovenamed Sim Lim Chan at Melaka in Malaysia on 26 April 2002, 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 financial statements set out on pages 28 to 57. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
  - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
  - (ii) the state of affairs of the Group and of the Company as at 31 December 2001 and of the results and cash flows of the Group and of the Company for the financial year ended on that date;

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 14 to the financial statements. We have considered the financial statements of these subsidiaries and the auditors' reports thereon.

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
MAMEE-DOUBLE DECKER (M) BERHAD (CONTINUED)**

(Company No. 222363 - T)

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 consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The audit reports on the financial statements 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)  
Chartered Accountants

MOHD. DARUIS BIN ZAINUDDIN  
(No. 969/3/03(J/PH))  
Partner of the firm

Melaka  
26 April 2002

## CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2001

	Note	<u>2001</u> RM	<u>2000</u> RM
Revenue	4	233,266,385	203,511,815
Cost of sales		(156,839,857)	(139,735,291)
Gross profit		76,426,528	63,776,524
Other operating income		902,338	1,757,814
Selling and distribution costs		(46,242,930)	(38,656,089)
Administrative expenses		(14,267,453)	(14,783,354)
Other operating expenses		(943,392)	-
Profit from operations	5	15,875,091	12,094,895
Finance costs	7	(2,997,143)	(3,064,494)
Profit from ordinary activities before taxation		12,877,948	9,030,401
Taxation	8	(3,756,413)	(2,129,000)
Profit from ordinary activities after taxation		9,121,535	6,901,401
Minority interests		732,228	1,613,163
Net profit for the financial year attributable to shareholders		9,853,763	8,514,564
Earnings per share (sen)			
Basic	9(a)	16.16	14.01
Fully diluted	9(b)	-	13.07
Dividends per share (sen)	10	5.5	5.5

The notes on pages 35 to 57 form part of these financial statements.

**INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2001**

	<b>Note</b>	<b><u>2001</u> RM</b>	<b><u>2000</u> RM</b>
Revenue	4	6,855,887	6,169,815
Other operating income		261,461	-
Administrative expenses		(1,166,009)	(1,149,964)
Profit from operations	5	5,951,339	5,019,851
Finance costs	7	(2,100,000)	(2,100,000)
Profit from ordinary activities before taxation		3,851,339	2,919,851
Taxation	8	(1,273,000)	-
Profit after taxation and net profit for the financial year		2,578,339	2,919,851

The notes on pages 35 to 57 form part of these financial statements.

## CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2001

	Note	<u>2001</u> RM	<u>2000</u> RM
<b>Non current assets</b>			
Property, plant and equipment	11	107,260,790	103,233,821
Investments	12	2,611,138	2,590,208
Intangible assets	13	431,713	495,344
		110,303,641	106,319,373
<b>Current assets</b>			
Inventories	15	20,947,273	18,876,949
Receivables	16	52,110,622	46,130,540
Fixed deposits with licensed banks		5,343,000	5,343,000
Cash and bank balances		15,954,317	9,229,360
		94,355,212	79,579,849
<b>Less: Current liabilities</b>			
Payables	17	38,387,019	34,243,597
Borrowings – interest bearing	18	20,267,143	18,647,677
Taxation		4,615,473	2,713,988
Proposed directors' fees		200,000	276,500
Dividend payable		1,098,108	1,097,568
Proposed dividend		1,317,730	1,317,319
		65,885,473	58,296,649
<b>Net current assets</b>		28,469,739	21,283,200
<b>Less: Non current liabilities</b>			
Deferred tax liabilities	19	1,035,000	1,495,000
Borrowings – interest bearing	18	34,900,000	30,000,000
		35,935,000	31,495,000
		102,838,380	96,107,573
<b>Capital and reserves</b>			
Share capital	20	61,006,000	60,987,000
Share premium		659,380	653,270
Reserve fund	21	526,458	526,458
Retained profits		39,364,399	31,926,474
<b>Shareholders' equity</b>		101,556,237	94,093,202
<b>Minority interests</b>		1,282,143	2,014,371
		102,838,380	96,107,573

The notes on pages 35 to 57 form part of these financial statements.

## BALANCE SHEET AS AT 31 DECEMBER 2001

	Note	<u>2001</u> RM	<u>2000</u> RM
<b>Non current assets</b>			
Property, plant and equipment	11	132,189	41,287
Investments	12	732,775	732,775
Investments in subsidiaries	14	23,815,332	23,815,332
		24,680,296	24,589,394
<b>Current assets</b>			
Receivables	16	1,884,117	1,982,394
Amounts receivable from subsidiaries		79,098,442	73,185,875
Fixed deposits with a licensed bank		2,343,000	2,343,000
Cash and bank balances		2,990,409	1,666,021
		86,315,968	79,177,290
<b>Less: Current liabilities</b>			
Payables	17	334,480	431,450
Amounts payable to subsidiaries	24	16,060,408	8,716,960
Taxation		138,018	266,978
Proposed directors' fees		180,000	256,500
Dividend payable		1,098,108	1,097,568
Proposed dividend		1,317,730	1,317,319
		19,128,744	12,086,775
<b>Net current assets</b>		67,187,224	67,090,515
<b>Less: Non current liabilities</b>			
Borrowings – interest bearing	18	30,000,000	30,000,000
		61,867,520	61,679,909
<b>Capital and reserves</b>			
Share capital	20	61,006,000	60,987,000
Share premium		659,380	653,270
Retained profits	22	202,140	39,639
<b>Shareholders' equity</b>		61,867,520	61,679,909

The notes on pages 35 to 57 form part of these financial statements.

## STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2001

Note	Issued and fully paid Ordinary shares of RM 1 each		Non-distributable Share premium	Reserve fund	Distributable Retained profits	Total
	Number of shares	Nominal value				
		RM	RM	RM	RM	RM
<b>Group-2001</b>						
Balance as at 1 Jan	60,987,000	60,987,000	653,270	526,458	31,926,474	94,093,202
Net profit	-	-	-	-	9,853,763	9,853,763
Dividends	10	-	-	-	(2,415,838)	(2,415,838)
Shares issued during the year						
-Pursuant to the Employees' Share Option Scheme	19,000	19,000	6,110	-	-	25,110
	<b>61,006,000</b>	<b>61,006,000</b>	<b>659,380</b>	<b>526,458</b>	<b>39,364,399</b>	<b>101,556,237</b>

### Group-2000

Balance as at 1 Jan						
-as previously stated	25	60,256,333	60,256,333	84,590	526,458	24,936,224
-prior years' adjustments		-	-	-	-	890,573
-as restated		60,256,333	60,256,333	84,590	526,458	25,826,797
Net profit		-	-	-	-	8,514,564
Dividends	10	-	-	-	-	(2,414,887)
Shares issued during the year						
-Pursuant to the Employees' Share Option Scheme		730,000	730,000	568,460	-	-
- Exercised of warrants		667	667	220	-	-
		<b>60,987,000</b>	<b>60,987,000</b>	<b>653,270</b>	<b>526,458</b>	<b>31,926,474</b>
		<b>61,006,000</b>	<b>61,006,000</b>	<b>659,380</b>	<b>526,458</b>	<b>31,926,474</b>

### Company-2001

Balance as at 1 Jan						
Net profit		60,987,000	60,987,000	653,270	-	39,639
Dividends	10	-	-	-	-	2,578,339
Shares issued during the year		-	-	-	-	(2,415,838)
-Pursuant to the Employees' Share Option Scheme		19,000	19,000	6,110	-	-
		<b>61,006,000</b>	<b>61,006,000</b>	<b>659,380</b>	<b>-</b>	<b>202,140</b>
		<b>61,006,000</b>	<b>61,006,000</b>	<b>659,380</b>	<b>-</b>	<b>202,140</b>

### Company-2000

Balance as at 1 Jan						
-as previously stated	25	60,256,333	60,256,333	84,590	-	144,404
-prior years' adjustments		-	-	-	-	(609,729)
-as restated		60,256,333	60,256,333	84,590	-	(465,325)
Net profit		-	-	-	-	2,919,851
Dividends	10	-	-	-	-	(2,414,887)
Shares issued during the year						
-Pursuant to the Employees' Share Option Scheme		730,000	730,000	568,460	-	-
- Exercised of warrants		667	667	220	-	-
		<b>60,987,000</b>	<b>60,987,000</b>	<b>653,270</b>	<b>-</b>	<b>39,639</b>
		<b>60,987,000</b>	<b>60,987,000</b>	<b>653,270</b>	<b>-</b>	<b>39,639</b>

The notes on pages 35 to 57 form part of these financial statements.



## CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2001

	Note	<u>2001</u> RM	<u>2000</u> RM
<b>Cash flows from operating activities</b>			
Net profit for the financial year attributable to shareholders		9,853,763	8,514,564
Adjustments for:			
Amortisation of goodwill		63,631	63,631
Depreciation of property, plant and equipment		11,425,564	11,230,372
Interest expense		2,671,503	2,789,499
Interest income		(242,763)	(195,494)
Dividend income		(35,709)	(19,883)
Profit on disposal of investment		-	(32,371)
Profit on disposal of property, plant and equipment		(195,466)	(121,814)
Property, plant and equipment written off		2,811	-
Investment written off		1,428	-
Taxation charge		3,756,413	2,129,000
Minority interest		(732,228)	(1,613,163)
		26,568,947	22,744,341
Increase in inventories		(2,070,324)	(1,498,195)
Increase in receivables		(5,734,501)	(8,326,816)
Increase in payables		2,617,127	6,726,831
Cash generated from operations		21,381,249	19,646,161
Tax paid		(2,560,509)	(1,229,991)
Net cash generated from operating activities		18,820,740	18,416,170
<b>Net cash outflow from investing activities</b>	27	(13,553,778)	(8,216,150)
<b>Net cash inflow/(outflow) from financing activities</b>	28	1,582,252	(6,082,349)
<b>Net increase in cash and cash equivalents</b>		6,849,214	4,117,671
<b>Cash and cash equivalents at beginning of the financial year</b>		12,372,140	8,254,469
<b>Cash and cash equivalents at end of the financial year</b>	29	19,221,354	12,372,140

The notes on pages 35 to 57 form part of these financial statements.

**COMPANY CASH FLOW STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2001**

	<b>Note</b>	<b><u>2001</u> RM</b>	<b><u>2000</u> RM</b>
<b>Cash flows from operating activities</b>			
Net (loss)/profit for the financial year		2,578,339	2,919,851
Adjustments for:			
Depreciation of property, plant and equipment		49,827	21,680
Interest expense		2,100,000	2,100,000
Dividend income		(5,007,003)	(4,406,505)
Interest income		(1,848,884)	(1,763,310)
Unrealised gain on foreign exchange		(261,461)	-
Taxation charge		1,273,000	-
		(1,116,182)	(1,128,284)
Decrease/(increase) in receivables		98,277	(1,883,629)
Decrease in payables		(173,259)	(171,684)
Balances with subsidiaries		7,054,217	8,680,111
Net cash generated from operating activities		5,863,053	5,496,514
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(140,729)	-
Purchase of investments		-	(732,775)
Dividend received		3,601	5,000
Interest received		88,451	76,968
Net cash used in investing activities		(48,677)	(650,807)
<b>Cash flows from financing activities</b>			
Proceeds from issuance of shares		25,110	1,299,347
Contribution to sinking fund		(25,110)	(1,299,347)
Dividends paid		(2,415,098)	(2,603,074)
Interest paid		(2,100,000)	(2,100,000)
Net cash used in financing activities		(4,515,098)	(4,703,074)
<b>Net increase in cash and cash equivalents</b>		<b>1,299,278</b>	<b>142,633</b>
<b>Cash and cash equivalents at beginning of the financial year</b>		<b>2,384,711</b>	<b>2,242,078</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>29</b>	<b>3,683,989</b>	<b>2,384,711</b>

The notes on pages 35 to 57 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General information

The principal activity of the company consists of investment holding. The principal activities of the subsidiary companies are set out in note 14 to the financial statements.

The average number of employees during the year amounted to 1,883 (2000: 1,801) for the Group and 2 (2000: 5) for the Company.

The company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of the Kuala Lumpur Stock Exchange.

The address of the registered office of the company is Suite 1301, 13<sup>th</sup> 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. Basis of preparation

The financial statements of the company have been prepared under the historical cost convention (as modified by the revaluation of land and buildings), unless otherwise indicated in the individual policy statements in Note 3 to the financial statements.

The financial statements comply with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The preparation of financial statements in conformity with the applicable approved accounting standards and the provisions of the Companies Act require the directors to make 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. Actual results could differ from those estimates.

### 3. Summary of significant accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

#### (a) Group accounting

##### Subsidiaries

Subsidiaries are those enterprises in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. Summary of significant accounting policies (continued)

#### (a) Group accounting (continued)

Subsidiaries are consolidated using the acquisition method of accounting except for certain subsidiaries which meet the criteria for merger accounting under Malaysian Accounting Standard No. 2 “Accounting for Acquisition and Mergers” are accounted for under the merger method.

Under the acquisition method of accounting, the results of subsidiaries acquired or disposed of during the year are included from the date of acquisition up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries’ net assets are determined and these values are reflected in the consolidated financial statements. The difference between the acquisition cost and the fair values of the subsidiaries’ net assets is reflected as goodwill on consolidation.

Under the merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current and previous financial years. On consolidation, the difference between the carrying value of the investment in these subsidiaries over the nominal value of the shares acquired is taken to merger reserve.

Intragroup transactions, balances and unrealised gains on transactions are eliminated, unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Minority interest is measured at the minorities’ share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree. Separate disclosure is made of minority interest.

#### (b) Property, plant and equipment

Freehold land and capital work-in-progress are stated at cost. 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 property, plant and equipment are stated at cost less accumulated depreciation.

Freehold land is not depreciated as it has an infinite life. 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 property, plant and equipment are depreciated on the straight line basis to write off the cost or valuation of each asset over its estimated useful life.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. Summary of significant accounting policies (continued)

#### (b) Property, plant and equipment (continued)

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit/loss from operations. On disposal of revalued assets, amounts in revaluation reserve relating to those assets are transferred to retained profits.

#### (c) Investments

Investments in subsidiaries and 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 period 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.

#### (d) Inventories

Inventories 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 adequate allowance has been made for items considered obsolete or slow moving. Net realisable value is the estimated selling price in the ordinary course of business, less costs of completion and selling expenses.

#### (e) Deferred taxation

Deferred taxation is recorded 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. Summary of significant accounting policies (continued)

#### (f) Foreign currencies

##### (i) Foreign operations

Financial statements of foreign operations that are integral to the operations of the company are translated using the procedures in the following paragraph as if the transactions of the foreign operations had been those of the Company.

##### (ii) Foreign currency transactions

Foreign currency transactions in Group companies are accounted for at exchange rates ruling at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates ruling at the balance sheet date. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the income statement.

##### (iii) Closing rates

The principal closing rates used in translation of foreign currency amounts at balance sheet date were as follows:

Foreign currency	<u>31.12.2001</u> RM	<u>31.12.2000</u> RM
1 US Dollar	3.800	3.800
1 Singapore Dollar	2.080	2.170
1 Australian Dollar	1.980	2.000
1 Renminbi	0.4604	0.4604

#### (g) 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 on acquisitions of subsidiaries are included in the balance sheet as intangible assets. Capitalised goodwill is amortised using the straight line method over its estimated useful life or 18 years, whichever is shorter.

#### (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 property, plant and equipment under plantation development expenditure.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. Summary of significant accounting policies (continued)

#### (i) Trade receivables

Trade receivables are stated at invoiced amount less estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

#### (j) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, bank overdrafts and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### (k) Revenue recognition

Sales is recognised upon delivery of goods and acknowledgement of acceptance by customers, if any, net of sales taxes and discounts, and after eliminating sales within the Group.

Interest and rental income are recognised on the accrual basis.

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

### 4. Revenue

	<b>Group</b>		<b>Company</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Sale of goods	232,704,633	203,004,319	-	-
Sale of oil palm fresh fruit bunches	561,752	507,496	-	-
Investment income:				
- Dividends	-	-	5,007,003	4,406,505
- Interest	-	-	1,848,884	1,763,310
	233,266,385	203,511,815	6,855,887	6,169,815

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5. Profit from operations

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

	<b>Group</b>		<b>Company</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Amortisation of goodwill	63,631	63,631	-	-
Auditors' remuneration				
- current year	41,540	48,260	8,000	8,000
- prior year's overprovision	(4,000)	(3,990)	-	-
Depreciation of property, plant and equipment	11,425,564	11,230,372	49,827	21,680
Rental of buildings	904,987	417,565	-	10,010
Loss/(gain) on foreign exchange				
- realised	132,755	234,602	-	73,062
- unrealised	-	-	(261,461)	-
Staff cost (including remuneration of executive directors)	26,696,505	24,233,763	381,204	530,205
Gross dividends from unquoted subsidiary companies	-	-	(5,002,003)	(4,401,505)
Income from investments (gross):				
Quoted in Malaysia	(34,911)	(18,981)	(5,000)	(5,000)
Quoted outside Malaysia	(548)	(752)	-	-
Unquoted	(250)	(150)	-	-
Interest income	(242,763)	(195,494)	(1,848,884)	(1,763,310)
Profit on disposal of property, plant and equipment	(195,466)	(121,814)	-	-



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 6. Directors' remuneration

The aggregate amount of emoluments receivable by directors of the company during the financial year were as follows:

	<b>Group</b>		<b>Company</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Non-executive directors:				
- fees	70,000	70,000	70,000	70,000
- allowances	40,000	-	40,000	-
Executive directors:				
- fees	126,000	126,000	110,000	110,000
- basic salaries, bonus and other emoluments	1,714,540	1,855,710	88,000	88,000
- estimated money value of benefits-in-kind	70,575	33,825	-	-
	2,021,115	2,085,535	308,000	268,000

The options over ordinary shares of the Company granted to executive directors of the Company during the financial year were as follows:

	<b><u>Number of options over ordinary shares of RM1 each</u></b>			
	<b><u>At</u></b>			<b><u>At</u></b>
	<b>1.1.2001</b>	<b><u>Granted</u></b>	<b><u>Exercised</u></b>	<b>31.12.2001</b>
Datuk Pang Chin Hin	45,000	63,000	-	108,000
Pang Tee Chew	45,000	63,000	-	108,000
Pang Tee Nam	38,000	55,000	-	93,000
Pang Tee Suan	71,000	59,000	-	130,000

The share options were given to these directors on the same terms and conditions as those offered to other employees of the Group (Note 20).

### 7. Finance costs

	<b>Group</b>		<b>Company</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Interest on bonds	2,100,000	2,100,000	2,100,000	2,100,000
Interest on trade financing	372,433	454,664	-	-
Interest on finance lease and hire purchase	-	14,344	-	-
Interest on overdraft	6,491	94,484	-	-
Interest on term loan	192,579	126,007	-	-
Other bank charges	325,640	274,995	-	-
	2,997,143	3,064,494	2,100,000	2,100,000

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 8. Taxation

	Group		Company	
	<u>2001</u> RM	<u>2000</u> RM	<u>2001</u> RM	<u>2000</u> RM
The taxation (charge)/credit comprise:				
In respect of the financial year -				
Income taxation in Malaysia	(3,696,000)	(3,004,000)	(1,273,000)	-
Deferred taxation (Note 19)	460,000	875,000	-	-
	(3,236,200)	(2,129,000)	(1,273,000)	-
In respect of prior year -				
Income taxation in Malaysia	(520,213)	-	-	-
	(3,756,413)	(2,129,000)	(1,273,000)	-

The lower effective tax rate of the Group was due to the availability of tax incentives of certain of its subsidiaries.

The higher effective tax rate of the Company was due to certain expenses which are not deductible for tax purposes.

### 9. Earnings per share

#### (a) Basic earnings per share

Basic earnings per share of the Group was calculated by dividing the weighted average number of ordinary shares in issue.

	<u>2001</u>	<u>2000</u>
Net profit attributable to shareholders	9,853,763	8,514,564
Weighted average number of ordinary shares in issue	60,990,917	60,761,250
Basic earnings per share (sen)	16.16	14.01

#### (b) Diluted earnings per share

Diluted earnings per share was not computed as the conversation price of the share options granted to employees and warrants was higher than the fair value of the shares during the financial year.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. Dividends

Dividends declared or proposed are as follows:

	<b>Group and Company</b>			
	<b>2001</b>		<b>2000</b>	
	<b>Gross per share</b>	<b>Amount of dividend net of tax</b>	<b>Gross per share</b>	<b>Amount of dividend net of tax</b>
	<b>Sen</b>	<b>RM</b>	<b>Sen</b>	<b>RM</b>
Interim dividend	2.5	1,098,108	2.5	1,097,568
Proposed final dividend	3.0	1,317,730	3.0	1,317,319
	5.5	2,415,838	5.5	2,414,887

### 11. Property, plant and equipment

	Freehold land	Buildings on freehold land	Long leasehold land	Short leasehold land	Buildings on long leasehold land	Capital work-in-progress	Plantation development expenditure	Plant and machinery	Furniture, fittings, equipment and motor vehicles	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Group-2001</b>										
At cost or valuation										
Balance as at 1 Jan										
At cost	2,751,488	13,536,768	9,196,687	4,384,344	24,837,297	-	1,561,807	85,403,519	25,562,872	167,234,782
At valuation	2,318,000	277,000	3,279,820	-	6,502,170	-	3,283,010	-	-	15,660,000
	5,069,488	13,813,768	12,476,507	4,384,344	31,339,467	-	4,844,817	85,403,519	25,562,872	182,894,782
Additions	-	224,971	37,060	-	79,055	9,176,307	200,074	1,881,654	3,950,255	15,549,376
Disposals and write off	-	-	-	-	-	-	-	(172,252)	(253,643)	(425,895)
Reclassification	(249,508)	-	249,508	-	(750,187)	-	-	90,599	737,320	77,732
Balance as at 31 Dec										
At cost	2,501,890	13,761,739	9,483,255	4,384,344	24,166,165	9,176,307	1,761,881	87,203,520	29,996,804	182,435,995
At valuation	2,318,000	277,000	3,279,820	-	6,502,170	-	3,283,010	-	-	15,660,000
	4,819,980	14,038,739	12,763,075	4,384,344	30,668,335	9,176,307	5,044,891	87,203,520	29,996,804	198,095,995
Accumulated depreciation										
Balance as at 1 Jan	-	2,081,950	981,148	623,155	7,468,477	-	624,859	50,259,677	17,621,695	79,660,961
Depreciation charge	-	557,500	159,870	86,066	1,270,602	-	93,584	6,559,772	2,698,170	11,425,564
Disposals and written off	-	-	-	-	-	-	-	(103,376)	(225,684)	(329,060)
Reclassification	-	-	-	-	(30,029)	-	-	(488,452)	596,221	77,740
Balance as at 31 Dec	-	2,639,450	1,141,018	709,221	8,709,050	-	718,443	56,227,621	20,690,402	90,835,205
Net book value as at 31 Dec	4,819,980	11,399,289	11,622,057	3,675,123	21,959,285	9,176,307	4,326,448	30,975,899	9,306,402	107,260,790
<b>Group-2000</b>										
Net book value as at 31 Dec	5,069,488	11,731,818	11,495,359	3,761,189	23,870,990	-	4,219,958	35,143,842	7,941,177	103,233,821

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 11. Property, plant and equipment (continued)

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

**Company**

**2001**

**At cost**

Balance as at 1 January	219,863
Additions	140,729
Balance as at 31 December	360,592

**Accumulated depreciation**

Balance as at 1 January	178,576
Depreciation charge	49,827
Balance as at 31 December	228,403

<b>Net book value as at 31 December</b>	<b>132,189</b>
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**2000**

<b>Net book value as at 31 December</b>	<b>41,287</b>
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Certain land and buildings 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:

	<b><u>2001</u></b> <b>RM</b>	<b>Group</b> <b><u>2000</u></b> <b>RM</b>
Freehold land	2,111,314	2,111,314
Buildings on freehold land	154,000	165,000
Long leasehold land	904,564	916,996
Buildings on long leasehold land	1,798,670	1,959,973
Plantation development expenditure	2,197,229	2,228,729
	<b>7,165,777</b>	<b>7,382,012</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 11. Property, plant and equipment (continued)

Certain land and buildings, plant and machinery, furniture, fittings, equipment and motor vehicles of the Group with net book value of RM4,083,743 (2000: RM4,743,937) have been charged as security for borrowings. (Note 18)

### 12. Investments

	<b>Group</b>		<b>Company</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>At cost</b>				
Shares in corporations:				
Quoted in Malaysia	2,600,029	2,579,099	732,775	732,775
Quoted outside Malaysia	9,109	9,109	-	-
Unquoted	2,000	2,000	-	-
	2,611,138	2,590,208	732,775	732,775
<b>Market value of quoted investments</b>	2,020,868	2,045,621	515,000	565,000

### 13. Intangible assets

	<b>Group</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>
<b>Goodwill arising on consolidation</b>		
<b>At cost</b>		
Balance as at 1 January	1,069,741	1,069,741
Balance as at 31 December	1,069,741	1,069,741
<b>Accumulated amortisation</b>		
Balance as at 1 January	574,397	510,766
Amortisation charge	63,631	63,631
Balance as at 31 December	638,028	574,397
<b>Net book value as at 31 December</b>	431,713	495,344

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. Investments in subsidiaries

	<b>Company</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>
Shares in unquoted corporations, at cost	23,815,332	23,815,332

The details of the subsidiaries are as follows:

<b><u>Name of company</u></b>	<b>Group's effective equity interest</b>		<b><u>Principal activities</u></b>	<b><u>Country of incorporation and principal place of business</u></b>
	<b><u>2001</u></b>	<b><u>2000</u></b>		
	<b>%</b>	<b>%</b>		
Pacific Food Products Sendirian Berhad	100	100	Manufacturing and marketing of food products	Malaysia
<b>Held through 98% and 99.7% respectively ownership by Pacific Food Products Sendirian Berhad</b>				
- Pacific Plantations Sdn Bhd	98	98	Oil palm cultivation and production	Malaysia
-MDD Beverage Sdn Bhd	99.7	99.7	Manufacturing, marketing and contract packing of soft drinks	Malaysia
<b>Held through 100% ownership by MDD Beverage Sdn Bhd</b>				
- 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
<b>Held through 60% ownership by Kilang Makanan Mamee Sdn Bhd</b>				
- Mamee-Double Decker Foods (Suzhou) Co. Ltd *	60	60	Manufacturing and marketing of food products	People's Republic of China
MDD Food Specialities Sdn Bhd (Formerly known as Milk Specialities Sdn Bhd)	100	100	Providing motor vehicle rental services	Malaysia

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. 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>2001</u> %	<u>2000</u> %		
MDD 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
Myanmar Mamee-Double Decker Ltd *	60	60	Manufacturing and marketing of food products	The Union of Myanmar
Mamee-Double Decker Ltd *	100	100	Dormant	The Union of Myanmar
MDD Bulk Foods Sdn Bhd	70	70	Marketing of food products	Malaysia
MDD Properties Sdn Bhd	100	100	Dormant	Malaysia

\* Audited by an affiliate firm of PricewaterhouseCoopers, Malaysia.

### 15. Inventories

	<u>2001</u> RM	<u>Group</u> <u>2000</u> RM
<b>At cost</b>		
Finished goods	6,447,397	5,612,887
Work-in-progress	1,356,678	1,368,301
Raw materials	12,029,717	10,866,959
Consumable stores	1,231,008	1,028,802
	21,064,800	18,876,949
General allowance for obsolete inventories	(117,527)	-
	20,947,273	18,876,949

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. Receivables

	Group		Company	
	<u>2001</u> RM	<u>2000</u> RM	<u>2001</u> RM	<u>2000</u> RM
Trade receivables	44,019,014	45,633,428	-	-
Allowance for doubtful debts	(4,039,705)	(4,484,624)	-	-
	39,979,309	41,148,804	-	-
Other receivables	1,582,655	1,179,888	-	-
Deposits and prepayments	3,079,678	3,266,916	1,884,117	1,982,394
Tax refund receivable	566,083	320,502	-	-
Prepayment for purchase of property, plant and equipment	6,902,897	214,430	-	-
	52,110,622	46,130,540	1,884,117	1,982,394

### 17. Payables

Trade payables	24,460,108	24,189,205	-	-
Other payables	2,273,049	1,926,468	188,092	431,450
Trade accruals	10,203,876	8,127,924	146,388	-
Amount payable for purchase of property, plant and equipment	1,449,986	-	-	-
	38,387,019	34,243,597	334,480	431,450

### 18. Borrowings - interest bearing

#### Current

#### Unsecured

Bank overdrafts	426,543	575,910	-	-
Trade finance	15,481,000	16,229,367	-	-
Term loan	1,100,000	-	-	-
	17,007,543	16,805,277	-	-

#### Secured

Revolving credit	460,600	1,842,400	-	-
Trade finance	2,799,000	-	-	-
	3,259,600	1,842,400	-	-

<b>Total current portion</b>	<b>20,267,143</b>	<b>18,647,677</b>		
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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. Borrowings - interest bearing (continued)

	Group		Company	
	<u>2001</u> RM	<u>2000</u> RM	<u>2001</u> RM	<u>2000</u> RM
<b>Non Current</b>				
<u>Unsecured</u>				
Term loan	4,900,000	-	-	-
Redeemable unsecured bonds	30,000,000	30,000,000	30,000,000	30,000,000
<b>Total non current portion</b>	34,900,000	30,000,000	30,000,000	30,000,000
	55,167,143	48,647,677	30,000,000	30,000,000
<b>Total</b>				
Bank overdrafts	426,543	575,910	-	-
Trade finance	18,280,000	16,229,367	-	-
Term loan	6,460,600	1,842,400	-	-
Redeemable unsecured Bonds (Note 23)	30,000,000	30,000,000	30,000,000	30,000,000
	55,167,143	48,647,677	30,000,000	30,000,000

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 (Note 11). Interest on borrowings is chargeable at the rate of 1% (2000: 1%) per annum above the banks' base lending rates.

The revolving credit is secured by certain assets of a subsidiary company (Note 11) and bears interest at 5.16% (2000: 5.16%) per annum.

The unsecured term loan is repayable by 54 monthly instalments commencing April 2002. Interest is chargeable at rates ranging from 6.9% to 7.8% per annum.

### 19. Deferred tax liabilities

	<u>2001</u> RM	Group <u>2000</u> RM
Balance as at 1 January	1,495,000	2,370,000
Credited to income statement (Note 8)	(460,000)	(875,000)
Balance as at 31 December	1,035,000	1,495,000
Deferred taxation not provided for in the financial statements:		
Arising from revaluation of certain land and buildings held for long term purposes	783,000	783,000

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. Share capital

	Group and Company	
	<u>2001</u>	<u>2000</u>
	RM	RM
<b><u>Ordinary shares of RM1 each</u></b>		
<b>Authorised:</b>		
Balance as at 1 January/31 December	500,000,000	500,000,000
<b>Issued and fully paid:</b>		
Balance as at 1 January	60,987,000	60,256,333
Issued during the year		
- Pursuant to the Employees' Share Option Scheme	19,000	730,000
- Exercise of warrants	-	667
Balance as at 31 December	61,006,000	60,987,000

The company implemented the Employees' Share Option Scheme ("the Scheme") as approved by the shareholder, 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;

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. 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.

A total of 19,000 options were exercised during the period where 3,000 options were exercised at an issue price of RM1.33 while 16,000 options were exercised at an issue price of RM1.32.

The movements during the year in the number of options over the shares of the Company were as follows:

	<b>Group</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>
At 1 January	2,172,000	2,902,000
Granted	-	-
Exercised	(19,000)	(730,000)
At 31 December	2,153,000	2,172,000

As at 31 December 2001, the Company had 402,000, 1,451,000 and 2,957,000 unissued ordinary shares under option at an exercise price of RM1.33, RM2.09 and RM1.32 respectively.

### 21. Reserve fund

	<b>Group</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>
At 1 January/31 December	526,458	526,458

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 22. Retained profits

As at 31 December 2001, the Company 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.

### 23. Redeemable unsecured bonds

	<b>Group and Company</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>
	<b>RM</b>	<b>RM</b>
7% Redeemable Unsecured Bonds 1998/2003		
Balance as at 31 December	30,000,000	30,000,000
The maturity periods are:		
Not later than two years	30,000,000	-
Later than two years but not later than five years	-	30,000,000
	30,000,000	30,000,000

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 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.

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 2001, the number of warrants remaining unexercised was 23,999,000.

### 24. Amounts payable to subsidiaries

The amounts payable to subsidiaries are unsecured, interest free with no fixed terms of repayment.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 25. Prior years' adjustments

Effect of prior year adjustments on 1 January 2000 retained profits in the last financial year:

**RM**

Effect of change of accounting policy in 2000 to expense off preliminary and pre-operating expenses and the other deferred expenditure in the year in which they are incurred following the adoption of MASB 1, Presentation of Financial Statements. Previously, the preliminary and pre-operating expenses were capitalised and amortised over a period of five years while the other deferred expenditure were amortised over a period of two years.

5,161,124

Effect of change of accounting policy in 2000 with respect to the translation of foreign operations in compliance with the MASB 6 "The Effect of Changes in Foreign Exchange Rates". In the previous years, the Group had treated the foreign entities' operations as not being an integral part of the operations of the Group and exchange differences arising from the retranslation of the net investment in foreign entities were taken to 'foreign currency translation reserve' in shareholders' equity.

(4,270,551)

890,573

### 26. Segment information

	<b><u>2001</u></b> <b>RM</b>	<b>Group</b> <b><u>2000</u></b> <b>RM</b>
<b>Analysis by activity</b>		
<b>Revenue</b>		
Manufacturing and marketing	232,704,633	203,004,319
Plantation	561,752	507,496
	233,266,385	203,511,815
<b>Profit before taxation</b>		
Manufacturing and marketing	13,268,477	9,680,574
Plantation	(390,529)	(650,173)
	12,877,948	9,030,401
<b>Gross assets employed</b>		
Manufacturing and marketing	198,316,407	179,764,372
Plantation	6,342,446	6,134,850
	204,658,853	185,899,222

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. Segment information (continued)

	<u>2001</u> RM	Group <u>2000</u> RM
<b><u>Analysis by geographical location</u></b>		
<b>Revenue</b>		
Malaysia	213,177,213	180,628,488
China	13,148,905	14,341,258
Myanmar	6,940,267	8,542,069
	233,266,385	203,511,815
<b>Profit before taxation</b>		
Malaysia	14,837,004	13,045,999
China	(1,492,070)	(4,162,639)
Myanmar	(466,986)	147,041
	12,877,948	9,030,401
<b>Gross assets employed</b>		
Malaysia	169,680,002	148,367,789
China	23,315,404	26,442,823
Myanmar	11,663,447	11,088,610
	204,658,853	185,899,222

### 27. Net cash outflow from investing activities

Proceeds from disposal of investments	-	1,275,275
Proceeds from disposal of property, plant and equipment	289,498	358,850
Purchase of investments	(22,358)	(3,697,504)
Purchase of property, plant and equipment *	(14,099,390)	(6,368,148)
Interest received	242,763	195,494
Dividends received	35,709	19,883
	(13,553,778)	(8,216,150)

\* During the financial year, the Group acquired property, plant and equipment with an aggregate cost of RM15,549,376 of which RM14,099,390 were acquired by cash payments while the balance of RM1,449,986 were included in payables.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 28. Net cash inflow/(outflow) from financing activities

	<b>Group</b>	
	<b><u>2001</u></b> <b>RM</b>	<b><u>2000</u></b> <b>RM</b>
Dividends paid	(2,415,078)	(2,603,074)
Interest paid	(2,671,503)	(2,789,499)
Repayment of hire purchase and lease liabilities	-	(149,511)
Proceeds from term loan drawn down	6,000,000	-
Repayment of bank term loans	(1,381,800)	(3,097,614)
Net drawdown/(repayment) of trade finance	2,050,633	2,557,349
Proceeds from issuance of shares	25,110	1,299,347
Contribution to sinking fund	(25,110)	(1,299,347)
	1,582,252	(6,082,349)

### 29. Cash and cash equivalents

	<b>Group</b>		<b>Company</b>	
	<b><u>2001</u></b> <b>RM</b>	<b><u>2000</u></b> <b>RM</b>	<b><u>2001</u></b> <b>RM</b>	<b><u>2000</u></b> <b>RM</b>
Fixed deposits with licensed banks	5,343,000	5,343,000	2,343,000	2,343,000
Less: Fixed deposits designated for the bonds redemption under sinking fund	1,649,420	1,624,310	1,649,420	1,624,310
	3,693,580	3,718,690	693,580	718,690
Cash and bank balances	15,954,317	9,229,360	2,990,409	1,666,021
Bank overdrafts (Note 18)	426,543	575,910	-	-
	19,221,354	12,372,140	3,683,989	2,384,711

### 30. Capital commitments

Authorised capital expenditure for the acquisition of property, plant and equipment not provided for in the financial statements are as follows:

	<b>Group</b>	
	<b><u>2001</u></b> <b>RM</b>	<b><u>2000</u></b> <b>RM</b>
Contracted	3,298,497	1,243,428
Not contracted	12,962,091	12,962,091

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 31. 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 terms and conditions obtainable in transactions with unrelated parties unless otherwise stated.

	<u>2001</u> RM	<b>Group</b> <u>2000</u> RM
(a) Sale of goods to PT Pacific Food Indonesia	4,286,691	2,296,604
Purchase of property, plant and equipment from PT Pacific Food Indonesia	-	64,276
Subsidy on advertisement and promotion provided to PT Pacific Food Indonesia	766,302	-

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

	<u>2001</u> RM	<b>Group</b> <u>2000</u> RM
(b) Sale of goods to Yang-Yang Co Ltd	1,084,642	647,976

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

	<u>2001</u> RM	<b>Group</b> <u>2000</u> RM
(c) Purchase of raw materials from Pemprosesan Ayam S.H.	258,520	242,611

Pemprosesan Ayam S.H. is a sole proprietorship owned by Shariff bin Puteh, the son of Haji Puteh bin Talip, who is a director of Pacific Food Products Sdn Bhd ("PFP"), a subsidiary of MDD.



## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **32. Contingent liabilities (unsecured)**

At 31 December 2001, the company issued a guarantee to a bank for bank facilities amounting to RM6,138,680 (2000: RM Nil) extended to a subsidiary. It is anticipated that no material liabilities will arise as a result of this guarantee

## STATEMENT OF SHAREHOLDINGS AS AT 26 APRIL 2002

CLASS OF SHARES	:	Ordinary Shares Of RM1.00 Each
AUTHORISED SHARE CAPITAL	:	RM500,000,000.00
ISSUED AND FULLY PAID-UP CAPITAL	:	RM61,051,000.00
VOTING RIGHTS	:	One (1) Vote Per Ordinary Share
NUMBER OF HOLDERS	:	4,342

### A Distribution of Shareholdings

	<u>No. of Holders</u>	<u>Holdings</u>	<u>Total Holdings</u>	<u>Percentage (%)</u>
	232	Less than 1,000	119,767	0.20
	3,794	1,000 to 10,000	10,844,078	17.76
	282	10,001 to 100,000	7,069,285	11.58
	31	100,001 to less than 5% of issued shares	21,591,601	35.36
	3	5% and above of issued shares	21,426,269	35.10
Total:	----- 4,342 =====		----- 61,051,000 =====	----- 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	9,858,070	16.15
2	PANG TEE SUAN	3,667,074	6.01
3	PANG TEE NAM	3,000,000	4.91
4	PANG TEE NAM	2,887,181	4.73
5	BUMIPUTRA-COMMERCE NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Pang Tee Chew	2,700,000	4.42
6	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD Pledged Securities Account for Pang Chin Hin	2,241,666	3.67
7	PANG TEE SUAN	2,013,944	3.30
8	PERMODALAN NASIONAL BERHAD	1,783,333	2.92
9	PANG CHIN HIN	1,571,169	2.57
10	UOBM NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Pang Tee Chew	1,333,333	2.18
11	BUMIPUTRA-COMMERCE NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Pang Chin Hin	1,333,333	2.18
12	PANG CHIN HIN	1,258,557	2.06
13	TIW LAN @ YONG TIW LAN	1,203,996	1.97
14	WONG KIE CHIE	1,070,000	1.75
15	PB SECURITIES NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Mohamed Nizam Bin Abdul Razak	983,333	1.61
16	TIW LAN @ YONG TIW LAN	813,886	1.33
17	PANG SOON PENG	774,999	1.27
18	PANG SOON LUAN	768,333	1.26
19	PANG SOON WAH	628,332	1.03

## STATEMENT OF SHAREHOLDINGS AS AT 26 APRIL 2002

### B. List of 30 Largest Shareholders (*continued*)

No	Name	No. of Shares Held	Percentage (%)
20	JF APEX NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Lim Gaik Bway@Lim Chiew Ah	385,000	0.63
21	MALAYSIA EXPORT CREDIT INSURANCE BERHAD	250,000	0.41
22	JF APEX NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Lee Puay Ching	195,000	0.32
23	TUNKU OSMAN AHMAD	190,000	0.31
24	TCL NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Tee Keng Jin	182,000	0.30
25	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD Pledged Securities Account for Pang Soon Wah	170,000	0.28
26	DB (MALAYSIA) NOMINEE (TEMPATAN) SDN BHD Deutsche Bank Ag Singapore Pbd for Lim Yee Hoh @ Ah Jee Lim	166,667	0.27
27	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Cheng Huat	163,000	0.27
28	WOO MIN FONG	154,666	0.25
29	MOHAMED NIZAM BIN ABDUL RAZAK	150,000	0.25
30	GOH LEONG CHUAN	150,000	0.25

### C. List of Substantial Shareholders

Substantial shareholder	-----No. of ordinary shares of RM1-00 each-----			
	Direct	%	Indirect	%
Datuk Pang Chin Hin	6,404,725 <sup>(i)</sup>	10.49	4,568,544 <sup>(ii)</sup>	7.48
Pang Tee Chew	13,891,403 <sup>(iii)</sup>	22.75	237,998 <sup>(iv)</sup>	0.39
Pang Tee Suan	5,681,018	9.31	297,331 <sup>(v)</sup>	0.49
Pang Tee Nam	5,887,181	9.64	230,664 <sup>(v)</sup>	0.38

#### Note:

- \*i 2,241,666 and 1,333,333 ordinary shares of the Company are held through Malaysia Nominees (Tempatan) Sdn. Bhd. and Bumiputra-Commerce Nominees (Tempatan) Sdn. Bhd. respectively.
- \*ii Deemed interested by virtue of his shareholding in Tanah Subor Sdn. Bhd., his wife's direct shareholding in the Company and indirect shareholding via Pacific Food Sales and Service Sdn. Bhd. and his daughters' direct shareholdings in the Company.
- \*iii 2,700,000 and 1,333,333 ordinary shares of the Company are held Bumiputra-Commerce Nominees (Tempatan) Sdn. Bhd. and UOBM Nominees (Tempatan) Sdn. Bhd. respectively.
- \*iv Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in the Company and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd. and his daughter's direct shareholdings in the Company.
- \*v Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in the Company and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd.

## STATEMENT OF WARRANTHOLDINGS AS AT 26 APRIL 2002

VOTING RIGHTS	:	One (1) Vote Per Warrant (In the meeting of Warrantholders)
NUMBER OF HOLDERS	:	964

### A. Distribution of Warrantholdings

	<u>No. of Holders</u>	<u>Holdings</u>	<u>Total Holdings</u>	<u>Percentage (%)</u>
	28	Less than 1,000	12,881	0.05
	842	1,000 to 10,000	2,399,164	10.00
	80	10,001 to 100,000	1,777,000	7.40
	9	100,001 to less than 5% of issued warrants	2,998,552	12.50
	5	5% and above of issued warrants	16,811,403	70.05
	-----		-----	-----
Total:	964		23,999,000	100.00
	=====		=====	=====

### B. List of 30 Largest Warrantholders

<u>No</u>	<u>Name</u>	<u>No. of Warrants Held</u>	<u>Percentage (%)</u>
1	PANG TEE CHEW	5,571,342	23.21
2	TANAH SUBOR SDN BHD	4,476,655	18.65
3	PANG TEE SUAN	1,500,000	6.25
4	PANG CHIN HIN	1,425,666	5.94
5	PANG TEE NAM	1,200,000	5.00
6	PANG TEE NAM	1,146,000	4.78
7	PANG TEE SUAN	768,407	3.20
8	PANG CHIN HIN	723,333	3.01
9	JF APEX NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Lim Gaik Bway @ Lim Chiew Ah	607,000	2.53
10	TIW LAN @ YONG TIW LAN	571,553	2.38
11	PANG SOON WAH	320,000	1.33
12	PANG SOON PENG	310,000	1.29
13	PANG SOON LUAN	304,000	1.27
14	LEE THIAN FOOK @ LEE TIAN FOOK	209,000	0.87
15	JF APEX NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Lee Puay Ching	202,000	0.84
16	YAP SUI PHIN	180,000	0.75
17	TIW LAN @ YONG TIW LAN	133,999	0.56
18	KHAW THUAN SOON	111,000	0.46
19	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Hee Yuen Sang	70,000	0.29
20	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Sim Kay Huan	65,000	0.27

## STATEMENT OF WARRANTHOLDINGS AS AT 26 APRIL 2002

### B. List of 30 Largest Warrantholders (*continued*)

<u>No</u>	<u>Name</u>	<u>No. of Warrants Held</u>	<u>Percentage (%)</u>
21	MAYBAN NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Syarikat Lui Kim Chock Sdn Bhd	60,000	0.25
22	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Chua Siew Keng	60,000	0.25
23	YAP SUI PHIN	50,000	0.21
24	SEAH HONG GHEE (GEE) @ CHAIR KOW	45,000	0.19
25	SIM KENG CHOR	43,000	0.18
26	AMSEC NOMINEES (ASING) SDN BHD Fraser Securities Pte Ltd for Ng Poh Guat @ Ng Poh Guan	40,000	0.17
27	TAN SWIE PENG	39,000	0.16
28	JF APEX NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Paragon Pacific Ventures Sdn Bhd	38,000	0.16
29	WONG TACK PENG	38,000	0.16
30	HONG LEONG FINANCE BERHAD Pledged Securities Account for Lee Boon Yeow	35,000	0.15

## STATEMENT OF DIRECTORS' INTEREST IN THE COMPANY AND RELATED CORPORATIONS AS AT 26 APRIL 2002

### 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	6,404,725 <sup>(i)</sup>	10.49	4,568,544 <sup>(ii)</sup>	7.48	108,000	32,000 <sup>(vi)</sup>
Tunku Osman Ahmad	190,000	0.31	-	-	-	-
Pang Tee Chew	13,891,403 <sup>(iii)</sup>	22.75	237,998 <sup>(iv)</sup>	0.39	108,000	18,000 <sup>(vii)</sup>
Pang Tee Suan	5,681,018	9.31	297,331 <sup>(v)</sup>	0.49	130,000	5,000 <sup>(vii)</sup>
Pang Tee Nam	5,887,181	9.64	230,664 <sup>(v)</sup>	0.38	93,000	-
Mohamed Nizam Bin Abdul Razak	1,133,333 <sup>(vi)</sup>	1.86	-	-	-	-

#### Note:

- \*i 2,241,666 and 1,333,333 ordinary shares of the Company are held through Malaysia Nominees (Tempatan) Sdn. Bhd. and Bumiputra-Commerce Nominees (Tempatan) Sdn. Bhd. respectively.
- \*ii Deemed interested by virtue of his shareholding in Tanah Subor Sdn. Bhd., his wife's direct shareholding in the Company and indirect shareholding via Pacific Food Sales and Service Sdn. Bhd. and his daughters' direct shareholdings in the Company.
- \*iii 2,700,000 and 1,333,333 ordinary shares of the Company are held Bumiputra-Commerce Nominees (Tempatan) Sdn. Bhd. and UOBM Nominees (Tempatan) Sdn. Bhd. respectively.
- \*iv Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in the Company and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd. and his daughter's direct shareholdings in the Company.
- \*v Deemed interested by virtue of his shareholdings in Tanah Subor Sdn. Bhd., his wife's direct shareholdings in the Company and indirect shareholdings via Pacific Food Sales and Service Sdn. Bhd.
- \*vi Deemed interested by virtue of shares option granted under ESOS to his daughters.
- \*vii Deemed interested by virtue of shares option granted under ESOS to his wife.

#### B. WARRANTS 1998/2008

Directors	Warrants 1998/2008			
	Direct Interest		Deemed Interest	
	No.	%	No.	%
Datuk Pang Chin Hin	2,148,999	8.95	6,116,207 <sup>(i)</sup>	25.49
Tunku Osman Ahmad	-	-	-	-
Pang Tee Chew	5,571,342	23.21	4,480,655 <sup>(ii)</sup>	18.67
Pang Tee Suan	2,268,407	9.45	4,476,655 <sup>(iii)</sup>	18.65
Pang Tee Nam	2,346,000	9.78	4,483,655 <sup>(ii)</sup>	18.68
Mohamed Nizam Bin Abdul Razak	-	-	-	-

## STATEMENT OF DIRECTORS' INTEREST IN THE COMPANY AND RELATED CORPORATIONS AS AT 26 APRIL 2002

### B. WARRANTS 1998/2008 (cont'd)

Note:

- \*i *Deemed interested by virtue of warrants held by Tanah Subor Sdn. Bhd., his wife and his daughters.*
- \*ii *Deemed interested by virtue of warrants held by Tanah Subor Sdn. Bhd and his wife.*
- \*iii *Deemed interested by virtue of warrants held by Tanah Subor Sdn. Bhd.*

### SUBSIDIARIES

#### 1. MDD BEVERAGE SDN. BHD.

Directors	Ordinary Shares of RM1.00 each			
	Direct Interest		Deemed Interest	
	No.	%	No.	%
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 <sup>(i)</sup>	0.44
Pang Tee Chew	6,002	0.13	24,000 <sup>(ii)</sup>	0.53
Pang Tee Suan	17,000	0.38	-	-
Pang Tee Nam	-	-	20,000 <sup>(iii)</sup>	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, Pang Tee Chew, Pang Tee Suan and 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

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 31.12.2001 (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	27	2.54 acres (Built-up : 80,000 sq. ft.)	4,545,899
Lots 6998S & 6999S, Bandar Ipoh, Daerah Kinta Perak Darul Ridzuan	Freehold two- storey intermediate shophouses	Vacant	19	3,080 sq. ft. (Built-up : 2,200 sq. ft.)	182,076
Lot PTD, 10081, HS(D) 12482, Township of Johore Bahru, Johor Darul Takzim	Freehold two- storey intermediate shophouses	Vacant	21	1,540 sq. ft. (Built-up : 2,700 sq. ft.)	169,406
GM 6374, PT 20705 Mukim of Kuala Kuantan, District of Kuantan, Pahang Darul Makmur	Freehold two- storey corner terrace house	Vacant	18	2,228 sq. ft. (Built-up : 1,400 sq. ft.)	108,725
Lot No : 8177 Town of Seremban District of Seremban Negeri Sembilan	Freehold two- storey end-terrace shophouses	Vacant	26	1,600 sq. ft. (Built up : 3,060 sq. ft.)	116,625
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	23	5.129 acres (Built up : 48,800 sq. ft.)	1,063,867
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	6	20,000 sq. ft. (Built-up : 5,810 sq. ft.)	459,124
No. 9, 1130 Lane, TongPu Road, PuTuo District, Shanghai China 200333	Leasehold 3 storey industrial building (50 years expiring 15.08.2050)	Office/ Store	2	2,923.25 sq. meter (Built-up : 2,102 sq. meter)	2,628,073
CL24531946 District of Kunak, Sabah	Leasehold cocoa plantation (99 years expiring 31.12.2071)	Plantation		1,000 acres	1,224,010
Lot PT13, Mukim of Bukit Katil, District of Melaka Tengah Melaka	Leasehold industrial building (99 years expiring 13.06.2071)	Factory	19	2 acres (Built-up : 95,000 sq. ft.)	3,516,619



## LIST OF PROPERTIES HELD (CONTINUED)

Location	Description	Existing use	Approximate age of building (Year)	Land Area	NBV as at 31.12.2001 (RM)
Lot 793, Mukim of Damansara, District of Petaling	Freehold industrial land	Office/ Store	7	2.87 acres	13,183,228
Lot 794, Mukim of Damansara District of Petaling	Freehold industrial land	Vacant		2.875 acres	2,459,208
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	18	6,424 sq. ft. (Built-up : 8,721 sq. ft.)	134,045
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.	3,295,912
Luzhi Economic Development Zone Luzhi Town Wu County Suzhou Jiang Su Province China, 215127	Leasehold (50 years expiring year 2042)	Factory/ Office		4 Hectares	8,130,115
Level 1, Block AD, Good Year Court 10, Subang Perdana, Phase 9, Selangor	Apartment	Apartment			185,424
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	4	11,000 sq. ft.	1,048,181
Lot 4338, Mukim Bukit Katil Daerah Melaka Tengah Melaka	Leasehold 1 storey industrial building (expiring 30.05.2072)	Warehouse	26	150,523 sq. ft.	6,625,629
Plot No.41, Trunk Road, Pyinmabin Industrial Complex, Mingaladon Township, Htauk Kyant Yangon Myanmar	Leasehold (25 years expiring year 2022)	Warehouse/ Office	4	17,011 sq. metres	2,631,964
Lot 259 Tebrau IV Industrial Area, Johor Bahru, Johor Darul Takzim	Leasehold industrial land (99 years)	Vacant		2.456 acres	1,767,606
					53,475,736

## 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.

- **BUTTERWORTH**  
ADD : No 12, Lorong Perusahaan Maju 12  
Taman Pelangi Prai, Juru  
13600 Penang  
TEL : 04-507 5755  
FAX : 04-507 5595
- **KUANTAN**  
ADD : Lot 28, Kawasan Perindustrian Semambu  
25350 Kuantan, Pahang Darul Makmur  
TEL : 09-566 7662  
FAX : 09-566 5493
- **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  
FAX : 05-322 9885
- **MELAKA**  
ADD : Lot 1 Air Keroh Industrial Estate  
75450 Melaka  
TEL : 06-232 4466-9  
FAX : 06-231 2812
- **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
- **MENTAKAB**  
ADD : No 16 & 17, Jalan Seraya  
Taman Rimba, 28400 Mentakab  
Pahang Darul Makmur  
TEL : 09-278 3309/277 8997  
FAX : 09-277 8997
- **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
- **SEREMBAN**  
ADD : No 4, Jalan Lombong Emas 12  
Seremban Light Industrial Park 2  
Jalan Tun Dr Ismail  
70200 Seremban  
TEL : 06-761 1850  
FAX : 06-764 9451
- **KUALA TERENGGANU**  
ADD : Lot 12042, Kampung Banggol Pauh  
21300 Kuala Nerus, Kuala Terengganu  
Terengganu Darul Iman  
TEL : 09-667 1698  
FAX : 09-667 1695
- **SABAH**  
ADD : 1/3 Lot 17, Block C  
Inanam Business Centre  
Mile 6, Jalan Tuaran  
88450 Kota Kinabalu  
TEL : 088-422834  
FAX : 088-429 469
- **SUBANG JAYA**  
ADD : Lot 793, Off Jalan SS 13/1K  
Mukim Damansara  
47500 Subang Jaya, Selangor  
TEL : 03-5632 5588  
FAX : 03-5631 0822
- **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 Eleventh Annual General Meeting of the Company to be  
held on Monday, 24 June, 2002 at 11.00 a.m. at the Jasmine Room, Level 6, Eden Garden Hotel,  
Kompleks Bebas Cukai Johor Bahru, No. 88, Jalan Ibrahim Sultan, Stulang Laut, 80300 Johor Bahru,  
Johor Darul Takzim and at any adjournment thereof.

No.	RESOLUTION	FOR	AGAINST
1	Adoption of Audited Financial Statements and Reports.		
2	Re-appointment of Director - Datuk Pang Chin Hin		
3	Re-election of Director -Tunku Osman Ahmad		
4	Re-election of Director - Mr Pang Tee Nam		
5	Approval of Directors' Fees.		
6	Declaration of Final Dividend.		
7	Re-appointment of PricewaterhouseCoopers as Auditors		
<b>Special Business:</b>			
8	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

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2002.

\_\_\_\_\_  
Signature

**Note :**

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 need not be a member of the Company.
2. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting.
3. Where a member appoints more than one (1) proxy, 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 Central Depositories Act, 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 Ta'zim not less than 48 hours before the time set for the Meeting.

*fold*

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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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