

MAMEE-DOUBLE DECKER (M) BERHAD

(222363-T)

(Incorporated in Malaysia)

The Directors are pleased to present unaudited Interim Report for the first quarter ended 31 March 2003 as follows:

INTERIM FINANCIAL REPORT**CONDENSED CONSOLIDATED INCOME STATEMENT**

	3 months ended 31 March		Period ended 31 March	
	2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
Revenue	59,081	60,078	59,081	60,078
Operating expenses	-56,800	-56,228	-56,800	-56,228
Other operating income	7	18	7	18
Profit from operations	2,288	3,868	2,288	3,868
Interest expense	-712	-846	-712	-846
Interest income	91		91	
Investing results	0		0	
Profit before tax	1,667	3,022	1,667	3,022
Taxation	-356	-893	-356	-893
Profit after taxation	1,311	2,129	1,311	2,129
Minority interests	284	-16	284	-16
Net profit for the period	1,595	2,113	1,595	2,113
Earnings per share:-				
Basic (sen)	2.60	3.46	2.60	3.46
Fully diluted (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2002)

CONDENSED CONSOLIDATED BALANCE SHEET

	As at end of current quarter 31.3.2003 RM'000	As at preceding year end 31.12.2002 RM'000
Property, plant and equipment	107,758	109,522
Long term investment	1,300	1,300
Intangible assets	301	363
	<u>109,359</u>	<u>111,185</u>
Current assets		
Inventories	20,182	19,837
Trade and other receivables	44,980	45,885
Cash and bank balances	18,995	23,716
	<u>84,157</u>	<u>89,438</u>
Current liabilities		
Trade and other payables	37,474	39,723
Borrowings	16,486	26,570
Taxation	1,994	3,047
Dividend payable	-	1,105
	<u>55,954</u>	<u>70,445</u>
Net current assets	<u>28,203</u>	<u>18,993</u>
	<u>137,562</u>	<u>130,178</u>
Financed By:		
Capital and reserves		
Share Capital	61,403	61,403
Reserves	47,269	45,675
	108,672	107,078
Minority shareholders' interests	291	575
Non-current liabilities	28,599	22,525
	<u>137,562</u>	<u>130,178</u>
Net tangible assets per share (RM)	<u>1.76</u>	<u>1.74</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2002)

CONDENSED CONSOLIDATED STATEMENT OF EQUITY

	Share capital (RM'000)	Non Distributable (RM'000) <i>Share premium and reserves</i>	Distributable (RM'000) <i>Retained profits</i>	Total (RM'000)
As at 1.1.2003	61,403	1,313	44,362	107,078
Net profit for the year			1,595	1,595
Balance as at 31.03.2003	61,403	1,313	45,957	108,673

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2002)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	As at end of quarter 31.3.2003 RM'000
Net cash inflow from operating activities	7,449
Net cash outflow from investing activities	(981)
Net cash (outflow)/inflow from financing activities	
Term loan and trade finance (net)	(10,084)
Payment of dividends	(1,105)
Net increase in cash and cash equivalent	(4,721)
Cash and cash equivalents as at 1 January	23,716
Cash and cash equivalents as at 31 March	18,995

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2002)

A. NOTES TO THE INTERIM FINANCIAL REPORT**Notes:****1 Basis of Preparation**

This interim financial report is based on the unaudited financial statements for the quarter ended 31 March 2003 and has been prepared in compliance with MASB 26, Interim Financial Reporting. The accounting policies and methods of computation adopted by the Group in this report are consistent with those adopted in the financial statements for the year ended 31 December 2002.

2 Audit Report of the Preceding Annual Financial Statements

The auditors' report on the preceding annual financial statements was not subject to any qualification.

3 Seasonal or Cyclical Factors

The operations of the Group are not affected by any seasonal or cyclical factors other than during the festive season when the Group normally experienced higher sales and the plantation operation, which is affected by the seasonal production of fresh fruit bunches.

4 Unusual Item

The results for the first quarter under review have not been affected by any transaction or event of a material or unusual nature.

5 Changes in Estimates

There were no changes in estimates of amounts reported in prior quarters of the prior financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

6 Changes in Debt and Equity Securities

There were no cancellation, repurchases, resale and repayment of equity securities during the quarter.

7 Dividends Paid

Gross dividend per share RM	Amount of dividend net of 28% tax RM'000	Gross dividend per share RM	Amount of dividend net of 28% tax RM'000
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Interim dividend paid on 16 January 2003
(2001:paid on 16 January 2002)

2.5

1,105

2.5

1,098

8 Segmental Reporting

	3 months ended 31 March		Year ended 31 March	
	2003	2002	2003	2002
	RM'000	RM'000	RM'000	RM'000
TURNOVER				
<i>Analysis by business</i>				
Manufacturing and marketing of food products	58,703	59,875	58,703	59,875
Plantation	378	203	378	203
	59,081	60,078	59,081	60,078
<i>Analysis by geographic location</i>				
Malaysia	53,304	54,096	53,304	54,096
China	4,293	3,793	4,293	3,793
Myannar	1,484	2,189	1,484	2,189
	59,081	60,078	59,081	60,078
PROFIT/(LOSS) BEFORE TAXATION				
<i>Analysis by business</i>				
Manufacturing and marketing of food products	1,581	3,051	1,581	3,051
Plantation	86	-29	86	-29
	1,667	3,022	1,667	3,022
<i>Analysis by geographic location</i>				
Malaysia	2,457	3,026	2,457	3,026
China	-680	-23	-680	-23
Myannar	-110	19	-110	19
	1,667	3,022	1,667	3,022

9 Valuations of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous financial statements.

10 Material Subsequent Events

The Company has on 26 May 2003 announced to KLSE that the Company has received a notice from the Luzhi County Highway Construction Committee of the People's Republic of China for the compulsory acquisition of part of the factory buildings and leasehold land situated at Luzhi Economic Development Zone, Luzhi Town Wu County, held by Mamee-Double Decker Foods (Suzhou) Co., Ltd, a subsidiary of the Company, pursuant to the Suzhou City Public Road Construction Planning. The total affected area is approximately 17.72 acre (local unit).

The Company is now in the course of negotiating with the local Authority for the compensation amount. Further details will be announced once the exact amount of the compensation is finalised.

11 Changes in the Composition of the Group

There were no changes in the composition of the Group in this quarter.

12 Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or assets since the last annual balance sheet date to the date of this quarterly report.

B. ADDITIONAL INFORMATION REQUIRED BY THE KLSE'S LISTING REQUIREMENTS**1 Review of Performance**

For the first three months under review, we recorded a Group turnover of RM 59.1 million, a reduction of 1.7% from RM60.1 millions recorded in the same period last year. The Group also recorded a reduction in PBT from RM3.0 millions achieved in same period last year to RM1.7 million in the period under review

The drop in PBT was mainly due to lower selling price and margin and higher promotion costs incurred to maintain market share. Generally, there was an unexpected slow down in consumer spending which resulted major chain stores cutting down on inventory. We have also encountered keen competitions coming from neighboring countries like Thailand and Indonesia.

2 Material Changes in the Profit Before Taxation for the Quarter Reported On as Compared with the Immediate Preceding Quarter

	3 months ended	
	31-Mar-03 RM'000	31-Dec-02 RM'000
Group turnover	59,081	63,515
Group profit before tax	1,667	4,538

The Group recorded lower turnover and profit before taxation for the reporting quarter as compared to the immediate preceding quarter due to higher sales during the festive season.

3 Prospects

The Directors expect the results for the financial year ending 31 December 2003 will be lower than the year just ended.

4 Variance on Forecast Profit/Shortfall in Profit Guarantee

Not applicable.

5 Taxation

Taxation comprises:-

- Tax for current year
- Prior year over provision of income tax

Period ended
31.3.2003
RM'000
496
-140

6 Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments or properties during the year.

7 Quoted Securities and Investment

There were no sales or purchase of quoted securities and investments during the year.

(b) Investment as at 31 March 2003

	RM'000
At cost	1,840
At book value	1,300
At market value	1,296

8 Status of Corporate Proposals

There were no corporate proposals announced but not completed at the date of this report.

9 Group Borrowings and Debt Securities

Details of the Group's bank borrowings as at 31 March 2003 are as follows:

	Current RM'000	Non current RM'000
Unsecured	16,486	27,500
Secured	0	0
	16,486	27,500

There were no group borrowings and debt securities that were denominated in foreign currency.

10 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of issue of this quarterly report.

11 Changes in Material Litigation

There were no material litigations as at todate of this report.

12 Dividend

On 28 Feb 2003, the Board of Directors recommended a final dividend of 3.0 sen less tax in respect of the financial year ended 31 Dec 2002(2001-final dividend:3.0 sen less tax) which subject to the approval of members at the forthcoming Annual General Meeting of the Company, will be paid on 16 July 2003 to shareholders registered on the Company's register at the close of business on 30June 2003.

No interim dividend is recommended for the quarter under review.

13 Earnings Per Share

(a) Basic earnings per share

Earnings per share of 3.31 sen has been computed based on the Group's net profit for the current quarter of RM1.60 million divided by the number of ordinary shares (61,403,000).

(b) Fully 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 market value of the shares during the financial year.

**BY ORDER OF THE BOARD
MAMEE-DOUBLE DECKER (M) BERHAD**

Woo Min Fong
Company Secretary

Kuala Lumpur
Dated : 27 May 2003