


MAMEE-DOUBLE DECKER (M) BERHAD (222363-T)

(Incorporated in Malaysia)

The Directors are pleased to present the unaudited Interim Report for the quarter ended 31 March 2010 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MAR 2010

	3 months ended		Period ended	
	31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09
	RM'000	RM'000	RM'000	RM'000
Revenue	115,367	91,538	115,367	91,538
Cost of sales	(72,810)	(58,912)	(72,810)	(58,912)
Gross profit	42,557	32,626	42,557	32,626
Other operating income	1,383	941	1,383	941
Selling and distribution expenses	(21,471)	(17,627)	(21,471)	(17,627)
Administrative expenses	(6,148)	(3,195)	(6,148)	(3,195)
Other operating expenses	(366)	1,086	(366)	1,086
Profit from operations	15,955	13,831	15,955	13,831
Finance costs	(81)	(86)	(81)	(86)
Share of associate's result	(21)	-	(21)	-
Profit before taxation	15,853	13,745	15,853	13,745
Taxation	(3,885)	(3,213)	(3,885)	(3,213)
Profit after taxation	11,968	10,532	11,968	10,532
Other comprehensive income/(loss) after tax:				
Currency translation differences	1,135	(1,175)	1,135	(1,175)
Changes in fair value of available for sale investments	940	-	940	-
	2,075	(1,175)	2,075	(1,175)
Total comprehensive income for the period	14,043	9,357	14,043	9,357
Profit after tax attributable to:-				
Owners of the parent	11,965	10,531	11,965	10,531
Minority interests	3	1	3	1
	11,968	10,532	11,968	10,532
Total comprehensive income for the period attributable to:-				
Owners of the parent	14,040	9,356	14,040	9,356
Minority interests	3	1	3	1
	14,043	9,357	14,043	9,357
Earnings per share:-				
Basic (sen)	8.20	7.19 *	8.20	7.19 *
Fully diluted (sen)	8.20	7.19 *	8.20	7.19 *

(The Unaudited Condensed Consolidated statements of Comprehensive statements should be read in conjunction with the Annual Audited Financial statements for the year ended 31 December 2009)


MAMEE-DOUBLE DECKER (M) BERHAD (222363-T)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 MAR 2010

	As at 31-Mar-10 RM'000	Audited As at 31 Dec 09 * Restated RM'000
Non-current assets		
Property, plant and equipment	89,993	89,944
Investment in associates	184	205
Available for Sale Investments	26,131	16,989
Intangible assets	459	459
Land held under property development	9,193	9,193
Deferred tax assets	423	423
	126,383	117,213
Current assets		
Assets held for sales	4,846	5,184
Inventories	30,761	26,491
Available for Sale Investments	30,117	37,500
Trade and other receivables	74,036	64,181
Tax recoverable	348	419
Deposits, Cash and bank balances	40,688	43,457
	180,796	177,232
Current liabilities		
Trade and other payables	60,383	61,675
Borrowings (interest bearing)	-	804
Current tax liabilities	4,316	4,037
	64,699	66,516
Net current assets	116,097	110,716
	242,480	227,929
Less: Non-current liabilities		
Deferred tax liabilities	3,742	3,740
	3,742	3,740
Total assets, net of total liabilities	238,738	224,189
Equity attributable to the owners of the parent		
Share capital	151,274	151,274
Treasury Shares	(11,224)	(11,224)
Reserves	98,524	83,978
	238,574	224,028
Minority shareholders' interests	164	161
Total equity	238,738	224,189
Net assets per share attributable to owner (RM)	1.63	1.54

(The Unaudited Condensed Consolidated statements of Financial Position should be read in conjunction with the Annual Audited Financial statements for the year ended 31 December 2009)


MAMEE-DOUBLE DECKER (M) BERHAD (222363-T)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MAR 2010

	Share capital (RM'000)	Non Distributable (RM'000)	Distributable (RM'000)	Treasury Shares (RM'000)	Sub-Total (RM'000)	Minority Interests (RM'000)	Total Equity (RM'000)
3 months period ended 31-Mar-09							
Balance as at 1 January 2009	86,378	13,348	101,402	(9,808)	191,320	231	191,551
Total comprehensive income for the period	-	(1,175)	10,531		9,356	1	9,357
Balance as at 31-Mar-09	86,378	12,173	111,933	(9,808)	200,676	232	200,908

3 months period ended 31-Mar-10

Balance as at 1 January 2010	151,274	5,236	78,742	(11,224)	224,028	161	224,189
Effect of adopting FRS 139: Fair value gains on available for sale	-	506	-	-	506	-	506
Adjusted balance as at 1 January 2010	151,274	5,742	78,742	(11,224)	224,534	161	224,695
Total comprehensive income for the period	-	2,075	11,965	-	14,040	3	14,043
Balance as at 31-Mar-10	151,274	7,817	90,707	(11,224)	238,574	164	238,738

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009)


MAMEE-DOUBLE DECKER (M) BERHAD (222363-T)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 31 MAR 2010

	Period ended 31-Mar-10 RM'000	Period ended 31-Mar-09 RM'000
Cash flows from operating activities		
Net profit attributable to owners of the parent	11,965	10,531
Adjustments for non cash items	6,869	4,566
Changes in working capital	(7,526)	(2,678)
Cash from operations	<u>11,308</u>	<u>12,419</u>
Income tax paid	(3,533)	(287)
Net cash flows from operating activities	<u>7,775</u>	<u>12,132</u>
Cash flows from investing activities		
Proceeds from disposals of available for sale investments	8,923	456
Proceeds from disposals of property, plant and equipment	676	895
Purchase of available for sale investments	(9,142)	(1,000)
Purchase of property, plant and equipment	(3,255)	(2,090)
Acquisition of subsidiary	-	(35)
Interest received	249	242
Dividend received	123	53
Net cash flows used in investing activities	<u>(2,426)</u>	<u>(1,479)</u>
Cash flows from financing activities		
Dividends paid	(7,297)	(4,086)
Net cash flows used in from financing activities	<u>(7,297)</u>	<u>(4,086)</u>
Net (decrease) / increase in cash and cash equivalents	(1,948)	6,567
Effect on exchange rate difference	(17)	35
Cash and cash equivalents as at 1 January	42,653	44,888
Cash and cash equivalents as at 31 Mar	<u>40,688</u>	<u>51,490</u>
Cash and cash equivalents comprise the following:	RM'000	RM'000
Fixed deposits placed with licensed banks	27,300	38,253
Cash and bank balances	13,388	13,237
	<u>40,688</u>	<u>51,490</u>

(The Unaudited Condensed Consolidated statements of Cash Flow should be read in conjunction with the Audited Annual Financial statements for the year ended 31 December 2009)


MAMEE-DOUBLE DECKER (M) BERHAD (222363-T)

(Incorporated in Malaysia)

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MAR 2010
1 Basis of Preparation

This interim financial statements have been prepared in accordance with FRS134: Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad, and should be read in conjunction with audited financial statements for the year ended 31 December 2009.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

Change in Accounting Policies and adoption of new and revised FRSS

The accounting policies applied are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2009 except for the adoption of new standards, amendments to standards and IC interpretations that are mandatory for the Group for the financial year beginning 1 January 2010 and relevant to the Group as follows :-

- FRS 8 "Operating Segments"
- FRS 101 "Presentation of Financial Statements"
- FRS 139 "Financial Instruments: Recognition and Measurement "
- FRS 7 "Financial Instruments Disclosure "

The adoption of these standards, amendments and interpretations do not have a material impact on the interim financial information of the Group except for the adoption of the following standards as set out below:

a) Financial assets (FRS 139 "Financial instruments: Recognition and Measurement")

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the nature of the asset and the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. Set out below are the classifications of financial assets of the Group:-

(i) Available-for-sale financial assets

Changes in fair values of available-for-sale equity securities are recognised in other comprehensive income, together with the related currency translation differences. A significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the asset is impaired.

(ii) Loan and receivable

Non-current receivables, previously measured at invoice amount and subject to impairment, are now classified as loans and receivables and measured initially at fair value plus transaction costs and subsequently, at amortised cost using the effective interest method. When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. Impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

b) Amendments to FRS 117 Leases

The amendments to FRS 117 requires entities with existing leases of land and buildings (combined) to reassess the classification of land as a finance or operating lease. The Group has reclassified the existing leasehold land to property, plant and equipment following this reassessment, with no effect on reported profit or equity.

However, as a result of the adoption of the Amendments to FRS 117, comparative balances have been restated as follows:

	As previously Reported RM'000	Effect of Changes in accounting policy RM'000	As Restated RM'000
Property, plant and equipment	79,747	10,197	89,944
Leasehold land	10,197	(10,197)	-

2 Seasonal or Cyclical Factors

The operations of the Group are not affected by any seasonal or cyclical factors.

3 Unusual Item

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

4 Changes in Estimates

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

5 Changes in Debt and Equity Securities

There were no changes in the debt and equity securities for the current quarter.

6 Dividends Paid

On 8 January 2010, the Company paid an interim dividend of 5 sen tax exempt per share on 145,940,895 ordinary shares, amounting to RM7,297,045 for the financial year ended 31 December 2009.


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7 Segmental Reporting
Period Ended 31-Mar-10
Sales

External Sales

Profit before taxation

Taxation

Profit after taxation

Minority interests

Net profit attributable to owners

Other information

Segment assets

Unallocated assets

Total assets

	Food & Beverage RM'000	Property Development RM'000	Others RM'000	Eliminations RM'000	Group RM'000
External Sales	115,367	-	-	-	115,367
Profit before taxation	16,448	(9)	(1,961)	1,375	15,853
Taxation					(3,885)
Profit after taxation					11,968
Minority interests					(3)
Net profit attributable to owners					11,965
Segment assets	239,874	13,268	63,506	(10,699)	305,949
Unallocated assets					1,230
Total assets					307,179

Period Ended 31-Mar-09
Sales

External Sales

Profit before taxation

Taxation

Profit after taxation

Minority interests

Net profit attributable to owners

Other information

Segment assets

Unallocated assets

Total assets

	Food and beverage RM'000	Property Development RM'000	Others RM'000	Eliminations RM'000	Group RM'000
External Sales	91,538	-	-	-	91,538
Profit before taxation	15,398	(26)	(6)	(1,621)	13,745
Taxation					(3,213)
Profit after taxation					10,532
Minority interests					(1)
Net profit attributable to owners					10,531
Segment assets	223,776	13,242	29,656	(10,699)	255,975
Unallocated assets					(920)
Total assets					255,055

8 Material Subsequent Events

There were no material events subsequent to the end of this reporting period that have not been reflected in this financial statements quarterly report.

9 Changes in the Composition of the Group

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

10 Contingent Liabilities and Contingent Assets

There were no contingent liabilities or assets since the last annual balance sheet date to the date of this quarterly report other than as disclosed under material litigation in Note B12.

11 Capital Commitments

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

Contracted but not provided for

- purchase of property, plant and equipment
- investment in a subsidiary

	As at 31-Mar-10 RM'000	As at 31 Dec 09 RM'000
	11,102	7,761
	7,673	7,673


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12 Significant Related Party Transactions

Significant related party transactions which were entered into on agreed terms and prices for the current quarter and period ended 31 March 2010 are set out below. The relationship of the related parties is as disclosed in the annual audited financial statements for the financial year ended 31 December 2009 and the approved shareholders' mandates for recurrent related party transactions.

	3 month ended 31-Mar-10 RM'000	Period ended 31-Mar-10 RM'000
Sales of instant noodles, snack food and confectionery products, and raw materials	190	190

13 Net Assets Per Share Attributable to Owners of the parent

	As at 31-Mar-10	As at 31 Dec 09
Equity attributable to owners of the parent (RM'000)	238,574	224,028
Share capital ('000)	151,274	151,274
Adjustment for number of treasury shares ('000)	(5,333)	(5,333)
	145,941	145,941
Net assets per share attributable to owners of the parent (RM)	1.63	1.54

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

	3 months ended		% inc / dec	Period ended		% inc / dec
	31-Mar-10 RM'000	31-Mar-09 RM'000		31-Mar-10 RM'000	31-Mar-09 RM'000	
Group turnover	115,367	91,538	26%	115,367	91,538	26%
Group profit before tax	15,853	13,745	15%	15,853	13,745	15%

The Group recorded revenue of RM115.4 million for the quarter under review, representing a 26% increase compared to RM91.5 million in the previous year's corresponding period. Both the local and foreign markets contributed to the higher revenue, which resulted from effective advertising and promotion activities, as well as the strengthening of distribution channels. Profit before tax rose to RM15.8 million for the quarter, representing 15% increase as compared to RM13.7 million achieved in the same quarter last year. The smaller increase is due to higher expenditure in selling and distribution incurred for the quarter under review as the Group had expanded sales force in order to attain wider penetration in the local market.

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

	3 months ended		% inc / dec as compared to Previous Qtr
	31-Mar-10 RM'000	31-Dec-09 RM'000	
Group turnover	115,367	103,208	12%
Group profit before tax	15,853	12,223	30%

The Group recorded higher revenue and profit before tax in the first quarter this year as compared with the immediate preceding quarter. Group turnover registered an increase of 12% from RM103.2 million to RM115.4 million, on the back of greater consumer demand. Profit before tax rose by 30% from RM12.2 million to RM15.8 million in tandem with the higher turnover and other operating income. In addition, the improvement in profit before tax was also derived from lower losses from foreign subsidiary in China.

3 Current Year Prospects

The Board is optimistic of the Group's prospects in the current financial year. Nevertheless, the Board is circumspect of the trend of increasing raw material prices as well as forex volatility.

The Board would remain focused on strengthening operations, by implementing continuous improvements in selling and distribution channels to maintain and enhance our competitive position. Furthermore, the launch of new products in the current financial year would contribute positively to the Group's revenue growth.

4 Board of Directors' Opinion on Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

5 Variance on Forecast Profit/Shortfall in Profit Guarantee

Not applicable.


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6 Taxation

Taxation comprises:-

Current tax
Deferred tax (net)

3 mths ended 31-Mar-10 RM'000	Period ended 31-Mar-10 RM'000
3,882	3,882
2	2
3,885	3,885

The effective tax rates for the period ended 31 March 2010 were lower than the statutory tax rate mainly due to utilization of tax incentives of certain subsidiaries.

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

There were no sales of unquoted investments during the quarter under review. However, the Company has entered into a Property Sales and Purchase Contract in March 2010 to dispose the factory building located at 46 Yingbin Road, Luzhi Town, Wuzhong District, Suzhou City, Jiangsu Province for total consideration of RMB18.5 million.

The disposal has not been completed yet as at the date of this quarterly report.

8 Quoted Securities and Investment

Total purchase consideration and sale proceeds of quoted securities and investments for the current quarter and year under review and profit arising there from are

(a) Purchases and disposals

Total purchase consideration
Total sales proceeds
Total profit/(loss) on disposal

3 mths ended 31-Mar-10 RM'000	Period ended 31-Mar-10 RM'000
9,142	9,142
8,923	8,923
45	45

(b) Available for sales investment as at 31-Mar-10

At cost

Fair value adjustment:

- adjusted opening balance
- current quarter

Impairment loss

- balance b/f
- current quarter

Carrying value

At market value

As at 31-Mar-10 RM'000
55,072
506
940
1,446
(258)
(12)
(270)
56,248
56,248

9 Status of Corporate Proposals

There is no corporate proposal announced as at to date of this quarterly report.

10 Group Borrowings and Debt Securities

There were no group borrowings and debt securities as at the end of the reporting period.

11 Financial Instruments
a) Derivatives

There were no financial derivatives as at the date of the reporting quarter.

b) Gain/(losses) arising from fair value changes in financial liabilities

There were no gain/(loss) arising from fair value changes in financial liabilities for the reporting quarter.


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12 Material Litigation

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

The former solicitor, King & Wood, who represented the Company, submitted their defence arguments in which they argued that:

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

The case is currently being heard in the Tianjin Higher People's Court for a retrial. Fa Rui Law Office was engaged to handle the case.

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

13 Dividend Proposed or Declared

No dividend has been proposed or declared for the current quarter ended 31 March 2010.

Subsequently on 13 April 2010, the Directors proposed, subject to the approval of the members at the forthcoming Annual General Meeting of the Company, a final tax exempt dividend of 5 sen per share and a special dividend of 2 sen per share on 145,940,895 ordinary shares, which amounting to RM10,215,863 for the financial year ended 2009

14 Earnings Per Share
(a) Basic earnings per share

		3 mths ended 31-Mar-10	3 mths ended 31-Mar-09 Restated	As at 31-Mar-10	As at 31-Mar-09 Restated
Net profit attributable to owners of the parent (RM'000)	(A)	11,965	10,531	11,965	10,531
Weighted average number of ordinary shares ("000")	(B)	145,941	146,517	145,941	146,517
Basic earnings per share (sen)	(A)/(B)	8.20	7.19	8.20	7.19

(b) Fully diluted earnings per share

		3 mths ended 31-Mar-10	3 mths ended 31-Mar-09 Restated	As at 31-Mar-10	As at 31-Mar-09 Restated
Net profit attributable to owners of the parent (RM'000)	(A)	11,965	10,531	11,965	10,531
Weighted average number of ordinary shares ('000)		145,941	146,517	145,941	146,517
Adjustments for ESOS ('000)		25	12	25	12
	(B)	145,966	146,529	145,966	146,529
Fully diluted earnings per share (sen)	(A)/(B)	8.20	7.19	8.20	7.19

The Basic EPS and Fully Diluted EPS for the quarter and period ended 31 March 2009 has been restated to include bonus issue of four new ordinary shares for every five existing shares, total of 64,875,595 shares issued in December 2009.

15 Disclosure of Audit Report Qualification and Status of Matter Raised

The audit report of the Group's financial statements for the financial year ended 31 December 2009 did not contain any qualification

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

Woo Min Fong
Company Secretary

26 May 2010