

NAGAMAS INTERNATIONAL BERHAD
Condensed Consolidated Balance Sheet
As At 31 December 2009

	AS AT 31 Dec 2009 RM'000	AS AT 31 Dec 2008 RM'000
Non Current Assets		
Property, Plant and Equipment	5,235	6,390
Long Term Investments	475	581
Goodwill on Consolidation	1,626	1,582
	<u>7,336</u>	<u>8,553</u>
Current Assets		
Inventories	14,344	13,820
Trade Receivables	18,224	17,785
Other Receivables	12,159	10,702
Cash	5,010	6,720
Others - Time deposits placed with licensed financial institutions	7,050	5,793
- Tax recoverable	447	554
	<u>57,234</u>	<u>55,374</u>
Total Assets	<u>64,570</u>	<u>63,927</u>
Equity		
Share Capital	50,895	50,895
Accumulated Losses	(7,284)	(6,138)
Translation Adjustment Account	(343)	3
Total Equity	<u>43,268</u>	<u>44,760</u>
Non Current Liabilities		
Deferred Taxation	49	49
Current Liabilities		
Trade Payables	7,345	3,425
Other Payables	13,828	12,476
Short Term Borrowings	80	3,217
	<u>21,253</u>	<u>19,118</u>
Total Liabilities	21,302	19,167
Total Equity And Liabilities	<u>64,570</u>	<u>63,927</u>
Net assets per share (RM)	0.8501	0.8795

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Report for the 9-month financial period ended 31 December 2008)

NAGAMAS INTERNATIONAL BERHAD
Condensed Consolidated Income Statement
For The Quarter Ended 31 December 2009

	3 months '09	3 months '08	YTD '09	YTD '08
	2009 Current quarter ended 31 December RM'000	2008 Comparative quarter ended 31 December RM'000	2009 12 months Cumulative to date RM'000	2008 12 months Cumulative to date RM'000
Revenue	<u>30,274</u>	<u>16,759</u>	<u>109,265</u>	<u>101,886</u>
Gross Profit	4,619	3,241	15,960	19,114
Operating Expenses	(4,241)	(3,769)	(16,821)	(16,029)
Profit/(Loss) from Operation	<u>378</u>	<u>(528)</u>	<u>(861)</u>	<u>3,085</u>
Other Income	138	47	684	793
Finance costs	-	(42)	(55)	(201)
Profit/(Loss) before taxation	<u>516</u>	<u>(523)</u>	<u>(232)</u>	<u>3,677</u>
Taxation	(248)	454	(915)	(525)
Profit/(Loss) after taxation	<u>268</u>	<u>(69)</u>	<u>(1,147)</u>	<u>3,152</u>
Minority Interest	-	-	-	-
Net profit/(loss) for the period	<u>268</u>	<u>(69)</u>	<u>(1,147)</u>	<u>3,152</u>
EPS/(LPS)				
- Basic (sen)	0.53	(0.14)	(2.25)	6.19
- Diluted (sen)	N/A	N/A	N/A	N/A
Gross Interest Income	48	53	165	233
Gross Interest Expenses	-	(42)	(55)	(201)

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Report for the 9-month financial period ended 31 December 2008)

NAGAMAS INTERNATIONAL BERHAD
Condensed Consolidated Statement of Changes in Equity
For The Quarter Ended 31 December 2009

	← <i>Non-Distributable</i> →	→ <i>Distributable</i>		
	Share Capital RM	Translation Adjustment Account RM	Accumulated Losses RM	Total RM
Balance as at 1 July 2009	50,895,000	(95,471)	(6,544,493)	44,255,036
Currency translation differences	-	(173,288)	-	(173,288)
Net loss for the quarter	-	-	(1,008,003)	(1,008,003)
Balance as at 30 September 2009	50,895,000	(268,759)	(7,552,496)	43,073,745
Currency translation differences	-	(73,796)	-	(73,796)
Net profit for the quarter	-	-	268,309	268,309
Balance as at 31 December 2009	50,895,000	(342,555)	(7,284,187)	43,268,258

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Report for the 9-month financial period ended 31 December 2008)

NAGAMAS INTERNATIONAL BERHAD
Condensed Consolidated Cash Flow Statement
For The Quarter Ended 31 December 2009

	31 Dec 09 RM'000	31 Dec 08 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	516	(523)
Adjustment for:		
Depreciation of property, plant and equipment	110	148
Foreign exchange translation	(63)	224
Property, plant and equipment written off	(3)	3
Provision for doubtful debts	180	-
Interest expense	-	42
Interest income	(48)	(53)
Operating profit/(loss) before working capital changes	<u>692</u>	<u>(159)</u>
Decrease in inventories	672	1,360
(Increase)/Decrease in receivables	(3,681)	7,732
Increase/(Decrease) in payables	2,601	(8,142)
Cash generated from operations	<u>284</u>	<u>791</u>
Interest paid	-	(42)
Interest received	48	53
Tax paid	(338)	(250)
Net cash (used in)/generated from operating activities	<u>(6)</u>	<u>552</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Withdrawal of fixed deposits	754	11
Purchase of property, plant and equipment	(29)	(131)
Net cash generated from/(used in) investing activities	<u>725</u>	<u>(120)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	-	(6)
Net cash used in financing activities	<u>-</u>	<u>(6)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	719	426
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	4,291	6,294
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>5,010</u>	<u>6,720</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Report for the 9-month financial period ended 31 December 2008)

1. Accounting Policies

The interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”) and should be read in conjunction with the audited financial statements of the Group for the 9-month financial period ended 31 December 2008.

The accounting policies used by the Group in the quarterly report comply with the principles of the International Financial Reporting Standards (“IFRS”) adopted by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB. The quarterly report has been prepared based on the presentation, accounting policies and methods of computation consistent with those adopted in the preparation of the audited statutory financial statements for the 9-month financial period ended 31 December 2008.

2. Declaration of Qualification of Audit Report

There was no qualification in the auditors report for the period ended 31 December 2008.

3. Seasonality or cyclical of operations

The Group’s operations are not subject to seasonal or cyclical factors.

4. Nature and Amount of Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows during the quarter under review.

5. Nature and Amount of Changes in Estimates

There were no changes in estimates of amount reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial year which give a material effect in the current interim period.

6. Issuance or repayment of debts and equity securities

There were no issuances of new shares or repayments of debts and equity securities during the quarter under review.

7. Dividends

No dividend is being proposed or paid for this quarter.

NAGAMAS INTERNATIONAL BERHAD
Quarter Ended 31 December 2009
Part A - Explanatory Notes Pursuant to FRS 134

8. Segmental Reporting

By Business Segment

	Total Revenue RM	Inter Company RM	External Sales RM	Profit/(Loss) Before Taxation RM
Industrial division	25,257,026	(2,967,917)	22,289,109	922,159
Aviation services	7,984,897	-	7,984,897	56,384
Property & investment holding	(36,693)	36,693	-	(462,102)
Group	33,205,230	(2,931,224)	30,274,006	516,441

By Geographical Segment

	External Sales RM	Profit/(Loss) Before Taxation RM
Malaysia	24,301,228	635,373
Singapore	143,768	(1,744)
Canada	101,507	(111,889)
China	5,730,229	21,928
Hong Kong	(2,726)	(27,227)
Group	30,274,006	516,441

9. Valuation of Investment Properties and Property, Plant and Equipment

The valuations of investment properties and land and buildings have been brought forward, without amendment from the previous annual report.

10. Material events subsequent to the end of the period

Disposal of the Company's entire equity interest in the industrial division companies was completed on 8 January 2010.

11. Changes in the composition of the Group

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

12. Contingent Liabilities

There were no contingent liabilities at the end of the quarter.

13. Comparison with Preceding Quarter's Results

Revenue recorded for current quarter was RM30.27 million which showed an increase of RM0.03 million compared to that of the preceding quarter. Operating profit for the quarter before interest on borrowing was RM0.38 million compared to an operating loss of RM0.96 million in the preceding quarter. Operating profit was mainly attributable to the increase in gross profit margin for the quarter under review.

14. Review of Performance against Preceding Year's Corresponding Quarter

For the quarter under review, the Group registered a revenue of RM30.27 million and a net profit after taxation of RM0.27 million. At the operating level, the Group recorded an operating profit of RM0.38 million compared to an operating loss of RM0.53 million in the previous year's corresponding quarter. The operating profit for the current quarter was mainly attributable to higher revenue recorded for the quarter. (Revenue for current quarter: RM30.27 million; Revenue for previous year's corresponding quarter: RM16.76 million)

15. Future Prospects

The Group is expanding its logistic and aviation services and property businesses.

16. Variance on Profit Forecast / Profit Guarantee

Not applicable.

17. Taxation

The tax charge relates principally to the current year's profit made by certain profitable subsidiary companies which cannot be offset against the losses of other subsidiary companies within the Group.

18. Gain on Sale of Unquoted Investments and/or Properties

There were no gain on sale of unquoted investments and properties for the quarter ended 31 December 2009.

19. Purchase or Disposal of Quoted Securities

There were no purchases or disposals of quoted securities by the Group.

20. Status of Corporate Proposals

The Company's Restructuring Scheme was completed on 24 September 2007.

Status of Utilization of Proceeds from Rights Issue and Special Issue as at 31 December 2009

	<u>RM'000</u>
<u>Utilized</u>	
Repayment of bridging loans	10,889
Restructuring expenses	348
Investment	8,924
Working capital	<u>4,634</u>
Total Proceeds	<u>24,795</u>

21. Group Borrowings

Group borrowings at the 31 December 2009:

	Secured RM'000
LC/TR/BA	<u>80</u>

Note:

The borrowings are secured against fixed deposits on a set-off basis by the relevant subsidiaries.

22. Off Balance Sheet Financial Instruments

None.

23. Material Litigation

There is no pending material litigation for the Group as at the date of this report, other than disclosed as follows:

- (i) A claim was made in High Court of Shah Alam, Civil Suit No.: MT2-22-961-98 dated 29 July 1998, by DMM Engineering Sdn Bhd (“DMM”) against Westech Sdn Bhd (“WSB”) for the recovery of the sum of RM579,513.60 together with interest and costs for the breach of contract by WSB in completing a purchase transaction of a boat. WSB has also filed a counter claim for refund of the deposit of RM108,900 and damages. WSB’s solicitors have proceeded with the counter claim after the completion of the company’s restructuring exercise in March 2000.

The Court has allowed DMM’s application for summary judgment on 26 April 2001. The Notice of Appeal against the summary judgment was dismissed.

WSB was placed under Creditor’s Voluntary Winding Up pursuant to Section 254(1)(a) of the Companies Act, 1965 on 26 October 2006.

- (ii) A fresh claim has been made in the Shah Alam High Court Civil Suit No.: MT3-22-861-2003 by Ipmuda Utara Sdn Bhd (“the Plaintiff”) against Westech Sdn Bhd (“WSB”) a wholly owned subsidiary of Tenco, for a sum of RM354,182.77, for the price of goods allegedly sold and delivered by the Plaintiff to WSB with interest in the sum of RM377,852.13 as at 31 August 2003 and further interest at the rate of 1.5% per month calculated from 1 September 2003 until date of full settlement. The Plaintiff had previously filed a similar claim against WSB in Ipoh High Court Suit No.: 22-7-1998.

The court had allowed the Plaintiff’s application for summary judgment on 26 January 2005. WSB has filed the Notice of Appeal against the summary judgment and adjourned to 28 November 2006.

However, on 26 October 2006, WSB was placed under Creditor’s Voluntary Winding Up pursuant to Section 254(1)(a) of the Companies Act, 1965.

23. Material Litigation (Cont'd.)

- (iii) A claim was made in the High Court of Shah Alam, Civil Suit No.: MT1-22-960-2001, by an ex-director against the Company for the recovery of retirement benefits, annual leave passage and balance of untaken annual leave. The Company has filed a counter claim against the ex-director for the recovery of a car loan, aggravated and exemplary damages.

The ex-director has been adjudicated a bankrupt on 24 June 2003. However, he has obtained the sanction from the Director General of Insolvency to proceed with his appeal.

The Company has filed an application to strike out certain paragraphs of the Statement of Claim and the court has dismissed the said application. The Company has appealed against the said decision.

Meanwhile the Company has obtained an order of security for costs. The ex-director has appealed against the order of security for costs.

The court has fixed 20 January 2010 as case management for both of the notice of appeal named above.

24. Earnings Per Share (EPS)

The EPS for the quarter was calculated based on the profit after taxation for the quarter divided by the weighted average number of ordinary shares outstanding during the period.

EPS for the quarter is as follows:

	RM'000
Basic :	268

	50,895
=	0.53 sen
Diluted:	Not Applicable