

**NAGAMAS INTERNATIONAL BERHAD (formerly known as Tenco Berhad)**  
**Condensed Consolidated Balance Sheet**  
**As At 30 September 2008**

	AS AT 30 Sep 2008 RM'000	AS AT 31 Mar 2008 RM'000
<b>Non Current Assets</b>		
Property, Plant and Equipment	6,410	6,617
Long Term Investments	581	581
Goodwill on Consolidation	1,582	1,582
	<u>8,573</u>	<u>8,780</u>
<b>Current Assets</b>		
Inventories	15,180	13,578
Trade Receivables	26,370	22,386
Other Receivables	9,751	9,754
Cash	6,294	5,505
Others - Time deposits placed with licensed financial institutions	5,804	6,678
- Tax recoverable	278	308
	<u>63,677</u>	<u>58,209</u>
<b>Total Assets</b>	<u><b>72,250</b></u>	<u><b>66,989</b></u>
<b>Equity</b>		
Share Capital	50,895	50,895
Accumulated Losses	(6,041)	(6,586)
Translation Adjustment Account	(220)	(295)
Total Equity	<u>44,634</u>	<u>44,014</u>
<b>Non Current Liabilities</b>		
Deferred Taxation	77	77
<b>Current Liabilities</b>		
Trade Payables	11,043	7,082
Other Payables	13,095	12,101
Short Term Borrowings	2,956	3,437
Provision for Taxation	445	278
	<u>27,539</u>	<u>22,898</u>
Total Liabilities	27,616	22,975
<b>Total Equity And Liabilities</b>	<u><b>72,250</b></u>	<u><b>66,989</b></u>
<b>Net assets per share (RM)</b>	<b>0.8770</b>	<b>0.8648</b>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report financial year ended 31 March 2008)

**NAGAMAS INTERNATIONAL BERHAD (formerly known as Tenco Berhad)**  
**Condensed Consolidated Income Statement**  
**For The Quarter Ended 30 September 2008**

	3 months '08	3 months '07	YTD '08	YTD '07
	2008 Current quarter ended 30 September RM'000	2007 Comparative quarter ended 30 September RM'000	2008 6 months Cumulative to date RM'000	2007 6 months Cumulative to date RM'000
<b>Revenue</b>	<u>32,529</u>	<u>19,575</u>	<u>61,888</u>	<u>38,563</u>
<b>Gross Profit</b>	4,901	3,715	9,842	7,426
<b>Operating Expenses</b>	(4,653)	(3,558)	(8,816)	(6,392)
<b>Profit from Operation</b>	<u>248</u>	<u>157</u>	<u>1,026</u>	<u>1,034</u>
<b>Other Income</b>	145	767	326	893
<b>Finance costs</b>	(53)	(230)	(100)	(477)
<b>Profit before taxation</b>	<u>340</u>	<u>694</u>	<u>1,252</u>	<u>1,450</u>
<b>Taxation</b>	(291)	(194)	(707)	(394)
<b>Profit after taxation</b>	<u>49</u>	<u>500</u>	<u>545</u>	<u>1,056</u>
<b>Minority Interest</b>	-	-	-	-
<b>Net profit for the period</b>	<u>49</u>	<u>500</u>	<u>545</u>	<u>1,056</u>
<b>EPS</b>				
- Basic (sen)	0.10	0.97	1.07	2.05
- Diluted (sen)	N/A	N/A	N/A	N/A
<b>Gross Interest Income</b>	67	99	129	146
<b>Gross Interest Expenses</b>	(53)	(230)	(100)	(477)

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report financial year ended 31 March 2008)

**NAGAMAS INTERNATIONAL BERHAD (formerly known as Tenco Berhad)**  
**Condensed Consolidated Statement of Changes in Equity**  
**For The Quarter Ended 30 September 2008**

	← <i>Non-Distributable</i> →		<i>Distributable</i>	
	Share Capital RM	Translation Adjustment Account RM	Accumulated Losses RM	Total RM
<b>Balance as at 1 April 2008</b>	50,895,000	(295,380)	(6,585,909)	44,013,711
Currency translation differences	-	(91,938)	-	(91,938)
Net profit for the quarter	-	-	495,772	495,772
<b>Balance as at 30 June 2008</b>	50,895,000	(387,318)	(6,090,137)	44,417,545
Currency translation differences	-	167,000	-	167,000
Net profit for the quarter	-	-	48,891	48,891
<b>Balance as at 30 September 2008</b>	<b>50,895,000</b>	<b>(220,318)</b>	<b>(6,041,246)</b>	<b>44,633,436</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2008)

**NAGAMAS INTERNATIONAL BERHAD (formerly known as Tenco Berhad)**  
**Condensed Consolidated Cash Flow Statement**  
**For The Quarter Ended 30 September 2008**

	<b>30 Sep 08</b>	<b>30 Sep 07</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	340	694
Adjustment for:		
Depreciation of property, plant and equipment	152	181
Foreign exchange translation	163	(157)
Property, plant and equipment written off	75	4
Provision for doubtful debts	74	-
Interest expense	53	230
Interest income	(67)	(99)
Operating profit before working capital changes	<u>790</u>	<u>853</u>
Increase in inventories	(641)	(1,066)
Decrease in receivables	1,447	553
(Decrease)/Increase in payables	(928)	1,153
Cash generated from operations	<u>668</u>	<u>1,493</u>
Interest paid	(53)	(439)
Interest received	67	99
Tax paid	(374)	(167)
Net cash generated from operating activities	<u>308</u>	<u>986</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries	-	(14)
Withdrawal/(Placement) of fixed deposits	2,739	(14,054)
Proceeds from disposal of property, plant and equipment	-	1
Purchase of property, plant and equipment	(101)	(36)
Net cash generated from/(used in) investing activities	<u>2,638</u>	<u>(14,103)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from rights issue and special issue	-	24,795
Repayment of hire purchase payables	(6)	(7)
Repayment of offshore bridging loan	-	(10,104)
Net cash (used in)/generated from financing activities	<u>(6)</u>	<u>14,684</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,940</b>	<b>1,567</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>3,354</b>	<b>2,059</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b><u>6,294</u></b>	<b><u>3,626</u></b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report financial year ended 31 March 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 financial year ended 31 March 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 financial year ended 31 March 2008.

**2. Declaration of Qualification of Audit Report**

There was no qualification in the auditors report for the year ended 31 March 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 (formerly known as Tenco Berhad)**  
**Quarter Ended 30 September 2008**  
**Part A - Explanatory Notes Pursuant to FRS 134**

**8. Segmental Reporting**

**By Business Segment**

	<b>Total Revenue RM</b>	<b>Inter Company RM</b>	<b>External Sales RM</b>	<b>Profit/(Loss) Before Taxation RM</b>
Industrial division	26,112,925	(3,772,407)	22,340,518	439,472
Aviation services	10,188,075	-	10,188,075	935,647
Property & investment holding	505,494	(505,494)	-	(1,034,671)
<b>Group</b>	<b>36,806,494</b>	<b>(4,277,901)</b>	<b>32,528,593</b>	<b>340,448</b>

**By Geographical Segment**

	<b>External Sales RM</b>	<b>Profit/(Loss) Before Taxation RM</b>
Malaysia	21,632,241	(19,551)
Singapore	95,401	8,271
Canada	612,876	19,190
Hong Kong	10,188,075	332,538
<b>Group</b>	<b>32,528,593</b>	<b>340,448</b>

**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**

There were no material events subsequent to the end of the period.

**11. Effect of 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 RM32.53 million which showed an increase of RM3.17 million compared to that of the preceding quarter. Operating profit for the quarter before interest on borrowing was RM0.25 million compared to an operating profit of RM0.77 million in the preceding quarter. Lower operating profit for the quarter was mainly attributable to reduction in gross profit margin due to high raw material cost of petroleum based products.

**14. Review of Performance**

For the quarter under review, the Group registered a revenue of RM32.53 million and a net profit after taxation of RM0.05 million. At the operating level, the Group recorded an operating profit of RM0.25 million compared to an operating profit of RM0.16 million in the previous year's corresponding quarter.

**15. Future Prospects**

In view of the challenging business condition and stiff competition, the Group will try to achieve the positive results for the financial year ended 31 December 2008.

**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 is no gain on sale of unquoted investments and properties for the quarter ended 30 September 2008.

**19. Purchase or Disposal of Quoted Securities**

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

**NAGAMAS INTERNATIONAL BERHAD (formerly known as Tenco Berhad)**  
**Quarter Ended 30 September 2008**  
**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB**

**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 30 September 2008**

	<u>RM'000</u>
<u>Utilized</u>	
Repayment of bridging loans	10,889
Restructuring expenses	348
Investment	8,924
Working capital	<u>2,918</u>
	23,079
<u>Unutilized</u>	
Working capital and/or expansion plan involving new businesses	1,716
<b>Total Proceeds</b>	<b><u>24,795</u></b>

**21. Group Borrowings**

Group borrowings as at 30 September 2008:

	<b>Secured RM'000</b>
LC/TR/BA	2,824
Hire purchases	<u>132</u>
	<u>2,956</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 Ip Muda 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 and the court will hear the Notice of Appeal on 23 February 2009.

Meanwhile the Company has obtained an order of security for costs. The ex-director has appealed against the order of security for costs and the court has fixed 23 February 2009 for the hearing of the appeal.

**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 :	49
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	50,895
=	0.10 sen
Diluted:	Not Applicable