

BTM RESOURCES BERHAD (303962-T)
(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly Report On Consolidated Results For The Financial Quarter Ended 31 March 2002

The Figures Have Not Been Audited

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2002 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2001 RM'000	CURRENT YEAR TO DATE 31/03/2002 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2001 RM'000
1 a) Turnover	5,340	4,511	5,340	4,511
b) Investment income	-	-	-	-
c) Other income including interest income	10	59	10	59
2 a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items.	-1,446	-1,375	-1,446	-1,375
b) Interest on borrowings	148	154	148	154
c) Depreciation and amortisation	482	566	482	566
d) Exceptional items	-	-	-	-
e) Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	-2,076	-2,095	-2,076	-2,095
f) Share in the results of associated companies	-	-	-	-
g) Profit/(loss) before taxation, minority interests and extraordinary items.	-2,076	-2,095	-2,076	-2,095
h) Taxation	-	-	-	-
i) i) Profit/(loss) after taxation before deducting minority interests	-2,076	-2,095	-2,076	-2,095
ii) Less minority interests	10	-	10	-
j) Profit/(loss) after taxation, attributable to members of the company	-2,066	-2,095	-2,066	-2,095
k) i) Extraordinary items	-	-	-	-
ii) Less minority interests	-	-	-	-
iii) Extraordinary items attributable to members of the company	-	-	-	-
l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	-2,066	-2,095	-2,066	-2,095
3 a) Earning /(Loss) per share based on 2(j) above after deducting any provision for preference dividend, if any :-				
i) Basic (based on ordinary shares - sen)	-10.33	-10.47	-10.33	-10.47
ii) Fully diluted (based on ordinary shares - sen)	-	-	-	-
4 Net tangible assets per share (sen)	124	149	124	149
5 a) Dividend per share (sen)	-	-	-	-
b) Dividend Description	-	-	-	-

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CONSOLIDATED BALANCE SHEET

Quarterly Report On Consolidated Results for the First Quarter ended 31-03-2002

	Unaudited	Audited
	AS AT END OF CURRENT QUARTER 31/03/2002 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/12/2001 RM'000
1 Fixed Assets	17,530	17,968
2 Investment in Associated Companies	-	-
3 Long Term Investments	21	21
4 Intangible Assets	26	-
5 Current Assets		
<i>Stocks</i>	10,946	12,087
<i>Trade Debtors</i>	11,153	8,668
<i>Other Debtors, Deposit and Prepayments</i>	1,725	1,611
<i>Short Term Deposits</i>	141	140
<i>Cash and Bank Balances</i>	356	73
	24,321	22,579
6 Current Liabilities		
<i>Short Term Borrowings</i>	9,144	8,348
<i>Trade Creditors</i>	5,603	3,920
<i>Other Creditors</i>	1,238	703
<i>Provision for Taxation</i>	827	727
<i>Proposed Dividend</i>	-	-
	16,812	13,698
7 Net Current Assets or Current Liabilities	7,509	8,881
	25,060	26,870
8 Shareholders' Funds		
Share Capital	19,999	19,999
Reserves	-	-
<i>Share Premium</i>	6,460	6,460
<i>Retained Profit</i>	-1,660	154
9 Minority Interests	14	-
10 Long Term Borrowings	27	35
11 Other Long Term Liabilities	246	222
12 Deffered Taxation	-	-
	25,086	26,870
12 Net Tangible Assets per Share (sen)	124	133

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(Incorporated In Malaysia)

ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE FORTH QUARTER
ENDED 31 MARCH 2002

NOTES

1. Accounting Policies

The accounts of the Group are prepared using the same accounting policies, method of computation and basis of consolidations as those used in the preparation of the most recent annual financial statements.

2. Exceptional Item

There were no exceptional item in for the quarterly financial statement.

3. Extraordinary Item

There were no extraordinary item for the quarterly financial statement.

4. Taxation

The tax figures do not contain any deferred tax and / or adjustment for under or overprovisions in respect of prior years.

No provision is made for tax on operating loss for the financial period under review in view losses incurred for the quarter.

5. Pre-acquisition Profit

There were no pre-acquisition profits for the current financial period ended 31 March 2002.

6. Profit On Disposal Of Investments And / Or Properties

There were no profits on sale of investments and / or properties for the current financial period ended 31 March 2002.

7. Quoted Securities

There were no purchase or disposal of quoted shares for the financial period ended 31 March 2002.

8. Changes In The Composition Of The Group

The company had subscribed for 51% of equity interest in NTL Marine Park Sdn Bhd for cash consideration of RM51,000.00 on 14th January 2002.

9. Status Of Corporate Proposals

The Company has announced on 20 March 2001 the following corporate proposals :-

- a) Proposed acquisition of land together with factory buildings erected thereon and plant and machineries from Gimzan Plywood Sdn Bhd for a total purchase consideration of RM27,000,000 to be satisfied via the issue of 16,875,000 new ordinary shares of RM1.00 each in BTM Resources at an issue price of RM1.60 per share.
- b) Proposed acquisition of land and plant machineries for a total purchase consideration of RM3,000,000 to be satisfied via the issuance of 1,875,000 new ordinary shares of RM1.00 each in BTM Resources Berhad at an issue of RM1.00 per share.
- c) Proposed acquisition of 5 1/2 storey office building known as "Wisma Kam Choon" for a purchase consideration of RM5,000,000 to be satisfied via issuance of 3,125,000 new ordinary shares of RM1.00 each in BTM Resources at an issue price of RM1.60 per share.
- d) Proposed private placement of up to 4,000,000 new ordinary shares of RM1.00 each
- e) Proposed restricted offer for sale of rights to allotments of 7,786,000 ordinary shares of RM1.00 each to the existing shareholders of BTM Resources Berhad.
- f) Proposed establishment of Employee Share Option Scheme ("ESOS")

The proposals has been approved by the Ministry of International Trade and Industry ("MITI") on 10 August 2001 and Foreign Investment Committee ("FIC") on 21 September 2001

Securities Commission had in its letter dated 26 December, 2001 approved the followings :-

- a) the Proposed Assets Acquisition from BTM Timber was approved as proposed:
- b) the Proposed Wisma Kam Choon Acquisition or a consideration of RM5,000,000 to be satisfied by an issuance of 3,215,000 new BTM Resources shares at an issue price of RM1.60 each was revised to a consideration of RM4,500,000 to be satisfied by an issuance of 2,812,500 new BTM Resources shares at an issue price of RM1.60 each;
- c) the Proposed Restricted Offer for Sale of 7,876,000 new BTM Resources shares to the existing of BTM other than Dato' Seri Yong Tu Sang ("Dato' Seri Yong"), To' Puan Ng Ah Heng ("To' Puan Ng"), Yong Emmy, Dato' Seri Yusof bin Dato' Biji Sura @ Mohamad ("Dato' Seri Yusof"), Dato' Mohd Zamry bin Yusof ("Dato' Mohd Zamry") and Fatimah Zalina binti Yusof ("Fatimah Zalina") was revised to up to a maximum of 4,687,500 new BTM Resources shares:
- d) the Proposed Private Placement was approved as proposed: and
- e) the Proposed ESOS was approved as proposed.

The Securities Commission had, however, rejected the proposed Assets Acquisition from Gimzan Plywood due to, inter-alia, the assets to be acquired had ceased operations, the past losses incurred by the assets and the unsatisfactory prospects of the assets. However the Board of BTM Resources Berhad had decided to appeal against the decision of Securities Commission on the Proposed Assets Acquisition from Gimzan Plywood and the Restricted Offer for sales. The appeal had been submitted on 25 January 2002 to Securities Commission and the Company is currently waiting for the decision on the appeal.

10. Seasonal or Cyclical Factors

Our business operations are generally affected by the rainy seasons in the east coast of West Malaysia which predominantly occurred during the months of October to January.

11. Corporate Development

There were no issuances or repayments of debts and equity securities, share-buy-backs share cancellations, shares held as treasury shares and resale-of treasury shares for current financial period ended 31 March 2002.

12. Group Borrowings

Group borrowings and debt securities as at the end of the reporting period

	Short Term Borrowings RM,000	Long Term Borrowings RM'000
Denominated in Malaysian Currency		
Secured	6,283	-
Unsecured	2,861	27
	<u>9,144</u>	<u>27</u>

13. Contingent Liabilities

Corporate Guarantees amounting to RM16,200,000 have been issued to banks for credit facilities granted to subsidiary companies.

14. Off Balance Sheet Financial Instruments

There were no material financial instruments with off balance sheet risk during the current financial period ended 31 March 2002.

15. Segmental Reporting

Segmental reporting under International Accounting Standards Statement No. 14 is not necessary as the Group is principally involved in wood-based activity of logging, sawmilling, timber trading and manufacturing of moulding, finger jointed and laminated timber.

16. Comparison With Preceding Individual Quarter's Results

The group's loss before taxation for the current quarter ending 31 March 2002 is RM2.076 million as compared to the preceding quarter of RM1.277 million. The higher loss incurred for the current period as compared to the preceding quarter is mainly due to lower margin on sales.

17. Review Of Performance

The Group recorded a turnover of RM5.340 million and pre-tax loss of RM2.076 million as compared with RM4.511 million and pre-tax loss of RM2.095 million registered in corresponding quarter 31 March 2001, representing an increase of 18% and improvement of 0.9%, respectively. The losses was attributed to lower margin on sales and stiff competition faced by the timber industry.

18. Prospect For The Current Financial Year

In view of competition faced by the timber industry, which may have continued adverse impact on group performance, the group will endeavour to explore new markets and opportunities in order to improve sales and margin.

19. Variance Of Actual Profit From Forecast Profit

The company did not issue any profit forecast for the current quarter.

20. Dividend

The Board of Directors do not recommended any dividend for the quarter under review.

By Order of the Board
BTM RESOURCES BERHAD

CHONG SEOK TIAN (MIA 2502)
Company Secretary

Kuala Terengganu, Terengganu Darul Iman
28th May 2002