

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

**QUARTERLY REPORT**

Quarterly Report On Consolidated Results For The Financial Quarter Ended 30 September 2001

The Figures Have Not Been Audited

**CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2000 RM'000	CURRENT YEAR TO DATE 30/09/2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2000 RM'000
1 a) Turnover	5,314	6,003	14,029	19,750
b) Investment income	-	-	-	-
c) Other income including interest income	27	300	119	339
2 a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items.	66	51	-1,714	1,715
b) Interest on borrowings	183	77	523	257
c) Depreciation and amortisation	511	530	1,617	1,587
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	-628	-556	-3,854	-129
f) Share in the results of associated companies	-	-	-	-
g) Profit/(loss) before taxation, minority interests and extraordinary items.	-628	-556	-3,854	-129
h) Taxation	-10	-	-10	120
i) i) Profit/(loss) after taxation before deducting minority interests	-618	-556	-3,844	-249
ii) Less minority interests	-	-	-	-
j) Profit/(loss) after taxation, attributable to members of the company	-618	-556	-3,844	-249
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	-618	-556	-3,844	-249
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)	-3	-3	-19	-1
ii) Fully diluted (based on ordinary shares - sen)	-	-	-	-
4 Net tangible assets per share (sen)	140	166	140	166
5 a) Dividend per share (sen)	-	N/R	-	-
b) Dividend Description	-	N/R	-	-

# BTM RESOURCES BERHAD (303962-T)

## CONSOLIDATED BALANCE SHEET

Quarterly Report On Consolidated Results for the Third Quarter ended 30-9-2001

	<b>Unaudited</b>	<b>Audited</b>
	AS AT END OF CURRENT QUARTER 30-9-2001 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31-12-2000 RM'000
1 Fixed Assets	18,099	19,270
2 Investment in Associated Companies	-	-
3 Long Term Investments	21	21
4 Intangible Assets	-	-
5 Current Assets		
<i>Stocks</i>	14,227	12,708
<i>Trade Debtors</i>	9,476	9,411
<i>Other Debtors, Deposit and Prepayments</i>	1,897	2,979
<i>Short Term Deposits</i>	139	136
<i>Cash and Bank Balances</i>	858	75
	<b>26,597</b>	<b>25,309</b>
6 Current Liabilities		
<i>Short Term Borrowings</i>	11,304	5,384
<i>Trade Creditors</i>	3,591	4,840
<i>Other Creditors</i>	440	1,268
<i>Provision for Taxation</i>	755	511
<i>Proposed Dividend</i>	-	-
	<b>16,090</b>	<b>12,003</b>
7 Net Current Assets or Current Liabilities	<b>10,507</b>	<b>13,306</b>
	<b>28,627</b>	<b>32,597</b>
8 Shareholders' Funds		
Share Capital	19,999	19,999
Reserves	-	-
<i>Share Premium</i>	6,460	6,460
<i>Retained Profit</i>	1,660	5,504
9 Minority Interests	-	-
10 Long Term Borrowings	-	120
11 Other Long Term Liabilities	201	207
12 Deffered Taxation	307	307
	<b>28,627</b>	<b>32,597</b>
12 Net Tangible Assets per Share (sen)	140	160

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**(Incorporated In Malaysia)**

**ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE THIRD QUARTER**  
**ENDED 30 SEPTEMBER 2001**

**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 figure represent overprovision 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 30 September 2001.

**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 30 September 2001.

**7. Quoted Securities**

There were no purchase or disposal of quoted shares for the financial period ended 30 September 2001.

**8. Changes In The Composition Of The Group**

There were no changes in the composition of the Company during the financial period ended 30 September 2001.

## 9. Status Of Corporate Proposals

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

- a) Proposal 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

## 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 30 September 2001.

## 12. Group Borrowings And Debt Securities

	9/30/2001 RM,000
Term Loan	444
LC / TR / BA / Overdrafts	10,860
	<u>11,304</u>
Short Term Loans	444
(Amount falling due within one year)	-
Long Term Loans	-
(Amount falling due after more than one year)	<u>444</u>

The bank borrowings are secured by a Corporate Guarantee, deeds of Debanture over the fixed and floating assets, a negative pledge on assets of subsidiary companies, a first legal charge over the subsidiary's leasehold land and factory buildings and bearing an interest of 2.50% above the Base Landing Rate of the lending Bank

## 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 30 September 2001.

## 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. Comparision With Preceeding Individual Quarter's Results

For the quarter under review, the turnover increased to RM5,314 million as compared to RM4.204 million in the previous quarter.

The Group recorded a pre-tax loss of RM0.628 million as compared to a pre-tax loss of RM1.131 million in the preceeding quarter.

## 17. Review Of Performance

For the nine (9) months under review, the Group recorded a turnover of RM14.029 million which represents 28% decrease over the same corresponding period last year.

The Group recorded a pre-tax loss of RM3.854 million mainly due to the timber industry adversely affected by deteriorating timber prices which further eroded its margin. The sluggish timber market due to slowdown in global economy coupled with stiff competition from neighbouring countries were the other factors contributing to the declice performance.

**18. Prospect For The Current Financial Year**

In view of falling timber price and slowdown in global economy which may have adverse impact on Group Performance, the Group will endeavour to explore new markets and opportunities in order to improve sales and margins.

**19. Variance Of Actual Profit From Forecast Profit**

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

**20. Dividend**

No interim dividend has been recommended.

By Order of the Board  
BTM RESOURCES BERHAD

CHONG SEOK TIAN (MIA 2502)  
Company Secretary

28th November 2001  
Kuala Terengganu, Terengganu Darul Iman