

Golden Frontier Berhad Group of Companies
Condensed Consolidated Income Statements
For 12 Months Ended 30 September 2008

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	30-Sep-08	30-Sep-07	30-Sep-08	30-Sep-07
	RM '000	RM '000	RM '000	RM '000
Revenue	45,044	35,573	164,430	137,387
Operating profit	1,750	2,948	14,629	15,165
Interest expense	(773)	(615)	(3,073)	(3,279)
Interest income	33	25	136	70
Profit before taxation	1,010	2,358	11,692	11,956
Tax expense	46	(230)	(895)	(1,181)
Profit after taxation	1,056	2,128	10,797	10,775
Unusual Items	-	-	-	-
Net profit for the period	1,056	2,128	10,797	10,775
Basic earnings per ordinary share (sen)	1.97	3.59	18.76	18.09
Diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

Note - The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 September 2007 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies
Condensed Consolidated Balance Sheet
As At 30 September 2008

	Current Year-to-date	Last Audited
	30-Sep-08	30-Sep-07
	RM '000	RM '000
Property, plant and equipment	62,152	61,543
Prepaid Land Lease Payment	13,763	14,289
Investment Properties	8,100	8,100
Deferred Tax Assets	27	-
Goodwill on consolidation	10,213	10,649
Property Development Costs	3,608	3,447
Property Development Costs	-	2,564
Assets Held For Disposal	-	1,925
Inventories	25,416	19,379
Trade receivables	37,575	32,477
Other receivables, deposits and prepayments	2,428	6,933
Accrued Billings	-	-
Current Tax Assets	294	317
Cash and bank balances	5,027	3,569
Total Current Assets	70,740	67,164
Trade payables	6,577	6,197
Other payables and accrued expenses	3,916	3,892
Dividend Payables	-	1,179
Short term borrowings	46,599	45,343
Tax liabilities	244	212
Total Current Liabilities	57,336	56,823
Net Current Assets / (Liabilities)	13,404	10,341
Deferred tax	7,816	8,132
Long-term liabilities	993	2,711
Net Assets	102,458	97,526
Represented by:		
Issued capital	56,431	62,257
Reserves	46,027	35,269
Shareholders' Equity	102,458	97,526

Note - The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 30 September 2007 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies
Condensed Consolidated Statement of Changes in Equity
As At 30 September 2008

	Share Capital	Non-Distributable	Distributable	Total
	RM '000	RM '000	RM '000	RM '000
Balance as of 1 October 2006	62,257	23,516	7,534	93,307
Currency Translation Differences	-	(2,212)	-	(2,212)
Transfer from / (to) Revaluation Reserve	-	(103)	103	-
Deferred Tax Income	-	268	-	268
Shares buy-back	-	(752)	-	(752)
Dividend Paid	-	-	(3,860)	(3,860)
Net profit during the period	-	-	10,775	10,775
Balance as of 30 September 2007	<u>62,257</u>	<u>20,717</u>	<u>14,552</u>	<u>97,526</u>
Balance as at 1 October 2007	62,257	20,717	14,552	97,526
Currency Translation Differences	-	(632)	-	(632)
Transfer from / (to) Revaluation Reserve	-	(595)	595	-
Shares buy-back	-	(2,651)	-	(2,651)
Dividend Paid	-	-	(2,582)	(2,582)
Cancellation of Treasury Shares	(5,826)	5,826	-	-
Net profit during the period	-	-	10,797	10,797
Balance as of 30 September 2008	<u>56,431</u>	<u>22,665</u>	<u>23,362</u>	<u>102,458</u>

Note - The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2007 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies
Condensed Consolidated Cash Flow Statement
As At 30 September 2008

	Current Year-to-date	Preceding Year Corresponding Period
	30-Sep-08	30-Sep-07
	RM '000	RM '000
Cash Flows From/(Used In) Operating Activities		
Profit before taxation	11,692	11,956
Adjustment for -		
Non-cash items	5,633	417
Non-operating items	2,821	3,207
Operating Profit Before Working Capital Changes	20,146	15,580
Changes in working capital		
Net changes in current assets	(4,522)	2,777
Net changes in current liabilities	417	(1,195)
Cash Generated/(Used In) From Operations	16,041	17,162
Tax Paid	(1,273)	(1,626)
Tax Refunded	91	87
Cash Flows From/(Used In) Operating Activities	14,859	15,623
Cash Flows From/(Used In) Investing Activities		
Interest received	136	70
Proceeds from disposal of property, plant and equipment	69	145
Proceeds from disposal of assets held for sale	1,997	-
Purchase of property, plant and equipment	(5,972)	(1,519)
Cash Flows From/(Used In) Investing Activities	(3,770)	(1,304)
Cash Flows From/(Used In) Financing Activities		
(Repayment of)/Proceeds from short term borrowings	2,612	(3,890)
Interest paid	(3,049)	(3,370)
(Repayment of)/Proceeds from long term loan	(3,056)	(4,578)
Dividend Paid	(3,761)	(2,681)
Shares buy-back	(2,651)	(752)
Cash Flows From/(Used In) Financing Activities	(9,905)	(15,270)
Effects of Exchange Rate Changes	394	1,161
Net Increase / (Decrease) in Cash and Cash Equivalents	1,578	209
Cash and Cash Equivalents at Beginning of Period	3,449	3,240
Cash and Cash Equivalents at End of Period	5,027	3,449

Note - The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 30 September 2007 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies

Notes to the Interim Financial Report

1 Basis of Preparation

This interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standard (FRS) 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB)

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2007 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2008 annual financial statements. Details of these changes in accounting policies are set out in Note 2

The preparation of an interim financial report in conformity with FRS 134 Interim Financial Reporting requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2007 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with FRSs.

The financial information relating to the financial year ended 30 September 2007 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements other than those that have been restated as a result of the change in accounting policies. Statutory financial statements for the year ended 30 September 2007 are available from the Company's registered office.

2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2007 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning on or after 1 July 2007:

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the new/revised FRS does not have any significant impact on the financial statements of the Group.

3 Auditors Report on Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding year ended 30 September 2007 was reported without any qualification.

4 Seasonal or Cyclical Factors

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

Golden Frontier Berhad Group of Companies
Notes to the Interim Financial Report

5 Unusual Items due to their Nature, Size, or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during this current quarter and financial period-to-date.

6 Changes in Estimates

There were no changes in estimates that have had material effect in the current quarter and financial period-to-date results.

7 Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in this current quarter and financial period-to-date except for the shares bought-back that were kept as treasury shares as follows -

	Shares (No.)	Cost (RM)
<i><u>Share Capital - Issued and Fully Paid of RM1.00 each</u></i>		
Balance as at 1 October 2007	62,257,204	62,257,204
Cancellation of Treasury Shares on 30 September 2008	<u>(5,826,204)</u>	<u>(5,826,204)</u>
Balance as at 30 September 2008	<u>56,431,000</u>	<u>56,431,000</u>

<i><u>Shares Bought-Back and Kept as Treasury Shares</u></i>		
Balance as at 1 October 2006	2,255,800	1,559,637
Shares bought-back during the period	<u>906,700</u>	<u>751,698</u>
Balance as at 30 September 2007	3,162,500	2,311,335
Shares bought-back from 1 October 2007 to 30 September 2008	2,681,704	2,651,405
Less - Cancellation of Treasury Shares	<u>(5,826,204)</u>	<u>(4,945,332)</u>
Balance as at 30 September 2008	18,000	17,407
Shares bought-back from 1 October 2008 to 23 October 2008	125,300	110,302
Balance as at 23 October 2008	<u>143,300</u>	<u>127,709</u>

8 Dividend Paid

	Current Year-to-date	Preceding Year Corresponding Period
	30-Sep-08 RM '000	30-Sep-07 RM '000
Interim Dividend	1,179	-
Final Dividend	<u>2,582</u>	<u>2,681</u>
	<u>3,761</u>	<u>2,681</u>

An Interim Dividend of 2 Sen per share, tax exempt, amounting to RM1,179,024 in respect of financial year ended September 30, 2007 has been approved by the Board of Directors on 29 August 2007 for payment on 23 November 2007. The amount is based on the number of outstanding shares in issue excluding the Treasury Shares as at the dividend entitlement date.

A final dividend of 4.5 sen per share, tax exempt, amounting to RM2,582,155 in respect of financial year ended 30 September 2007 was approved for payment on 9 May 2008 by the shareholders at the 35th Annual General Meeting held on 27 March 2008. The amount is based on the number of outstanding shares in issue excluding the Treasury Shares as at the dividend entitlement date.

Golden Frontier Berhad Group of Companies
Notes to the Interim Financial Report

9 Segmental Information

By Activity -

Investment holdings, provision of management consultancy services
Manufacturing of corrugated fibreboard carton
Property development
Trading and insurance agency and others

Group transaction

Revenue	Profit Before Taxation	Revenue	Profit Before Taxation
Current Year-to-date		Preceding Year-to-date	
30-Sep-08		30-Sep-07	
RM '000	RM '000	RM '000	RM '000
	6,728		8,261
	3,936		6,632
	160,900		118,285
	12,540		8,837
	3,077		18,660
	(461)		3,348
	453		428
	(18)		(41)
	171,158		145,634
	15,997		18,776
	(6,728)		(8,247)
	(4,306)		(6,820)
	164,430		137,387
	11,692		11,956

By Geographical Location -

Malaysia
Vietnam

	78,208	2,769	76,342	5,747
	86,222	8,923	61,045	6,209
	164,430	11,692	137,387	11,956

10 Carrying Amount of Revalued Properties, Plants and Equipments

Land and buildings of the Group and of the Company were revalued by the directors during the financial year ended 30 September 2006 based on the valuation reports of independent firm of professional valuers on an open market value basis.

Investment Properties of the Group and of the Company were revalued by the directors during the financial year ended 30 September 2008 based on the valuation reports of independent firm of professional valuers on an open market value basis.

The carrying amount of other properties, plants and equipments have been brought forward, without amendment from the previous audited financial statements for the year ended 30 September 2007.

11 Subsequent Events

There is no material event occurred between the end of this interim financial period and within 7 days before the date of issue of this interim financial report.

12 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

13 Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liability or contingent asset since the previous audited balance sheet date as at 30 September 2007.

Golden Frontier Berhad Group of Companies
Notes to the Interim Financial Report

14 Tax Income/(Expense)

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	30-Sep-08	30-Sep-07	30-Sep-08	30-Sep-07
	RM '000	RM '000	RM '000	RM '000
Income Tax -				
Provision for Current Year				
Malaysian income tax	(264)	(203)	(451)	(207)
Overseas income tax	(120)	(191)	(874)	(718)
Deferred tax	429	156	429	(265)
Over/(under) provided of tax	1	8	1	9
Real Property Gains Tax	-	-	-	-
Tax Expense	<u>46</u>	<u>(230)</u>	<u>(895)</u>	<u>(1,181)</u>

The effective tax rate of the Group are lower than the statutory income tax rate due mainly to the utilization of brought forward unabsorbed capital allowances, tax losses and reinvestment allowances in certain profit making subsidiary companies to set off against income that would otherwise have been subjected to tax. In addition, there is one overseas subsidiary generating profit in the current financial year not subject to tax as it is still under tax holiday whilst profit taxable on the remaining overseas subsidiaries are generally at a lower rate than the statutory tax rate in Malaysia.

15 Profit/(Loss) on Sale of Unquoted Investments and/or Properties

There is no purchase nor sale of unquoted investment and/or property for this interim financial period and financial year-to-date except as follows -

- (i) Sale of a leasehold land and building previously rented to a 3rd parties, resulted in a profit on disposal of RM76,500
- (ii) Sale of a freehold land and building previously occupied as warehouse, resulted in a loss on disposal of RM4,750
- (iii) Purchase of a freehold land amounted to RM1,687,959 intended for construction of factory building.

16 Purchase Consideration and Sales Proceeds of Quoted Securities and Profit/(Loss) Arising Therefrom

There is no purchase nor sale of quoted securities for this interim financial period and financial year-to-date except for the purchase of own shares as disclosed under Note 7 above.

17 Status of Corporate Proposals Announced but not Completed

There is no corporate proposal announced but not completed at the date of issue of this interim financial report

Golden Frontier Berhad Group of Companies
Notes to the Interim Financial Report

18 Bank Borrowings

	Current	
	Year-to-date	Last Audited
	30-Sep-08	30-Sep-07
	RM '000	RM '000
Secured borrowings	17,680	20,590
Unsecured borrowings	29,911	27,464
Total borrowings	47,591	48,054
Short-term borrowings	44,880	45,343
Long-term borrowings	2,711	2,711
Total borrowings	47,591	48,054
Borrowing denominated in RM	23,085	24,442
Borrowing denominated in USD - RM Equivalent	18,084	16,115
Borrowing denominated in VND - RM Equivalent	6,421	7,497
Total borrowings	47,591	48,054

The Group's secured borrowings were solely incurred for its operation in Vietnam, which consist of Term Loan, Revolving Credit and Trade Facilities, and were secured by way of corporate guarantees by the ultimate holding company, mortgage over the land and building and debentures over the fixed and floating assets of the Vietnam operation.

19 Financial Instruments With off Balance Sheet Risk

The Group does not have any off balance sheet financial instruments as at 23 October 2008, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report except for the forward foreign exchange contracts which have been entered into by the Group to hedge its foreign currency receivable as follows -

Currency	Contract Amount USD'000	Contract Date	Contract Type	Contract Period		Outstanding Contract Amount	
				From	To	USD'000	RM'000
USD	199	19/09/2008	4 Month Option	23/09/2008	23/01/2009	199	685
USD	861	Aug08-Nov'08	Fixed Dated	Dec'08	Feb'09	861	2,963
	1,060					1,060	3,648

The Group does not foresee any significant credit and market risks associated with the above forward exchange contracts as they are entered into with approved financial institutions and the Directors are of the view that the possibility of non-performance by these financial institutions is unlikely on the basis of their respective creditworthiness and financial strength.

There is no cash requirement for the above forward foreign exchange contract.

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at the rates of exchange ruling at that date, except when there are related or matching forward exchange contracts in respect of trading transactions, in which case, the contracted rates of exchange are used. All exchange gains and losses arising on foreign currency transactions and translation are recognised in the income statement.

20 Pending Litigation

There is no pending material litigation at the date of issue of this interim financial report.

21 Material Changes in the Profit Before Taxation for Quarter Reported on as Compared With the Immediate Preceding Quarter

	Current Year Quarter	Immediate Preceding Quarter	Increase / (Decrease)
	30-Sep-08	30-Jun-08	
	RM '000	RM '000	RM '000
Revenue	45,044	42,241	2,803
Profit/(Loss) before taxation	1,010	3,008	(1,998)
Profit/(Loss) before taxation - %	2%	7%	

The Group continued to register higher revenue as volume picked up in both the Malaysian and Vietnam markets during the current quarter. Nevertheless, profit before tax have contracted following higher cost of production arising from escalating fuel and commodities (including paper) prices during the quarter that have resulted in increase in overheads e.g. electricity, transportation and other indirect materials costs. Results of our Vietnam operations were also affected because of the instability in Vietnam Dong and high financial costs that persisted there during the current quarter.

22 Review of the Performance of the Company and its Principal Subsidiaries (Current Year-to-Date vs. Preceding Year Corresponding Period)

	Current Year-to-date	Preceding Year Corresponding Period	Increase / (Decrease)
	30-Sep-08	30-Sep-07	
	RM '000	RM '000	RM '000
Revenue	164,430	137,387	27,043
Profit before taxation	11,692	11,956	(264)
Profit before taxation - %	7%	9%	

The Group achieved a significant growth in revenue, contributed principally from the packaging division particularly from the Vietnam operations (notably in Hanoi plant which has registered a 165% growth in revenue in the current year). These are achieved despite the substantially lower contribution from the property development division in this current year as on-hand project was completed early in this financial year.

Group's profit before tax however has reduced slightly contrary to the higher revenue, mainly affected particularly towards end of 3rd quarter and in the 4th quarter, where costs of production in the packaging division have increased but were not passed on to customers in similar pace. More importantly, higher financial costs and depreciating currency in Vietnam have resulted in reduction of the overall profit margin of the Group.

Golden Frontier Berhad Group of Companies
Notes to the Interim Financial Report

23 Current Year Prospects

Corrugated Carton Manufacturing

World economic outlook has deteriorated as more countries slipped into recession, and more larger corporations fell or faced difficulties to continue operation. Whilst we acknowledge that the global downturn will affect our operations in one way or another, the impact would not be significantly worrying as we have prepared ourselves early in many aspects including intensified efforts to strengthen our manufacturing productivity and efficiency, engaging in more cost-savings drive and consolidating our resources to counter the unfavourable impact of the impending challenges.

Property Development

As we have expected, activities in the property market has started to dwindle significantly. We are not likely to engage in new projects in the next financial year but will continue to monitor and seize any opportunity to broaden our property land bank both in Penang vicinity and other places in preparation for our future ventures in this business segment.

Overall performance -

Global downturn arising from the deepening financial crisis have and will affect many countries including Malaysia and Vietnam, as evidenced by the slowdown in export performance, shrinking FDI and lower equity prices. Nevertheless, the significant fall in fuel and commodity prices, coupled with falling interest rates, along with various economy stimulus packages undertaken by the governments will provide some respites to the business community. Easing of global inflation on lower cost pressure will also to a certain extent help to curb the profound impact of the current financial crisis.

Economy growth in both Malaysia and Vietnam will be much lower in 2009 as compared to that achieved respectively in 2007 and 2008. Overall, we shall strive to operate cautiously and managing our resources with greater efficiency, and take every opportunities to consolidate and strengthen internally so as to be able to sail through this difficult time unscathed.

On the back of deepening global downturn, Financial Year 2009 will definitely be a very challenging and difficult year for the Group. It will not be easy even to maintain the same level of revenue and profitability as in the preceding financial year. The Group has to be prepared to face possible contraction of revenue and profitability in this trying time. Barring unforeseen circumstances, we expect the Group's revenue and profitability in Financial Year 2009 to be affected to a certain extent due to the on-going global financial crisis.

24 Explanatory Notes for Variances Between Actual and Forecasted Profits

Not Applicable.

25 Basic Earnings per Ordinary Share

	Current Year 30-Sep-08	Preceding Year 30-Sep-07	Current 30-Sep-08	Preceding Year 30-Sep-07
Net profit attributable to ord. s'holders (RM'000)	1,056	2,128	10,797	10,775
Weighted average no. of ordinary shares in issue	56,694	59,278	57,549	59,579
Basic earnings per ordinary share (Sen)	1.86	3.59	18.76	18.09

26 Diluted Earnings per Ordinary Share

No fully diluted earnings per share of the Group has been presented as the average fair value of the shares of the Company is lower than the exercise price for the conversion of Warrants to ordinary shares. The effect of this would be anti-dilutive to the earnings per ordinary share.

Should there be any computation being made, it shall be based on 87,559,602 ordinary shares, assuming full conversion of Warrants 2000/2010.

Golden Frontier Berhad Group of Companies
Notes to the Interim Financial Report

27 Dividend Payable

The Board of Directors proposed a final dividend of 4.0 sen per share, tax exempt, amounting to RM2,256,520 (excluding 18,000 shares bought-back and held as Treasury Shares as of 30 September 2008) in respect of financial year ended 30 September 2008. This dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in this interim financial report.

28 Provision of Financial Assistance (Disclosure Pursuant to Paragraph 3.1 of Practice Note No. 11/2001)

	Current Year Quarter
	As At 30-Sep-08
	RM '000
(i) Aggregate amount of financial assistance provided during the reporting quarter	
- Corporate Guarantee given by the Holding Company to financial institutions for credit facilities granted to certain of its' subsidiary companies	83,460
- Loan/Advances given by the Holding Company to certain of its' subsidiary companies	26,019
- Loan/Advances given by one of the licensed moneylending company within the Group to 3rd parties	5,538
(ii) Financial impact of the financial assistance provided	

The provision of the financial assistance does not have any effect on the issued and paid-up share capital and substantial shareholders' shareholding of GFB and would not have any material effect on the net assets, net tangible assets, gearing and earnings of GFB Group.