

Golden Frontier Berhad Group of Companies
Condensed Consolidated Income Statements
For 3 Months Ended 31 December 2008

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	31-Dec-08 RM '000	31-Dec-07 RM '000	31-Dec-08 RM '000	31-Dec-07 RM '000
Revenue	39,806	37,856	39,806	37,856
Operating profit	2,192	4,809	2,192	4,809
Interest expense	(837)	(720)	(837)	(720)
Interest income	11	27	11	27
Profit before taxation	1,366	4,116	1,366	4,116
Tax expense	(118)	(402)	(118)	(402)
Profit after taxation	1,248	3,714	1,248	3,714
Unusual Items	-	-	-	-
Net profit for the period	1,248	3,714	1,248	3,714
Basic earnings per ordinary share (sen)	2.22	6.27	2.22	6.27
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 2008 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies
Condensed Consolidated Balance Sheet
As At 31 December 2008

	Current Year-to-date	Last Audited
	31-Dec-08	30-Sep-08
	RM '000	RM '000
Property, plant and equipment	60,376	62,151
Prepaid Land Lease Payment	13,354	13,762
Investment Properties	8,066	8,100
Goodwill on consolidation	10,108	10,213
Property Development Costs	3,201	3,608
Deferred Tax Assets	27	27
Inventories	17,198	25,867
Trade receivables	33,395	37,575
Other receivables, deposits and prepayments	1,021	2,428
Current Tax Assets	383	293
Cash and bank balances	6,554	5,027
Total Current Assets	58,551	71,190
Trade payables	5,079	7,028
Other payables and accrued expenses	3,437	3,885
Short term borrowings	36,296	46,600
Tax liabilities	125	275
Total Current Liabilities	44,937	57,788
Net Current Assets / (Liabilities)	13,614	13,402
Deferred tax	7,815	7,815
Long-term liabilities	584	990
Net Assets	100,347	102,458
Represented by:		
Issued capital	56,431	56,431
Reserves	43,916	46,027
Shareholders' Equity	100,347	102,458

Note - The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 30 September 2008 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 31 December 2008

	Share Capital	Non-Distributable	Distributable	Total
	RM '000	RM '000	RM '000	RM '000
Balance as of 1 October 2007	62,257	20,718	14,552	97,527
Shares buy-back		(653)	-	(653)
Exchange Reserve		(221)	-	(221)
Dividend Paid		-	-	-
Net profit during the period		-	3,714	3,714
Balance as of 31 December 2007	<u>62,257</u>	<u>19,844</u>	<u>18,266</u>	<u>100,367</u>
Balance as at 1 October 2008	56,431	22,718	23,309	102,458
Exchange Reserve		(1,771)	-	(1,771)
Shares buy-back		(179)	-	(179)
Dividend Paid		-	(1,409)	(1,409)
Net profit during the period		-	1,248	1,248
Balance as of 31 December 2008	<u>56,431</u>	<u>20,768</u>	<u>23,148</u>	<u>100,347</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 2008 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies
Condensed Consolidated Cash Flow Statement
As At 31 December 2008

	Current Year-to-date	Preceding Year Corresponding Period
	31-Dec-08	31-Dec-07
	RM '000	RM '000
Cash Flows From/(Used In) Operating Activities		
Profit before taxation	1,366	4,116
Adjustment for -		
Non-cash items	1,446	1,442
Non-operating items	1,762	655
Operating Profit Before Working Capital Changes	4,574	6,213
Changes in working capital		
Net changes in current assets	13,645	(5,186)
Net changes in current liabilities	(2,398)	2,607
Cash Generated/(Used In) From Operations	15,821	3,634
Tax Paid	(109)	(200)
Tax Refunded	-	3
Cash Flows From/(Used In) Operating Activities	15,712	3,437
Cash Flows From/(Used In) Investing Activities		
Interest received	11	27
Proceeds from disposal of property, plant and equipment	9	2,027
Purchase of property, plant and equipment	(496)	(747)
Cash Flows From/(Used In) Investing Activities	(476)	1,307
Cash Flows From/(Used In) Financing Activities		
(Repayment of)/Proceeds from short term borrowings	(9,729)	(812)
Interest paid	(837)	(720)
(Repayment of)/Proceeds from long term loan	(982)	(763)
Dividend Paid	(1,409)	(1,179)
Shares buy-back	(179)	(653)
Cash Flows From/(Used In) Financing Activities	(13,136)	(4,127)
Effects of Exchange Rate Changes	(585)	221
Net Increase / (Decrease) in Cash and Cash Equivalents	1,515	838
Cash and Cash Equivalents at Beginning of Period	5,027	3,449
Cash and Cash Equivalents at End of Period	6,542	4,287

Note - The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 30 September 2008 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 2008 annual financial statements.

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 2008 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 2008 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 2008 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 2008.

3 Auditors Report on Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding year ended 30 September 2008 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)
<u>Share Capital - Issued and Fully Paid of RM1.00 each</u>		
Balance as at 31 December 2008	56,431,000	56,431,000
<u>Shares Bought-Back and Kept as Treasury Shares</u>		
Balance as at 1 October 2008	18,000	17,407
Shares bought-back during the period	204,500	178,602
Balance as at 31 December 2008	222,500	196,009
Shares bought-back from 1 January 2009 to 13 February 2009	14,000	12,188
Balance as at 13 February 2009	236,500	208,197

8 Dividend Paid

	Current Year-to-date	Preceding Year Corresponding Period
	31-Dec-08	31-Dec-07
	RM '000	RM '000
Interim Dividend	1,409	1,179

An Interim Dividend of RM0.025 per share, tax exempt, amounting to RM1,408,851 in respect of financial year ended September 30, 2008 has been approved by the Board of Directors on 28 August 2008 for payment on 21 November 2008. The amount is based on the number of outstanding shares in issue excluding the Treasury Shares as at the dividend entitlement date.

For the preceding year corresponding period, an Interim Dividend of RM0.02 per share, tax exempt, amounting to RM1,179,024 in respect of financial year ended September 30, 2007 was 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.

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		
31-Dec-08		31-Dec-07		
RM '000	RM '000	RM '000	RM '000	
	830	148	315	87
	47,797	1,364	42,487	4,035
	150	(17)	227	(9)
	150	(6)	152	(13)
	48,927	1,489	43,181	4,100
	(9,121)	(123)	(5,325)	16
	39,806	1,366	37,856	4,116
	15,878	(107)	17,333	1,524
	23,928	1,473	20,523	2,592
	39,806	1,366	37,856	4,116

By Geographical Location -

Malaysia
Vietnam

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 2008.

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 2008.

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
	31-Dec-08	31-Dec-07	31-Dec-08	31-Dec-07
	RM '000	RM '000	RM '000	RM '000
Income Tax -				
Provision for Current Year				
Malaysian income tax	(60)	(62)	(60)	(62)
Overseas income tax	(58)	(340)	(58)	(340)
Deferred tax	-	-	-	-
Over/(under) provided of tax	-	-	-	-
Real Property Gains Tax	-	-	-	-
Tax Expense	<u>(118)</u>	<u>(402)</u>	<u>(118)</u>	<u>(402)</u>
	(0)	-	(0)	-

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.

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
	31-Dec-08	30-Sep-08
	RM '000	RM '000
Secured borrowings	14,319	17,680
Unsecured borrowings	22,561	29,910
Total borrowings	36,880	47,590
Short-term borrowings	36,296	46,600
Long-term borrowings	584	990
Total borrowings	36,880	47,590
Borrowing denominated in RM	13,062	23,085
Borrowing denominated in USD - RM Equivalent	12,282	18,083
Borrowing denominated in VND - RM Equivalent	11,536	6,422
Total borrowings	36,880	47,590

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 13 February 2009, 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 payable as follows -

Currency	Contract Amount USD'000	Contract Date	Contract Type	Contract Period		Outstanding Contract Amount	
				From	To	USD'000	RM'000
USD	716	Feb-Apr'09	Fixed Dated	Feb'09	Apr'09	716	2,564
USD	600	03-04/02/2009	6 Month Option	05/02/2009	06/08/2009	600	2,173
	1,316					1,316	4,737

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)
	31-Dec-08	30-Sep-08	
	RM '000	RM '000	RM '000
Revenue	39,806	45,044	(5,238)
Profit/(Loss) before taxation	1,366	1,010	356
Profit/(Loss) before taxation - %	3%	2%	

Group revenue declined in this quarter as a result of the unfavourable market condition persisted with deepening of the on-going global financial crisis. Group profit before taxation (PBT) however has improved following the significant easing of fuel and commodities (in particular, paper) prices that contributed to reduced costs of production hence bringing in better margin as compared to the immediate preceding quarter.

The lower PBT for the immediate preceding quarter was also partly due to the higher currency exchange losses incurred at our Vietnam operations during that quarter as a result of our substantial exposure in USD borrowings. We have since then continuously taken appropriate steps to reduce our foreign exchange exposure, and has successfully cut down such losses significantly in 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)
	31-Dec-08	31-Dec-07	
	RM '000	RM '000	RM '000
Revenue	39,806	37,856	1,950
Profit before taxation	1,366	4,116	(2,750)
Profit before taxation - %	3%	11%	

Group revenue was higher in the current quarter on significant expansion of volume in Hanoi operation where its turnover and profitability have more than doubled as compared to the preceding year corresponding quarter. This is achieved on the back of increased market size as Hanoi continues to see further development and growth of its investment and industrial activities.

On the other hand, Group profitability has declined substantially despite higher turnover registered in this quarter. The fall was mainly from packaging operations other than in Hanoi where their turnover have dropped due to the current global economic slowdown, and their profitability were greatly affected due to the comparatively higher production and overhead costs in this quarter, high borrowing costs prevailing in Vietnam and the currency exchange losses incurred on the continued depreciation of Vietnam Dong. Nonetheless, all packaging operations remained profitable at the end of this quarter.

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

23 Current Year Prospects

World economy outlook continues to deteriorate. Recession and slowdown have already been experienced by many countries and are seen imminent for most of the rest. International Monetary Fund (IMF) has recently revised its forecast for the world economy, to slow to a near standstill at only 0.5% in 2009, with advanced countries such as the US and Euro area contracting by 1.6% and 2.2% respectively.

Corrugated Carton Manufacturing

On this gloomy global economy backdrop, we expect our operations in both Vietnam and Malaysia to be affected in terms of revenue as well as profitability. Nevertheless, as our customer base are from diversified industries, we do not foresee any drastic fall in our revenue in the way similar to those experienced by some other businesses serving a specific or limited industry customers. We are still confident that the packaging division as a whole will continue to contribute positively to the Group for the current financial year, albeit at lower quantum, with Hanoi operation leading the scoreboard.

Property Development

In view of the prevailing market condition, with no recovery expected soon, we are not likely to engage in new projects in the current 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 -

Financial Year 2009 will definitely be a very challenging and difficult year for the Group. The Group is unlikely to achieve the same level of revenue and profitability as in the preceding financial year. Given the severity of the global financial crisis, with no end in sight soon, we expect a drop in both revenue and profitability but will strive hard to minimise the impact. Barring unforeseen circumstances, we expect the Group's revenue and profitability in Financial Year 2009 to weaken, but will continue to be in the positive territory.

24 Explanatory Notes for Variances Between Actual and Forecasted Profits

Not Applicable.

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

25 Basic Earnings per Ordinary Share

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	31-Dec-08	31-Dec-07	31-Dec-08	31-Dec-07
Net profit attributable to ord. s'holders (RM'000)	1,248	3,714	1,248	3,714
Weighted average no. of ordinary shares in issue	56,311	59,249	56,311	59,249
Basic earnings per ordinary share (Sen)	2.22	6.27	2.22	6.27

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 93,385,806 ordinary shares, assuming full conversion of Warrants 2000/2010.

27 Dividend Payable

The Board of Directors proposed a final dividend of RM0.04 per share, tax exempt, amounting to RM2,248,340 (excluding 222,500 shares bought-back and held as Treasury Shares as of 31 December 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 31-Dec-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	<u>83,674</u>
- Loan/Advances given by the Holding Company to certain of its' subsidiary companies	<u>21,414</u>
- Loan/Advances given by one of the licensed moneylending company within the Group to 3rd parties	<u>5,538</u>
(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.