

Golden Frontier Berhad Group of Companies
Condensed Consolidated Income Statements
For 9 Months Ended 30 June 2009

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	30-Jun-09 RM '000	30-Jun-08 RM '000	30-Jun-09 RM '000	30-Jun-08 RM '000
Revenue	36,867	42,241	107,805	119,386
Operating profit	5,418	3,776	10,920	12,879
Interest expense	(365)	(824)	(1,785)	(2,300)
Interest income	17	56	39	103
Profit before taxation	5,070	3,008	9,174	10,682
Tax expense	(383)	(248)	(648)	(941)
Profit after taxation	4,687	2,760	8,526	9,741
Unusual Items	-	-	-	-
Net profit for the period	4,687	2,760	8,526	9,741
Basic earnings per ordinary share (sen)	8.37	4.82	15.19	16.79
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 30 June 2009

	Current Year-to-date	Last Audited
	30-Jun-09	30-Sep-08
	RM '000	RM '000
Property, plant and equipment	62,082	62,151
Prepaid Land Lease Payment	13,187	13,762
Investment Properties	7,998	8,100
Goodwill on consolidation	9,899	10,213
Property Development Costs	3,208	3,608
Deferred Tax Assets	27	27
Inventories	17,490	25,867
Trade receivables	32,658	37,575
Other receivables, deposits and prepayments	1,917	2,428
Current Tax Assets	345	293
Cash and bank balances	6,241	5,027
Total Current Assets	58,652	71,190
Trade payables	7,128	7,028
Other payables and accrued expenses	2,515	3,885
Short term borrowings	29,389	46,600
Tax liabilities	541	275
Total Current Liabilities	39,572	57,788
Net Current Assets / (Liabilities)	19,080	13,402
Deferred tax	7,815	7,815
Long-term liabilities	2,665	990
Net Assets	105,001	102,458
Represented by:		
Issued capital	56,431	56,431
Reserves	48,570	46,027
Shareholders' Equity	105,001	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 30 June 2009

	Share Capital	Non-Distributable	Distributable	Total
	RM '000	RM '000	RM '000	RM '000
Balance as of 1 October 2007	62,257	20,718	14,551	97,526
Shares buy-back		(2,128)	-	(2,128)
Exchange Reserve		(2,303)	-	(2,303)
Dividend Paid		-	(2,582)	(2,582)
Net profit during the period		-	9,741	9,741
Balance as of 30 June 2008	<u>62,257</u>	<u>16,287</u>	<u>21,710</u>	<u>100,254</u>
Balance as at 1 October 2008	56,431	22,718	23,308	102,457
Exchange Reserve		(1,862)	-	(1,862)
Shares buy-back		(469)	-	(469)
Dividend Paid		-	(3,651)	(3,651)
Net profit during the period		-	8,526	8,526
Balance as of 30 June 2009	<u>56,431</u>	<u>20,387</u>	<u>28,183</u>	<u>105,001</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 30 June 2009

	Current Year-to-date	Preceding Year Corresponding Period
	30-Jun-09	30-Jun-08
	RM '000	RM '000
Cash Flows From/(Used In) Operating Activities		
Profit before taxation	9,174	10,682
Adjustment for -		
Non-cash items	4,734	3,051
Non-operating items	2,769	2,668
Operating Profit Before Working Capital Changes	16,677	16,401
Changes in working capital		
Net changes in current assets	13,202	(10,243)
Net changes in current liabilities	(1,271)	3,207
Cash Generated/(Used In) From Operations	28,608	9,365
Tax Paid	(611)	(1,051)
Tax Refunded	-	89
Cash Flows From/(Used In) Operating Activities	27,997	8,403
Cash Flows From/(Used In) Investing Activities		
Interest received	39	103
Proceeds from disposal of property, plant and equipment	119	2,273
Purchase of property, plant and equipment	(5,106)	(3,566)
Cash Flows From/(Used In) Investing Activities	(4,948)	(1,190)
Cash Flows From/(Used In) Financing Activities		
(Repayment of)/Proceeds from short term borrowings	(15,491)	5,405
Interest paid	(1,785)	(2,300)
(Repayment of)/Proceeds from long term loan	(46)	(2,051)
Dividend Paid	(3,651)	(3,761)
Shares buy-back	(469)	(2,128)
Cash Flows From/(Used In) Financing Activities	(21,442)	(4,835)
Effects of Exchange Rate Changes	(408)	1,024
Net Increase / (Decrease) in Cash and Cash Equivalents	1,199	3,402
Cash and Cash Equivalents at Beginning of Period	5,027	3,449
Cash and Cash Equivalents at End of Period	6,226	6,851

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.

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.

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

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>Share Capital - Issued and Fully Paid of RM1.00 each</i>		
Balance as at 30 June 2009	56,431,000	56,431,000
<i>Shares Bought-Back and Kept as Treasury Shares</i>		
Balance as at 1 October 2008	18,000	17,407
Shares bought-back during the period	537,500	469,034
Balance as at 30 June 2009	555,500	486,441
Shares bought-back from 1 July 2009 to 13 August 2009	157,400	150,268
Balance as at 13 August 2009	712,900	636,709

8 Dividend Paid

	Current Year-to-date 30-Jun-09 RM '000	Preceding Year Corresponding Period 30-Jun-08 RM '000
Interim Dividend	1,409	1,179
Final Dividend	2,242	2,582
Total	3,651	3,761

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.

A Final Dividend of RM0.04 per share, tax exempt, amounting to RM2,242,380 in respect of financial year ended September 30, 2008 has been approved by the shareholders in the 36th Annual General Meeting held on 26 March 2009 for payment on 15 May 2009. 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 -

- (a) 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.
- (b) A Final Dividend of RM0.045 per share, tax exempt, amounting to RM2,582,155 in respect of financial year ended September 30, 2007 has been approved by the shareholders in the 35th Annual General Meeting held on 27 March 2008 for payment on 9 May 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
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14 Tax Income/(Expense)

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	30-Jun-09	30-Jun-08	30-Jun-09	30-Jun-08
	RM '000	RM '000	RM '000	RM '000
Income Tax -				
Provision for Current Year				
Malaysian income tax	(123)	(44)	(242)	(187)
Overseas income tax	(260)	(204)	(406)	(754)
Deferred tax	-	-	-	-
Over/(under) provided of tax	-	-	-	-
Real Property Gains Tax	-	-	-	-
Tax Expense	<u>(383)</u>	<u>(248)</u>	<u>(648)</u>	<u>(941)</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 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
	30-Jun-09	30-Sep-08
	RM '000	RM '000
Secured borrowings	19,193	17,680
Unsecured borrowings	12,861	29,910
Total borrowings	32,054	47,590
Short-term borrowings	29,389	46,600
Long-term borrowings	2,665	990
Total borrowings	32,054	47,590
Borrowing denominated in RM	13,845	23,085
Borrowing denominated in USD - RM Equivalent	1,681	18,083
Borrowing denominated in VND - RM Equivalent	16,528	6,422
Total borrowings	32,054	47,590

The Group's secured borrowings were made up of (a) A Term Loan facility in Malaysia which is secured by way of a first legal charge over a piece of freehold land held in the name of one of the subsidiary company, and (b) Banking Facilities for its operation in Vietnam, which consist of 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 August 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 -

<u>Currency</u>	<u>Contract Amount</u> USD'000	<u>Contract Date</u>	<u>Contract Type</u>	<u>Contract Period</u>		<u>Outstanding Contract Amount</u>	
				<u>From</u>	<u>To</u>	<u>USD'000</u>	<u>RM'000</u>
USD	57	06/08/2009	1 Week Option	10/08/2009	17/08/2009	57	200
	<u>57</u>					<u>57</u>	<u>200</u>

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.

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

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-Jun-09	31-Mar-09	
	RM '000	RM '000	RM '000
Revenue	36,867	31,133	5,734
Profit/(Loss) before taxation	5,070	2,738	2,332
Profit/(Loss) before taxation - %	14%	9%	

Group revenue for the current year quarter increased by 18% as compared to that of the immediate preceding quarter, in line with the pick-up of market activities in this seemingly early stage of economic recovery in both the domestic and international markets, as well as reflecting the strengthening of the Group's reach in the marketplace.

Group profit before taxation continued to improve on higher business volume, increased productivity and efficiency resulted from better management control, even though there were some marginal increase in costs of production (including material and overhead prices) during the period. Better cashflow management has also resulted in substantial savings in financial costs hence contributing to better result in the current year 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-Jun-09	30-Jun-08	
	RM '000	RM '000	RM '000
Revenue	107,805	119,386	(11,581)
Profit before taxation	9,174	10,682	(1,508)
Profit before taxation - %	9%	9%	

Group revenue was lower in the current year-to-date as compared to the preceding year corresponding period, mainly due to the overall declining volume and prices resulted from the onset of the global financial crisis affecting our operations since the last quarter of the preceding financial year. Even though business volume seemed to have started to move upward in the current quarter, the increased volume is still insufficient to offset the substantial declining volume in the 1st and 2nd quarter of the current financial year.

Similarly, Group profitability has declined on overall lower business volume and value during the current year-to-date as compared to the preceding year corresponding period. Group profitability would have been better if not because of the currency exchange losses suffered on depreciation of Vietnam Dong in the 1st quarter of this financial year, following our high exposure in USD borrowings at that time. We have since then taken appropriate steps to mitigate foreign exchange exposure, and has successfully contained such losses since the 2nd quarter of the current financial year. All our packaging operations continued to contribute positively to the Group through out the current period.

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

23 Current Year Prospects

Various signs and indicators in many developed economies are pointing to the bottoming-out of the declining economy and the world is set to start on recovery path, though this may be a slow and long processes ahead. The prospect for a sustainable recovery is good as seen in many countries including Malaysia and Vietnam which have made encouraging progress since the start of the 2nd half year of 2009.

Vietnam

Vietnam's economy continued to expand further, registering a growth of 4.5% in the 2nd quarter of 2009, better than the 3.1% growth in the 1st quarter of 2009. For the whole of 2009, GDP growth is expected to be in the region of 5%, and grew further to 6.5% in 2010.

Source: The Nomura International group, reported by the Vietnam Economic Times on July 9, 2009.

Malaysia

The Malaysian economy contracted by 6.2% (4Q 08: +0.1%) in the first quarter of 2009. The country is expected to register a 3.3% contraction for the whole of 2009, but turn-around to register a 4.9% growth in 2010

Source: RAM Ratings, reported by Business Times, August 12, 2009

This reaffirms Bank Negara earlier observation that recovery may take place in the second half of the year, with improvement emerging in the third and fourth quarter.

Corrugated Carton Manufacturing

We have seen improvement in business volume and profitability in both the Vietnam and Malaysia markets in this quarter as compared to the earlier 2 quarters, and expect this to further improve in the last quarter of the current financial year. With the continued positive and encouraging developments in world economy, we are confident that the packaging division as a whole will continue to contribute positively and significantly to the Group for the current financial year.

Property Development

As the prevailing property market condition is yet to be conducive and favourable for launch of new project, we 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 has been a very challenging and difficult year for the Group particularly in the earlier few months of the financial year. Nevertheless, it has not been as bad as it was initially thought.

Looking at the strong results that we have achieved so far especially in the 3rd quarter of this financial year, and anticipating that the 4th quarter results will be good as well; barring unforeseen circumstances, we expect the Group en routes to maintain the same level of profit in this financial year as that of the preceding financial year, on the back of lower revenue generated.

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
	30-Jun-09	30-Jun-08	30-Jun-09	30-Jun-08
Net profit attributable to ord. s'holders (RM'000)	4,687	2,760	8,526	9,741
Weighted average no. of ordinary shares in issue	55,980	57,230	56,144	58,025
Basic earnings per ordinary share (Sen)	8.37	4.82	15.19	16.79

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.

27 Dividend Payable

The Board of Directors have approved an interim dividend of 2.5 sen per share, tax exempt, for the current financial year ending 30 September 2009. However, the entitlement date and date of payment of the dividends have yet to be finalized at the moment. A further announcement will be made at a later date upon finalization of the entitlement date and date of payment of the above.

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

	Current Year Quarter
	As At 30-Jun-09 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>84,031</u>
- Loan/Advances given by the Holding Company to certain of its' subsidiary companies	<u>21,247</u>
- Loan/Advances given by one of the licensed moneylending company within the Group to 3rd parties	<u>5,434</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.