

Golden Frontier Berhad Group of Companies
Condensed Consolidated Income Statements
For 6 Months Ended 31 March 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter (Restated)	Current Year-to-date	Preceding Year Corresponding Period (Restated)
	31-Mar-11 RM '000	31-Mar-10 RM '000	31-Mar-11 RM '000	31-Mar-10 RM '000
Revenue	38,655	40,692	82,465	83,891
Operating profit	445	2,543	2,208	7,511
Interest expense	(584)	(497)	(1,300)	(898)
Interest income	27	14	36	26
Profit before taxation	(112)	2,060	944	6,639
Tax expense	128	(116)	(158)	(368)
Profit after taxation	16	1,944	786	6,271
Unusual Items	-	-	-	-
Net profit for the period	16	1,944	786	6,271
Basic earnings per ordinary share (sen)	0.03	3.52	1.45	11.31
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 2010 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies
 Condensed Consolidated Statement of Comprehensive Income
 For 6 Months Ended 31 March 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to- date	Preceding Year Corresponding Period
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
	RM '000	RM '000	RM '000	RM '000
Profit for the period	16	1,944	786	6,271
Other comprehensive income				
Exchange difference on translation of foreign operations	(2,591)	(3,198)	(2,089)	(4,272)
Total comprehensive income for the period attributable to Owners of the Company	<u>(2,575)</u>	<u>(1,254)</u>	<u>(1,303)</u>	<u>1,999</u>

Note - The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.

Golden Frontier Berhad Group of Companies
Condensed Consolidated Statement of Financial Position
As At 31 March 2011

	Current Year-to-date	Last Audited (Restated)
	31-Mar-11	30-Sep-10
	RM '000	RM '000
Property, plant and equipment	75,297	68,140
Prepaid Land Lease Payment	-	-
Investment Properties	10,500	10,500
Goodwill on consolidation	9,139	9,373
Property Development Costs	3,628	3,628
Marketable Securities	1	-
Inventories	17,864	23,629
Trade & Other Receivables	31,056	37,391
Prepayments	2,218	839
Current Tax Assets	351	350
Cash and bank balances	263	4,162
Total Current Assets	51,752	66,371
Trade & Other Payables	10,412	15,897
Other payables and accrued expenses	3,203	-
Advance payments from customers	-	82
Loans & Borrowings	26,308	29,677
Tax liabilities	100	216
Total Current Liabilities	40,023	45,872
Net Current Assets / (Liabilities)	11,728	20,499
Deferred tax	6,853	6,853
Loans & Borrowings	5,878	3,330
Net Assets	97,563	101,957
Represented by:		
Issued capital	56,616	56,609
Reserves	40,947	45,348
Shareholders' Equity	97,563	101,957

Note - The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2010 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 March 2011

	Share Capital	Non-Distributable	Distributable	Total
	RM '000	RM '000	RM '000	RM '000
Balance as of 1 October 2009				
As previously reported	56,431	19,340	31,463	107,234
Effect of adopting amendment to FRS 117	-	(1,981)	2,265	284
Balances as of 1 October 2009 Restated	56,431	17,359	33,728	107,518
Total comprehensive income for the period		(4,272)	6,271	1,999
Shares buy-back		(434)		(434)
Dividend Paid			(1,390)	(1,390)
Balance as of 31 March 2010	<u>56,431</u>	<u>12,653</u>	<u>38,609</u>	<u>107,693</u>
Balance as at 1 October 2010				
As previously reported	56,609	10,244	34,726	101,579
Effect of adopting amendment to FRS 117	-	(1,935)	2,313	378
Balances as of 1 October 2010 Restated	56,609	8,309	37,039	101,957
Total comprehensive income for the period		(2,089)	786	(1,303)
Issue of shares	7	-	-	7
Share Premium		3	-	3
Shares buy-back		(1,729)	-	(1,729)
Dividend Paid		-	(1,372)	(1,372)
Balance as of 31 March 2011	<u>56,616</u>	<u>4,494</u>	<u>36,453</u>	<u>97,563</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 2010 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 March 2011

	Current Year-to-date	Preceding Year Corresponding Period (Restated)
	31-Mar-11	31-Mar-10
	RM '000	RM '000
Cash Flows From/(Used In) Operating Activities		
Profit before taxation	944	6,639
Adjustment for -		
Non-cash items	3,030	3,189
Non-operating items	1,286	851
Operating Profit Before Working Capital Changes	5,260	10,678
Changes in working capital		
Net changes in current assets	10,826	(5,382)
Net changes in current liabilities	(2,284)	3,995
Cash Generated/(Used In) From Operations	13,802	9,292
Tax Paid	(220)	(512)
Tax Refunded	-	-
Cash Flows From/(Used In) Operating Activities	13,582	8,779
Cash Flows From/(Used In) Investing Activities		
Interest received	36	26
Proceeds from disposal of property, plant and equipment	6	47
Purchase of marketable securities	(1)	-
Purchase of property, plant and equipment	(16,092)	(2,994)
Cash Flows From/(Used In) Investing Activities	(16,051)	(2,921)
Cash Flows From/(Used In) Financing Activities		
(Repayment of)/Proceeds from short term borrowings	994	(4,234)
Interest paid	(1,299)	(898)
(Repayment of)/Proceeds from long term loan	(1,491)	1,043
Dividend Paid	(1,372)	(1,390)
Shares buy-back	1,729	(434)
Cash Flows From/(Used In) Financing Activities	(1,439)	(5,913)
Effects of Exchange Rate Changes	332	(674)
Net Increase / (Decrease) in Cash and Cash Equivalents	(3,576)	(729)
Cash and Cash Equivalents at Beginning of Period	3,839	2,942
Cash and Cash Equivalents at End of Period	263	2,213

Note - The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 30 September 2010 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 2010 annual financial statements except those disclosed in Note 2 below.

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 2010 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 2010 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 2010 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 2010 except for changes arising from adoption of all applicable FRSs and Amendment to FRSs which are effective for the current financial period. These changes in accounting policies have not resulted in any retrospective adjustments except for the following -

Amendment to FRS 117 (revised) : Leases

Amendments to FRS 117 remove the classification of leases of land and of buildings, and instead, require assessment of classification based on the risks and rewards of the lease itself. The reassessment of land elements of unexpired leases shall be made retrospectively in accordance with FRS 108. Therefore, the Group has reclassified the prepaid lease payments for land as land held in accordance with FRS 116 and FRS 140. This amendment shall be presented on the statement of financial position as at the beginning of the earliest comparative period in accordance with FRS 101.

<u>As at 30 September 2010</u>	As previously reported RM'000	Effect on adoption of FRS 117 RM'000	As restated RM'000
Property, plant & equipment	62,543	5,597	68,140
Investment Properties	6,100	4,400	10,500
Prepaid lease payment	9,619	(9,619)	-
Revaluation Surplus	(6,200)	1,935	(4,265)
Retained earnings	(34,726)	(2,313)	(37,039)

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

3 Auditors Report on Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding year ended 30 September 2010 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.

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 as disclosed below -

	Shares (No.)	Cost (RM)
<i>Share Capital - Issued and Fully Paid of RM1.00 each</i>		
Balance as at 1 October 2010	56,608,800	56,608,800
Issue of new shares (via warrant conversion) during the period	7,306	7,306
Balance as at 31 March 2011	<u>56,616,106</u>	<u>56,616,106</u>
<i>Shares Bought-Back and Kept as Treasury Shares</i>		
Balance as at 1 October 2010	1,702,000	1,860,503
Shares bought-back during the period	1,217,000	1,729,497
Balance as at 31 March 2011	<u>2,919,000</u>	<u>3,590,000</u>
Shares bought-back from 1 April 2011 to 25 May 2011	274,700	385,201
Balance as at 25 May 2011	<u>3,193,700</u>	<u>3,975,201</u>

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

8 Dividend Paid

Current Year-to-date	Preceding Year Correspond- ing Period
31-Mar-11	31-Mar-10
RM '000	RM '000

Interim Dividend	1,372	1,390
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An Interim Dividend of RM0.025 per share, tax exempt, amounting to RM1,371,852 in respect of financial year ended 30 September 2010 has been approved by the Board of Directors on 18 August 2010 for payment on 26 November 2010. 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 RM0.025 per share, tax exempt, amounting to RM1,389,791 in respect of financial year ended 30 September 2009 has been approved by the Board of Directors on 20 August 2009 for payment on 20 November 2009. The amount is based on the number of outstanding shares in issue excluding the Treasury Shares as at the dividend entitlement date.

9 Segmental Information

Revenue	Profit Before Taxation	Revenue	Profit Before Taxation
Current Year-to-date		Preceding Year-to-date (Restated)	
31-Mar-11		31-Mar-10	
RM '000	RM '000	RM '000	RM '000

By Industry Segment -

Investment holdings, provision of management consultancy services

Manufacturing of corrugated fibreboard carton

Property development

Trading and insurance agency and others

Group transaction

1,385	(189)	5,100	3,580
89,284	1,450	90,850	6,592
357	82	357	(26)
475	(123)	524	19
91,501	1,220	96,831	10,165
(9,036)	(276)	(12,940)	(3,526)
82,465	944	83,891	6,639

By Geographical Location -

Malaysia

Vietnam

36,406	703	37,006	1,575
46,059	241	46,885	5,064
82,465	944	83,891	6,639

10 Carrying Amount of Revalued Properties, Plants and Equipment

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 2010 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 equipment have been brought forward without amendment from the previous audited financial statements for the year ended 30 September 2010.

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

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 2010.

14 Tax Income/(Expense)

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
	RM '000	RM '000	RM '000	RM '000
Income Tax -				
Provision for Current Year				
Malaysian income tax	(80)	(69)	(187)	(138)
Overseas income tax	208	(47)	30	(230)
Deferred tax	-	-	-	-
Over/(under) provided of tax	-	-	-	-
Real Property Gains Tax	-	-	-	-
Tax Expense	128	(116)	(158)	(368)
	-	(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.

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

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

At Cost			
Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
RM '000	RM '000	RM '000	RM '000

(a) Purchases and Disposals

Total purchase consideration	1	-	1	-
Total sale proceeds	-	-	-	-
Total gain/(loss) on disposal	-	-	-	-

(b) Investment

At cost	1	-	1	-
At book value	1	-	1	-
At market value	1	-	1	-

Purchase of own shares under Share Buy Back is disclosed in 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 except the following.

The Company had on 18 January 2011 announced that it has on even date entered into a conditional share sale and purchase agreement with Thai Containers Group Company Limited to dispose of its entire aggregate equity interest of 6,000,000 ordinary shares of USD1.00 each in Alcamax Packaging (Vietnam) Joint Stock Company, a wholly owned subsidiary of the Company for an estimated cash consideration of USD21 million, subject to adjustments ("Proposed Disposal")

The Proposed Disposal has been approved by the shareholders of GFB at an EGM convened on 7 March 2011.

The Proposed Disposal is still in progress and is expected to be completed before end of the third financial quarter of 2011 of the Company.

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

18 Bank Borrowings

	Current Year-to-date 31-Mar-11 RM '000	Last Audited 30-Sep-10 RM '000
Secured borrowings	19,173	17,462
Unsecured borrowings	13,013	15,545
Total borrowings	32,186	33,007
Short-term borrowings	26,308	29,677
Long-term borrowings	5,878	3,330
Total borrowings	32,186	33,007
Borrowing denominated in RM	17,246	15,794
Borrowing denominated in USD - RM Equivalent	1,967	2,596
Borrowing denominated in VND - RM Equivalent	12,973	14,617
Total borrowings	32,186	33,007

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 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 Disclosure of derivatives

There were no financial derivatives as at 31 March 2011.

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 31-Mar-11 RM '000	Immediate Preceding Quarter (Restated) 31-Dec-10 RM '000	Increase / (Decrease) RM '000
Revenue	38,655	43,809	(5,154)
Profit/(Loss) before taxation	(112)	1,056	(1,168)
Profit/(Loss) before taxation - %	-0.3%	2%	

Group revenue contracted in the current quarter mainly due to reduced volume on lower aggregate business days (shorter calendar month e.g. February coupled with long festive holidays in both Malaysia and Vietnam).

Current quarter loss was mainly incurred in the Vietnam operations due to lower business volume aggravated by exchange loss on depreciation of Vietnamese Dong, increased financial cost (increasing bank interest rate) and continued increase in paper and other material prices without corresponding increase in unit selling prices.

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 (Restated)	Increase / (Decrease)
	31-Mar-11	31-Mar-10	
	RM '000	RM '000	RM '000
Revenue	82,465	83,891	(1,426)
Profit before taxation	944	6,639	(5,695)
Profit before taxation - %	1%	8%	

Revenue was marginally lower due to slightly lower business volume in the current year to date. Profit before tax for current year-to-date was substantially lower as compared to preceding corresponding period, mainly due to the much lower margin in the corrugated carton businesses after a series of substantial paper cost hike since the beginning of year 2010, without corresponding adjustment in selling prices both in terms of quantum and promptness under the prevailing market pricing mechanism.

Profitability was also significantly affected by exchange losses arising from Vietnamese Dong substantial devaluation in Vietnam (in February 2011), the continue increase in other production costs (e.g. labour, transport charges, consumables etc.) and higher borrowing costs, particularly in Vietnam where bank's interest rate differential between this current quarter/year-to-date (average 18%-20% p.a.) and preceding year corresponding quarter/year-to-date (average 6%-8% p.a.) has been substantial after the government's 4% p.a. interest rate subsidy has expired at end of 2009, and base interest rate has also trended upward since then.

23 Current Year Prospects

The Group is on course moving to transform itself to be an integrated player in the paper and paper related businesses. The 45 acres land we purchased is geared towards our venture into the paper mill industry whilst we also aggressively look into expanding our corrugated carton businesses in the Central Region. For the longer term, after transforming to be an integrated player, the Group is looking at regionalize its presence in other countries to grow its revenue base.

Moving forward, even though the disposal of the Vietnam's operation will reduce the Group's total operating revenue and profit in the immediate term, there will be substantial gains on disposal that will be more than sufficient to cushion the Group loss of earnings from Vietnam operations. On the back of these expectations, barring unforeseen circumstances, we anticipate that the Group's performance in the current financial year (FY2011) to be better than that in the financial year 2010.

24 Explanatory Notes for Variances Between Actual and Forecasted Profits

Not Applicable.

25 Basic Earnings per Ordinary Share

	Current Year Quarter	Preceding Year Corresponding Quarter (Restated)	Current Year-to-date	Preceding Year Corresponding Period (Restated)
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
Net profit attributable to ord. s'holders (RM'000)	16	1,944	786	6,271
Weighted average no. of ordinary shares in issue	52,386	55,241	54,302	55,425
Basic earnings per ordinary share (Sen)	0.03	3.52	1.45	11.31

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

26 Diluted Earnings per Ordinary Share

Not applicable.

27 Dividend Payable

A final dividend of RM0.04 per share, tax exempt, in respect of financial year ended 30 September 2010 totalling RM2,149,836 was approved by the shareholders at the 38th. Annual General Meeting of the Company held on 7 March 2011 and was paid on 22 April 2011.

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

	Current Year Quarter
	As At 31-Mar-11 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>87,490</u>
- Loan/Advances given by the Holding Company to certain of its' subsidiary companies	<u>21,451</u>
- Loan/Advances given by one of the licensed moneylending company within the Group to 3rd parties	<u>200</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.

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

29 Realised and unrealised profit / losses disclosure

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Securities”) had issued directives to all listed issuers pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose a breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the prescribed format of presentation.

Pursuant to the directive, the breakdown of the retained profits of the Group as at 31 March 2011, into realised and unrealised profits is as follows :

	As at end of	
	31/03/2011	30/09/2010
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	50,034	49,807
- Unrealised	(1,443)	(1,427)
	<u>48,591</u>	<u>48,380</u>
Less : Consolidation adjustments	(12,138)	(11,341)
Total retained profits as per statement of financial position	<u>36,453</u>	<u>37,039</u>
	0	0

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1 “Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements”, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.