

HARBOUR-LINK GROUP BERHAD
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 1ST QUARTER AND FINANCIAL PERIOD ENDED 30TH SEPTEMBER 2012**

(The figures have not been audited).

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2012	30/09/2011	30/09/2012	30/09/2011
	RM'000	RM'000	RM'000	RM'000
Revenue	100,796	105,115	100,796	105,115
Operating expenses	(85,359)	(89,634)	(85,359)	(89,634)
Gross profit	15,437	15,481	15,437	15,481
Interest income	368	29	368	29
Other income	2,444	1,612	2,444	1,612
Administrative Expenses	(6,872)	(5,778)	(6,872)	(5,778)
Finance costs	(1,991)	(1,591)	(1,991)	(1,591)
Share of results of jointly controlled entity	106	68	106	68
Share of results of associated companies	292	175	292	175
Profit before taxation	9,784	9,996	9,784	9,996
Taxation	(2,704)	(2,650)	(2,704)	(2,650)
Net profit for the period	7,081	7,346	7,081	7,346
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange difference on translation of foreign entity	91	132	91	132
Total comprehensive income for the period	7,172	7,479	7,172	7,479
Owners of the Company	7,242	6,977	7,242	6,977
Non-Controlling Interests	(161)	369	(161)	369
	7,081	7,346	7,081	7,346
Total Comprehensive income from the period attributable to:				
Owners of the Company	7,333	7,109	7,333	7,109
Non-Controlling Interests	(161)	369	(161)	369
	7,171	7,479	7,171	7,479
Earnings per share ("EPS") (in sen)				
Basic earnings per share (sen) (Note 1)	3.98	3.83	3.98	3.83
Diluted earnings per share (sen) (Note 2)	3.98	3.83	3.98	3.83

Note 1 - Basic earnings per share is calculated based on the net profit for the period attributable to equity holders of parent and the issued and paid-up share capital of the Company of 182,000,002 ordinary shares.

Note 2 - The Company has no potential ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share is presented as equal to basic earnings per share.

This Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2012.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

	As at	As at	As at
	30/09/2012	30/06/2012	01/07/2011
	RM'000	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	172,618	164,726	157,706
Investment properties	9,899	9,987	9,375
Prepaid land lease payment	41,983	42,394	45,451
Intangible assets	94,592	94,592	94,592
Investment in jointly-controlled entity	2,688	2,583	2,562
Investment in associates	2,942	2,650	1,808
Other investments	652	652	652
Deferred tax assets	930	446	1,373
	326,304	318,030	313,519
Current assets			
Development property	3,181	3,126	-
Inventories	2,558	2,788	2,828
Trade and other receivables	95,997	113,581	69,095
Other current assets	12,585	12,109	16,297
Cash and bank balance	67,866	65,608	36,667
	182,187	197,212	124,887
TOTAL ASSETS	508,491	515,242	438,406
LIABILITIES			
Current liabilities			
Loans and borrowings	43,166	40,823	39,468
Trade and other payables	78,902	106,722	44,658
Other current liabilities	1,969	1,289	4,949
Tax payables	4,756	2,622	1,424
	128,793	151,456	90,499
Non-current liabilities			
Deferred tax liabilities	10,990	9,642	7,608
Loans and borrowings	82,319	75,907	86,529
	93,309	85,549	94,137
TOTAL LIABILITIES	222,102	237,005	184,636
NET ASSETS	286,389	278,237	253,770
EQUITY			
Share capital	182,000	182,000	182,000
Revenue reserves	92,811	85,478	61,988
Total shareholders' equity	274,811	267,478	243,988
Non-controlling interest	11,578	10,759	9,782
TOTAL EQUITY	286,389	278,237	253,770
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)			
	1.51	1.47	1.34

This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2012.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2012
(The figures have not been audited).

	CURRENT PERIOD ENDED 30/09/2012	COMPARABLE PERIOD ENDED 30/09/2011
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	9,784	9,996
Adjustments for:		
Net of Impairment loss for trade receivables	726	99
Amortisation of prepaid land lease payments	443	66
Depreciation of property, plant and equipment	3,819	4,043
Fair value adjustment of investment properties	61	52
Loss recognised on remeasurement to fair value	-	-
Gain on disposal of property, plant and equipment	(755)	(23)
Interest expense	1,991	1,591
Interest income	(368)	(167)
Gain on foreign exchange	249	231
Property, plant and equipment written off	118	27
Share of results in associates and jointly controlled entity	(398)	243
Operating profit before changes in working capital	15,670	16,159
Changes in working capital:		
(Increase)/Decrease in inventories	248	470
(Increase)/Decrease in trade and other receivables	18,505	(6,273)
Increase/(Decrease) in amount due to customers for contract works	(998)	1,662
Increase/(Decrease) in trade and other payables	(27,736)	(186)
Net cash generated from operations	5,689	11,832
Interest paid	(1,991)	(1,591)
Interest received	368	167
Tax refund	1,748	-
Tax paid	(1,919)	(1,410)
Net cash generated from operating activities	3,895	8,998
Cash flows from investing activities		
Acquisition of property, plant and equipment	(7,281)	(2,178)
Acquisition of investment properties	25	(830)
Increase in fixed deposit pledged	(55)	19
Acquisition of minority interest	980	20
Acquisition of subsidiaries	-	-
Other investments	-	-
Proceeds from issuance of ordinary shares	-	(30)
Proceeds from disposal of property, plant and equipment	1,619	70
Net cash used in investing activities	(4,711)	(2,928)
Cash flows from financing activities		
Dividend paid	-	-
Net proceeds from/(repayment of) borrowings	8,549	(6,661)
Net proceeds from/(repayment of) of lease payables	(3,078)	(2,660)
Net cash used in financing activities	5,471	(9,320)
Net increase in cash and cash equivalents	4,655	(3,251)
Cash and cash equivalents at beginning of period	56,571	30,815
Cash and cash equivalents at end of period	61,226	27,564

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2012.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED 30 SEPTEMBER 2012

(The figures have not been audited).

	ATTRIBUTABLE TO EQUITY HOLDERS OF COMPANY					NON-CONTROLLING INTEREST RM'000
	TOTAL EQUITY RM'000	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT, TOTAL RM'000	SHARE CAPITAL RM'000	NON-DISTRIBUTABLE FOREIGN CURRENCY TRANSLATION RESERVE RM'000	DISTRIBUTABLE RETAINED EARNINGS / (ACCUMULATED LOSSES) RM'000	
3 MONTHS ENDED 30 SEPTEMBER 2012						
At 1 July 2012	278,237	267,478	182,000	(88) #	85,566 #	10,759
Increase in investment by non-controlling Interest in subsidiary companies	980	-	-	-	-	980
Total comprehensive income for the period	7,172	7,333	-	91	7,242	(161)
At 30 September 2012	286,389	274,811	182,000	3	92,808	11,578
3 MONTHS ENDED 30 SEPTEMBER 2011						
At 1 July 2011	253,770	243,988	182,000	- #	61,988 #	9,782
Increase in investment by non-controlling Interest in subsidiary companies	20					20
Total comprehensive income for the period	7,478	7,110	-	133	6,977	368
At 30 September 2011	261,268	251,098	182,000	133	68,965	10,170

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2012.

IHarbour-Link Group Berhad (Company No: 592902-D)

Part A – NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

A1. First-time Adopting of Malaysian Financial Reporting Standards (“MFRS”)

The condensed consolidation interim financial statements of the Group for the period ended 30th September 2012, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.2 of the Listing Requirement of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 30th June 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

The Group has adopted the MFRS framework issued by MASB with effect from 1st July 2012. This MFRS framework was introduced by MASB in order to fully converge Malaysia’s existing FRS framework with the IAS framework issued by the IASB.

A1.1 Significant Accounting Policies and Application of MFRS 1

These condensed consolidated interim financial statements are the Group’s first MFRS condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS annual financial statements for the year ending 30th June 2013. The Group has therefore applied MFRS 1 – First-time Adopting of Malaysian Financial Reporting Standards.

The adoption of the MFRS framework did not result in any substantial change to the Group’s accounting policies, nor any significant impact on the financial statements, as the accounting policies adopted by the Group under the previous FRS framework are consistent with the MFRS framework, except for the following:

(a) **Business combination**

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from combinations prior to the date of transition.

Acquisitions before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition,

A1.1 Significant Accounting Policies and Application of MFRS 1

(a) Business combination

- (i) The classification of former business combinations under FRS is maintained;
- (ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) The carrying amount of goodwill recognized under FRS is not adjusted.

(b) Property, plant and equipment

The Group has previously adopted the transitional provisions available on the first application of the MASB Approved Accounting Standard IAS 16 (Revised) Property, Plant and Equipment which was effective for periods ending on or after 1 September 1998. By virtue of this transitional provision, the Group had recorded certain buildings at revalued amounts but had not adopted a policy of revaluation and continued to carry those buildings on the basis of their previous revaluations subject to continuity in its depreciation policy and requirement to write down the assets to their recoverable amounts for impairment adjustments.

Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the cost model under MFRS 116 Property, Plant and Equipment. At the date of transition to MFRS, the Group elected to:

- Regard the revalued amounts of buildings as at 1 July 1997 as deemed cost at the date of the revaluation as these amounts were broadly comparable to fair value at that date. The revaluation surplus RM101,000 (30 September 2011: RM101,000; 30 June 2012: RM101,000) was transferred to retained earnings on date of transition to MFRS.

(c) Foreign currency translation reserve

Under FRS, the Group recognised translation differences on foreign operations in a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be zero as at the date of transition to MFRS. Accordingly, at date of transition to MFRS, the cumulative foreign currency translation differences of RM347,000 (30 September 2011 : RM480,000; 30 June 2012 : 259,000) were adjusted to retained earnings.

In the preparation of the Group's opening MFRS statements of financial positions, the amounts previously reported in accordance with FRS framework have been adjusted for the financial effects of the adoption of the MFRS framework. A reconciliation of these changes is summaries in the following tables.

A1.1 Significant Accounting Policies and Application of MFRS 1

(i) Reconciliation of Consolidated Financial Position as at 1 July 2011

	Under FRS Framework	Effect of Transition to MFRS	Under MFRS Framework
ASSETS	RM'000	RM'000	RM'000
Non-current assets			
Property, plant and equipment	157,706	-	157,706
Investment properties	9,375	-	9,375
Prepaid land lease payments	45,451	-	45,451
Intangible assets	94,592	-	94,592
Investment in jointly-controlled entity	2,562	-	2,562
Investment in associates	1,808	-	1,808
Other investment	652	-	652
Deferred tax assets	1,373	-	1,373
	<u>313,519</u>	-	<u>313,519</u>
Current assets			
Property development cost	-	-	-
Inventories	2,828	-	2,828
Trade and other receivables	69,095	-	69,095
Other current assets	16,297	-	16,297
Cash and bank balance	36,667	-	36,667
	<u>124,887</u>	-	<u>124,887</u>
TOTAL ASSETS	<u>438,406</u>	-	<u>438,406</u>
LIABILITIES			
Current liabilities			
Loans and borrowings	39,468	-	39,468
Trade and other payables	44,658	-	44,658
Other current liabilities	4,949	-	4,949
Tax payables	1,424	-	1,424
	<u>90,499</u>	-	<u>90,499</u>
Non-current liabilities			
Deferred tax liabilities	7,608	-	7,608
Loans and borrowings	86,529	-	86,529
	<u>94,137</u>	-	<u>94,137</u>
TOTAL LIABILITIES	<u>184,636</u>	-	<u>184,636</u>
NET ASSETS	<u>253,770</u>	-	<u>253,770</u>

A1.1 Significant Accounting Policies and Application of MFRS 1 (Cont'd)

(i) Reconciliation of Consolidated Financial Position as at **1 July 2011**

	Under FRS Framework	Effect of Transition to MFRS	Under MFRS Framework
Equity	RM'000	RM'000	RM'000
Share capital	182,000	-	182,000
Retained earnings	61,540	448	61,988
Revaluation reserve	101	(101)#	-
Foreign currency translation reserve	347	(347)#	-
Equity attributable to owners of the parent	243,988	-	243,988
Non-controlling interests	9,782	-	9,782
TOTAL EQUITY	253,770	-	253,770

A1.1 Significant Accounting Policies and Application of MFRS 1

(ii) Reconciliation of Consolidated Financial Position as at **30 September 2011**

	Under FRS Framework RM'000	Effect of Transition to MFRS RM'000	Under MFRS Framework RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	160,634	-	160,634
Investment properties	10,153	-	10,153
Prepaid land lease payments	45,416	-	45,416
Intangible assets	94,592	-	94,592
Investment in jointly-controlled entity	2,630	-	2,630
Investment in associates	2,060	-	2,060
Other investment	652	-	652
Deferred tax assets	942	-	942
	317,079	-	317,079
Current assets			
Property development cost	-	-	-
Inventories	2,357	-	2,357
Trade and other receivables	72,360	-	72,360
Other current assets	17,726	-	17,726
Cash and bank balance	33,901	-	33,901
	126,344	-	126,344
TOTAL ASSETS	443,423	-	443,423
LIABILITIES			
Current liabilities			
Loans and borrowings	36,956	-	36,956
Trade and other payables	46,338	-	46,338
Other current liabilities	3,481	-	3,481
Tax payables	1,752	-	1,752
	88,527	-	88,527
Non-current liabilities			
Deferred tax liabilities	8,307	-	8,307
Loans and borrowings	85,321	-	85,321
	93,628	-	93,629
TOTAL LIABILITIES	182,155	-	182,155
NET ASSETS	261,268	-	261,268

A1.1 Significant Accounting Policies and Application of MFRS 1 (Cont'd)

(ii) Reconciliation of Consolidated Financial Position as at **30 September 2011**

	Under FRS Framework	Effect of Transition to MFRS	Under MFRS Framework
Equity	RM'000	RM'000	RM'000
Share capital	182,000	-	182,000
Retained earnings	68,517	448	68,965
Revaluation reserve	101	(101)#	-
Foreign currency translation reserve	480	(347)#	133
Equity attributable to owners of the parent	251,098	-	251,098
Non-controlling interests	10,170	-	10,170
TOTAL EQUITY	261,268	-	261,268

A1.1 Significant Accounting Policies and Application of MFRS 1

(iii) Reconciliation of Consolidated Financial Position as at **30 June 2012**

	Under FRS Framework RM'000	Effect of Transition to MFRS RM'000	Under MFRS Framework RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	164,726	-	164,726
Investment properties	9,987	-	9,987
Prepaid land lease payments	42,394	-	42,394
Intangible assets	94,592	-	94,592
Investment in jointly-controlled entity	2,583	-	2,583
Investment in associates	2,650	-	2,650
Other investment	652	-	652
Deferred tax assets	446	-	446
	318,030	-	318,030
Current assets			
Property development cost	3,126	-	3,126
Inventories	2,788	-	2,788
Trade and other receivables	113,581	-	113,581
Other current assets	12,109	-	12,109
Cash and bank balance	65,608	-	65,608
	197,212	-	197,212
TOTAL ASSETS	515,242	-	515,242
LIABILITIES			
Current liabilities			
Loans and borrowings	40,823	-	40,823
Trade and other payables	106,722	-	106,722
Other current liabilities	1,289	-	1,289
Tax payables	2,622	-	2,622
	151,456	-	151,456
Non-current liabilities			
Deferred tax liabilities	9,642	-	9,642
Loans and borrowings	75,907	-	75,907
	85,549	-	85,549
TOTAL LIABILITIES	237,005	-	237,005
NET ASSETS	278,237	-	278,237

A1.1 Significant Accounting Policies and Application of MFRS 1

(iii) Reconciliation of Consolidated Financial Position as at **30 June 2012**

	Under FRS Framework	Effect of Transition to MFRS	Under MFRS Framework
Equity	RM'000	RM'000	RM'000
Share capital	182,000	-	182,000
Retained earnings	85,118	448	85,566
Revaluation reserve	101	(101)#	-
Foreign currency translation reserve	259	(347)#	(88)
Equity attributable to owners of the parent	267,478	-	267,478
Non-controlling interests	10,759	-	10,759
TOTAL EQUITY	278,237	-	278,237

A1.2 Cash flows

There are no differences between the statement of cash flows presented under MFRS and the statement of cash flows presented under FRS.

A2. Not adopted by the Group

The following MFRS and amendments to MFRS issued by the MASB that are relevant have not yet been adopted by the Group. These MFRS and amendments are effective for annual periods beginning on or after 1st July 2012 unless other stated:

		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interest in Other Entities	1 January 2013
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011)	1 January 2013
MFRS 127	Separate Financial Statement (IAS 27 as amended by IASB in May 2011)	1 January 2013

A2. Not adopted by the Group (Cont'd)

		Effective for annual periods beginning on or after
MFRS 128	Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)	1 January 2013
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2013
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendment to MFRS 101	Presentation of Financial Statement	1 January 2013
Amendment to MFRS 116	Property, Plant and Equipment	1 January 2013
Amendment to MFRS 132	Financial Instruments : Presentation	1 January 2013
Amendment to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendment to MFRS 134	Interim Financial Reporting	1 January 2013

The adoption of the above MFRS and amendments to MFRS are not expected to have a material impact on the financial statements of the Group.

A3. Report of the Auditors to the Members of Harbour-Link

The reports of the auditors to the members of Harbour-Link and its subsidiary companies on the financial statements for the financial year ended 30 June 2012 were not subject to any qualification and did not include any adverse comments made under subsection (3) of Section 174 of the Companies Act, 1965.

A4. Seasonality or Cyclicity of Interim Operations

The Group's results are not materially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial period ended 30 September 2012.

A6. *Material Effect of Changes in Estimates of Amounts Reported in Prior Interim Periods or Prior Financial Years*

There were no changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect on results for the current quarter under review.

A7. *Debt and Equity Securities*

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter and financial period ended 30 September 2012.

A8. *Dividend Paid*

No dividend was paid in the current quarter and financial period ended 30 September 2012.

At the Annual General Meeting held on 27th November 2012, the shareholders have approved the first and final tax exempt (single-tier) dividend in respect of the financial year ended 30th June 2012, of 2% on 182,000,002 ordinary shares amounting to a dividend payable of RM3,640,000 (2 sen per ordinary share).

Additional Information to the Interim Financial Report

A9. Segment Information

The Group's financial information analysed by business segment is as follows:

30 September 2012	Shipping, marine service & others	Logistics Services & equipment rental	Engineering contract	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
Revenue from external sales	59,754	32,941	8,101		100,796
Inter-segment sales	7,540	4,808		(12,348)	-
	<u>67,294</u>	<u>37,749</u>	<u>8,101</u>	<u>(12,348)</u>	<u>100,796</u>
RESULTS					
Profit before taxation	1,316	7,849	321	298	9,784
Profit before taxation includes:					
Amortisation	438	5	-	-	443
Fair value adjustment to investment properties	20	36	5	-	61
Depreciation	1,366	2,311	142	-	3,819
Finance Cost	1,229	751	11	-	1,991
Reversal of Impairment of trade receivables	(186)	(274)	-	-	(460)
Impairment of trade receivables	768	422	-	-	1,190
Bad debts recovered	-	(19)	-	-	(19)
Bad debt written off	10	5	-	-	15
Share of profits in jointly controlled entities and associates	(290)	(108)	-	-	(398)
SEGMENT ASSETS	249,451	221,677	53,850	(17,417)	507,561
Deferred tax assets	636	294	-	-	930
TOTAL ASSETS	<u>250,087</u>	<u>221,971</u>	<u>53,850</u>	<u>(17,417)</u>	<u>508,491</u>
Included in measure of segment assets are :					
Investment in associates	2,694	248	-	-	2,942
Investment in jointly controlled entities	-	2,688	-	-	2,688
Additional to property, plant and equipment	3,305	1,055	2,921	-	7,281
SEGMENT LIABILITIES	85,267	135,135	8,127	(17,417)	211,112
Deferred tax liabilities	2,612	7,589	789	-	10,990
TOTAL LIABILITIES	<u>87,879</u>	<u>142,724</u>	<u>8,916</u>	<u>(17,417)</u>	<u>222,102</u>

A9. Segment Information

The Group's financial information analysed by business segment is as follows:

30 September 2011	Shipping, marine service & others	Logistics Services, equipment rental	Engineering contract	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
Revenue from external sales	55,677	23,240	26,198		105,115
Inter-segment sales	12,796	2,280	-	(15,076)	
	<u>68,473</u>	<u>25,520</u>	<u>26,198</u>	<u>(15,076)</u>	<u>105,115</u>
RESULTS					
Profit before taxation	3,367	3,749	2,705	175	9,996
Profit before taxation includes:					
Amortisation	61	5			66
Fair value adjustment to investment properties	11	36	5		52
Depreciation	1,573	2,174	297		4,043
Finance Cost	902	808	6	(125)	1,591
Reversal of Impairment of trade receivables	(98)	(847)	(0)		(945)
Impairment of trade receivables	94	396			490
Bad debt written off	5	549			554
Share of profits in jointly controlled entities and associates	(175)	(69)			(243)
SEGMENT ASSETS					
	234,146	148,974	59,361	-	442,481
Deferred tax assets	483	458	-	-	942
TOTAL ASSETS	<u>234,629</u>	<u>149,433</u>	<u>59,361</u>	<u>-</u>	<u>443,423</u>
Included in measure of segment assets are :					
Investment in associates	1,817	243	-	-	2,060
Investment in jointly controlled entities	-	2,630	-	-	2,630
Additional to property, plant and equipment	990	732	456	-	2,178
SEGMENT LIABILITIES					
	81,770	78,976	13,102	-	173,848
Deferred tax liabilities	2,521	5,162	624	-	8,307
TOTAL LIABILITIES	<u>84,291</u>	<u>84,138</u>	<u>13,726</u>	<u>-</u>	<u>182,155</u>

A10. Property, Plant and Equipment

The valuations of land and buildings have been brought forward, without amendment from the most recent annual financial statements for the financial year ended 30 June 2012.

A11. Significant Post Balance Sheet Event

There are no material events as at 21 November 2012, being the date not earlier than 7 days from the date of this announcement that will affect the financial results of the current financial period under review.

A12. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period ended 30 September 2012.

A13. Contingent Liabilities

Changes in contingent liabilities since the last annual balance sheet date to 21 November 2012, being the date not earlier than 7 days from the date of this announcement, are as follows:

	21 November 2012	30 June 2012
	RM'000	RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- Subsidiary companies	255,334	216,516
	=====	=====

A14. Capital Commitments

	30 September 2012	30 June 2012
	RM'000	RM'000
Capital expenditure		
Authorised and contracted for	6,714	8,256
	=====	=====

Additional Information to the Interim Financial Report

A15. Related Party Transactions

Related parties are those defined under FRS 124: Related Party Disclosures. The Directors are of the opinion that the related party transactions and balances described below are carried out in the ordinary course of business and on commercial terms that are no more favourable than those available to other third parties.

	Current Quarter To date 30 Sept 2012 RM'000	Balance due from/(to) As at 30 Sept 2012 RM'000
Transaction with companies in which Certain Directors of the Company have substantial interests		
Sales of goods and services	28	-
Purchase of goods and services	273	(264)
0	<u> </u>	<u> </u>

B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

B1. Review of the Performance of the Group

	Current financial period ended 30 Sept 2012 RM'000	Preceding year corresponding period ended 30 Sept 2011 RM'000
Revenue	100,796	105,115
Profit before taxation	9,784	9,996

The Group posted revenue of RM100.796 million for the current quarter ended 30 September 2012, which is RM4.319 million or 4.11% lower than the corresponding quarter of the preceding year of RM105.115 million.

The shipping, marine services & others division recorded revenue of RM59.754 million which is RM4.087 million or 7.34% higher than the corresponding quarter of the preceding year of RM55.667 million. The increase was mainly attributable to higher cargo volume. The profit before tax for the current quarter is RM1.316 million which is RM2.051 million lower than the corresponding quarter of the preceding year of RM3.367 million. The lower profit was mainly due to highly competitive operating environment putting pressure on earnings.

The logistics services and equipment rental division recorded revenue of RM32.941 million and profit before tax of RM7.849 million as compared to the previous corresponding quarter of the preceding year of RM23.240 million and RM3.749 million respectively. The performance of this division remains satisfactory.

The engineering contract division recorded a revenue of RM8.101 million and profit before tax of RM0.321 million as compared to the previous corresponding quarter of the preceding year of RM26.198 million and RM2.705 million respectively. The lower revenue and profit was mainly due to most of the major projects have been completed and newly secured projects are at the beginning stages.

B2. Comparison with Preceding Quarter's Results

	Current quarter ended 30 Sept 2012 RM'000	Preceding quarter ended 30 June 2012 RM'000
Revenue	100,796	128,953
Profit before taxation	9,784	9,568

The Group posted a decrease in revenue of RM28.157 million or 21.84% in the current quarter ended 30 September 2012 of RM100.796 million as compared to RM128.953 million in the most recent preceding quarter ended 30 June 2012. The decrease in the revenue is due to the completion of delivery of port equipments in the previous quarter.

The Group has registered a marginal increase in profit before taxation of RM9.784 million for the current quarter ended 30 September 2012 as compared to a profit before taxation of RM9.568 million in the most recent preceding quarter as per the above paragraph.

B3. Prospects for the Current Financial Year

The Group expects stiff competition in the domestic and regional shipping industries due to oversupply of shipping spaces from various regional players. However, in the logistics services, equipment rental and engineering divisions are expected to achieve a satisfactory result for the current financial year.

B4. Profit Forecast or Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee issued.

B5. Profit before tax

	Current Year Quarter 30/09/2012 RM'000	Current Year To-Date 30/9/2012 RM'000
Income Before Taxation		
Interest income	(368)	(368)
Allowance for impairment for receivables	1,190	1,190
Bad debts written off	15	15
Bad debts recovery	(19)	(19)
Depreciation of plant and equipment	3,819	3,819
Fair value adjustment to investment properties	61	61
Finance cost	1,991	1,991
Foreign exchange losses	18	18
Reversal of impairment for receivables	(460)	(460)
Amortisation of prepaid land lease	443	443

B6. Taxation

Taxation of the Group comprises the following:

	Current quarter/period end 30 September 2012 RM'000
Current tax expense	1,837
Deferred tax expense	867
	<u>2,704</u>

The effective tax rate of the Group for the current financial year was higher than the statutory tax rate of 25 per cent principally due to certain expenses not allowable for tax purposes and the non-recognition of deferred tax assets on unused tax losses in certain subsidiaries.

B7. Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investment and/or properties during the current quarter and financial period ended 30 September 2012.

B8. Investment in Quoted Securities

There were no purchases or disposals of quoted securities during the current quarter and financial period ended 30 September 2012.

B9. Status of Corporate Proposal

There were no pending corporate proposals up to 21 November 2012, being the date not earlier than 7 days from the date of this announcement.

B10. Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2012 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	11,711	61,089	72,800
Bank Overdraft	6,640	-	6,640
Finance Lease Liabilities	14,567	21,230	35,797
	<u>32,918</u>	<u>82,319</u>	<u>115,237</u>
Unsecured			
Bankers' Acceptance	10,248	-	10,248
	<u>43,166</u>	<u>82,319</u>	<u>125,485</u>

The above borrowings are denominated in Ringgit Malaysia.

B11. Off Balance Sheet Financial Instruments

During the financial period to-date, the Group did not enter into any contracts involving off balance sheet financial instruments. There are no financial instruments with off balance sheet risks as at 21 November 2012, being the date not earlier than 7 days from the date of this announcement.

B12. Changes in Material Litigation

There are no changes in material litigation since the last annual balance sheet date till 21 November 2012 being the date not earlier than 7 days from the date of this announcement.

B13. Dividend

No dividend was declared for the current quarter and financial period ended 30 September 2012.

B14. Earnings per Share

Basic earnings per share

The basic earnings per share for the current quarter and financial period ended 30 September 2012 is calculated by dividing the Group's profit for the period, net of tax, attributable to owner of the parent for the current quarter and financial period of RM7,242,000 and RM7,242,000 respectively by the number of ordinary shares in issue during the current quarter and financial period ended 30 September 2012 of 182,000,002.

	Current quarter ended 30 Sept2012	Financial period ends 30th Sept 2012
Profit net of tax attributable to Owner of the parent (in RM)	7,242,000	7,242,000
	=====	=====
<i>Number of ordinary share in issue</i> Issued ordinary shares at beginning and end of the quarter/year	182,000,002	182,000,002
	=====	=====
Basic earnings per share (sen)	3.98	3.98
	=====	=====

B15. Provision of Financial Assistance

The financial assistance provided by the Company and its subsidiaries to its non wholly-owned subsidiaries as at 30 September 2012 pursuant to paragraph 8.23(1) of the Listing Requirements.

	30 Sept 2012	30 June 2012
	RM'000	RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- non wholly-owned subsidiary companies	23,912	23,912
	=====	=====

The Provision of Financial Assistance will not have any material effect on the net assets, earnings per share, gearing, the share capital and substantial shareholders' shareholding of Harbour-Link for the financial period ending 30 September 2012.

B16. Realised and Unrealised Profits/Losses Disclosure

	As at	As at
	30 Sept 2012	30 June 2012
	RM'000	RM'000
Total retained profits of the Company and its Subsidiaries:		
- Realised	98,381	91,743
- Unrealised	(8,898)	(9,189)
	-----	-----
	89,483	82,554
Total share of retained profits from associated company:		
- Realised	3,325	2,665
- Unrealised	-	-
	-----	-----
Total group retained profits as per consolidated Accounts	92,808	85,219
	=====	=====

This announcement is dated 27 November 2012.