

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2016
(The figures have not been audited).

	INDIVIDUAL QUARTER			
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD	PRECEDING YEAR CORRESPONDING PERIOD
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	159,113	147,017	592,739	506,963
Operating expenses	(118,723)	(106,334)	(453,584)	(383,621)
Gross profit	40,390	40,683	139,155	123,342
Interest income	479	150	763	734
Other income	661	4,191	11,760	6,350
Administrative Expenses	(10,541)	(19,624)	(39,542)	(48,793)
Finance costs	(1,651)	(1,348)	(5,967)	(5,738)
Share of results of jointly controlled entity	(43)	(391)	(218)	114
Share of results of associated companies	443	611	1,475	650
Profit before taxation	29,738	24,272	107,426	76,659
Taxation	(7,346)	(7,023)	(31,641)	(22,018)
Net profit for the period	22,392	17,249	75,785	54,641
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange difference on translation of foreign entity	550	881	1,095	1,101
Total comprehensive income for the period	22,942	18,130	76,880	55,742
Profit for the period attributable to:				
Owners of the parent	18,895	15,583	59,020	51,789
Non-Controlling Interests	3,497	1,666	16,765	2,852
	22,392	17,249	75,785	54,641
Total Comprehensive income for the period attributable to:				
Owners of the parent	19,445	16,464	60,115	52,890
Non-Controlling Interests	3,497	1,666	16,765	2,852
	22,942	18,130	76,880	55,742
Earnings per share ("EPS") (in sen)				
Basic earnings per share (sen) (Note B14)	4.72	3.89	14.74	12.93
Diluted earnings per share (sen)	4.72	N/A	14.74	N/A

This Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2015.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

	As at	As at
	30/06/2016	30/06/2015
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	211,116	197,730
Investment properties	9,064	9,357
Prepaid land lease payment	6,012	6,148
Land held for development	43,942	43,694
Intangible assets	105	105
Investment in jointly-controlled entity	683	901
Investment in associates	5,160	3,685
Other investments	652	652
Deferred tax assets	2,541	9,832
	279,275	272,104
Current assets		
Property development cost	-	61,907
Inventories	34,703	5,106
Trade and other receivables	141,129	133,160
Investment securities	22,872	8,270
Amount due from customers for contract works	3,254	627
Other current assets	13,983	10,828
Cash and bank balance	99,735	90,897
	315,676	310,795
TOTAL ASSETS	594,951	582,899
LIABILITIES		
Current liabilities		
Loans and borrowings	43,806	28,279
Trade and other payables	92,757	88,227
Other current liabilities	1,026	85,919
Tax payables	16,747	12,544
	154,336	214,969
Non-current liabilities		
Deferred tax liabilities	15,154	15,652
Loans and borrowings	57,575	53,405
	72,729	69,057
TOTAL LIABILITIES	227,065	284,026
NET ASSETS	367,886	298,873
EQUITY		
Share capital	200,200	182,000
Revenue reserves	129,447	97,370
Total shareholders' equity	329,647	279,370
Non-controlling interest	38,239	19,503
TOTAL EQUITY	367,886	298,873
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	0.82*	1.54

* Net assets per share attributable to owner of the Company is calculated based on the net asset attributable to equity holders of owner and the issued and paid-up share capital of the Company of 400,400,004 ordinary shares.

This Condensed Consolidated Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2015.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2016
(The figures have not been audited).

	CURRENT YEAR ENDED 30/06/2016 RM'000	COMPARABLE YEAR ENDED 30/6/2015 RM'000
Cash flows from operating activities		
Profit before taxation	107,426	76,659
Adjustments for:		
Non-operating items	21,567	35,984
Interest expense	5,967	5,738
Interest income	(763)	(734)
Share of results in associates and jointly controlled entity	(1,257)	(764)
Operating profit before changes in working capital	132,940	116,883
Changes in working capital:		
Disposal / (Purchase) of property development cost	61,907	(28,363)
Decrease / (Increase) in Inventories	(29,597)	(1,858)
(Increase) in trade and other receivables	(7,143)	(48,677)
(Increase) in amount due from customers for contract works	(3,265)	(4,699)
(Decrease) / Increase in other current liabilities	(84,255)	46,433
Increase in trade and other payables	4,795	25,373
Net cash generated from operations activities	75,382	105,092
Interest paid	(5,967)	(6,242)
Interest received	763	734
Tax refund	952	312
Tax paid	(25,843)	(20,730)
Net cash generated from operating activities	45,287	79,166
Cash flows from investing activities		
Purchase of property, plant and equipment	(33,515)	(18,448)
Purchase of prepaid land lease payments	-	(4,300)
Dividend received	172	110
(Increase) in fixed deposit pledged	(422)	(1,854)
Decrease / (Increase) in cash at bank pledged for borrowings	2,372	(2,598)
Decrease / (Increase) in investment securities	(14,601)	(1,754)
Capital contributed by NCI in subsidiary	2,741	-
Acquisition of subsidiaries	52	(1,047)
Other investments	-	(40)
Proceeds from disposal of property, plant and equipment	8,407	4,990
Net cash (used in) / generated from investing activities	(34,794)	(24,941)
Cash flows from financing activities		
Dividend paid	(10,780)	(4,956)
Net proceeds from/(repayment of) borrowings	9,198	(25,508)
Net proceeds from/(repayment of) of lease payables	(12,365)	(15,854)
Net cash used in financing activities	(13,947)	(46,318)
Net decrease in cash and cash equivalents	(3,454)	7,907
Cash and cash equivalents at beginning of period	80,298	72,391
Cash and cash equivalents at end of period	76,844	80,298

Cash and cash equivalents at the end of the financial period comprise the following:

Cash and bank balances	99,735	90,896
Bank overdraft	(12,686)	(2,704)
Revolving Credit	(4,260)	-
Cash at bank pledged as securities for bank borrowings	(2,924)	(2,598)
Short term deposits pledged as securities for bank borrowings	(3,021)	(5,296)
	76,844	80,298

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2015.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 12 MONTHS ENDED 30TH JUNE 2016
 (The figures have not been audited).

	ATTRIBUTABLE TO EQUITY HOLDERS OF COMPANY							NON-CONTROLLING INTEREST RM'000
	TOTAL EQUITY RM'000	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY RM'000	SHARE CAPITAL RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	NON-DISTRIBUTABLE OTHER RESERVE RM'000	DISTRIBUTABLE RETAINED EARNINGS / (ACCUMULATED LOSSES) RM'000		
12 MONTHS ENDED 30 JUNE 2016								
At 1 July 2015	298,873	279,370	182,000	1,624	(62,945)	153,691	19,503	
Capital contributed by Non Controlling interest in Subsidiary	2,913	172	-	-	-	172	2,741	
Capitalization of Bonus issue	-	-	18,200	-	-	(18,200)	-	
Dividends on ordinary shares	(10,780)	(10,010)	-	-	-	(10,010)	(770)	
Total comprehensive income for the period	76,880	60,115	-	1,095	-	59,020	16,765	
At 30 JUNE 2016	367,886	329,647	200,200	2,719	(62,945)	189,673	36,239	
12 MONTHS ENDED 30 JUNE 2015								
At 1 July 2014	249,134	230,919	182,000	523	(62,945)	111,341	18,215	
Decrease in investment by non-controlling interest in subsidiary companies	(1,047)	111	-	-	-	111	(1,158)	
Dividends on ordinary shares	(4,956)	(4,550)	-	-	-	(4,550)	(406)	
Total comprehensive income for the period	55,742	52,890	-	1,101	-	51,789	2,852	
At 30 JUNE 2015	298,873	279,370	182,000	1,624	(62,945)	158,691	19,503	

Remarks:

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 2015.

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

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

AI. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirement of Chapter 9, Disclosure, Paragraph 9.22 of the Main Market Listing Requirement (“LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in compliance with Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”), and should be read in conjunction with the Group’s annual audited financial statements for the year ended 30 June 2015.

The significant accounting policies and methods of computation adopted in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30th June 2015 except for the adopting of the following MFRSs, IC interpretation and Amendments to MFRSs during the current financial period :

<u>Description</u>	<u>Effective for period beginning on or after</u>
Annual Improvements to MFRSs 2012 2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138 : Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 10 & MFRS 128 : Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture	1 January 2016
Amendments to MFRS 10, MFRS 12, MFRS128 : Investments Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 11 : Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127 : Equity Method in Separate Financial Statements	1 January 2016
MFRS 15 : Revenue from Contracts with Customers	1 January 2018
MFRS 9 : Financial Instruments	1 January 2018

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

A2. 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 2015 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.

A3. Seasonality or Cyclicity of Interim Operations

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

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size or incidence during current quarter and financial period ended 30 June 2016.

A5. 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 financial year under review.

A6. Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter and financial year ended 30 June 2016 saved as disclosed below:

(a) Share split

The Company had completed the subdivision of one ordinary share of RM1.00 each held into two ordinary shares of RM0.50 each on 31st March 2016.

(b) Bonus Issue

On 31st March 2016, 364,000,004 ordinary share of RM1.00 were issued by the Company by way of capitalization of RM18,200,000 from Company's Retained Earnings under bonus shares issuance approved by the shareholders of the Company.

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

(c) Warrants

On 8th April 2016, 36,400,000 Warrants were listed and quoted on the Main Market of Bursa Securities, marking the completion of the Bonus Issue of Warrants.

Following the completion of Share Split and Bonus Issue, the Company's issued and paid-up share capital was increased from RM182,000,002 to RM200,200,002 comprising 400,400,004 ordinary share of RM0.50 each.

A7. Dividend Paid

No dividend was paid in the current quarter.

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

A8. Segment Information (Cont'd)

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

<u>Financial year to date</u> <u>30 June 2016</u>	<u>Shipping, marine service & others</u> <u>RM'000</u>	<u>Logistics Services & Machineries</u> <u>RM'000</u>	<u>Engineering works</u> <u>RM'000</u>	<u>Property Development</u> <u>RM'000</u>	<u>Elimination</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
REVENUE						
Revenue from external sales	259,568	177,427	58,225	97,519	-	592,739
Inter-segment sales	19,023	11,850	-	-	(30,873)	-
	<u>278,591</u>	<u>189,277</u>	<u>58,225</u>	<u>97,519</u>	<u>(30,873)</u>	<u>592,739</u>
RESULTS						
Profit before taxation from the normal operation :	(75)	41,553	15,602	50,549	(203)	107,426
Profit before taxation includes:						
Amortisation	174	106	-	-	-	280
Impairment of assets	3,666	-	-	-	-	3,666
Depreciation to investment properties	62	157	-	-	-	219
Depreciation	8,770	12,058	380	219	-	21,427
Finance Cost	1,567	2,751	324	1,325	-	5,967
Reversal of Impairment of trade receivables	(920)	(3,512)	-	-	-	(4,432)
Bad debt written off	13	423	-	-	-	436
Share of profits/(loss) in jointly controlled entities and associates	1,475	(218)	-	-	-	1,257

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

A8. Segment Information (Cont'd)

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

<u>Financial year to date</u> <u>30 June 2016</u>	Shipping, marine service & others	Logistics Services & Machineries	Engineering works	Property Development	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
SEGMENT ASSETS	176,928	285,044	86,826	97,762	(54,150)	592,410
Deferred tax assets	499	2,042	-	-	-	2,541
TOTAL ASSETS	177,427	287,086	86,826	97,762	(54,150)	594,951
Included in measure of segment assets are :						
Investment in associates	5,160	-	-	-	-	5,160
Investment in jointly controlled entities	-	683	-	-	-	683
Additional to property, plant and equipment	24,498	8,418	869	-	-	33,515
SEGMENT LIABILITIES	62,173	135,035	15,303	40,994	(41,594)	211,911
Deferred tax liabilities	4,257	9,000	1,871	26	-	15,154
TOTAL LIABILITIES	66,430	144,035	17,174	41,020	(41,594)	227,065

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

A8. Segment Information (Cont'd)

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

<u>Financial year to date</u> <u>30 June 2015</u>	Shipping, marine service & others	Logistics Services & Machineries	Engineering works	Property Development	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
Revenue from external sales	247,320	180,119	70,732	8,792	-	506,963
Inter-segment sales	31,241	9,018	-	-	(40,259)	-
	<u>278,561</u>	<u>189,137</u>	<u>70,732</u>	<u>8,792</u>	<u>(40,259)</u>	<u>506,963</u>
RESULTS						
Profit before taxation from the normal operation :	8,289	49,065	14,123	5,289	(107)	76,659
Profit before taxation includes:						
Amortisation	18	75	-	-	-	93
Depreciation to investment properties	67	133	-	-	-	200
Depreciation	7,728	11,591	355	327	-	20,001
Finance Cost	2,125	3,018	360	1,563	(1,328)	5,738
Impairment of trade receivables	1,332	9,473	-	-	-	10,805
Bad debt written off	-	23	-	-	-	23
Share of profits/(loss) in jointly controlled entities and associates	650	114	-	-	-	764

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

A8. Segment Information (Cont'd)

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

<u>Financial year to date</u> <u>30 June 2015</u>	Shipping, marine service & others RM'000	Logistics Services & Machineries RM'000	Engineering works RM'000	Property Development RM'000	Elimination RM'000	Total RM'000
SEGMENT ASSETS	181,435	227,735	92,898	120,241	(49,242)	573,067
Deferred tax assets	700	3,401	-	5,731	-	9,832
TOTAL ASSETS	182,135	231,136	92,898	125,972	(49,242)	582,899
Included in measure of segment assets are :						
Investment in associates	3,685	-	-	-	-	3,685
Investment in jointly controlled entities	-	901	-	-	-	901
Additional to property, plant and equipment	9,340	15,338	1,039	23	-	25,740
SEGMENT LIABILITIES	91,174	89,920	26,891	104,835	(44,446)	268,374
Deferred tax liabilities	4,984	9,087	1,530	51	-	15,652
TOTAL LIABILITIES	96,158	99,007	28,421	104,886	(44,446)	284,026

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

A9. 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 2015.

A10. Significant Post Balance Sheet Event

There are no material events as at 22 August 2016, being the date not earlier than 7 days from the date of this announcement that will affect the financial results of the current financial year under review.

A11. Changes in Composition of the Group

Save for the below, there were no changes in composition of the Group during the current financial year ended 30 June 2016:

1. On 5th August 2015, Harbour-Link Navigation Sdn. Bhd. (“HLN”), a subsidiary of Harbour-Link Group Bhd, had subscribed for 8,000 new ordinary shares of RM1.00 each in Harbour Ruby Sdn Bhd (Company No. 1153587-X) (“Harbour Ruby”) representing 80% of the enlarged issued share capital of Harbour Ruby for a total consideration of RM8,000.00 (“the Subscription”).
2. On 5th August 2015, Harbour-Link Navigation Sdn. Bhd. (“HLN”), a subsidiary of Harbour-Link Group Bhd, had subscribed for 8,000 new ordinary shares of RM1.00 each in Harbour Zenith Sdn Bhd (Company No. 1153350-W) (“Harbour Zenith”) representing 80% of the enlarged issued share capital of Harbour Zenith for a total consideration of RM8,000.00 (“the Subscription”).
3. On 18th August 2015, Harbour-Link (M) Sdn. Bhd. (“HLM”), a subsidiary of Harbour-Link Group Bhd, had acquired One (1) ordinary share of RM1.00 each (“Share”), representing 50% equity interest in Serimaju Konsortium Sdn. Bhd. (Company No. 1151695-K) (“SKSB”) from Siti Fatimah Binti Muhamad Erdris (NRIC 860828-35-5320) for a total cash consideration of RM1.00 (“the Acquisition”). The purchase consideration is based on the par value of the Shares in SKSB.
4. On 24th August 2015, Harbour-Link (M) Sdn. Bhd. (“HLM”), a subsidiary of Harbour-Link Group Bhd, had subscribed for 219,999 new ordinary shares of RM1.00 each (“Shares”) in Serimaju Konsortium Sdn Bhd (“SKSB”) (Company No. 1151695 K) representing 55% of the enlarged issued share capital of SKSB for a cash consideration of RM219,999 (the “Subscription”). Following the Subscription, SKSB becomes a 55% owned subsidiary of HLM. The balance 45% is held by Ngo Tai Huat (NRIC 581119-13-5139).

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

A11. Changes in Composition of the Group (Cont'd)

5. On 22nd February 2016, HLG Petroleum Sdn Bhd (“HLG”), a wholly-owned subsidiary of Harbour-Link had acquired One (1) ordinary share of RM1.00 each (“Share”), representing 50% equity interest in Advance Mariner Lines Sdn. Bhd. (Company No.1173777-U) (“AMLSB”) from Norhidayah Binti Talip (870529-52-6280) for a total cash consideration of RM1.00 (“the Acquisition”). HLG had on 22nd February 2016 subscribed for an additional Seventy Nine Thousand Nine Hundred and Ninety Nine Only (79,999) new ordinary shares of RM1.00 each (“Shares”) in AMLS B representing 54.79% of the enlarged issued share capital of AMLS B for a cash consideration of RM79,999 (the “Subscription”). The Subscription was funded by internally generated funds. Following the Acquisition and Subscription, AMLS B becomes a 54.79% owned subsidiary of Harbour-Link. The balance 45.21% is held by Luna Anak Raymond Enggil (NRIC 790110-13-5854).
6. On 1st March 2016, HLG Resources Sdn Bhd, a wholly-owned subsidiary of Harbour-Link had incorporated a wholly-owned subsidiary under the name of Harbour-Link Trading Pte. Ltd. (“HLTPL”) in Singapore. The issued and paid up share capital of HLTPL is SGD1.00 comprising 1 ordinary share of SGD1.00 each.
7. On 10th March 2016, Advance Mariner Lines Sdn Bhd (“AMLSB”), a sub-subsidiary of Harbour-Link had acquired One Hundred Thousand (100,000) ordinary shares of RM1.00 each (“Share”), representing 100% equity interest in AML Shipping Sdn. Bhd. (Company No.1173948-H) (“AMLS”) from Ong Khoon Seng (651025-10-5669) and Luna Anak Raymond Enggil (790110-13-5854) for a total cash consideration of RM100,000.00 (“the Acquisition”). The purchase consideration is based on the on the net tangible value of the Shares in AMLS as at 1st March 2016 which was approximately RM1.00 each. Following the Acquisition, AMLS becomes a wholly-owned subsidiary of AMLS B.

A12. Contingent Liabilities

Changes in contingent liabilities since the last annual balance sheet date to 22 August 2016, being the date not earlier than 7 days from the date of this announcement, are as follows:

	22 August 2016 RM'000	30 June 2015 RM'000
Corporate guarantees to financial institutions for credit facilities granted to: - Subsidiary companies	159,869	113,766

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

A13. Capital Commitments

	30 June 2016 RM'000	31 March 2016 RM'000
Capital expenditure Authorised and contracted for	13,111	10,263

A14. 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 ended 30 June 2016 RM'000	Balance due from/(to) As at 30 June 2016 RM'000
Transaction with companies in which Certain Directors of the Company have substantial interests		
Sales of goods and services	132	146
Purchase of goods and services	1,394	(1,368)

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

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

B1. Review of the Performance of the Group

	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Financial Year	Preceding Financial Year
	30/6/2016	30/6/2015	30/6/2016	30/6/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	159,113	147,017	592,739	506,963
Profit before tax	29,738	24,272	107,426	76,659

The Group posted revenue of RM592.739 million for the current financial year ended 30 June 2016, which is RM85.776 million higher than the preceding financial year of RM506.963 million. The profit before tax for the current financial year ended 30 June 2016, which is RM107.426 million while the preceding financial year is RM76.659 million.

Shipping, marine services and other division	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Financial Year	Preceding Financial Year
	30/6/2016	30/6/2015	30/6/2016	30/6/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	71,864	60,914	259,568	247,320
(Loss)/profit before tax	5,757	2,643	(75)	8,289

The shipping, marine services & others division recorded revenue of RM259.568 million which is RM12.248 million higher than the preceding financial year of RM247.320 million. The loss before tax for the current financial year is RM0.075 million as compared to profit before tax for the preceding financial year of RM8.289 million. The increase in revenue is due to higher volume cargo handled resulted from additional two (2) vessels purchase during the financial year. Whilst, the decrease in profit before tax of RM8.364 million is due to loss on disposal of one (1) old vessel, one off preliminaries cost for two (2) newly acquired vessels and impairment of assets. The current quarter profit of RM5.757 million as compared to preceding year corresponding quarter profit of RM2.643 million is mainly due higher volume cargo handled.

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

B1. Review of the Performance of the Group (Cont'd)

	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Financial Year	Preceding Financial Year
Logistics Services & Machineries division	30/6/2016	30/6/2015	30/6/2016	30/6/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	46,135	37,210	177,427	180,119
Profit before tax	10,862	16,222	41,553	49,065

The logistics services and machineries division recorded revenue of RM177.427 million and profit before tax of RM41.553 million for the current financial year as compared to the preceding financial year of RM180.119 million and RM49.065 million respectively. The decrease in revenue and profit before tax in the current financial year is due to completion of a major project.

	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Financial Year	Preceding Financial Year
Engineering Division	30/6/2016	30/6/2015	30/6/2016	30/6/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	18,198	12,309	58,225	70,732
Profit before tax	2,610	1,033	15,602	14,123

The engineering works division recorded a revenue of RM58.225 million and profit before tax of RM15.602 million for the current financial year as compared to the preceding corresponding financial year of RM70.732 million and RM14.123 million respectively. The decrease in revenue is due to the certain projects that are secured during the current financial year is at their initial stage. The profit before tax has increased marginally due to completion of certain projects.

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

B1. Review of the Performance of the Group (Cont'd)

	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Financial Year	Preceding Financial Year
Property Development Division	30/6/2016	30/6/2015	30/6/2016	30/6/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	22,916	5,416	97,519	8,792
Profit before tax	10,679	3,029	50,549	5,289

The property development division recorded revenue of RM97.519 million and profit before tax of RM50.549 million for the current financial year as compared to the preceding financial year of RM8.792 million and RM5.289 million. The higher revenue and profit before tax is due to the recognition of income from the sales of completed development namely Kidurong Gateway Phase 1 and Phase 2 projects.

B2. Comparison with Preceding Quarter's Results

	Current quarter ended 30 June 2016 RM'000	Preceding quarter ended 31 Mar 2016 RM'000
Revenue	159,113	181,599
Profit before taxation	29,738	42,640

The Group posted revenue of RM159.113 million for the current quarter ended 30 June 2016, which is RM22.486 million lower than the preceding quarter ended 31 March 2016 of RM181.599 million. The profit before tax for the current quarter ended 30 June 2016 is RM29.738 million, which is RM12.902 million lower than the preceding quarter ended 31 March 2016 of RM42.640 million.

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

B2. Comparison with Preceding Quarter's Results (Cont'd)

	Current quarter ended 30 June 2016 RM'000	Preceding quarter ended 31 Mar 2016 RM'000
Shipping, marine services and other division		
Revenue	71,864	57,536
(Loss)/Profit before taxation	5,757	(2,421)

The Group posted an increase in revenue of RM14.328 million in the current quarter ended 30 June 2016 of RM71.864 million as compared to RM57.536 million in the preceding quarter ended 31 March 2016. The profit before tax for the current quarter ended 30 June 2016 is RM5.757 million as compared to a loss before tax of RM2.421 million in the preceding quarter ended 31 March 2016. The increase in revenue and profit before tax is due to reason explained in B1.

	Current quarter ended 30 June 2016 RM'000	Preceding quarter ended 31 Mar 2016 RM'000
Logistics Services & Machineries division		
Revenue	46,135	38,719
Profit before taxation	10,862	3,692

The Group posted an increase in revenue of RM7.416 million in the current quarter ended 30 June 2016 of RM46.135 million as compared to RM38.719 million in the preceding quarter ended 31 March 2016. The profit before tax for the current quarter ended 30 June 2016 is RM10.862 million, which is RM7.170 million higher than the preceding quarter ended 31 March 2016 of RM3.692 million. The increase in revenue and profit before tax in the current quarter is due to higher volume of cargo freighting and project cargoes handled.

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

B2. Comparison with Preceding Quarter's Results (Cont'd)

	Current quarter ended 30 June 2016 RM'000	Preceding quarter ended 31 Mar 2016 RM'000
Engineering Division		
Revenue	18,198	12,921
Profit before taxation	2,610	2,566

The Group posted an increase in revenue of RM5.277 million in the current quarter ended 30 June 2016 of RM18.198 million as compared to RM12.921 million in the preceding quarter ended 31 March 2016. The profit before tax for the current quarter ended 30 June 2016 is RM2.610 million, which is marginally higher than the preceding quarter ended 31 March 2016 of RM2.566 million. The marginal increase in profit before tax is due to reason explained in B1.

	Current quarter ended 30 June 2016 RM'000	Preceding quarter ended 31 Mar 2016 RM'000
Property Development Division		
Revenue	22,916	72,423
Profit before taxation	10,679	38,865

The Group posted a decrease in revenue of RM49.507 million in the current quarter ended 30 June 2016 of RM22.916 million as compared to RM72.423 million in the preceding quarter ended 31 March 2016. The profit before tax for the current quarter ended 30 June 2016 is RM10.679 million, which is RM27.877 million lower than the preceding quarter ended 31 March 2016 of RM38.865 million. The increase in revenue and profit before tax is due to reason explained in B1.

B3. Prospects

The Group expects the domestic and regional shipping industries will remain challenging due to competitive freight rates.

The logistics services and equipment rental and engineering divisions are expected to continue contributing positive to the Group in financial year 2017.

Property development division has fully completed Phase 1 and Phase 2 and future phases will be launched subject to market demand.

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

B4. Profit Forecast or Profit Guarantee

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

B5. Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current year Quarter 30/06/2016 <u>RM'000</u>	Preceding Year Corresponding Quarter 30/06/2015 <u>RM'000</u>	Current Financial Year 30/06/2016 <u>RM'000</u>	Preceding Financial Year 30/06/2015 <u>RM'000</u>
Profit for the period is stated after charging/ (crediting):				
Interest income	(479)	(150)	(763)	(734)
Amortisation	70	55	280	93
Impairment of assets	3,666	-	3,666	-
Impairment of trade receivables, net of reversal	-	4,963	-	10,805
Depreciation of plant and equipment	5,844	5,428	21,427	20,001
Depreciation to investment properties	52	41	219	200
Finance cost	1,651	1,348	5,967	5,738
Unrealised foreign exchange loss/(gain)	237	(151)	(600)	(260)
Reversal of impairment of receivables, net of allowance	(3,498)	-	(4,432)	-

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

B6. Taxation

Taxation of the Group comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Financial Year	Preceding Financial Year
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax expense	8,470	12,339	29,632	26,960
Deferred tax expense:				
Origination and reversal of temporary difference	(1,124)	(5,316)	2,009	(4,942)
	<u>7,346</u>	<u>7,023</u>	<u>31,641</u>	<u>22,018</u>

The effective tax rate of the Group for the current quarter and financial year was higher than the statutory tax rate of 24 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 year ended 30 June 2016.

B8. Investment in Quoted Securities

There were no purchases or disposals of quoted securities during the current quarter and financial year ended 30 June 2016.

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

B9. Status of Corporate Proposal

Save as disclosed below, there is no other corporate proposals that have been announced by the Group as at the date of this report:

- (a) On 31st March 2016, the Company has completed the subdivision of every one (1) existing ordinary share of RM1.00 each into two (2) new ordinary shares of RM0.50 each;
- (b) On 31st March 2016, the Company has completed the bonus issue of up to 36,400,000 new Subdivided Shares (“**Bonus Share(s)**”) on the basis of one (1) Bonus Share for every ten (10) Subdivided Shares.
- (c) On 8th April 2016, the Company has completed bonus issue of up to 36,400,000 warrants (“**Warrant(s)**”) on the basis of one (1) Warrant for every ten (10) Subdivided Shares and were listed and quoted on the Main Market of Bursa Securities, marking the completion of the Bonus Issue of Warrants.

The Warrants issued pursuant to the Bonus Issue of Warrants was outstanding at 36,400,000 as at 30th June 2016. Each warrant is convertible into one new ordinary share of RM0.50 each at exercise price of RM1.65 per ordinary share.

B10. Group Borrowings and Debt Securities

The Group’s borrowings as at 30 June 2016 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	12,579	40,810	53,389
Revolving Credit	4,260		4,260
Bank Overdraft	12,686	-	12,686
Finance Lease Liabilities	10,713	16,765	27,478
	<u>40,238</u>	<u>57,575</u>	<u>97,813</u>
Unsecured			
Bankers’ Acceptance	3,568	-	3,568
	<u>43,806</u>	<u>57,575</u>	<u>101,381</u>

The above borrowings are denominated in Ringgit Malaysia.

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

B11. Off Balance Sheet Financial Instruments

During the financial year 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 22 August 2016, being the date not earlier than 7 days from the date of this announcement.

B12. Changes in Material Litigation

Save for the below, there were no changes as at 22 August 2016 being the date not earlier than 7 days from the date of this announcement:

SCMA Reference No: 2015/023 (Notice of Arbitration by Continental Shipping Line (“Claimant”) against Harbour Agencies Sdn. Bhd. (“Respondent”).

The Claimant sometime around 2nd October 2015 served a Notice of Arbitration against the Respondent. The case is still in its infancy stage whereby the Claimant has yet to file in its Statement of Claimant’s Case which contains an estimation to the quantum of Claimant’s claim. The Claimants claim is against the Respondent in respect of the agreement for the charter of the MV “YADANABON STAR” (the vessel), via a fixture note dated 30th December 2014 to carry a full load of sawn timber to Harbour Centre port in Manila, the Philippines. The claim is strongly disputed by the Respondent based on technicalities and merits and the Respondent stand is that it has acted rightfully in its capacity as the Charterer of the vessel. The Respondent is still in the midst of reviewing the Notice of Arbitration served by the Claimant.

On 20th June 2016, Claimants and Respondent have jointly proceeded to take steps to terminate the arbitration through a letter dated 20th June 2016 from Claimants solicitor to the Tribunal. The Tribunal has, through its letter dated 2nd August 2016, declared the termination of the arbitration with immediate effect.

B13. Dividend declared

The Board of Directors proposed to declare a first and final single tier dividend of 2 sen per ordinary share of RM0.50 each for the financial year ended 30 June 2016 amounting to RM8,008,000 (2015: RM10,010,000).

The proposed dividend is subject to shareholders’ approval at the forthcoming 14th Annual General Meeting to be held on a date to be announced later. The date for the book closure of the Record of Depositors for determining dividend entitlement and the date of the payment will be announced at a later date.

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

B14. Earnings per Share

Basic earnings per share

The basic earnings per share for the current quarter and financial year ended 30 June 2016 is calculated by dividing the Group's profit for the year, net of tax, attributable to owners of the parent for the current quarter and financial year of RM18,895,000 and RM59,020,000 respectively by the number of ordinary shares in issue during the current quarter and financial year ended 30 June 2016 of 400,400,004.

	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Financial Year	Preceding Financial Year
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Earnings Per Share				
Profit net of tax attributable to Owners of the parent (in RM)	18,895	15,583	59,020	51,789
Weighted average number of ordinary shares in issue ('000)	400,400	400,400*	400,400	400,400*
Basic earnings per share (sen)	4.72	3.89	14.74	12.93
Diluted earnings per share (sen)*	4.72	N/A	14.74	N/A

*The previous year's earnings per share have been restated to reflect the share split and bonus issue which were completed on 30th June 2016.

*The diluted earnings per share of the Group is similar to the basic earnings per share as the assumed conversion from the exercise of warrants would be anti-dilutive.

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

B15. Provision of Financial Assistance

The financial assistance provided by the Company and its subsidiaries to its non wholly-owned subsidiaries as at 30 June 2016 pursuant to paragraph 8.23(1) of the Listing Requirements.

	30 June 2016 RM'000	31 Mar 2016 RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- non wholly-owned subsidiary companies	45,753	37,141

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 ended 30 June 2016.

B16. Realised and Unrealised Profits/Losses Disclosure

	As at 30 June 2016 RM'000	As at 30 June 2015 RM'000
Total retained profits of the Company and its Subsidiaries:		
- Realised	198,136	163,707
- Unrealised	(11,899)	(7,240)
	186,237	156,467
Total share of retained profits from associated company:		
- Realised	3,436	2,224
- Unrealised	-	-
Total group retained profits as per consolidated Accounts	189,673	158,691

This announcement is dated 29th August 2016.