

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 3RD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2018
(The figures have not been audited).

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CHANGES (Amount / %)		CURRENT YEAR	PRECEDING YEAR	CHANGES (Amount / %)	
	31/3/2018 RM'000	31/3/2017 RM'000	RM'000	%	31/3/2018 RM'000	31/3/2017 RM'000	RM'000	%
Revenue	142,198	150,682	(8,484)	-6%	449,105	385,842	63,263	16%
Operating expenses	(124,188)	(136,494)	12,306	9%	(385,745)	(335,035)	(50,710)	-15%
Gross profit	18,010	14,188	3,822	27%	63,360	50,807	12,553	25%
Interest income	279	237	42	18%	976	896	80	9%
Other income	4,012	2,879	1,133	39%	9,945	8,761	1,184	14%
Administrative Expenses	(11,657)	(12,867)	1,210	9%	(31,658)	(29,668)	(1,990)	-7%
Finance costs	(1,273)	(1,502)	229	15%	(4,024)	(4,203)	179	4%
Share of results of jointly controlled entity	(11)	(30)	19	62%	(8)	(85)	77	91%
Share of results of associated companies	1,054	201	853	424%	2,620	627	1,993	318%
Profit before taxation	10,415	3,106	7,309	235%	41,210	27,135	14,075	52%
Taxation	(3,658)	(2,322)	(1,336)	58%	(12,200)	(8,139)	(4,061)	-50%
Net profit for the year	6,756	784	5,972	762%	29,010	18,996	10,014	53%
Other comprehensive Income:								
Items that may be reclassified subsequently to profit or loss:								
Exchange difference on translation of foreign entity	(1,167)	937	(2,104)	-225%	(613)	1,187	(1,800)	-152%
Total comprehensive income for the year	5,589	1,721	3,868	225%	28,398	20,183	8,215	41%
Profit for the year attributable to:								
Owners of the parent	6,107	543	5,564	1025%	25,422	17,155	8,267	48%
Non-Controlling Interests	649	241	408	169%	3,588	1,841	1,747	95%
	6,756	784	5,972	762%	29,010	18,996	10,014	53%
Total Comprehensive income for the year attributable to:								
Owners of the parent	4,940	1,480	3,460	234%	24,810	18,342	6,468	35%
Non-Controlling Interests	649	241	408	169%	3,588	1,841	1,747	95%
	5,589	1,721	3,868	225%	28,398	20,183	8,215	41%
Earnings per share ("EPS") (in sen)								
Basic earnings per share (sen) (Note B14)	1.53	0.14	1.39	1025%	6.35	4.28	2.06	48%
Diluted earnings per share (sen)	1.53	0.14	1.39	1025%	6.35	4.28	2.06	48%

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 2017.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

	As at	As at
	31/3/2018	30/6/2017
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	228,255	219,601
Investment properties	5,214	5,303
Prepaid land lease payment	6,029	6,135
Land held for development	47,371	46,146
Intangible assets	-	105
Investment in jointly-controlled entity	575	583
Investment in associates	8,828	6,737
Other investments	652	652
Deferred tax assets	1,802	2,015
	298,726	287,277
Current assets		
Inventories	22,410	30,192
Trade and other receivables	153,892	130,990
Amount due from customers for contract works	4,433	1,713
Derivatives	-	969
Investment securities	32,399	41,911
Other current assets	17,556	38,255
Cash and bank balance	112,967	76,011
	343,657	320,041
TOTAL ASSETS	642,383	607,318
LIABILITIES		
Current liabilities		
Loans and borrowings	41,381	42,716
Trade and other payables	110,215	106,471
Other current liabilities	2,516	278
Tax payables	10,087	5,532
	164,199	154,997
Non-current liabilities		
Deferred tax liabilities	17,463	16,823
Loans and borrowings	40,994	41,487
	58,457	58,310
TOTAL LIABILITIES	222,656	213,307
NET ASSETS	419,727	394,011
EQUITY		
Share capital	200,200	200,200
Revenue reserves	165,822	147,018
Total shareholders' equity	366,022	347,218
Non-controlling interest	53,705	46,793
TOTAL EQUITY	419,727	394,011
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)		
	0.90	0.87

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 2017.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31ST MARCH 2018
(The figures have not been audited).

	CURRENT PERIOD	COMPARABLE PERIOD
	ENDED 31/03/2018	ENDED 31/03/2017
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	41,210	27,135
Adjustments for:		
Non-operating items	(4,405)	(3,264)
Depreciation	18,537	17,462
Interest expense	4,024	4,203
Interest income	(976)	(896)
Share of results in associates and jointly controlled entity	(2,628)	(542)
Operating profit before changes in working capital	55,762	44,098
Changes in working capital:		
Decrease in inventories	7,782	506
Decrease/(Increase) in trade and other receivables	5,878	(988)
(Increase) in amount due from customers for contract works	(2,719)	(701)
Increase in other current liabilities	2,238	603
Increase in trade and other payables	5,843	7,682
Net cash generated from operations activities	74,784	51,200
Interest paid	(4,024)	(4,203)
Interest received	976	896
Tax paid	(12,391)	(19,455)
Net cash generated from operating activities	59,345	28,438
Cash flows from investing activities		
Purchase of property, plant and equipment	(23,795)	(17,327)
Decrease in cash at bank pledged for borrowings	570	2,785
Decrease in investment securities	9,512	(23,242)
Capital contributed by non controlling interest in subsidiary	3,879	6,868
Dividend received	160	-
Net cash inflow disposal of subsidiary	460	(5)
Proceeds from disposal of property, plant and equipment	3,535	419
Net cash used in investing activities	(5,679)	(30,502)
Cash flows from financing activities		
Dividend paid	(6,561)	(8,242)
Net proceeds from borrowings	1,696	11,710
Net repayment of lease payables	(6,096)	(9,900)
Net cash used in financing activities	(10,961)	(6,432)
Net increase/(decrease) in cash and cash equivalents	42,705	(8,496)
Cash and cash equivalents at beginning of period	58,619	77,074
Cash and cash equivalents at end of period	101,324	68,578

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

Cash and bank balances	112,967	91,085
Bank Overdraft	(8,189)	(17,544)
Cash at bank pledged as securities for bank borrowings	(85)	(2,890)
Short term deposits pledged as securities for bank borrowings	(3,369)	(2,073)
	<u>101,324</u>	<u>68,578</u>

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2017.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 9 MONTHS ENDED 31ST MARCH 2018
(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	NON-DISTRIBUTABLE FOREIGN CURRENCY TRANSLATION RESERVE RM'000	OTHER RESERVE RM'000	DISTRIBUTABLE RETAINED EARNINGS / (ACCUMULATED LOSSES) RM'000		
9 MONTHS ENDED 31 MARCH 2018								
At 1 July 2017	394,011	347,218	200,200	2,657	(62,945)	207,306	46,793	
Capital contributed by Non Controlling Interest in Subsidiary	3,879	-	-	-	-	-	3,879	
Dividends on ordinary shares	(6,561)	(6,006)	-	-	-	(6,006)	(555)	
Total comprehensive income for the period	28,398	24,810	-	(613)	-	25,422	3,588	
At 31 MARCH 2018	295,539	366,022	200,200	2,044	(62,945)	226,722	53,705	
9 MONTHS ENDED 31 MARCH 2017								
At 1 July 2016	363,743	326,609	200,200	2,674	(62,945)	186,680	37,134	
Capital contributed by Non Controlling Interest in Subsidiary	6,868	-	-	-	-	-	6,868	
Dividends on ordinary shares	(8,362)	(8,008)	-	-	-	(8,008)	(354)	
Total comprehensive income for the period	20,183	18,342	-	1,187	-	17,155	1,841	
At 31 MARCH 2017	382,432	336,943	200,200	3,861	(62,945)	195,827	45,489	

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 2017.

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

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

A1. *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 2017.

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 2017 except for the following MFRSs, IC interpretation and Amendments which the Company adopted which mandatory for annual periods beginning on or after 1st July 2017 :

The following Standards were issued but not yet effective and have not been adopted by the Group.

<u>Description</u>	<u>Effective for annual period beginning on or after</u>
Annual Improvements to MFRS/FRS 1 "First-time Adoption of Malaysian Financial Reporting Standards"	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4 “Applying MFRS/FRS 9 “Financial Instruments” with MFRS 4 “Insurance Contracts”	1 January 2018
Annual Improvements to MFRS 128 “Investments in Associates and Joint Venture”	1 January 2018
Amendments to MFRS 140 “Clarification on ‘Chang in Use’ – Assets transferred to or from Investment Properties”	1 January 2018
IC Interpretation 22 “Foreign Currency Transactions and Advance Consideration”	1 January 2018
MRFS 9 “Financial Instruments”	1 January 2018
MFRS 15 “Revenue form Contracts with Customer”	1 January 2018

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MFRSs and Amendments to MFRSs issued but not yet effective

<u>Description</u>	<u>Effective for annual period beginning on or after</u>
Annual Improvements to MFRS Standards 2015-2017 Cycle	1 January 2019
<ul style="list-style-type: none">• MFRS 3 “Business Combinations• MRS 11 “Joint Arrangements”• MFRS 112 “Income Taxes”• MFRS 123 “Borrowing Costs”	
Amendments to MFRS 9”Prepayemnt Features with Negative Compensation”	1 January 2019
Amendments to MFRS 128 “Long -term Interests In Associates and Joint Ventures”	1 January 2019
MFRS 16 : “Leases”	1 January 2019
IC Interpretation 23: Uncertainty over Income Tax Treatments	1 January 2019

The Directors expect that the adoption of the above standards and interpretations will either not relevant or do not have impact on the financial statements in the year of initial application except for MFRS 9, MFRS 15 and MFRS 16. The adoption of these new standards may result in change in accounting policies for which the effect of adopting will be quantifies when the standards are effective.

A2. *Report of the Auditors to the Members of Harbour-Link*

The reports of the auditors to the members of Harbour-Link Group Bhd on the financial statements for the financial year ended 30 June 2017 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 31 March 2018.

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

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 period 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 period ended 31 March 2018.

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:

Financial period to date <u>31 March 2018</u>	Investment Holding RM'000	Shipping and Marine RM'000	Integrated logistics RM'000	Engineering RM'000	Property RM'000	Elimination RM'000	Total RM'000
REVENUE							
Revenue from external sales	-	298,212	101,025	38,406	11,461		449,105
Inter-segment sales	2,809	10,663	7,539	-	-	(21,011)	-
	2,809	309,946	108,564	38,406	11,461	(21,011)	449,105
RESULTS							
Profit before taxation from the normal operations	(2,313)	20,649	19,121	1,288	2,376	89	41,210
Profit before taxation includes:							
Amortisation of prepaid land lease payment	120	11	118	-	-	-	249
Impairment of assets	-	-	-	105	-	-	105
Depreciation to investment properties	46	-	108	2	-	-	105
Depreciation	356	6,857	10,489	293	136	-	18,131
Finance cost	137	1,586	2,071	222	8	-	4,024
Impairment of trade receivables	2	520	270	-	-	-	792
Reversal of trade receivables	-	(443)	(1,445)	-	-	-	(1,888)
Share of (loss) in jointly controlled entities and profits in associates		2,620	(8)				2,612

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A8. Segment Information (Cont'd)

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

Financial period to date 31 March 2018	Investment Holding RM'000	Shipping and Marine RM'000	Integrated logistics RM'000	Engineering RM'000	Property RM'000	Elimination RM'000	Total RM'000
SEGMENT ASSETS	60,821	211,370	249,382	80,560	80,124	(41,675)	640,582
Deferred tax assets	-	759	514	-	529	-	1,802
TOTAL ASSETS	60,821	212,129	249,896	80,560	80,653	(41,675)	642,384
Included in measure of segment assets are:							
Investment in associates		8,828					8,828
Investment in jointly controlled entities			575				575
Additional to property, plant and equipment	55	800	17,983	1,846	3,111		23,795
SEGMENT LIABILITIES	23,543	104,315	104,485	14,416	15,218	(56,783)	205,194
Deferred tax liabilities	53	4,346	10,668	2,343	53	-	17,463
TOTAL LIABILITIES	23,596	108,661	115,153	16,759	15,271	(56,783)	222,657

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:

Financial period to date 31 March 2017	Investment Holding RM'000	Shipping and Marine RM'000	Integrated logistics RM'000	Engineering RM'000	Property RM'000	Elimination RM'000	Total RM'000
REVENUE							
Revenue from external sales	-	238,322	115,888	25,251	6,381	-	385,842
Inter-segment sales	954	11,080	7,910	-	-	(19,944)	-
	954	249,402	123,798	25,251	6,381	(19,944)	385,842
RESULTS							
Profit before taxation from the normal operations	(3,534)	13,916	17,341	(2,165)	2,263	(686)	27,135
Profit before taxation includes:							
Amortisation of prepaid land lease payment	33	98	118	-	-	-	249
Depreciation to investment properties	-	48	109	-	-	-	157
Depreciation	164	7,213	9,291	281	106	-	17,055
Finance cost	88	1,395	1,997	228	495	-	4,203
Impairment of trade receivables	-	555	403	-	-	-	958
Reversal of trade receivables	-	(1,214)	(723)	-	-	-	(1,937)
Share of profits/(loss) in jointly controlled entities and associates		627	(85)				542

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

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

Financial period to date <u>31 March 2017</u>	Investment Holding RM'000	Shipping and Marine RM'000	Integrated logistics RM'000	Engineering RM'000	Property RM'000	Elimination RM'000	Total RM'000
SEGMENT ASSETS	61,558	198,987	261,382	76,661	96,678	(62,403)	632,863
Deferred tax assets	281	719	1,727	-	844	-	3,571
TOTAL ASSETS	61,839	199,706	263,109	76,661	97,522	(62,403)	636,434
Included in measure of segment assets are:							
Investment in associates		5,526					5,526
Investment in jointly controlled entities			597				597
Additional to property, plant and equipment	1,220	5,599	4,581	3,692	2,235		17,327
SEGMENT LIABILITIES	32,517	88,883	111,780	12,589	38,918	(46,912)	237,775
Deferred tax liabilities	98	4,377	9,746	1,919	89	-	16,229
TOTAL LIABILITIES	32,615	93,260	121,526	14,508	39,007	(46,912)	254,004

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

A9. Property, Plant and Equipment

There was no valuation on property, plant and equipment during the current quarter and financial period ended 31st March 2018

A10. Significant Post Balance Sheet Event

There are no material events as at 16 May 2018, 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.

A11. Changes in Composition of the Group

There is no changes in composition of the Group during the current financial period ended 31st March 2018.

A12. Contingent Liabilities

There was no material contingent assets and liabilities since the last annual balance sheet date to the date of this report.

A13. Capital Commitments

	31 March 2018 RM'000	31 Dec 2017 RM'000
Capital expenditure Authorised and contracted for	14,131	11,760
	<u> </u>	<u> </u>

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

A14. Related Party Transactions

Related parties are those defined under MFRS 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 31 March 2018 RM'000	Balance due from/(to) As at 31 March 2018 RM'000
Transaction with companies in which Certain Directors of the Company have substantial interests		
Sales of goods and services	161	172
Purchase of goods and services	909	(808)
	<u> </u>	<u> </u>

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

	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	<u>31/03/2018</u>	<u>31/03/2017</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2018</u>	<u>31/03/2017</u>	<u>RM'000</u>	<u>%</u>
Revenue	142,198	150,682	(8,484)	(6%)	449,105	385,842	63,263	16%
Profit Before Interest and Tax	10,644	4,437	6,207	140%	42,622	30,796	11,826	38%
Profit Before Tax	10,415	3,106	7,309	235%	41,210	27,135	14,075	52%
Profit After Tax	6,756	784	5,972	762%	29,010	18,996	10,014	53%
Profit attributable to Owners of the parent	6,107	543	5,564	1025%	25,422	17,155	8,267	48%

The Group posted revenue of RM449.11 million for the current financial period ended 31 March 2018, which is RM63.26 million or 16% higher than the preceding financial period of RM385.84 million. The profit before tax for the current financial period ended 31 March 2018 is RM41.21 million, which is RM14.07 million or 52% higher than the preceding financial period of RM27.13 million.

The interest income for the current financial period ended 31 March 2018 is RM0.98 million ie 9% higher than the preceding financial period of RM0.90 million. The increase in the interest is due to increase investment securities from RM10 million to RM32 million for the current financial period as compared to preceding financial period.

The other income for the current financial period ended 31 March 2018 is RM9.95 million ie 14% higher than the preceding financial period of RM8.76 million. The increase in the other income is due to gain on disposal on few plant and machineries amounting to RM1.65 million.

For management purposes, the Group is organized into business units based on their product and services, and has following operating segments:

Continuing operations

- The shipping and marine segment comprises of ship owners unit, ship operator unit and agency unit.
- Integrated logistic segment comprises of transport unit, heavy equipment and heavy lifting unit and freight forwarding unit.
- Engineering segment
- Property segment
- Other operations mainly consist of investment, management services and treasury services.

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

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

BI. Review of the Performance of the Group

Shipping and marine segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/03/2018	31/03/2017	RM'000	%	31/03/2018	31/03/2017	RM'000	%
Revenue	87,937	96,914	(8,977)	(9%)	298,212	238,322	59,890	25%
Profit Before Interest and Tax	5,402	3,758	1,644	44%	19,936	15,649	4,287	27%
Profit Before Tax	5,936	3,141	2,795	89%	20,649	13,916	6,733	48%
Profit After Tax	3,863	2,056	1,807	88%	14,400	9,866	4,534	46%
Profit attributable to Owners of the parent	3,246	1,586	1,660	105%	12,509	8,247	4,262	52%

The shipping and marine segment recorded revenue of RM298.21 million which is RM59.89 million or 25% higher than the preceding financial period ended 31 March 2017 of RM238.32 million. The increase in the revenue by 25% is due to higher volume of cargo handled. The profit before tax has increased by RM6.73 million or 48% mainly due to better profit contribution from the higher recorded revenue.

Integrated logistics segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/03/2018	31/03/2017	RM'000	%	31/03/2018	31/03/2017	RM'000	%
Revenue	35,840	47,582	(11,742)	(25%)	101,025	115,888	(14,863)	(13%)
Profit Before Interest and Tax	5,375	7,019	(1,644)	(23%)	21,046	19,482	1,564	8%
Profit Before Tax	4,710	6,238	(1,528)	(24%)	19,121	17,341	1,780	10%
Profit After Tax	3,087	5,111	(2,024)	(40%)	14,417	13,437	980	7%
Profit attributable to Owners of the parent	3,335	5,060	(1,725)	(34%)	14,374	13,533	841	6%

The integrated logistics segment recorded revenue of RM101.03 million which is RM14.86 million or 13% lower than the preceding financial period ended 31 March 2017 of RM115.89 million. The profit before tax has increased by RM1.78 million or 10% even though the revenue has decrease by 13%. This is mainly due to the realization of the gain on disposal of few plant and machineries during the period under review amounting to RM1.65 million.

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

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

B1. Review of the Performance of the Group

Engineering segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	<u>31/03/2018</u>	<u>31/03/2017</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2018</u>	<u>31/03/2017</u>	<u>RM'000</u>	<u>%</u>
Revenue	16,965	5,934	11,031	186%	38,406	25,251	13,155	52%
Profit Before Tax and Interest	802	862	(60)	(7%)	1,510	1,936	(426)	(22%)
Profit Before Tax	730	(3,085)	3,815	124%	1,288	(2,165)	3,453	159%
Profit After Tax	523	(2,837)	3,360	118%	833	(2,172)	3,005	138%
Profit attributable to Owners of the parent	523	(2,116)	2,639	125%	833	(1,449)	2,282	157%

The engineering segment recorded revenue of RM38.41 million which is RM13.15 million or 52% higher than the preceding financial period ended 31 March 2017 of RM25.25 million. The profit before tax is RM1.288 million as compared to a loss before tax of RM2.16 million or 159% higher than the preceding financial period due to the current project in hands has reached the advance stage of completion.

Property segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	<u>31/03/2018</u>	<u>31/03/2017</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2018</u>	<u>31/03/2017</u>	<u>RM'000</u>	<u>%</u>
Revenue	1,454	251	1,203	479%	11,461	6,381	5,080	80%
Profit Before Tax and Interest	307	754	(447)	(59%)	3,305	3,114	191	6%
Profit Before Tax	64	227	(163)	(72%)	2,376	2,263	113	5%
Profit After Tax	(109)	(230)	121	53%	1,460	1,314	146	11%
Profit attributable to Owners of the parent	(56)	526	(470)	(89%)	744	1,314	(570)	(43%)

The property development division recorded revenue of RM11.46 million which is RM5.08 million or 80% higher than the preceding financial period 31 March 2017 of RM6.38 million. The profit before tax is RM2.38 million which is RM0.11 million or 5% higher due to sales of the completed units of the Phase 1 and Phase 2 of the Kidurong Gateway projects.

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

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

Investment Holding	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/03/2018	31/03/2017	RM'000	%	31/03/2018	31/03/2017	RM'000	%
Revenue	-	-	-	-	-	-	-	-
Loss Before Tax and Interest	(666)	(603)	(63)	10%	(1,475)	(763)	(712)	(93%)
Loss Before Tax	(962)	(973)	11	1%	(2,314)	(2,008)	(306)	(15%)
Loss After Tax	(836)	(1,459)	623	43%	(2,291)	(2,383)	92	4%
Loss attributable to Owners of the parent	(684)	(969)	285	29%	(2,074)	(2,383)	309	13%

The investment holdings recorded a loss before tax of RM2.31 million an increase of RM0.31 million or 15% higher than the preceding financial period 31 March 2017 of loss before tax of RM2 million. The increase in the loss for the period under review is due to increase in the administrative cost.

B2. Comparison with Preceding Quarter's Results

	Current quarter	Immediate Preceding Quarter	Changes	
	RM'000	RM'000	(amount / %)	
	31/03/2018	31/12/2017	RM'000	%
Revenue	142,198	162,490	(20,292)	(12%)
Profit Before Tax and Interest	10,644	16,209	(5,565)	(34%)
Profit Before Tax	10,415	15,324	(4,909)	(32%)
Profit After Tax	6,756	10,889	(4,133)	(38%)
Profit attributable to Owners of the parent	6,107	9,789	(3,682)	(38%)

The Group posted revenue of RM142.20 million for the current quarter ended 31 March 2018 which is RM20.29 million lower than the immediate preceding quarter ended 31 December 2017 of RM162.49 million. The profit before tax for the current quarter ended 31 March 2018 is RM10.42 million, which is RM4.91 million lower than the immediate preceding quarter ended 31 December 2017 of RM15.32 million.

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

<u>Shipping and marine segment</u>	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
	<u>31/03/2018</u>	Quarter	<u>RM'000</u>	<u>%</u>
		RM'000		
		<u>31/12/2017</u>		
Revenue	87,937	113,371	(25,434)	(22%)
Profit Before Tax and Interest	5,402	6,993	(1,591)	(23%)
Profit Before Tax	5,936	6,979	(1,043)	(15%)
Profit After Tax	3,863	5,038	(1,175)	(23%)
Profit attributable to Owners of the parent	3,246	4,286	(1,040)	(24%)

The shipping and marine segment posted a decrease in revenue of RM25.43 million or 22% in the current quarter ended 31 March 2018 of RM87.94 million as compared to RM113.37 million in the immediate preceding quarter ended 31 December 2017. The decrease in the revenue and profit before tax is due to lower volume of cargo handled post Chinese New Year season.

<u>Integrated logistics segment</u>	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
	<u>31/03/2018</u>	Quarter	<u>RM'000</u>	<u>%</u>
		RM'000		
		<u>31/12/2017</u>		
Revenue	35,840	33,746	2,094	6%
Profit Before Interest and Tax	5,375	9,016	(3,641)	(40%)
Profit Before Tax	4,710	8,333	(3,623)	(43%)
Profit After Tax	3,087	6,612	(3,525)	(53%)
Profit attributable to Owners of the parent	3,335	6,545	(3,210)	(49%)

The integrated logistics segment posted increase in revenue of RM2.09 million in the current quarter ended 31 March 2018 of RM35.84 million or 6% as compared to RM33.75 million in the immediate preceding quarter ended 31 December 2017. The profit before tax for the current quarter ended 31 March 2018 is RM4.71 million, which is RM3.62 million or 43% lower than the immediate preceding quarter ended 31 December 2017 of RM8.33 million. The decrease in profit before tax in the current quarter is mainly due to periodical equipment maintenance expenses.

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

	Current quarter RM'000 <u>31/03/2018</u>	Immediate Preceding Quarter RM'000 <u>31/12/2017</u>	Changes (amount / %)	
			<u>RM'000</u>	<u>%</u>
<u>Engineering segment</u>				
Revenue	16,965	12,560	4,405	35%
Profit Before Interest and Tax	802	640	162	25%
Profit Before Tax	730	566	164	29%
Profit After Tax	523	318	205	64%
Profit attributable to Owners of the parent	523	318	205	64%

The engineering segment posted an increase in revenue of RM4.41 million or 35% in the current quarter ended 31 March 2018 of RM16.97 million as compared to RM12.56 million in the immediate preceding quarter ended 31 December 2017. The increase in profit before tax are in tandem with the increase in revenue.

	Current quarter RM'000 <u>31/03/2018</u>	Immediate Preceding Quarter RM'000 <u>31/12/2017</u>	Changes (amount / %)	
			<u>RM'000</u>	<u>%</u>
<u>Property segment</u>				
Revenue	1,454	2,814	(1,360)	(48%)
Profit Before Interest and Tax	307	727	(420)	(58%)
Profit Before Tax	64	236	(172)	(73%)
Profit After Tax	(109)	122	(231)	(189%)
Profit attributable to Owners of the parent	(56)	7	(63)	(9%)

The property segment posted a decrease in revenue of RM1.36 million in the current quarter ended 31 March 2018 of RM1.45 million as compared to RM2.81 million in the immediate preceding quarter ended 31 December 2017. The profit before tax for the current quarter ended 31 March 2018 is RM0.06 million, which is RM0.17 million lower than the immediate preceding quarter ended 31 December 2017 of RM0.24 million. The lower revenue and profit before tax is due to no new development project in hand.

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

<u>Investment holding segment</u>	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
	<u>31/03/2018</u>	Quarter	<u>RM'000</u>	<u>%</u>
		<u>31/12/2017</u>		
Revenue	-	-	-	-
Loss Before Interest and Tax	(666)	(524)	(142)	(27%)
Profit Before Tax	(962)	(791)	(171)	(22%)
Profit After Tax	(836)	(841)	5	1%
Profit attributable to Owners of the parent	(684)	(856)	172	20%

The investment holdings recorded loss before tax of RM0.96 million an increase of RM0.17 million or 22% higher in the immediate preceding quarter ended 31 December 2017 of RM0.79 million. The increase in the loss for the period under review is due to increase in administrative cost.

B3. Prospects

The Board is optimistic that the next quarter performance will remain satisfactory.

B4. Profit Forecast or Profit Guarantee

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

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B5. Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Period	Preceding Financial Period
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the period is stated after charging/ (crediting):				
Interest income	(279)	(237)	(976)	(896)
Amortisation of prepaid land lease payment	82	84	248	249
Depreciation of plant and equipment	6,552	5,664	18,130	17,055
Depreciation to investment properties	52	54	157	157
Finance cost	1,273	1,502	4,024	4,203
(Reversal) of impairment of receivables, net of allowance	(670)	1,367	(1,095)	(1,937)

B6. Taxation

Taxation of the Group comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Period	Preceding Financial Period
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax expense	2,878	2,496	8,348	7,516
Prior years	1,000	-	3,000	-
Deferred tax expense:				
Origination and reversal of temporary difference	(220)	(174)	852	623
	<u>3,658</u>	<u>2,322</u>	<u>12,200</u>	<u>8,139</u>

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B6. Taxation (Cont'd)

Taxation of the Group comprises the following:

The effective tax rate of the Group for the current quarter and financial period was higher than the statutory tax rate of 24 per cent principally due to certain expenses not allowable for tax purposes and non-recognition of deferred tax assets for losses incurred 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 31 March 2018.

B8. Investment in Quoted Securities

There were no purchases or disposals of quoted securities during the current quarter and financial period ended 31 March 2018.

B9. Status of Corporate Proposal

There were no pending corporate proposals up to 16 May 2018, 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 31 March 2018 and 31 March 2017 are as follows:

	As at 31 March 2018		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	10,855	25,099	35,954
Bank Overdraft	8,189	-	8,189
Finance Lease Liabilities	10,765	15,895	26,660
	<u>29,809</u>	<u>40,994</u>	<u>70,803</u>
Unsecured			
Bankers' Acceptance	3,702	-	3,702
Revolving Credit	7,870	-	7,870
	<u>11,572</u>	<u>-</u>	<u>11,572</u>
	<u>41,381</u>	<u>40,994</u>	<u>82,375</u>

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B10. Group Borrowings and Debt Securities (Cont'd)

The Group's borrowings as at 31 March 2018 and 31 March 2017 are as follows:

	As at 31 March 2017		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	11,538	34,980	46,518
Bank Overdraft	16,100	-	16,100
Finance Lease Liabilities	10,770	16,670	27,440
	<u>38,408</u>	<u>51,650</u>	<u>90,058</u>
Unsecured			
Bankers' Acceptance	17,905	-	17,905
Revolving Credit	8,520	-	8,520
	<u>26,425</u>	<u>-</u>	<u>26,425</u>
	<u>64,833</u>	<u>51,650</u>	<u>116,483</u>

The above borrowings are denominated in Ringgit Malaysia.

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 16 May 2018, 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 16 May 2018 being the date not earlier than 7 days from the date of this announcement.

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B13. Dividend declared

No dividend was declared for the current quarter and financial period ended 31 March 2018.

B14. Earnings per Share

Basic earnings per share

The basic earnings per share for the current quarter and financial period ended 31 March 2018 is calculated by dividing the Group's profit for the period, net of tax, attributable to owners of the parent for the current quarter of RM6,107,000 and financial period of RM25,422,000 by the number of ordinary shares in issue during the current quarter and financial period ended 31 March 2018 of 400,400,004.

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Period	Preceding Financial Period
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Earnings Per Share	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit net of tax attributable to Owners of the parent (in RM)	6,107	543	25,422	17,155
Weighted average number of ordinary shares in issue ("000)	400,400	400,400*	400,400	400,400*
Basic earnings per share (sen)	1.53	0.14	6.35	4.28
Diluted earnings per share (sen)*	1.53	0.14	6.35	4.28

*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.

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B15. Provision of Financial Assistance

The financial assistance provided by the Company and its subsidiaries to its non wholly-owned subsidiaries as at 31 March 2018 pursuant to paragraph 8.23(1) of the Listing Requirements.

	31 March 2018	31 Dec 2017
	RM'000	RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- non wholly-owned subsidiary companies	19,506	20,549
	=====	=====

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 31 March 2018.

This announcement is dated 23 May 2018.

