

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 2018
(The figures have not been audited).

| | INDIVIDUAL PERIOD | | | | CUMULATIVE PERIOD | | | |
|---|----------------------|--------------------------------------|----------------------|------------|---------------------|---------------------|----------------------|------------|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CHANGES (Amount / %) | | CURRENT PERIOD | PRECEDING PERIOD | CHANGES (Amount / %) | |
| | 30/9/2018 RM'000 | 30/9/2017 RM'000 | RM'000 | % | 30/9/2018 RM'000 | 30/9/2017 RM'000 | RM'000 | % |
| Revenue | 158,875 | 144,417 | 14,458 | 10% | 158,875 | 144,417 | 14,458 | 10% |
| Operating expenses | (135,812) | (123,007) | (12,805) | 10% | (135,812) | (123,007) | (12,805) | 10% |
| Gross profit | 23,063 | 21,410 | 1,653 | 8% | 23,063 | 21,410 | 1,653 | 8% |
| Interest income | 362 | 450 | (88) | -20% | 362 | 450 | (88) | -20% |
| Other income | 2,930 | 3,834 | (904) | -24% | 2,930 | 3,834 | (904) | -24% |
| Administrative Expenses | (11,615) | (9,926) | (1,689) | 17% | (11,615) | (9,926) | (1,689) | 17% |
| Finance costs | (1,081) | (1,236) | 155 | -13% | (1,081) | (1,236) | 155 | -13% |
| Share of results of jointly controlled entity | (13) | 30 | (43) | -143% | (13) | 30 | (43) | -143% |
| Share of results of associated companies | 769 | 910 | (141) | -15% | 769 | 910 | (141) | -15% |
| Profit before taxation | 14,415 | 15,472 | (1,057) | -7% | 14,415 | 15,472 | (1,057) | -7% |
| Taxation | (3,051) | (4,107) | 1,056 | -26% | (3,051) | (4,107) | 1,056 | -26% |
| Net profit for the year | 11,364 | 11,365 | (1) | 0% | 11,364 | 11,365 | (1) | 0% |
| Other comprehensive income: | | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | | |
| Exchange difference on translation of foreign entity | 638 | 230 | 408 | 177% | 638 | 230 | 408 | 177% |
| Total comprehensive income for the year | 12,002 | 11,595 | 407 | 4% | 12,002 | 11,595 | 407 | 4% |
| Profit for the year attributable to: | | | | | | | | |
| Owners of the parent | 10,689 | 9,526 | 1,163 | 12% | 10,689 | 9,526 | 1,163 | 12% |
| Non-Controlling Interests | 675 | 1,839 | (1,164) | -63% | 675 | 1,839 | (1,164) | -63% |
| | 11,364 | 11,365 | (1) | 0% | 11,364 | 11,365 | (1) | 0% |
| Total Comprehensive income for the year attributable to: | | | | | | | | |
| Owners of the parent | 11,327 | 9,756 | 1,571 | 16% | 11,327 | 9,756 | 1,571 | 16% |
| Non-Controlling Interests | 675 | 1,839 | (1,164) | -63% | 675 | 1,839 | (1,164) | -63% |
| | 12,002 | 11,595 | 407 | 4% | 12,002 | 11,595 | 407 | 4% |
| Earnings per share ("EPS") (in sen) | | | | | | | | |
| Basic earnings per share (sen) (Note B14) | 2.67 | 2.38 | 0.29 | 12% | 2.67 | 2.38 | 0.29 | 12% |
| Diluted earnings per share (sen) | 2.67 | 2.38 | 0.29 | 12% | 2.67 | 2.38 | 0.29 | 12% |

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 2018.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

| | As at | As at |
|--|----------------|----------------|
| | 30/9/2018 | 30/6/2018 |
| | RM'000 | RM'000 |
| | (Unaudited) | (Audited) |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 227,257 | 229,640 |
| Investment properties | 6,168 | 6,197 |
| Prepaid land lease payment | 5,958 | 5,994 |
| Land held for development | 47,941 | 47,478 |
| Investment in jointly-controlled entity | 549 | 562 |
| Investment in associates | 9,890 | 8,918 |
| Deferred tax assets | 2,290 | 2,116 |
| Trade and other receivables | 907 | 2,503 |
| Other assets | 2,543 | 2,543 |
| | 303,503 | 305,951 |
| Current assets | | |
| Inventories | 25,452 | 23,576 |
| Trade and other receivables | 162,445 | 133,533 |
| Amount due from customers for contract works | 4,223 | 7,869 |
| Investment securities | 36,241 | 31,704 |
| Other current assets | 16,692 | 14,058 |
| Cash and bank balance | 115,392 | 114,563 |
| | 360,445 | 325,303 |
| TOTAL ASSETS | 663,948 | 631,254 |
| LIABILITIES | | |
| Current liabilities | | |
| Loans and borrowings | 46,313 | 35,565 |
| Trade and other payables | 99,772 | 90,123 |
| Other current liabilities | 142 | 978 |
| Tax payables | 14,141 | 9,334 |
| | 160,368 | 136,000 |
| Non-current liabilities | | |
| Deferred tax liabilities | 18,251 | 17,063 |
| Loans and borrowings | 41,153 | 46,224 |
| | 59,404 | 63,287 |
| TOTAL LIABILITIES | 219,772 | 199,287 |
| NET ASSETS | 444,176 | 431,967 |
| EQUITY | | |
| Share capital | 200,200 | 200,200 |
| Revenue reserves | 187,316 | 175,813 |
| Total shareholders' equity | 387,516 | 376,013 |
| Non-controlling interest | 56,660 | 55,954 |
| TOTAL EQUITY | 444,176 | 431,967 |
| | | |
| NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM) | 0.97 | 0.94 |

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 share.

This Condensed Consolidated Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2018.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2018
(The figures have not been audited).

| | CURRENT PERIOD ENDED 30/9/2018 RM'000 | COMPARABLE PERIOD ENDED 30/9/2017 RM'000 |
|---|--|---|
| Cash flows from operating activities | | |
| Profit before taxation | 14,415 | 15,472 |
| Adjustments for: | | |
| Non-operating items | 1,334 | (1,058) |
| Depreciation | 6,077 | 5,822 |
| Interest expense | 1,081 | 1,236 |
| Interest income | (362) | (450) |
| Share of results in associates and jointly controlled entity | (756) | (940) |
| Operating profit before changes in working capital | 21,789 | 20,082 |
| Changes in working capital: | | |
| (Increase)/Decrease in inventories | (1,876) | 5,339 |
| (Increase) in trade and other receivables | (24,483) | (7,907) |
| Decrease in amount due from customers for contract works | 3,647 | 1,076 |
| (Decrease)/increase in other current liabilities | (836) | 286 |
| Increase/(Decrease) in trade and other payables | 9,990 | (2,537) |
| Net cash generated from operations activities | 8,231 | 16,339 |
| Interest paid | (1,081) | (1,236) |
| Interest received | 122 | 450 |
| Tax paid | (3,204) | (2,178) |
| Net cash generated from operating activities | 4,068 | 13,375 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (3,966) | (8,399) |
| Increase in fixed deposit pledged | (1,596) | - |
| Decrease in cash at bank pledged for borrowings | - | 679 |
| (Increase)/Decrease in investment securities | (4,537) | 1,627 |
| Net cash outflow acquisition of subsidiaries | (384) | - |
| Capital contributed by non controlling interest in subsidiary | 1,050 | 3,879 |
| Disposal of Non Controlling Interest in Subsidiaries | (1,233) | - |
| Proceeds from disposal of property, plant and equipment | 2,043 | 1,908 |
| Net cash used in investing activities | (8,623) | (306) |
| Cash flows from financing activities | | |
| Net proceeds from borrowings | 7,318 | (697) |
| Net repayment of lease payables | (3,136) | (1,472) |
| Net cash used in financing activities | 4,182 | (2,169) |
| Net increase/(decrease) in cash and cash equivalents | (373) | 10,900 |
| Cash and cash equivalents at beginning of period | 109,822 | 58,619 |
| Cash and cash equivalents at end of period | 109,449 | 69,519 |

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

| | | |
|---|----------------|---------------|
| Cash and bank balances | 113,442 | 81,400 |
| Bank Overdraft | (128) | (8,345) |
| Cash at bank pledged as securities for bank borrowings | (85) | (68) |
| Short term deposits pledged as securities for bank borrowings | (3,780) | (3,468) |
| | <u>109,449</u> | <u>69,519</u> |

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2018.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED 30TH SEPTEMBER 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 | | DISTRIBUTABLE RETAINED EARNINGS / (ACCUMULATED LOSSES) RM'000 | |
| | | | | FOREIGN CURRENCY TRANSLATION RESERVE RM'000 | OTHER RESERVE RM'000 | | |
| 3 MONTHS ENDED 30TH SEPTEMBER 2018 | | | | | | | |
| At 1 July 2018 | 431,967 | 376,013 | 200,200 | 1,549 | (62,945) | 237,209 | 55,954 |
| Capital contributed by Non Controlling Interest in Subsidiaries | 1,415 | - | - | - | - | - | 1,415 |
| Disposal by Non Controlling Interest in Subsidiaries | (1,384) | - | - | - | - | - | (1,384) |
| Acquisition of Non Controlling Interest in Subsidiaries | 176 | 176 | - | - | - | 176 | - |
| Total comprehensive income for the period | 12,002 | 11,327 | - | 638 | - | 10,689 | 675 |
| At 30 SEPTEMBER 2018 | 444,176 | 387,516 | 200,200 | 2,187 | (62,945) | 248,074 | 56,660 |
| 3 MONTHS ENDED 30TH SEPTEMBER 2017 | | | | | | | |
| 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 |
| Total comprehensive income for the period | 11,595 | 9,756 | - | 230 | - | 9,526 | 1,839 |
| At 30 SEPTEMBER 2017 | 409,485 | 356,974 | 200,200 | 2,887 | (62,945) | 216,832 | 52,511 |

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 2018.

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 2018.

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 2018 except for the following MFRSs, IC interpretation and Amendments which the Company adopted which mandatory for annual periods beginning on or after 1st July 2018 :

| <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 |

The adoption of the above amendments to published standards are not expected to have any material impact to the financial statements to the Group.

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

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 “Prepayment 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 |
| Amendments to MFRS 119 : Employee Benefits Plan | |
| Amendment, Curtailment or Settlement | 1 January 2019 |
| MFRS 17 : Insurance Contract | 1 January 2021 |

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.

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 2018 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 30th September 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 30th September 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 30 September 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 |
|---|--|---|--|-------------------------------------|----------------------------------|-------------------------------------|-------------------------------|
| REVENUE | | | | | | | |
| Revenue from external sales | - | 102,110 | 41,516 | 14,988 | 261 | - | 158,875 |
| Inter-segment sales | 1,195 | 3,494 | 2,338 | - | - | (7,027) | - |
| | <u>1,195</u> | <u>105,604</u> | <u>43,854</u> | <u>14,988</u> | <u>261</u> | <u>(7,027)</u> | <u>158,875</u> |
| RESULTS | | | | | | | |
| Profit before taxation from the normal operations | (675) | 7,595 | 7,444 | 137 | 26 | (112) | 14,415 |
| Profit before taxation includes: | | | | | | | |
| Amortisation of prepaid land lease payment | 32 | 4 | 30 | - | - | - | 66 |
| Depreciation to investment properties | - | - | 51 | 1 | - | - | 52 |
| Depreciation | 76 | 2,320 | 3,421 | 95 | 46 | - | 5,958 |
| Finance cost | 43 | 457 | 508 | 73 | - | - | 1,081 |
| Impairment of trade receivables | - | 22 | 1,933 | - | - | - | 1,955 |
| Reversal of trade receivables | - | (820) | - | - | - | - | (820) |
| | | | | | | | |
| Share of profit/(loss) in jointly controlled entities and profits in associates | | 769 | (13) | | | | 756 |

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 30 September 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 | 64,845 | 238,512 | 240,877 | 80,665 | 75,607 | (38,848) | 661,658 |
| Deferred tax assets | - | 1,046 | 765 | - | 479 | - | 2,290 |
| TOTAL ASSETS | 64,845 | 239,558 | 241,642 | 80,665 | 76,086 | (38,848) | 663,948 |
| Included in measure of segment assets are: | | | | | | | |
| Investment in associates | - | 9,890 | - | - | - | - | 9,890 |
| Investment in jointly controlled entities | - | - | 549 | - | - | - | 549 |
| Additional to property, plant and equipment | 28 | 314 | 3,077 | 73 | 474 | - | 3,966 |
| SEGMENT LIABILITIES | 41,394 | 103,296 | 94,284 | 13,319 | 10,291 | (61,063) | 201,521 |
| Deferred tax liabilities | 59 | 4,881 | 10,746 | 2,557 | 8 | - | 18,251 |
| TOTAL LIABILITIES | 41,453 | 108,177 | 105,030 | 15,876 | 10,299 | (61,063) | 219,772 |

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

| Financial period to date 30 September 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 | - | 96,903 | 31,440 | 8,881 | 7,193 | | 144,417 |
| Inter-segment sales | 931 | 2,850 | 2,711 | - | - | (6,492) | - |
| | 931 | 99,753 | 34,151 | 8,881 | 7,193 | (6,492) | 144,417 |
| RESULTS | | | | | | | |
| Profit before taxation from the normal operations | (561) | 7,735 | 6,079 | (7) | 2,076 | 150 | 15,472 |
| Profit before taxation includes: | | | | | | | |
| Amortisation of prepaid land lease payment | 32 | 4 | 47 | - | - | - | 83 |
| Depreciation to investment properties | - | - | 52 | - | - | - | 52 |
| Depreciation | 157 | 2,351 | 3,037 | 99 | 44 | - | 5,688 |
| Finance cost | 81 | 534 | 540 | 74 | 7 | - | 1,236 |
| Impairment of trade receivables | - | 282 | 1,144 | - | - | - | 1,426 |
| Reversal of trade receivables | - | (75) | (84) | - | - | - | (159) |
| | | | | - | - | - | |
| Share of profits in jointly controlled entities and associates | | 910 | 30 | | | | 940 |

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>30 September 2017</u> | Investment Holding <u>RM'000</u> | Shipping and Marine <u>RM'000</u> | Integrated logistics <u>RM'000</u> | Engineering <u>RM'000</u> | Property <u>RM'000</u> | Elimination <u>RM'000</u> | Total <u>RM'000</u> |
|--|--|---|--|-------------------------------------|----------------------------------|-------------------------------------|-------------------------------|
| SEGMENT ASSETS | 67,313 | 195,084 | 231,420 | 76,041 | 79,820 | (31,192) | 618,486 |
| Deferred tax assets | - | 859 | 410 | - | 580 | - | 1,849 |
| TOTAL ASSETS | 67,313 | 195,943 | 231,830 | 76,041 | 80,400 | (31,192) | 620,335 |
| Included in measure of segment assets are: | | | | | | | |
| Investment in associates | | 7,595 | | | | | 7,595 |
| Investment in jointly controlled entities | | | 613 | | | | 613 |
| Additional to property, plant and equipment | 16 | 460 | 6,068 | 448 | 1,407 | | 8,399 |
| SEGMENT LIABILITIES | 23,905 | 125,905 | 90,824 | 10,218 | 14,852 | (71,972) | 193,732 |
| Deferred tax liabilities | 53 | 3,975 | 10,678 | 2,342 | 70 | - | 17,118 |
| TOTAL LIABILITIES | 23,958 | 129,880 | 101,502 | 12,560 | 14,922 | (71,972) | 210,850 |

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 30th September 2018.

A10. Significant Post Balance Sheet Event

There are no material events as at 16 November 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

Save for the below, there were no changes in composition of the Group during the current financial period ended 30th September 2018:

1. Harbour-Link (M) Sdn Bhd (“**HLMSB**”), a wholly-owned subsidiary of Harbour-Link Group Bhd had on 6th August 2018 acquired One (1) ordinary share, representing 50% equity interest in Harbour Global Forwarders Sdn. Bhd. (Company No. 1164275-P) (“**HGFSB**”) from Norhidayah Binti Talip (870529-52-6280), a non-related party, for a total cash consideration of RM1.00 (“**Acquisition**”). Subsequently, HLMSB had subscribed for an additional Sixty Nine Thousand Nine Hundred and Ninety Nine (69,999) new ordinary shares at an issue price of RM1.00 each in HGFSB representing 70.00% of the enlarged total number of issued shares of HGFSB for a cash consideration of RM69,999.00 (“**Subscription**”). Following the Acquisition and Subscription, HGFSB becomes a 70.00% owned subsidiary of HLMSB. The balance 30.00% is held by Al Consults Logistics Sdn. Bhd. (Company No. 1278777-M), a non-related company.
2. Harbour-Link Navigation Sdn Bhd (“**HLNSB**”), a wholly-owned subsidiary of Harbour-Link Group Bhd had on 21 August 2018 acquired One (1) ordinary share, representing 50% equity interest in AM Lines Sdn. Bhd. (Company No. 1193136-W) (“**AMLSB**”) from Norhidayah Binti Talip (870529-52-6280), a non-related party, for a total cash consideration of RM1.00 (“**the Acquisition**”). Subsequently, HLNSB had subscribed for an additional Eight Hundred and Forty Nine (849) new ordinary shares at an issue price of RM1.00 each in AMLSB representing 85.00% of the enlarged total number of issued shares of AMLSB for a cash consideration of RM849.00 (the “**Subscription**”). Following the Acquisition and Subscription, AMLSB becomes a 85.00% owned subsidiary of HLNSB. The balance 15.00% is held by Megan Millenium Sdn Bhd (“**MMSB**”), a non-related Company.

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

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

Save for the below, there were no changes in composition of the Group during the current financial period ended 30th September 2018:

3. Harbour-Link Lines Sdn Bhd ("**HLLSB**"), a subsidiary of Harbour-Link Group Bhd had on 27 August 2018 acquired five hundred and fifty (550) ordinary share of B\$1.00 each, representing 55% equity interest in **Harbour-Link Lines (B) Sdn. Bhd.** (Company No. RC00007861) ("**HLLBSB**") from Lim Yan Peng (NRIC 7311257F2102160BRN), a non-related party, for a total cash consideration of **B\$126,362.50** ("**the Acquisition**"). The purchase consideration was arrived at on a willing-buyer and willing-seller basis after taking into account the Net Tangible Assets of HLLBSB as at 31 March 2018. Following the Acquisition, HLLBSB becomes a 55.00% owned subsidiary of HLLSB. The balance 45.00% is held by Lim Yan Peng (NRIC 7311257F2102160BRN) and Haji Abdul Saman Bin Ahmad (Brunei Yellow IC No. 00-063260) with the shareholdings of 20% and 25% respectively. Both Lim Yan Peng and Haji Abdul Saman Bin Ahmad are also Directors of HLLBSB.
4. Harbour-Link Lines Sdn Bhd ("**HLLSB**"), a subsidiary of Harbour-Link Group Bhd had on 20th September 2018 acquired the remaining thirty-six thousand two hundred and fifty (36,250) ordinary shares ("**Share**"), representing 36.25% equity interest in **Harbour-Link Lines (KCH) Sdn. Bhd.** (Company No.739565-T) ("**HLLKCH**") from Chung Lan Moi (NRIC 711024-13-5462), a non-related party for a total cash consideration of **RM814,537.50**("the Acquisition"). The purchase consideration was arrived at on a willing-buyer and willing-seller basis after taking into account the Net Tangible Assets of HLLKCH as at 31st March 2018. Following the Acquisition HLLKCH becomes a 100.00% wholly-owned subsidiary of HLLSB.

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

| | 30 Sept 2018 RM'000 | 30 June 2018 RM'000 |
|-------------------------------|------------------------|------------------------|
| Capital expenditure | | |
| Authorised and contracted for | 19,060 | 11,117 |
| | ===== | ===== |

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 30 Sept 2018 RM'000 | Balance due from/(to) As at 30 Sept 2018 RM'000 |
|---|--|--|
| Transaction with companies in which Certain Directors of the Company have substantial interests | | |
| Sales of goods and services | 281 | 76 |
| Purchase of goods and services | 1,089 | (1,085) |
| | <hr/> <hr/> | <hr/> <hr/> |

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>30/09/2018</u> | <u>30/09/2017</u> | <u>RM'000</u> | <u>%</u> | <u>30/09/2018</u> | <u>30/09/2017</u> | <u>RM'000</u> | <u>%</u> |
| Revenue | 158,875 | 144,417 | 14,458 | 10% | 158,875 | 144,417 | 14,458 | 10% |
| Profit Before Interest and Tax | 14,740 | 15,768 | (1,028) | (6%) | 14,740 | 15,768 | (1,028) | (6%) |
| Profit Before Tax | 14,415 | 15,472 | (1,057) | (7%) | 14,415 | 15,472 | (1,057) | (7%) |
| Profit After Tax | 11,364 | 11,365 | (1) | 0% | 11,364 | 11,365 | (1) | (0%) |
| Profit attributable to Owners of the parent | 10,689 | 9,526 | 1,163 | 12% | 10,689 | 9,526 | 1,163 | 12% |

The Group posted revenue of RM158.88 million for the current financial period ended 30 September 2018, which is RM14.46 million or 10% higher than the preceding financial period of RM144.42 million. The profit before tax for the current financial period ended 30 September 2018 is RM14.42 million, which is RM1.06 million or 7% lower than the preceding financial period of RM15.47 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)

B1. Review of the Performance of the Group

| Shipping and marine segment | Current Quarter RM'000 | | Changes (amount / %) | | Cumulative Quarter RM'000 | | Changes (amount / %) | |
|--|---------------------------|------------------|-------------------------|-------------|------------------------------|------------------|-------------------------|-------------|
| | 30/09/2018 | 30/9/2017 | RM'000 | % | 30/09/2018 | 30/9/2017 | RM'000 | % |
| Revenue | 102,110 | 96,903 | 5,207 | 5% | 102,110 | 96,903 | 5,207 | 5% |
| Profit Before Interest and Tax | 7,428 | 7,541 | (113) | (1%) | 7,428 | 7,541 | (113) | (1%) |
| Profit Before Tax | 7,597 | 7,735 | (138) | (2%) | 7,597 | 7,735 | (138) | (2%) |
| Profit After Tax | 5,911 | 5,498 | 413 | 8% | 5,911 | 5,498 | 413 | 8% |
| Profit attributable to Owners of the parent | 4,932 | 4,977 | (45) | (1%) | 4,932 | 4,977 | (45) | (1%) |

The shipping and marine segment recorded revenue of RM102.11 million which is RM5.21 million or 5% higher than the preceding financial period ended 30 September 2017 of RM96.90 million. The increase in the revenue by 5% is due to higher volume of cargo handled due to operations in Hong Kong and China. The profit before tax has decreased marginally by RM0.14 million or 2% compared to preceding financial period ended 30th September 2017 of RM7.74 million..

| Integrated logistics segment | Current Quarter RM'000 | | Changes (amount / %) | | Cumulative Quarter RM'000 | | Changes (amount / %) | |
|--|---------------------------|------------------|-------------------------|------------|------------------------------|------------------|-------------------------|------------|
| | 30/09/2018 | 30/9/2017 | RM'000 | % | 30/09/2018 | 30/9/2017 | RM'000 | % |
| Revenue | 41,516 | 31,440 | 10,076 | 32% | 41,516 | 31,440 | 10,076 | 32% |
| Profit Before Interest and Tax | 7,898 | 6,656 | 1,242 | 19% | 7,898 | 6,656 | 1,242 | 19% |
| Profit Before Tax | 7,444 | 6,079 | 1,365 | 22% | 7,444 | 6,079 | 1,365 | 22% |
| Profit After Tax | 5,617 | 4,718 | 899 | 19% | 5,617 | 4,718 | 899 | 19% |
| Profit attributable to Owners of the parent | 5,826 | 4,495 | 1,331 | 29% | 5,826 | 4,495 | 1,331 | 29% |

The integrated logistics segment recorded revenue of RM41.52 million which is RM10.08 million or 32% higher than the preceding financial period ended 30 September 2017 of RM31.44 million. The profit before tax has increased by RM1.37 million or 22% as compared to preceding financial period ended 30th September 2017 of RM6.08 million which is in tandem with the increase in revenue.

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

B1. Review of the Performance of the Group

| Engineering segment | Current Quarter RM'000 | | Changes (amount / %) | | Cumulative Quarter RM'000 | | Changes (amount / %) | |
|---|---------------------------|------------------|-------------------------|---------------|------------------------------|------------------|-------------------------|---------------|
| | <u>30/9/2018</u> | <u>30/9/2017</u> | <u>RM'000</u> | <u>%</u> | <u>30/9/2018</u> | <u>30/9/2017</u> | <u>RM'000</u> | <u>%</u> |
| Revenue | 14,988 | 8,881 | 6,107 | 69% | 14,988 | 8,881 | 6,107 | 69% |
| Profit Before Tax and Interest | 210 | 67 | 143 | 213% | 210 | 67 | 143 | 213% |
| Profit/(Loss) Before Tax | 137 | (7) | 144 | 2,057% | 137 | (7) | 144 | 2,057% |
| Profit/(Loss) After Tax | 69 | (8) | 77 | 970% | 69 | (8) | 77 | 970% |
| Profit(Loss) attributable to Owners of the parent | 69 | (8) | 77 | 970% | 69 | (8) | 77 | 970% |

The engineering segment recorded revenue of RM14.99 million which is RM6.11 million or 69% higher than the preceding financial period ended 30 September 2017 of RM8.88 million. The profit before tax is RM0.14 million higher than a marginal loss before tax in the preceding financial period ended 30th September 2017 due to the current projects in hand has yield lower profit margin.

| Property segment | Current Quarter RM'000 | | Changes (amount / %) | | Cumulative Quarter RM'000 | | Changes (amount / %) | |
|--|---------------------------|------------------|-------------------------|--------------|------------------------------|------------------|-------------------------|--------------|
| | <u>30/9/2018</u> | <u>30/9/2017</u> | <u>RM'000</u> | <u>%</u> | <u>30/9/2018</u> | <u>30/9/2017</u> | <u>RM'000</u> | <u>%</u> |
| Revenue | 261 | 7,193 | (6,932) | (96%) | 261 | 7,193 | (6,932) | (96%) |
| Profit Before Tax and Interest | 187 | 2,271 | (2,084) | (92%) | 187 | 2,271 | (2,084) | (92%) |
| Profit Before Tax | 26 | 2,076 | (2,050) | (99%) | 26 | 2,076 | (2,050) | (99%) |
| (Loss)/Profit After Tax | (26) | 1,447 | (1,473) | (102%) | (26) | 1,447 | (1,473) | (102%) |
| (Loss)/Profit attributable to Owners of the parent | (13) | 793 | (806) | (1,016%) | (13) | 793 | (806) | (1,016%) |

The property development division recorded revenue of RM0.26 million which is RM6.93 million or 96% lower than the preceding financial period 30 September 2017 of RM7.19 million. The profit before tax is RM0.03 million which is RM2.05 million or 99% lower than the preceding financial period ended 30th September 2017 due to no sales being concluded for 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 <u>Holding</u> | Current Quarter RM'000 | | Changes (amount / %) | | Cumulative Quarter RM'000 | | Changes (amount / %) | |
|---|---------------------------|------------------|-------------------------|------------|------------------------------|------------------|-------------------------|------------|
| | <u>30/9/2018</u> | <u>30/9/2017</u> | <u>RM'000</u> | <u>%</u> | <u>30/9/2018</u> | <u>30/9/2017</u> | <u>RM'000</u> | <u>%</u> |
| Revenue | - | - | - | - | - | - | - | - |
| Loss Before Tax and Interest | (348) | (285) | 63 | 22% | (348) | (285) | 63 | 22% |
| Loss Before Tax | (675) | (561) | 114 | 20% | (675) | (561) | 114 | 20% |
| Loss After Tax | (707) | (614) | 93 | 15% | (707) | (614) | 93 | 15% |
| Loss attributable to Owners of the parent | (675) | (614) | 61 | 10% | (675) | (614) | 61 | 10% |

The investment holdings recorded a loss before tax of RM0.68 million an increase of RM0.11 million or 20% higher than the preceding financial period 30 September 2017 of loss before tax of RM0.56 million. The increase in the loss for the period under review is due to administrative cost.

B2. Comparison with Preceding Quarter's Results

| | Current quarter | Immediate Preceding Quarter | Changes | |
|---|-------------------|-----------------------------------|----------------|--------------|
| | RM'000 | RM'000 | (amount / %) | |
| | <u>30/09/2018</u> | <u>30/06/2018</u> | <u>RM'000</u> | <u>%</u> |
| Revenue | 158,875 | 194,630 | (35,755) | (18%) |
| Profit Before Tax and Interest | 14,740 | 22,839 | (8,099) | (35%) |
| Profit Before Tax | 14,415 | 21,665 | (7,250) | (33%) |
| Profit After Tax | 11,364 | 14,516 | (3,152) | (22%) |
| Profit attributable to Owners of the parent | 10,689 | 11,799 | (1,110) | (9%) |

The Group posted revenue of RM158.88 million for the current quarter ended 30 September 2018 which is RM35.75 million or 18% lower than the immediate preceding quarter ended 30 June 2018 of RM194.63 million. The profit before tax for the current quarter ended 30 September 2018 is RM14.42 million, which is RM7.25 million or 33% lower than the immediate preceding quarter ended 30 June 2018 of RM21.67 million.

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

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

| <u>Shipping and marine segment</u> | Current quarter | Immediate | Changes | |
|---|--------------------------|--------------------------------|----------------------|-----------------|
| | RM'000 | Preceding Quarter RM'000 | (amount / %) | |
| | <u>30/09/2018</u> | <u>30/06/2018</u> | <u>RM'000</u> | <u>%</u> |
| Revenue | 102,110 | 96,548 | 5,562 | 6% |
| Profit Before Tax and Interest | 7,428 | 8,999 | (1,571) | (17%) |
| Profit Before Tax | 7,597 | 8,647 | (1,050) | (12%) |
| Profit After Tax | 5,911 | 7,422 | (1,511) | (20%) |
| Profit attributable to Owners of the parent | 4,932 | 4,987 | (55) | (1%) |

The shipping and marine segment posted an increase in revenue of RM5.56 million or 6% in the current quarter ended 30 September 2018 of RM102.11 million as compared to RM96.55 million in the immediate preceding quarter ended 30 June 2018. The increase in the revenue is due to the operations in Hong Kong and China. The profit before tax has decreased by RM1.05 million or 12% lower than the immediate preceding quarter ended 30 June 2018 of RM8.65 million due to lower profit margin.

| <u>Integrated logistics segment</u> | Current quarter | Immediate | Changes | |
|---|--------------------------|--------------------------------|----------------------|-----------------|
| | RM'000 | Preceding Quarter RM'000 | (amount / %) | |
| | <u>30/09/2018</u> | <u>30/06/2018</u> | <u>RM'000</u> | <u>%</u> |
| Revenue | 41,516 | 83,501 | (41,985) | (50%) |
| Profit Before Interest and Tax | 7,898 | 11,038 | (3,140) | (28%) |
| Profit Before Tax | 7,444 | 10,422 | (2,978) | (28%) |
| Profit After Tax | 5,617 | 7,828 | (2,211) | (28%) |
| Profit attributable to Owners of the parent | 5,826 | 7,025 | 1,199 | (17%) |

The integrated logistics segment posted decrease in revenue of RM41.99 million or 50% in the current quarter ended 30 September 2018 of RM41.52 million as compared to RM83.50 million in the immediate preceding quarter ended 30 June 2018. The profit before tax for the current quarter ended 30 September 2018 is RM7.44 million, which is RM2.98 million or 28% lower than the immediate preceding quarter ended 30 June 2018 of RM10.42 million. The decrease in profit before tax in the current quarter is mainly due to recognition of revenue and profit from the completion of POIC project in Sabah in the immediate preceding quarter ended 30th June 2018.

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

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

| | Current quarter RM'000 | Immediate Preceding Quarter RM'000 | Changes (amount / %) | |
|---|---------------------------|---|-------------------------|--------------|
| | 30/9/2018 | 30/06/2018 | RM'000 | % |
| <u>Engineering segment</u> | | | | |
| Revenue | 14,988 | 14,448 | 540 | 4% |
| Profit Before Interest and Tax | 210 | 2,032 | (1,822) | (90%) |
| Profit Before Tax | 137 | 1,958 | (1,821) | (93%) |
| Profit After Tax | 69 | 1,737 | (1,668) | (96%) |
| Profit attributable to Owners of the parent | 69 | 1,737 | (1,668) | (96%) |

The engineering segment posted a slight increase in revenue of RM0.54 million or 4% in the current quarter ended 30 September 2018 of RM14.99 million as compared to RM14.45 million in the immediate preceding quarter ended 30 June 2018. The decrease in profit before tax of RM1.82 million or 93% in the current quarter ended 30 September 2018 of RM0.14 million as compared to RM1.96 million is due to the most of the contracts are at the beginning stage of the project.

| | Current quarter RM'000 | Immediate Preceding Quarter RM'000 | Changes (amount / %) | |
|--|---------------------------|---|-------------------------|--------------|
| | 30/09/2018 | 30/06/2018 | RM'000 | % |
| <u>Property segment</u> | | | | |
| Revenue | 261 | 132 | 129 | (97%) |
| Profit Before Interest and Tax | 187 | 454 | (267) | (58%) |
| Profit Before Tax | 26 | 274 | (248) | (91%) |
| (Loss)/Profit After Tax | (26) | 158 | (184) | (116%) |
| (Loss)/Profit attributable to Owners of the parent | (13) | 81 | (94) | (116%) |

The property segment posted an increase in revenue of RM0.13 million or 97% in the current quarter ended 30 September 2018 of RM0.26 million as compared to RM0.13 million in the immediate preceding quarter ended 30 June 2018. The profit before tax for the current quarter ended 30 September 2018 is RM0.03 million, which is RM0.25 million lower or 91% than the immediate preceding quarter ended 30 June 2018 of RM0.27 million.

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

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

| <u>Investment holding segment</u> | Current quarter | Immediate | Changes | |
|---|-------------------|-------------------|---------------|-------------|
| | RM'000 | Preceding | (amount / %) | |
| | <u>30/09/2018</u> | Quarter | <u>RM'000</u> | <u>%</u> |
| | | <u>30/06/2018</u> | | |
| Revenue | - | - | - | - |
| Loss Before Interest and Tax | (348) | 55 | (318) | 548% |
| Loss Before Tax | (675) | (239) | (287) | 120% |
| Loss After Tax | (707) | (871) | 164 | 19% |
| Loss attributable to Owners of the parent | (707) | (871) | 164 | 19% |

The investment holdings recorded a loss before tax of RM0.68 million an increase of RM0.29 million or 120% as compare to the immediate preceding quarter ended 30 June 2018 of RM0.24 million. The increase in the loss for the period under review is due to increase in administrative cost.

B3. Prospects

With the uncertainty in the oil price, our Group's engineering and construction and logistics sectors may be impacted with the uncertainty of the crude oil price due to our work orders are mostly from oil and gas sectors.

The world market is very uncertain due to the recent trade war between USA and China and the rest of the world which may create turmoil in the world economic and financial activities. Our Group is cautious and keep abreast on the development.

Hence, our Group is cognizant of the industry that we are participating and should maintain the Group's market share and strengthening on core competencies and step up efforts in corporate strategies of clientele development and service innovation as a differentiation factor in the competitive operating environment.

Going forward, the Group will continue seeking new business opportunities, focus on operational efficiency and cost control effectiveness to better contend with competition.

We shall expect to deliver a favorable growth for the financial year ended 2019.

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 period Quarter | Preceding Period Corresponding Quarter | Current Financial Period | Preceding Financial Period |
| | 30/09/2018 | 30/09/2017 | 30/09/2018 | 30/09/2017 |
| | <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 | (362) | (450) | (362) | (450) |
| Amortisation of prepaid land lease payment | 66 | 83 | 66 | 83 |
| Depreciation of plant and equipment | 5,958 | 5,688 | 5,958 | 5,688 |
| Depreciation to investment properties | 52 | 52 | 52 | 52 |
| Finance cost | 1,081 | 1,236 | 1,081 | 1,236 |
| Allowance of impairment of receivables, net of allowance | 1,136 | 1,268 | 1,136 | 1,268 |

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

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 |
| | 30/09/2018 | 30/09/2017 | 30/09/2018 | 30/09/2017 |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Current tax expense | 1,896 | 3,645 | 13,835 | 3,645 |
| Deferred tax expense: Origination and reversal of temporary difference | 1,155 | 462 | 1,155 | 462 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 3,051 | 4,107 | 3,051 | 4,107 |

The effective tax rate of the Group for the current quarter and financial period was lower than the statutory tax rate of 24 per cent principally due to ship owning and ship operator's business profit are not subject to tax due to S54A tax exemption.

B7. Status of Corporate Proposal

There were no pending corporate proposals up to 16 November 2018, being the date not earlier than 7 days from the date of this announcement.

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

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2018 and 30 September 2017 are as follows:

| | As at 30 September 2018 | | |
|---------------------------|-------------------------|---------------------|-----------------|
| | Short Term RM'000 | Long Term RM'000 | Total RM'000 |
| Secured | | | |
| Term loan | 10,748 | 23,227 | 33,975 |
| Bank Overdraft | 2,077 | - | 2,077 |
| Finance Lease Liabilities | 8,322 | 17,926 | 26,248 |
| | <u>21,147</u> | <u>41,153</u> | <u>62,300</u> |
| Unsecured | | | |
| Bankers' Acceptance | 5,346 | - | 5,346 |
| Revolving Credit | 19,820 | - | 19,820 |
| | <u>25,166</u> | <u>-</u> | <u>25,166</u> |
| | <u>46,313</u> | <u>41,153</u> | <u>87,467</u> |
| | | | |
| | As at 30 September 2017 | | |
| | Short Term RM'000 | Long Term RM'000 | Total RM'000 |
| Secured | | | |
| Term loan | 7,421 | 25,120 | 32,541 |
| Bank Overdraft | 8,345 | - | 8,345 |
| Finance Lease Liabilities | 10,037 | 14,013 | 24,050 |
| | <u>25,803</u> | <u>39,133</u> | <u>64,936</u> |
| Unsecured | | | |
| Bankers' Acceptance | 4,288 | - | 4,288 |
| Revolving Credit | 9,420 | - | 9,420 |
| | <u>13,708</u> | <u>-</u> | <u>13,708</u> |
| | <u>39,511</u> | <u>39,133</u> | <u>78,644</u> |

The above borrowings are denominated in Ringgit Malaysia.

B9. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 30 September 2018.

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

B10. 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 16 November 2018, being the date not earlier than 7 days from the date of this announcement.

B11. Changes in Material Litigation

There are no changes in material litigation since the last annual balance sheet date till 16 November 2018 being the date not earlier than 7 days from the date of this announcement.

B12. Dividend declared

No dividend was declared for the current quarter and financial period ended 30 September 2018.

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

B13. Earnings per Share

Basic earnings per share

The basic earnings per share for the current quarter and financial period ended 30 September 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 RM10,689,000 and financial period of RM10,689,000 by the number of ordinary shares in issue during the current quarter and financial period ended 30 September 2018 of 400,400,004.

| | Individual Quarter | | Cumulative Quarter | |
|--|---------------------------|---|--------------------------|----------------------------|
| | Current period Quarter | Preceding Period Corresponding Quarter | Current Financial Period | Preceding Financial Period |
| | 30/09/2018 | 30/09/2017 | 30/09/2018 | 30/09/2017 |
| | <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) | 10,689 | 9,526 | 10,689 | 9,526 |
| Weighted average number of ordinary shares in issue ("000) | 400,400 | 400,400 | 400,400 | 400,400 |
| Basic earnings per share (sen) | 2.67 | 2.38 | 2.67 | 2.38 |
| Diluted earnings per share (sen)* | 2.67 | 2.38 | 2.67 | 2.38 |

*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)

B14. Provision of Financial Assistance

The financial assistance provided by the Company and its subsidiaries to its non wholly-owned subsidiaries as at 30 September 2018 pursuant to paragraph 8.23(1) of the Listing Requirements.

| | 30 September 2018 | 30 June 2018 |
|--|--------------------------|---------------------|
| | RM'000 | RM'000 |
| Corporate guarantees to financial institutions for credit facilities granted to: | | |
| - non wholly-owned subsidiary companies | 15,088 | 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 30 September 2018.

This announcement is dated 23 November 2018.