

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 2021
(The figures have not been audited).

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	CURRENT PERIOD QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CHANGES (Amount / %)		CURRENT PERIOD	PRECEDING PERIOD	CHANGES (Amount / %)	
	31/03/2021	31/03/2020	RM'000	%	31/03/2021	31/03/2020	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	152,780	156,909	(4,129)	(3%)	437,518	487,928	(50,410)	(10%)
Operating expenses	(123,224)	(137,694)	14,470	(11%)	(351,652)	(415,749)	64,097	(15%)
Gross profit	29,556	19,215	10,341	54%	85,866	72,179	13,687	19%
Interest income	230	94	136	145%	623	572	51	9%
Other income	2,462	1,735	727	>100%	9,849	3,714	6,135	>100%
Administrative Expenses	(12,830)	(16,000)	3,170	(20%)	(39,712)	(43,575)	3,863	(9%)
Finance costs	(1,029)	(1,674)	645	(39%)	(3,457)	(4,064)	607	(15%)
Share of results of jointly controlled entity	(630)	(11)	(619)	>100%	(113)	(43)	(70)	>100%
Share of results of associated companies	107	306	(199)	(>100%)	(2,346)	1,614	(3,960)	(>100%)
Profit before taxation	17,866	3,665	14,201	387%	50,710	30,397	20,313	67%
Taxation	(1,093)	(2,768)	1,675	(61%)	(6,050)	(8,750)	2,700	(31%)
Net profit for the year	16,773	897	15,876	1770%	44,660	21,647	23,013	106%
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss:								
Exchange difference on translation of foreign entity	508	769	(261)	(34%)	(481)	628	(1,109)	(>100%)
Total comprehensive income for the year	17,281	1,666	15,615	937%	44,179	22,275	21,904	98%
Profit for the year attributable to:								
Owners of the parent	13,986	2,272	11,714	>100%	35,489	23,123	12,366	53%
Non-Controlling Interests	2,787	(1,375)	4,162	>100%	9,171	(1,476)	10,647	>100%
	16,773	897	15,876	1770%	44,660	21,647	23,013	106%
Total Comprehensive income for the year attributable to:								
Owners of the parent	14,489	3,041	11,448	>100%	35,003	23,751	11,252	47%
Non-Controlling Interests	2,792	(1,375)	4,167	>100%	9,176	(1,476)	10,652	>100%
	17,281	1,666	15,615	937%	44,179	22,275	21,904	98%
Earnings per share ("EPS") (in sen)								
Basic earnings per share (sen) (Note B13)	3.50	0.57	2.94	518%	8.89	5.77	3.12	54%
Diluted earnings per share (sen) (Note B13)	3.50	0.57	2.94	518%	8.89	5.78	3.11	54%

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 2020.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

	As at	As at
	31/03/2021	30/06/2020
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	247,961	271,327
Investment properties	10,753	10,150
Inventories	43,158	43,648
Investment in jointly-controlled entity	336	449
Investment in associates	9,959	12,841
Other Investment	216	216
Deferred tax assets	2,179	1,277
Trade and other receivables	905	2,141
	315,467	342,049
Current assets		
Inventories	34,713	35,700
Trade and other receivables	137,018	127,170
Investment securities	25,633	13,407
Other current assets	34,932	9,108
Cash and bank balance	152,703	146,397
	384,999	331,782
TOTAL ASSETS	700,466	673,830
LIABILITIES		
Current liabilities		
Loans and borrowings	29,521	46,899
Trade and other payables	92,964	72,757
Other current liabilities	677	5,384
Tax payables	5,559	3,470
	128,721	128,510
Non-current liabilities		
Deferred tax liabilities	15,778	15,789
Loans and borrowings	36,842	49,371
	52,620	65,160
TOTAL LIABILITIES	181,341	193,670
NET ASSETS	519,125	480,160
EQUITY		
Share capital	200,200	200,200
Revenue reserves	249,630	219,146
Total shareholders' equity	449,830	419,346
Non-controlling interest	69,295	60,814
TOTAL EQUITY	519,125	480,160
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	1.12	1.05

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 2020.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2021
(The figures have not been audited).

	CURRENT PERIOD ENDED 31/03/2021	COMPARABLE PERIOD ENDED 31/03/2020
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	50,710	30,397
Adjustments for:		
Non-operating items	(2,848)	5,102
Depreciation	23,373	17,193
Interest expense	3,457	4,064
Interest income	(623)	(572)
Share of results in associates and jointly controlled entity	2,459	(1,571)
Operating profit before changes in working capital	76,528	54,613
Changes in working capital:		
Decrease/(Increase) in inventories	1,476	(2,293)
(Increase) in trade and other receivables	(29,913)	(26,864)
Decrease in amount due from customers for contract works	1,195	9,004
(Decrease)/Increase in other current liabilities	(3,893)	11,422
Increase/(Decrease) in trade and other payables	15,509	(5,484)
Net cash generated from operations activities	60,902	40,398
Interest paid	(3,457)	(4,064)
Interest received	623	572
Tax refund	903	-
Tax paid	(9,261)	(8,414)
Net cash generated from/(cash in) operating activities	49,710	28,492
Cash flows from investing activities		
Purchase of property, plant and equipment	(295)	(19,456)
(Increase)/Decrease in fixed deposit pledged	(1,210)	4,702
(Increase) in investment securities	(7,324)	(1,081)
Purchase of treasury shares	(533)	-
Capital contributed by non controlling interest in subsidiary	-	450
Disposal/(Acquisition) of Non Controlling Interest in Subsidiaries	508	(499)
Dividend received	60	160
Net cash outflow acquisition of subsidiaries	(231)	(403)
Proceeds from disposal of property, plant and equipment	644	845
Net cash used in investing activities	(8,380)	(15,282)
Cash flows from financing activities		
Dividend paid	(4,958)	(4,879)
Net (Repayment of) / generated from borrowings	(19,907)	8,538
Net (repayment of) lease payables	(12,566)	(3,771)
Net cash used in financing activities	(37,431)	(112)
Net increase in cash and cash equivalents	3,899	13,098
Cash and cash equivalents at beginning of period	144,755	99,603
Cash and cash equivalents at end of period	148,654	112,701

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

Cash and bank balances	152,703	117,866
Bank Overdraft	(54)	(2,191)
Cash at bank pledged as securities for bank borrowings	(3,995)	(2,974)
	<u>148,654</u>	<u>112,701</u>

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2020.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 9 MONTHS PERIOD ENDED 31 MARCH 2021
(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	TREASURY SHARES RM'000	NON-DISTRIBUTABLE FOREIGN CURRENCY TRANSLATION RESERVE RM'000	DISTRIBUTABLE RETAINED EARNINGS / (ACCUMULATED LOSSES) RM'000	
	9 MONTHS ENDED 31 MARCH 2021						
At 1 July 2020	480,160	419,346	200,200	(354)	2,703	216,797	60,814
Purchase of treasury shares	(533)	(533)	-	(533)	-	-	-
Disposal by Non Controlling Interest in Subsidiaries	508	-	-	-	-	-	508
Acquisition of Non Controlling Interest in Subsidiaries	(231)	-	-	-	-	-	(231)
Dividends on ordinary shares	(4,958)	(3,986)	-	-	-	(3,986)	(972)
Total comprehensive income for the period	44,179	35,003	-	-	(486)	35,489	9,176
At 31 MARCH 2021	519,125	449,830	200,200	(887)	2,217	248,300	69,295
9 MONTHS ENDED 31 MARCH 2020							
At 1 July 2019	461,450	397,888	200,200	-	2,272	195,416	63,562
Capital contributed by Non Controlling Interest in Subsidiary	450	-	-	-	-	-	450
Disposal by Non Controlling Interest in Subsidiaries	(42)	-	-	-	-	-	(42)
Acquisition of Non Controlling Interest in Subsidiaries	(560)	(560)	-	-	-	(560)	-
Dividends on ordinary shares	(4,879)	(4,004)	-	-	-	(4,004)	(875)
Total comprehensive income for the period	22,275	23,751	-	-	628	23,123	(1,476)
At 31 MARCH 2020	478,694	417,075	200,200	-	2,900	213,975	61,619

Remarks:

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 2020.

The accounting policies and presentation adopted for this Unaudited Condensed Consolidated Interim Financial Information are mainly consistent with those of the Group’s audited financial statements for the financial year ended 30 June 2020, except for the following:

Effective for financial periods beginning on or after 1 January 2020:

Amendment to MFRS 3 Definition of a Business
Amendment to MFRS 9, MFRS 139 and MFRS 7 Interest Rates Benchmark Reform
Amendment to MFRS 101 and 108 Definition of Material

MFRSs and Amendments to MFRSs issued but not yet effective

Title	Effective Date
MFRS 17 Insurance Contracts	01-Jan-23
Amendments to MFRS 17 Insurance Contracts	01-Jan-23
Amendments to MFRS 101 : Classification of Liabilities as Current or Non-Current	01-Jan-23
Amendments to MFRS 9, MFRS 139 and MFRS 7 : Interest Rate Benchmark Reform	01-Jan-21
Amendments to MFRS 3 : Reference to the Conceptual Framework ³	01-Jan-22
Amendments to MFRS116 : Property, Plant and Equipment – Proceeds before Intended Use	01-Jan-22
Amendments to MFRS 137, Onerous Contracts – Cost of Fulfilling a Contract	01-Jan-22

The adoption of the said MFRSs and Amendments of MFRSs did not have any impact to the condensed financial statements.

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 2020 were not subject to any qualification and did not include any adverse comments made under Section 266 of the Companies Act, 2016.

A3. *Seasonality or Cyclical of Interim Operations*

The Group's results are not materially affected by any seasonal or cyclical factors for the current quarter under review.

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 financial period ended 31 March 2021.

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*

Repurchase of shares as Treasury Shares

On 23 November 2020, shareholders of the Company had approved and renewed their approval authority for the Company's plan to repurchase its own ordinary shares. As at 31 March 2021, the Company had purchased and hold a cumulative total 1,823,300 of its issued ordinary shares repurchased from open market at an overall average price at RM0.49 per share. These shares are being held as treasury shares in accordance with Section 127 of the Companies Act, 2016.

A7. *Dividend Paid*

A first interim dividend of 1.0 sen net per ordinary share of RM0.50 each for the financial year ending 30 June 2021 amounting to RM3,985,767 (2020: RM4,004,000) was paid on 20 January 2021.

A8. Segment Information (Cont'd)

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

Financial period to date 31 March 2021	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	-	277,534	125,943	25,642	8,399	-	437,518
Inter-segment sales	12,071	3,184	11,035	-	107	(26,397)	-
	12,071	280,718	136,978	25,642	8,506	(26,397)	437,518
RESULTS							
(Loss)/Profit before taxation from the normal operations	(2,759)	41,017	9,869	1,345	2,274	(1,036)	50,710
Profit before taxation includes:							
Depreciation	177	9,373	13,391	297	135	-	23,373
Finance cost	400	1,553	1,822	143	333	(794)	3,457
Net impairment of trade receivables	-	(356)	629	-	6	-	279
Share of (loss)/profit in jointly controlled entities and associates	-	(2,346)	(113)	-	-	-	(2,459)

A8. Segment Information (Cont'd)

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

Financial period to date	Investment Holding	Shipping and Marine	Integrated logistics	Engineering	Property	Elimination	Total
<u>31 March 2021</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
SEGMENT ASSETS	20,707	283,698	259,378	87,413	74,538	(27,447)	698,287
Deferred tax assets	-	636	1,009	-	534	-	2,179
TOTAL ASSETS	20,707	284,334	260,387	87,413	75,072	(27,447)	700,466
Included in measure of segment assets are:							
Investment in associates	-	9,959	-	-	-	-	9,959
Investment in jointly controlled entities	-	-	336	-	-	-	336
Additional to property, plant and equipment	-	-	219	76	-	-	295
SEGMENT LIABILITIES	16,315	86,881	77,560	9,923	5,153	(30,269)	165,563
Deferred tax liabilities	78	4,366	8,735	2,294	305	-	15,778
TOTAL LIABILITIES	16,393	91,247	86,295	12,217	5,458	(30,269)	181,341

A8. Segment Information (Cont'd)

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

Financial period to date <u>31 March 2020</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>
REVENUE							
Revenue from external sales	-	288,209	132,824	65,451	1,445	-	487,928
Inter-segment sales	1,391	110	18,228	-	88	(19,817)	-
	<u>1,391</u>	<u>288,319</u>	<u>151,052</u>	<u>65,451</u>	<u>1,533</u>	<u>(19,817)</u>	<u>487,928</u>
RESULTS							
(Loss)/Profit before taxation from the normal operations	(3,912)	9,594	20,031	5,858	393	(1,567)	30,397
Profit before taxation includes:							
Amortisation of prepaid land lease payment	108	-	415	-	-	-	523
Amortisation of right-to-use assets	-	-	1,187	-	-	-	1,187
Depreciation to investment properties	-	-	188	2	-	-	190
Depreciation	235	5,685	10,671	328	158	-	17,077
Finance cost	1,480	2,118	2,061	194	390	(2,179)	4,064
Net impairment of trade receivables	-	1,364	3,616	(9)	-	-	4,971
Share of profit/(loss) in jointly controlled entities and associates	-	1,614	(43)	-	-	-	1,571

A8. Segment Information (Cont'd)

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

Financial period to date <u>31 March 2020</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	39,839	266,256	274,835	96,455	76,955	(65,336)	689,004
Deferred tax assets	-	1,363	873	-	-	-	2,236
TOTAL ASSETS	39,839	267,619	275,708	96,455	76,955	(65,336)	691,240
Included in measure of segment assets are:							
Investment in associates	-	13,239	-	-	-	-	13,239
Investment in jointly controlled entities	-	-	460	-	-	-	460
Additional to property, plant and equipment	61	14,387	2,382	2,078	548	-	19,456
SEGMENT LIABILITIES	56,744	75,786	80,947	24,158	8,663	(50,904)	195,394
Deferred tax liabilities	-	5,178	9,673	2,294	7	-	17,152
TOTAL LIABILITIES	56,744	80,964	90,620	26,452	8,670	(50,904)	212,546

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 31 March 2021.

A10. Significant Post Balance Sheet Event

There are no material events as at 20 May 2021, 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 31 December 2020:

1. On 17 August 2020, Harbour-Link Logistics Sdn. Bhd. (“HLL”), a sub-subsidiary of the Company, disposed 350,000 ordinary shares, representing 70% equity interest in Harbour-Link Logistics (S) Sdn. Bhd. (“HLLS”), for a total cash consideration of RM508,410 ie RM1.4526 per unit of Share to Ms Wong Siau Chiin. Following the disposal, HLLS became an associate company of the Company.
2. On 1st December 2020, Harbour-Link (M) Sdn Bhd (“HLMSB”), a wholly-owned subsidiary of Harbour-Link had acquired the remaining one hundred eighty thousand (180,000) ordinary shares representing 45% equity interest in Serimaju Konsortium Sdn. Bhd. (Company No. 1151695-K) (“SKSB”) from TING SUOK CHING (NRIC No. 680420-13-5342), a non-related party for a total cash consideration of RM239,400 (“the Acquisition”) based on the Net Tangible Assets (“NTA”) of SKSB as at 30th June 2020. The NTA of SKSB as at 30th June 2020 is RM531,012. The selling price for SKSB per share is RM1.33. Hence, the consideration sum of RM239,400 is the sum of 180,000 units of share at RM1.33 per share. Following the Acquisition, SKSB becomes a 100% owned subsidiary of HLMSB.
3. On 18th January 2021, Harbour-Link Navigation Sdn Bhd (“HLNSB”), a wholly-owned subsidiary of Harbour-Link had acquired eight hundred and fifty (850) ordinary shares, representing 85% equity interest in Harbour Frida Sdn. Bhd. (Registration No. 202001042661 (1398982-P)) (“HFSB”) from Luna Anak Raymond (NRIC No. 790110-13-5854), a non-related party, for a total cash consideration of RM850.00 (“the Acquisition”). The balance 15% is held by Megan Millenium Sdn. Bhd. (“MMSB”), a non-related Company.

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

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 Mar 2021	31 Dec 2020
	RM'000	RM'000
Capital expenditure		
Authorised and contracted for	820	2,350
	<u> </u>	<u> </u>

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 Mar 2021 RM'000	Balance due from/(to) As at 31 Mar 2021 RM'000
Transaction with companies in which Certain Directors of the Company have substantial interests		
Sales of goods and services	1,830	279
Purchase of goods and services	717	(907)
	<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>31/03/2021</u>	<u>31/03/2020</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2021</u>	<u>31/03/2020</u>	<u>RM'000</u>	<u>%</u>
Revenue	152,780	156,909	(4,129)	(3%)	437,518	487,928	(50,410)	(10%)
Profit Before Interest and Tax	18,895	5,339	13,556	>100%	54,167	34,461	19,706	57%
Profit Before Tax	17,866	3,665	14,201	>100%	50,710	30,397	20,313	67%
Profit After Tax	16,773	897	15,876	>100%	44,660	21,647	23,013	>100%

The Group posted revenue of RM437.52 million for the current financial period ended 31 March 2021, which is RM50.41 million or 10% lower than the preceding financial period of RM487.93 million. However, the profit before tax for the current financial period ended 31 March 2021 is RM50.71 million, which is RM20.31 million or 67% higher than the preceding financial period of RM30.40 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 lifting, equipment sales and rental 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 / %)	
	31/03/2021	31/03/2020	RM'000	%	31/03/2021	31/03/2020	RM'000	%
Revenue	93,635	93,418	217	<0%	277,535	288,209	(10,674)	(4%)
Profit Before								
Interest and Tax	16,971	(7)	16,978	>100%	41,265	9,364	31,901	>100%
Profit Before Tax	16,884	(238)	17,122	>100%	41,017	9,592	31,425	>100%
Profit After Tax	16,714	(977)	17,691	>100%	38,039	7,551	30,488	>100%

The shipping and marine segment recorded revenue of RM277.54 million which is RM10.67 million or 4% lower than the preceding financial period ended 31 March 2020 of RM288.21 million. The decrease in the revenue by 4% is due to reduction of slot capacity in our chartered vessels.

The profit before tax of RM41.02 million has increased by RM31.43 million as compared to preceding financial period ended 31 March 2020 of RM9.59 million. The reason for the significant increase in the profit before tax is due to improvement in the freight rate and better utilization of shipping space from international trade.

Integrated logistics segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/3/2021	31/03/2020	RM'000	%	31/3/2021	31/03/2020	RM'000	%
Revenue	46,543	42,199	4,344	10%	125,943	132,824	(6,881)	(5%)
Profit Before								
Interest and Tax	1,857	4,477	(2,620)	(59%)	11,944	22,649	(10,705)	(47%)
Profit Before Tax	1,226	3,616	(2,390)	(66%)	9,869	20,031	(10,162)	(51%)
Profit After Tax	814	2,249	(1,435)	(64%)	7,197	15,321	(8,124)	(53%)

The integrated logistics segment recorded a decrease in revenue by RM6.88 million to RM125.94 million, a decrease of 5% as compared to the preceding financial period ended 31 March 2020 of RM132.82 million.

The profit before tax has recorded a decreased of RM10.16 million to RM9.87 million as compared to preceding financial period ended 31 March 2020 of RM20.03 million.

The decrease in the revenue and profit before tax is affected by the drop of the export-oriented cargo volumes due to pandemic-related containment measures which have directly impacted our local manufacturing sector as well as the oil and gas sectors.

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

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

Engineering segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/03/2021	31/03/2020	RM'000	%	31/03/2021	31/03/2020	RM'000	%
Revenue	10,371	21,175	(10,804)	(51%)	25,642	65,451	(39,809)	(61%)
Profit Before Tax and Interest	237	2,213	(1,976)	(89%)	1,488	6,052	(4,564)	(75%)
Profit Before Tax	192	2,152	(1,960)	(91%)	1,345	5,858	(4,513)	(77%)
Profit After Tax	(36)	1,627	(1,663)	(102%)	833	4,379	(3,546)	(81%)

The engineering segment recorded revenue of RM25.64 million which is RM39.81 million lower than the preceding financial period ended 31 March 2020 of RM65.45 million. The profit before tax is RM1.35 million which is RM4.51 million or 77% lower than the preceding financial period ended 31 March 2020. The decrease in revenue is due to project on hand are on the finishing stage and no substantial project has being secured. The decrease in the profit before tax is in tandem with the decrease in the revenue.

Property segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/03/2021	31/03/2020	RM'000	%	31/03/2021	31/03/2020	RM'000	%
Revenue	2,232	118	2,114	>100%	8,399	1,445	6,954	>100%
Profit / (Loss) Before Interest and Tax	895	(94)	989	>100%	2,607	393	2,214	>100%
Profit / (Loss) Before Tax	801	(94)	895	>100%	2,274	393	1,881	>100%
Profit / (Loss) After Tax	579	(219)	798	>100%	2,515	(127)	2,642	>100%

The property development division recorded revenue of RM8.40 million which is RM6.95 million higher than the preceding financial period ended 31 March 2020. The profit before tax is RM2.27 million which is RM1.88 million higher than the preceding financial period ended 31 March 2020.

The increase in revenue due to sale of 1 piece of vacant land amounting to RM2.70 million and 1 unit of shophouse from inventory in the current quarter under review. The increase in profit before tax is in tandem with the increase in revenue.

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 / %)	
	<u>31/03/2021</u>	<u>31/03/2020</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2021</u>	<u>31/03/2020</u>	<u>RM'000</u>	<u>%</u>
Revenue	-	-	-	-	-	-	-	-
Loss Before Tax and Interest	(574)	(1,253)	679	54%	(2,100)	(2,432)	332	14%
Loss Before Tax	(746)	(1,773)	1,027	58%	(2,759)	(3,912)	1,153	29%
Loss After Tax	(807)	(1,785)	(978)	55%	(2,889)	(3,912)	1,023	26%

The investment holdings recorded a loss before tax of RM2.76 million a decrease of RM1.15 million compare to the preceding financial period ended 31 March 2020 of loss before tax of RM3.91 million.

B2. Comparison with Preceding Quarter's Results

	Current quarter	Immediate Preceding Quarter	Changes	
	RM'000	RM'000	(amount / %)	
	<u>31/03/2021</u>	<u>31/12/2020</u>	<u>RM'000</u>	<u>%</u>
Revenue	152,780	150,934	1,846	1%
Profit Before Tax and Interest	18,895	19,444	(549)	3%
Profit Before Tax	17,866	18,221	(355)	2%
Profit After Tax	16,773	15,737	1,036	7%

The Group posted revenue of RM152.78 million for the current quarter ended 31 March 2021 which is RM1.85 million or 1% higher than the immediate preceding quarter ended 31 December 2020 of RM150.93 million. The profit before tax for the current quarter ended 31 March 2021 is RM17.87 million, which is RM0.36 million lower than the immediate preceding quarter ended 31 December 2020 of RM18.22 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>31/03/2021</u>	<u>31/12/2020</u>	<u>RM'000</u>	<u>%</u>
Revenue	93,635	95,249	(1,614)	(2%)
Profit Before Tax and Interest	16,971	15,557	1,414	9%
Profit Before Tax	16,884	15,365	1,519	10%
Profit After Tax	16,714	13,883	2,831	20%

The shipping and marine segment posted a decrease in revenue of RM1.61 million or 2% in the current quarter ended 31 March 2021 of RM93.64 million as compared to RM95.25 million in the immediate preceding quarter ended 31 December 2020.

The increase in profit before tax for the current quarter ended 31 March 2021 by RM1.52 million as compared to the immediate preceding quarter ended 31 December 2020 is due to the gain on disposal of MV Harbour Mariner amounting to RM2.41 million.

<u>Integrated logistics segment</u>	Current quarter	Immediate	Changes	
	RM'000	Preceding Quarter RM'000	(amount / %)	
	<u>31/3/2021</u>	<u>31/12/2020</u>	<u>RM'000</u>	<u>%</u>
Revenue	46,543	44,729	1,814	4%
Profit Before Interest and Tax	1,857	5,963	(4,106)	(69%)
Profit Before Tax	1,226	5,305	(4,079)	(77%)
Profit After Tax	814	3,738	(2,924)	(78%)

The integrated logistics segment posted an increase in revenue of RM1.81 million or 4% in the current quarter ended 31 March 2021 of RM46.54 million as compared to RM44.73 million in the immediate preceding quarter ended 31 December 2020. The increase in revenue due to higher cargo handling from oil and gas industries.

The profit before tax for the current quarter ended 31 March 2021 is RM1.23 million, which is RM4.08 million lower than the immediate preceding quarter ended 31 December 2020 of RM5.31 million. The decrease in profit before tax is due to additional impairment of trade receivables provision of RM3.08 million.

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

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

	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
<u>Engineering segment</u>	<u>31/03/2021</u>	<u>Quarter</u>	<u>RM'000</u>	<u>%</u>
		<u>31/12/2020</u>		
Revenue	10,371	7,859	2,512	32%
Profit Before Interest and Tax	237	1,009	(772)	(1%)
Profit Before Tax	192	961	(769)	(80%)
(Loss) Profit After Tax	(36)	735	(771)	(>100%)

The engineering segment posted an increase in revenue of RM2.51 million or 32% in the current quarter ended 31 March of RM10.37 million as compared to RM7.86 million in the immediate preceding quarter ended 31 December 2020. The profit before tax for the current quarter ended 31 March 2021 is RM0.19 million, which is RM0.77 million lower than the immediate preceding quarter ended 31 December 2020 of RM0.96 million. The reason for the increase in revenue but decrease profit before tax is due to some higher operations cost.

	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
<u>Property segment</u>	<u>31/03/2021</u>	<u>Quarter</u>	<u>RM'000</u>	<u>%</u>
		<u>31/12/2020</u>		
Revenue	2,232	3,097	(865)	(28%)
Profit Before Interest and Tax	895	52	843	>100%
Profit/(Loss) Before Tax	801	(56)	857	>100%
Profit After Tax	579	778	(199)	(26%)

The property segment posted a decrease in revenue of RM0.86 million in the current quarter ended 31 March 2021 to RM2.23 million as compared to the immediate preceding quarter ended 31 December 2020.

The profit before tax for the current quarter ended 31 March 2021 of RM0.80 million, which is RM0.86 million higher than the immediate preceding quarter ended 31 December 2020.

The reason for the significant increase in profit before tax in the current quarter as compare to immediate preceding quarter is explained in B1.

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>31/03/2021</u>	Quarter	<u>RM'000</u>	<u>%</u>
		<u>31/12/2020</u>		
Revenue	-	-	-	-
Loss Before Interest and Tax	(574)	(514)	60	12%
Loss Before Tax	(746)	(783)	(38)	(5%)
Loss After Tax	(807)	(809)	(2)	<0%

The investment holdings recorded a loss before tax of RM0.75 million a decrease of loss of RM0.04 million as compare to the immediate preceding quarter ended 31 December 2020 of RM0.78 million.

B3. Prospects

USA and some European countries have shown sign of economic recovery where vast vaccinations have been rolled out. However still have many countries where Covid-19 pandemic are still rampant. This has dragged the economic recovery and thus remained sluggish. Economy will only recover once this pandemic is contained with vast vaccination rolled out.

Beside the existing Covid-19 pandemic, geopolitical tension and trade and currency war amongst the blocs have increasingly created the high degree of uncertainties which shall affect the economic development in the regions and around the world.

Fortunately, Harbour-Link Group's business activities are largely domestically orientated and China linked where our risk exposures are low.

Our Shipping and Marine Division have achieved good results for the past 3 quarters due to strong domestic consumer demands and the modest increase of freight rates. Going forward, with the current market trend, we expect to maintain a positive outlook in the upcoming quarter.

Contrary, our Integrated logistics division, having an adverse situation of lower cargo volume and services handled for our clients in manufacturing sectors as well as oil and gas industries due to Covid-19 outbreaks and enforcement of movement control orders ("MCO"). We expect the upcoming quarter performance will be maintained until Covid-19 pandemic is contained and MCO is remove.

Our engineering and construction division is less active and shall expect to secure new projects in the 2nd half of the calendar year.

Overall, we expect to deliver a positive and favorable result for this financial year end. We shall exercise cautious and keep abreast on the market development while monitoring cost control and enhance our operation efficiency.

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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
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the year ended is stated after charging/ (crediting):				
Interest income	(230)	(94)	(623)	(572)
Depreciation of plant and equipment	7,491	7,368	23,373	19,220
Finance cost	1,029	1,674	3,459	4,064
Allowance of impairment of receivables	3,076	1,802	279	4,970
Share of profit in jointly controlled entities	630	306	113	1,614
Share of profit/(loss) in associate	107	(11)	(2,346)	(43)

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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
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax expense	664	1,208	6,033	7,752
Tax overprovision	-	463	(903)	463
Deferred tax expense: Origination and reversal of temporary difference	429	1,097	920	535
	1,093	2,768	6,050	8,750

The effective tax rate of the Group for the current quarter and financial year was lower than the statutory tax rate of 24 per cent principally due to exemption of taxes on profit earned in certain subsidiaries mainly from the shipping and marine segment.

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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 31 March 2021.

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 20 May 2021, 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 20 May 2021 being the date not earlier than 7 days from the date of this announcement.

B12. Dividend declared

No interim ordinary dividend has been declared during the quarter under review.

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 31 March 2021 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 period of RM12,162,000 and 21,502,000 by the weighted average number of ordinary shares in issue (net of treasury shares) during the current quarter and financial period ended 31 March 2021 of 398,744,000.

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Period	Preceding Financial Period
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Earnings Per Share				
Profit net of tax attributable to Owners of the parent (in RM'000)	13,986	2,272	35,489	23,123
Weighted average number of ordinary shares in issue ('000)	398,744	400,400	398,744	400,400
Basic earnings per share (sen)	3.50	0.57	8.89	5.77
Diluted earnings per share (sen)*	3.50	0.57	8.89	5.77

*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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B14. Provision of Financial Assistance

The financial assistance provided by the Company and its subsidiaries to its non wholly-owned subsidiaries as at 31 March 2021 pursuant to paragraph 8.23(1) of the Listing Requirements.

	31 Mar 2021	31 Dec 2020
	RM'000	RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- non wholly-owned subsidiary companies	11,729	10,364
	=====	=====

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 2021.

This announcement is dated 27 May 2021.