

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 2022
(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 / %)	
	31/03/2022	31/03/2021	RM'000	%	31/03/2022	31/03/2021	RM'000	%
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
Revenue	203,110	152,780	50,330	33%	576,374	437,518	138,856	32%
Operating expenses	(133,880)	(123,224)	(10,656)	9%	(412,208)	(351,652)	(60,556)	17%
Gross profit	69,230	29,556	39,674	>100%	164,166	85,866	78,300	91%
Interest income	310	230	80	35%	929	623	306	49%
Other income	2,783	2,462	321	13%	6,424	9,849	(3,425)	(35%)
Administrative Expenses	(12,451)	(12,830)	379	(3%)	(49,187)	(39,712)	(9,475)	24%
Finance costs	(941)	(1,029)	88	(9%)	(2,829)	(3,457)	628	(18%)
Share of results of jointly controlled entity	29	(630)	659	>100%	171	(113)	284	>100%
Share of results of associated companies	(601)	107	(708)	(>100%)	(1,328)	(2,346)	1,018	>100%
Profit before taxation	58,358	17,866	40,492	>100%	118,345	50,710	67,635	>100%
Taxation	(8,393)	(1,093)	(7,301)	>100%	(17,562)	(6,050)	(11,512)	>100%
Net profit for the year	49,965	16,773	33,192	>100%	100,783	44,660	56,123	>100%
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss:								
Share of associates' other comprehensive income	256	-	256	>100%	364	-	364	>100%
Exchange difference on translation of foreign entity	(12)	508	(520)	(>100%)	(117)	(481)	364	76%
Total comprehensive income for the year	50,209	17,281	32,927	>100%	101,030	44,179	56,851	>100%
Profit for the year attributable to:								
Owners of the parent	42,805	13,986	28,819	>100%	83,150	35,489	47,661	>100%
Non-Controlling Interests	7,160	2,787	4,373	>100%	17,633	9,171	8,462	>100%
	49,965	16,773	33,192	>100%	100,783	44,660	56,123	>100%
Total Comprehensive income for the year attributable to:								
Owners of the parent	43,050	14,489	28,561	>100%	83,424	35,003	48,421	>100%
Non-Controlling Interests	7,159	2,792	4,367	>100%	17,606	9,176	8,430	>100%
	50,209	17,281	32,928	>100%	101,030	44,179	56,851	>100%
Earnings per share ("EPS") (in sen)								
Basic earnings per share (sen) (Note B13)	10.73	3.50	7.22	>100%	20.84	8.89	11.94	>100%
Diluted earnings per share (sen) (Note B13)	10.73	3.50	7.22	>100%	20.84	8.89	11.94	>100%

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 2021.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

	As at	As at
	31/03/2022	30/06/2021
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	310,188	255,961
Investment properties	9,369	9,667
Inventories	43,386	44,078
Investment in jointly-controlled entity	132	655
Investment in associates	9,892	10,772
Other Investment	216	216
Deferred tax assets	1,207	1,519
Trade and other receivables	379	858
	374,769	323,726
Current assets		
Inventories	43,569	36,011
Trade and other receivables	172,205	156,511
Investment securities	41,605	26,729
Other current assets	19,738	15,369
Cash and bank balance	215,069	174,968
	492,186	409,588
TOTAL ASSETS	866,955	733,314
LIABILITIES		
Current liabilities		
Loans and borrowings	44,133	30,807
Trade and other payables	120,754	94,186
Other current liabilities	502	4,690
Tax payables	13,648	2,518
	179,037	132,201
Non-current liabilities		
Deferred tax liabilities	15,657	15,875
Loans and borrowings	35,464	36,254
	51,121	52,129
TOTAL LIABILITIES	230,158	184,330
NET ASSETS	636,797	548,984
EQUITY		
Share capital	200,200	200,200
Revenue reserves	348,462	275,003
Total shareholders' equity	548,662	475,203
Non-controlling interest	88,135	73,781
TOTAL EQUITY	636,797	548,984
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	1.37	1.19

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 2021.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2022
(The figures have not been audited).

	CURRENT PERIOD ENDED 31/03/2022	COMPARABLE PERIOD ENDED 31/03/2021
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	118,345	50,710
Adjustments for:		
Non-operating items	1,117	(2,848)
Depreciation	46,258	23,373
Interest expense	2,829	3,457
Interest income	(929)	(623)
Share of results in associates and jointly controlled entity	1,157	2,459
Operating profit before changes in working capital	168,778	76,528
Changes in working capital:		
(Increase)/decrease in inventories	(6,630)	1,476
Increase in trade and other receivables	(13,277)	(29,913)
Decrease in amount due from customers for contract works	1,781	1,195
Increase/(decrease) in other current liabilities	228	(3,893)
Increase in trade and other payables	14,568	15,509
Net cash generated from operations activities	165,448	60,902
Interest paid	(2,829)	(3,457)
Interest received	929	623
Tax refund	-	903
Tax paid	(8,737)	(9,261)
Net cash generated from operating activities	154,811	49,710
Cash flows from investing activities		
Purchase of property, plant and equipment	(58,360)	(295)
Decrease/(increase) in fixed deposit pledged	4,183	(1,210)
Increase in investment securities	(11,378)	(7,324)
Purchase of treasure shares	-	(533)
Disposal of Non Controlling Interest in Subsidiaries	-	508
Dividend received	80	60
Net cash inflow/(outflow) acquisition of subsidiaries / associates	618	(230)
Proceeds from disposal of property, plant and equipment	834	644
Net cash used in investing activities	(64,025)	(8,380)
Cash flows from financing activities		
Dividend paid	(9,714)	(4,958)
Net generated from/(repayment of) borrowings	7,450	(19,907)
Net repayment of lease payables	(43,934)	(12,566)
Net cash used in financing activities	(46,198)	(37,431)
Net increase in cash and cash equivalents	44,588	3,899
Cash and cash equivalents at beginning of period	170,481	144,755
Cash and cash equivalents at end of period	215,069	148,654

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

Cash and bank balances	219,420	152,703
Bank Overdraft	(701)	(54)
Cash at bank pledged as securities for bank borrowings	(3,650)	(3,995)
	<u>215,069</u>	<u>148,654</u>

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2021.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 9 MONTHS PERIOD ENDED 31 MARCH 2022
(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	DISTRIBUTABLE	
					FOREIGN CURRENCY TRANSLATION RESERVE RM'000	RETAINED EARNINGS / (ACCUMULATED LOSSES) RM'000	
9 MONTHS ENDED 31 MARCH 2022							
At 1 July 2021	548,984	475,203	200,200	(887)	2,517	273,373	73,781
Dividends on ordinary shares	(13,216)	(9,964)	-	-	-	(9,964)	(3,252)
Total comprehensive income for the period	101,029	83,423	-	-	273	83,150	17,606
At 31 MARCH 2022	636,797	548,662	200,200	(887)	2,790	346,559	88,135
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

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 2021.

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 2021, except for the following:

Effective for financial periods beginning on or after 1 July 2021:

Amendment to MFRS 9, MFRS 139, MFRS 7 MFRS 4 and MFRS 16	:	Interest Rates Benchmark Reform 2
Amendments to MFRS 16	:	Leases (Covid -19 : Related Rent Concessions beyond 30 June 2021)

MFRSs and Amendments to MFRSs issued but not yet effective

Title	Effective Date	
Amendments to MFRS 3	Business Combinations (Reference to the Conceptual Framework)	
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use	On and after 1 July 2022
Amendments to MFRS 117	Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)	
Amendments to MFRS 17	Insurance Contracts	
Amendments to MFRS 101	Presentation of Financial Statements (Classification of Liabilities as Current or Non-Current)	
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)	On and after 1 July 2023
Amendments to MFRS 112	Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	

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 2021 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 Cyclicity of Interim Operations*

The Group's results are not materially affected by any seasonal or cyclical factors for the current period 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 2022.

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 of debt and equity securities, repayment of debt securities, new shares issuance, share buy-backs, share cancellations nor resale of treasury shares by the Group and the Company during the financial period under review.

A7. *Dividend Paid*

A first interim dividend of 2.5 sen net per ordinary share of RM0.50 each for the financial year ending 30 June 2022 amounting to RM9,964,424 (2021: RM3,985,767) was paid on 10 January 2022.

A8. Segment Information (Cont'd)

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

Financial period to date <u>31 March 2022</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	-	373,576	173,857	22,834	6,107	-	576,374
Inter-segment sales	15,100	7,505	13,965	-	131	36,700	-
	<u>15,100</u>	<u>381,081</u>	<u>187,822</u>	<u>22,834</u>	<u>6,238</u>	<u>36,700</u>	<u>576,374</u>
RESULTS							
(Loss)/Profit before taxation from the normal operations	(2,588)	100,400	20,359	(2,328)	2,483	19	118,345
Profit before taxation includes:							
Depreciation	204	32,654	13,041	269	135	(44)	46,259
Finance cost	131	3,181	1,325	125	-	(1,933)	2,829
Net (reversal)/impairment of trade receivables	-	(140)	2,686	(4)	-	-	2,542
Share of profit in jointly controlled entities and associates	-	(1,328)	171	-	-	-	(1,157)

A8. Segment Information (Cont'd)

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

Financial period to date 31 March 2022	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	29,357	421,541	287,973	85,247	74,528	(28,208)	870,438
Deferred tax assets	-	985	212	-	10	-	1,207
TOTAL ASSETS	29,357	422,526	288,185	85,247	74,538	(28,208)	871,645
Included in measure of segment assets are:							
Investment in associates	-	9,387	505	-	-	-	9,892
Investment in jointly controlled entities	-	-	132	-	-	-	132
Additional to property, plant and equipment	-	46,498	11,841	-	21	-	58,360
SEGMENT LIABILITIES	25,004	124,142	75,372	9,066	3,280	(22,364)	214,500
Deferred tax liabilities	66	5,353	8,144	2,031	63	-	15,657
TOTAL LIABILITIES	25,070	129,495	83,516	11,097	3,343	(22,364)	230,157

A8. Segment Information (Cont'd)

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

Financial period to date <u>31 March 2021</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	-	277,534	125,943	25,642	8,399	-	437,518
Inter-segment sales	12,071	3,184	11,035	-	107	(26,397)	-
	<u>12,071</u>	<u>280,718</u>	<u>136,978</u>	<u>25,642</u>	<u>8,506</u>	<u>(26,397)</u>	<u>437,518</u>
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 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 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
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

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 2022.

A10. Significant Post Balance Sheet Event

There are no material events as at 17 May 2022, 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 were no changes in composition of the Group during the current financial period ended 31 March 2022.

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 2022	31 Dec 2021
	RM'000	RM'000
Capital expenditure		
Authorised and contracted for	2,251	32,268
	<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 ending 31 Mar 2022 RM'000	Balance due from/(to) As at 31 Mar 2022 RM'000
Transaction with companies in which Certain Directors of the Company have substantial interests		
Sales of goods and services	2,095	2,231
Purchase of goods and services	1,683	(2,220)
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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>31/03/2022</u>	<u>31/03/2021</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2022</u>	<u>31/03/2021</u>	<u>RM'000</u>	<u>%</u>
Revenue	203,110	152,780	50,330	33%	576,374	437,518	138,856	32%
Profit Before Interest and Tax	59,299	18,895	40,404	>100%	121,174	54,167	67,007	>100%
Profit Before Tax	58,358	17,866	40,492	>100%	118,345	50,710	67,635	>100%
Profit After Tax	49,965	16,773	33,192	>100%	100,783	44,660	56,123	>100%

The Group posted revenue of RM576.37 million for the current financial period ended 31 March 2022, which is RM138.86 million or 32% higher than the preceding financial period ended 31 March 2021 of RM437.52 million. While, the profit before tax for the current financial period ended 31 March 2022 is RM118.35 million, which is RM67.64 million or more than 100% higher than the preceding financial period ended 31 March 2021 of RM50.71 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 / %)	
	31/03/2022	31/03/2021	RM'000	%	31/03/2022	31/03/2021	RM'000	%
Revenue	124,764	93,635	31,129	33%	373,576	277,535	96,041	35%
Profit Before								
Interest and Tax	47,875	16,971	30,904	>100%	101,120	41,265	59,855	>100%
Profit Before Tax	47,598	16,884	30,714	>100%	100,400	41,017	59,383	>100%
Profit After Tax	43,195	16,714	26,481	>100%	90,349	38,039	52,310	>100%

The shipping and marine segment recorded revenue of RM373.58 million which is RM96.04 million or 35% higher than the preceding financial period ended 31 March 2021 of RM277.54 million. The increase in the revenue by 35% is due to increase in ocean freight rates for Intra Asia trade.

The profit before tax of RM100.40 million has increased by RM59.38 million as compared to preceding financial period ended 31 March 2021 of RM41.02 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 Intra Asia trade.

Integrated logistics segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/03/2022	31/03/2021	RM'000	%	31/03/2022	31/03/2021	RM'000	%
Revenue	65,642	46,543	19,099	41%	173,857	125,943	47,914	38%
Profit Before								
Interest and Tax	11,485	1,857	9,628	>100%	22,028	11,944	10,084	84%
Profit Before Tax	10,964	1,226	9,738	>100%	20,359	9,869	10,490	>100%
Profit After Tax	8,125	814	7,311	>100%	14,780	7,197	7,583	>100%

The integrated logistics segment recorded an increase in revenue by RM47.91 million to RM173.86 million, an increase of 38% as compared to the preceding financial period ended 31 March 2021 of RM125.94 million.

The profit before tax has recorded an increase of RM10.49 million to RM20.36 million as compared to preceding financial period ended 31 March 2021 of RM9.87 million.

The increase in the revenue and higher profit before tax is due to the easing of movement controls which has resulted in the increase of export-oriented cargo volumes from 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 / %)	
	<u>31/03/2022</u>	31/3/2021	<u>RM'000</u>	<u>%</u>	<u>31/03/2022</u>	<u>31/3/2021</u>	<u>RM'000</u>	<u>%</u>
Revenue	11,780	10,371	1,409	14%	22,834	25,642	(2,808)	(11%)
Profit/(Loss) Before Tax and Interest	15	237	(222)	94%	(2,203)	1,488	(3,691)	>100%
(Loss)/Profit Before Tax	(24)	192	(216)	>100%	(2,328)	1,345	(3,673)	>100%
(Loss)/Profit After Tax	(26)	(36)	10	28%	(2,317)	833	(3,150)	>100%

The engineering segment recorded revenue of RM22.83 million which is RM2.81 million lower than the preceding financial period ended 31 March 2021 of RM25.64 million. The loss before tax is RM2.33 million which is RM3.67 million or more than 100% lower than the preceding financial period ended 31 March 2021.

The decrease in revenue is due to the current project on hand are mostly at the initial stage thus the percentage of work done are at early stages. This has resulted in the loss before tax of RM2.33 million as compared to the preceding financial period ended 31 March 2021.

Property segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	<u>31/03/2022</u>	<u>31/03/2021</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2022</u>	<u>31/03/2021</u>	<u>RM'000</u>	<u>%</u>
Revenue	924	2,232	(1,308)	59%	6,107	8,399	(2,292)	(27%)
Profit Before Interest and Tax	25	895	(870)	97%	2,667	2,607	60	2%
(Loss)/Profit Before Tax	(36)	801	837	>100%	2,483	2,274	209	9%
(Loss)/Profit After Tax	(982)	579	1,561	>100%	848	2,515	(1,667)	(66%)

The property development division recorded revenue of RM6.11 million which is RM2.29 million lower than the preceding financial period ended 31 March 2021. The profit before tax is RM2.48 million which is RM0.21 million higher than the preceding financial period ended 31 March 2021.

The increase in profit before tax due to sale of 1 piece of vacant land amounting to RM2.70 million.

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>31/03/2022</u>	<u>31/03/2021</u>	<u>RM'000</u>	<u>%</u>	<u>31/03/2022</u>	<u>31/03/2021</u>	<u>RM'000</u>	<u>%</u>
Revenue	-	-	-	-	-	-	-	-
Loss Before Tax and Interest	(820)	(574)	246	43%	(2,456)	(2,100)	356	17%
Loss Before Tax	(862)	(746)	116	16%	(2,588)	(2,759)	(171)	(6%)
Loss After Tax	(1,065)	(807)	258	32%	(2,896)	(2,889)	7	0%

The investment holdings recorded a loss before tax of RM2.59 million as compare to the preceding financial period ended 31 March 2021 of loss before tax of RM2.76 million due to decrease in staff cost.

B2. Comparison with Preceding Quarter's Results

	Current quarter RM'000	Immediate Preceding Quarter RM'000	Changes (amount / %)	
	<u>31/03/2022</u>	<u>31/12/2021</u>	<u>RM'000</u>	<u>%</u>
Revenue	203,110	214,484	(11,374)	(5%)
Profit Before Tax and Interest	59,299	37,550	21,749	58%
Profit Before Tax	58,358	36,533	21,825	60%
Profit After Tax	49,965	29,450	20,515	70%

The Group posted revenue of RM203.11 million for the current quarter ended 31 March 2022 which is RM11.37 million or 5% lower than the immediate preceding quarter ended 31 December 2021 of RM214.48 million. The profit before tax for the current quarter ended 31 March 2022 is RM58.36 million, which is RM21.83 million higher than the immediate preceding quarter ended 31 December 2021 of RM36.53 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>31/03/2022</u>	Quarter	<u>RM'000</u>	<u>%</u>
		RM'000	<u>31/12/2021</u>	
Revenue	124,764	140,639	(15,875)	(11%)
Profit Before Tax and Interest	47,875	31,011	16,864	54%
Profit Before Tax	47,598	30,690	16,908	55%
Profit After Tax	43,195	25,928	17,267	67%

The shipping and marine segment posted a decrease in revenue of RM15.88 million or 11% in the current quarter ended 31 March 2022 of RM124.76 million as compared to RM140.64 million in the immediate preceding quarter ended 31 December 2021. The reason for the decrease in the revenue is mainly due to decrease in lifting volume resulted from celebration of Chinese New Year in the month of February 2022.

The increase in profit before tax for the current quarter ended 31 March 2022 by RM16.91 million as compared to the immediate preceding quarter ended 31 December 2021 due to increase of freight rates.

<u>Integrated logistics segment</u>	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
	<u>31/03/2022</u>	Quarter	<u>RM'000</u>	<u>%</u>
		RM'000	<u>31/12/2021</u>	
Revenue	65,642	60,406	5,236	9%
Profit Before Interest and Tax	11,485	6,205	5,280	85%
Profit Before Tax	10,964	5,655	5,309	94%
Profit After Tax	8,125	4,074	4,051	99%

The integrated logistics segment posted an increase in revenue of RM5.24 million or 9% in the current quarter ended 31 March 2022 of RM65.64 million as compared to RM60.41 million in the immediate preceding quarter ended 31 December 2021. The increase in revenue was due to the increase in transporting and handling of export and import cargo volume after the relaxation of movement controls.

The profit before tax for the current quarter ended 31 March 2022 is RM10.96 million, which is RM5.31 million higher than the immediate preceding quarter ended 31 December 2021 of RM5.66 million which is explained in B1 above.

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>31/03/2022</u>	Quarter	<u>RM'000</u>	<u>%</u>
		RM'000		
Revenue	11,780	9,009	2,771	31%
Profit/(Loss) Before Interest and Tax	15	(392)	407	>100%
Loss Before Tax	(24)	(434)	410	94%
Loss After Tax	(26)	(419)	393	94%

The engineering segment posted an increase in revenue of RM2.77 million or 31% in the current quarter ended 31 March 2022 of RM11.78 million as compared to RM9.01 million in the immediate preceding quarter ended 31 December 2021.

The loss before tax for the current quarter ended 31 March 2022 is RM0.02 million as compared to RM0.43 million in the immediate preceding quarter ended 31 December 2021. The reason for the increase in revenue and marginal loss before tax is due to the current projects have achieved a certain milestone and thus progressive profit has been recognized.

	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
<u>Property segment</u>	<u>31/03/2022</u>	Quarter	<u>RM'000</u>	<u>%</u>
		RM'000		
Revenue	924	4,430	(3,506)	(79%)
Profit Before Interest and Tax	25	2,759	(2,734)	99%
(Loss)/Profit Before Tax	(36)	2,698	(2,734)	(>100%)
(Loss)/Profit Before Tax	(982)	2,022	(3,004)	(>100%)

The property segment posted a decrease in revenue of RM3.51 million in the current quarter ended 31 March 2022 to RM0.92 million as compared to RM4.43 million in the immediate preceding quarter ended 31 December 2021.

The loss before tax for the current quarter ended 31 March 2022 of RM0.04 million, which is RM2.73 million higher than the immediate preceding quarter ended 31 December 2021 due to no sales of property during the current period under review.

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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 Quarter RM'000	(amount / %)	
	<u>31/03/2022</u>	<u>31/12/2021</u>	<u>RM'000</u>	<u>%</u>
Revenue	-	-	-	-
Loss Before Interest and Tax	(820)	(1,053)	(233)	(22%)
Loss Before Tax	(862)	(1,095)	(233)	(21%)
Loss After Tax	(1,065)	(1,172)	(107)	(9%)

The investment holdings recorded a loss before tax of RM0.86 million, a decrease of loss of RM0.23 million as compare to the immediate preceding quarter ended 31 December 2021 of RM1.10 million.

B3. Prospects

Many countries around the world are still experiencing the effects of Covid-19 which have brought serious disruptions to the overall global supply chain. With the effective controls in some countries, the overall situation has gradually improved.

Despite the above, other global uncertainties such as war between Russia and Ukraine, global geopolitical tension, hike in the interest rates and fuel cost have resulted in serious disruptions to the global economy including higher inflation and consumer price index.

Under these circumstances, high freight rates are likely to maintain and continue for a further period of time. Our shipping business activities has delivered good performance results for this quarter under review. It was resulted from our higher utilization of equipment and shipping space. Nevertheless, shipping division faces headwinds like port congestions and ship crew shortage.

Domestic market has resumed gradually to normal level of activities after the easing of movement restrictions. Our logistic division is operating with increased capacity to handle the increased import and export cargo volumes. Beside this, machinery rental and sales are also performing well with high demands from local plantation and oil and gas sectors.

Our engineering and construction division is progressing well with our present projects and at the same time we are working hard to secure more projects. We are gradually recovering and shall generate positive results in the coming financial quarters.

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
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the period ending is stated after charging/ (crediting):				
Interest income	(310)	(230)	(929)	(623)
Depreciation of plant and equipment	15,495	7,491	46,259	23,373
Finance cost	941	1,029	2,829	3,459
(Reversal)/Allowance of impairment of receivables	(993)	3,076	2,542	279
Share of (loss)/profit in associates	(601)	107	(1,328)	(2,346)
Share of profit/(loss) in jointly controlled entities	29	(630)	171	(113)

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
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax expense	8,422	664	17,468	6,033
Tax overprovision	-	-	-	(903)
Deferred tax expense: Origination and reversal of temporary difference	(29)	429	94	920
	<u>8,393</u>	<u>1,093</u>	<u>17,562</u>	<u>6,050</u>

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.

B7. Status of Corporate Proposal

There were no pending corporate proposals up to 17 May 2022, being the date not earlier than 7 days from the date of this announcement.

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B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 March 2022 and 31 March 2021 are as follows:

	As at 31 March 2022		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	4,249	12,290	16,539
Bank Overdraft	701	-	701
Lease Liabilities	22,726	23,174	45,900
	27,676	35,464	63,140
Unsecured			
Bankers' Acceptance	3,707	-	3,707
Revolving Credit	12,750	-	12,750
	16,457	-	16,457
	44,133	35,464	79,597
	As at 31 March 2021		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	5,409	16,318	21,727
Bank Overdraft	54	-	54
Lease Liabilities	12,947	20,524	32,738
	18,410	36,842	54,519
Unsecured			
Bankers' Acceptance	11,110	-	11,110
Revolving Credit	-	-	-
	11,110	-	11,110
	29,520	36,842	65,629

The above borrowings are denominated in Ringgit Malaysia.

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

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 2022.

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 17 May 2022, 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 17 May 2022 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.

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B13. Earnings per Share

Basic earnings per share

The basic earnings per share for the current quarter and financial period ended 31 March 2022 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 RM43,014,000 and 83,359,000 by the weighted average number of ordinary shares in issue (net of treasury shares) during the current quarter and financial period ended 31 March 2022 of 398,744,000.

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Period	Preceding Financial Period
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Earnings Per Share				
Profit net of tax attributable to Owners of the parent (in RM'000)	42,805	13,986	83,150	35,489
Weighted average number of ordinary shares in issue ('000)	398,744	398,744	398,744	398,744
Basic earnings per share (sen)	10.73	3.50	20.84	8.89
Diluted earnings per share (sen)	10.73	3.50	20.84	8.89

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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 2022 pursuant to paragraph 8.23(1) of the Listing Requirements.

	31 Mar 2022	31 Dec 2021
	RM'000	RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- non wholly-owned subsidiary companies	19,382	5,254
	=====	=====

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 2022.

This announcement is dated 24 May 2022.