

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2023

(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 / %)	
	30/06/2023	30/06/2022	RM'000	%	30/06/2023	30/06/2022	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	261,480	331,129	(69,649)	(21%)	1,017,474	907,503	109,971	12%
Operating expenses	(203,895)	(239,193)	35,298	(15%)	(756,371)	(651,400)	(104,971)	16%
Gross profit	57,585	91,936	(34,351)	(37%)	261,103	256,103	5,000	2%
Interest income	1,543	214	1,329	>100%	3,911	1,144	2,767	>100%
Other income	925	9,116	(8,191)	(90%)	12,058	15,540	(3,482)	(22%)
Administrative Expenses	(20,758)	(19,095)	(1,663)	9%	(79,223)	(68,285)	(10,938)	16%
Finance costs	(903)	(782)	(121)	15%	(3,642)	(3,611)	(31)	(1%)
Share of results of jointly controlled entity	20	(169)	189	>100%	47	2	45	>100%
Share of results of associated companies	495	742	(247)	(33%)	3,592	(586)	4,178	>100%
Profit before taxation	38,907	81,962	(43,055)	(53%)	197,846	200,307	(2,461)	(1%)
Taxation	(4,809)	(3,278)	(1,531)	47%	(19,396)	(20,840)	1,444	(7%)
Net profit for the year	34,098	78,684	(44,586)	(57%)	178,450	179,467	(1,017)	(1%)
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss:								
Share of associates' other comprehensive income	2,332	592	1,740	>100%	1,641	956	685	72%
Exchange difference on translation of foreign entity	(1,291)	297	(1,588)	(>100%)	(1,311)	180	(1,491)	(>100%)
Total comprehensive income for the year	35,139	79,573	(44,434)	(56%)	178,780	180,603	(1,823)	(1%)
Profit for the year attributable to:								
Owners of the parent	28,588	66,590	(38,002)	(57%)	151,344	149,740	1,604	1%
Non-Controlling Interests	5,510	12,094	(6,584)	(54%)	27,105	29,727	(2,622)	(9%)
	34,098	78,684	(44,586)	(57%)	178,450	179,467	(1,018)	(1%)
Total Comprehensive income for the year attributable to:								
Owners of the parent	29,560	67,444	(37,884)	(56%)	151,608	150,868	740	0%
Non-Controlling Interests	5,579	12,129	(6,550)	(54%)	27,172	29,735	(2,563)	(9%)
	35,139	79,573	(44,434)	(56%)	178,780	180,603	(1,823)	(1%)
Earnings per share ("EPS") (in sen)								
Basic earnings per share (sen) (Note B13)	7.17	16.71	(9.53)	(57%)	37.97	37.57	0.40	1%
Diluted earnings per share (sen) (Note B13)	7.17	16.71	(9.53)	(57%)	37.97	37.57	0.40	1%

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 2022.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

	As at	As at
	30/06/2023	30/06/2022
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	329,262	318,794
Investment properties	12,736	13,378
Inventories	44,415	43,861
Investment in jointly-controlled entity	29	39
Investment in associates	6,540	11,107
Deferred tax assets	2,867	2,789
Trade and other receivables	-	448
	395,849	390,416
Current assets		
Inventories	38,502	37,092
Trade and other receivables	212,441	205,855
Investment securities	147,476	43,804
Other current assets	20,244	24,433
Cash and bank balance	275,564	260,401
	694,227	571,585
TOTAL ASSETS	1,090,076	962,001
LIABILITIES		
Current liabilities		
Loans and borrowings	19,561	23,965
Trade and other payables	150,381	151,315
Other current liabilities	3,929	6,028
Tax payables	7,756	9,488
	181,627	190,796
Non-current liabilities		
Deferred tax liabilities	15,347	17,486
Loans and borrowings	28,523	38,850
	43,870	56,336
TOTAL LIABILITIES	225,497	247,132
NET ASSETS	864,579	714,869
EQUITY		
Share capital	200,200	200,200
Revenue reserves	545,057	415,906
Total shareholders' equity	745,257	616,106
Non-controlling interest	119,322	98,763
TOTAL EQUITY	864,579	714,869
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	1.86	1.54

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

This Condensed Consolidated Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2022.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023
(The figures have not been audited).

	CURRENT PERIOD	COMPARABLE PERIOD
	ENDED 30/06/2023	ENDED 30/06/2022
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	197,846	200,307
Adjustments for:		
Non-operating items	(2,044)	(1,889)
Allowance of Impairment of assets	1,087	-
Depreciation	41,769	31,888
Interest expense	3,642	3,611
Interest income	(3,911)	(924)
Loss on sales of associate investment	1,828	-
Share of results in associates and jointly controlled entity	(3,639)	584
Operating profit before changes in working capital	236,578	233,577
Changes in working capital:		
Increase in inventories	(1,880)	(4,972)
Decrease/(Increase) in trade and other receivables	7,135	(51,185)
Decrease in amount due from customers for contract works	(4,189)	(7,088)
(Decrease)/Increase in other current liabilities	(1,010)	1,338
(Decrease)/Increase in trade and other payables	(4,044)	57,641
Net cash generated from operations activities	232,590	229,311
Interest paid	(3,642)	(3,611)
Interest received	3,918	924
Taxes paid, net of refund	(23,462)	(13,529)
Net cash generated from operating activities	209,404	213,095
Cash flows from investing activities		
Acquisition of property, plant and equipment	(55,990)	(67,862)
Acquisition of investment securities, net of redemption	(101,772)	(16,395)
Acquisition of non-controlling interests	(2,172)	-
Dividend received	114	252
Net cash inflow from disposal of associate	4,978	-
Net cash inflow from capital reduction in jointly controlled	-	618
Increase in short term deposits with maturity more than 3 months	(13,554)	(4,174)
Proceeds from disposal of property, plant and equipment	1,502	108
Net cash used in investing activities	(166,894)	(87,454)
Cash flows from financing activities		
Dividend paid	(26,885)	(14,718)
Net (repayment of) from borrowings	(5,442)	(14,133)
Net (repayment of) lease payables	(8,408)	(15,747)
Net cash used in financing activities	(40,735)	(44,598)
Net increase in cash and cash equivalents	1,775	81,044
Cash and cash equivalents at beginning of period	251,525	170,481
Cash and cash equivalents at end of period	253,300	251,525

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

Cash and bank balances	275,564	260,401
Bank Overdraft	(117)	(284)
Cash at bank pledged as securities for bank borrowings	(22,147)	(8,592)
	<u>253,300</u>	<u>251,525</u>

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2022

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 12 MONTHS YEAR ENDED 30 JUNE 2023
(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	
12 MONTHS ENDED 30 JUNE 2023							
At 1 July 2022	714,869	616,106	200,200	(887)	3,645	413,148	98,763
Total comprehensive income for the period	178,780	151,608	-	-	264	151,344	27,172
Acquisition of non-controlling interest	(2,172)	(429)	-	-	-	(429)	(1,743)
Dividends on ordinary shares	(26,898)	(22,028)	-	-	-	(22,028)	(4,870)
At 30TH JUNE 2023	864,579	745,257	200,200	(887)	3,909	542,035	119,322
12 MONTHS ENDED 30 JUNE 2022							
At 1 July 2021	548,984	475,203	200,200	(887)	2,517	273,373	73,781
Total comprehensive income for the period	180,603	150,868	-	-	1,128	149,740	29,735
Dividends on ordinary shares	(14,718)	(9,965)	-	-	-	(9,965)	(4,753)
At 30 JUNE 2022	714,869	616,106	200,200	(887)	3,645	413,148	98,763

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 2022.

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 2022, except for the following:

Effective for financial periods beginning on or after 1 July 2022:

Title	Effective Date
Amendments to MFRS 3 : Business Combinations	1 January 2022
- Reference to the Conceptual Framework	
Amendments to MFRS 116 : Property, Plant and Equipment	1 January 2022
- Proceeds before Intended Use	
Amendments to MFRS 137 : Onerous Contracts	1 January 2022
- Cost of Fulfilling a Contract	
Annual Improvements to MFRS Standards 2018 – 2020 Cycle	1 January 2022

MFRSs and Amendments to MFRSs issued but not yet effective

Title	Effective Date
MFRS 17 : Insurance Contracts	1 January 2023
Amendments to MFRS 17 : Insurance Contracts	1 January 2023
Amendments to MFRS 17 : Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101 :Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 : Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 : Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 : Deferred tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2023

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 2022 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 financial year 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 year ended 30 June 2023.

A5. *Material Effect of Changes in Estimates of Amounts Reported in Prior Interim Periods or Prior Financial Years*

There were no changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect on results for the current financial year under review.

A6. *Debt and Equity Securities*

There were no issuance 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 year under review.

A7. *Dividend Paid*

A first interim dividend of 3.0 sen net per ordinary share of RM0.50 each for the financial year ended 30 June 2023 amounting to RM11,960,551 (2022: RM9,964,424) was paid on 31 March 2023.

A8. Segment Information (Cont'd)

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

Financial year to date	Investment Holding	Shipping and Marine	Integrated logistics	Engineering	Property development	Elimination	Total
<u>30 June 2023</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>
REVENUE							
Revenue from external sales	-	604,909	356,193	50,803	5,569	-	1,017,474
Inter-segment sales	34,200	19,285	13,857	-	2,908	(70,250)	0
	<u>34,200</u>	<u>624,194</u>	<u>370,050</u>	<u>50,803</u>	<u>8,477</u>	<u>(70,250)</u>	<u>1,017,474</u>
RESULTS							
(Loss)/Profit before taxation from the normal operations	(3,953)	138,482	65,864	3,001	1,311	(6,860)	197,845
Profit before taxation includes:							
Depreciation	270	22,196	18,584	335	384	-	41,769
Allowance of Impairment of assets	-	-	1,087	-	-	-	1,087
Finance cost	249	4,805	1,943	138	142	(3,635)	3,642
Net impairment of trade receivables	-	170	(1,151)	-	127	-	(854)
Share of profit in jointly controlled entities and associates	3,575	17	47	-	-	-	3,639

A8. Segment Information (Cont'd)

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

Financial year to date	Investment Holding	Shipping and Marine	Integrated logistics	Engineering	Property development	Elimination	Total
<u>30 June 2023</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	27,949	533,301	371,592	90,287	74,703	(10,623)	1,087,209
Deferred tax assets	-	1,924	897	-	46	-	2,867
TOTAL ASSETS	27,949	535,225	372,489	90,287	74,749	(10,623)	1,090,076
Included in measure of segment assets are:							
Investment in associates	-	5,683	857	-	-	-	6,540
Investment in jointly controlled entities	-	-	29	-	-	-	29
Additional to property, plant and equipment	113	37,578	16,870	1,173	256	-	55,990
SEGMENT LIABILITIES	3,988	92,983	117,769	8,951	652	(14,193)	210,150
Deferred tax liabilities	71	6,774	6,102	2,400	-	-	15,347
TOTAL LIABILITIES	4,059	99,757	123,871	11,351	652	(14,193)	225,497

A8. Segment Information (Cont'd)

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

Financial year to date <u>30 June 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 development <u>RM'000</u>	Elimination <u>RM'000</u>	Total <u>RM'000</u>
REVENUE							
Revenue from external sales	-	610,435	249,056	42,050	5,962	-	907,503
Inter-segment sales	29,605	19,013	8,608	-	342	(57,568)	-
	29,605	659,054	257,664	42,050	6,304	(57,568)	907,503
RESULTS							
(Loss)/Profit before taxation from the normal operations	(4,010)	168,964	31,507	2,018	2,527	-	200,307
Profit before taxation includes:							
Impairment loss	-	-	1,440	-	-	-	1,440
Reversal of impairment loss	-	(5,966)	-	-	-	-	(5,966)
Depreciation	280	14,387	16,723	355	143	-	31,888
Finance cost	242	1,333	1,643	165	228	-	3,611
Net (reversal)/impairment of trade receivables	-	(660)	2,896	-	-	-	2,236
Share of (loss) profit in jointly controlled entities and associates	-	(830)	246	-	-	-	(584)

A8. Segment Information (Cont'd)

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

Financial year to date 30 June 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	25,033	449,762	317,916	92,140	76,461	(2,100)	959,212
Deferred tax assets	-	1,782	997	-	10	-	2,789
TOTAL ASSETS	25,033	451,544	318,913	92,140	76,473	(2,100)	962,001
Included in measure of segment assets are:							
Investment in associates	-	10,306	801	-	-	-	11,107
Investment in jointly controlled entities	-	-	39	-	-	-	39
Additional to property, plant and equipment	61-	69,024	18,535	4,984	95	-	92,699
SEGMENT LIABILITIES	2,910	116,235	97,961	11,887	3,759	(3,106)	229,646
Deferred tax liabilities	70	6,875	8,038	2,456	47		17,486
TOTAL LIABILITIES	2,980	123,110	105,999	14,343	3,806	(3,106)	247,132

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 year ended 30 June 2023.

A10. Significant Post Balance Sheet Event

There are no material events as at 22 August 2023, being the date not earlier than 7 days from the date of this announcement that will affect the financial results of the current financial year ended under review.

A11. Changes in Composition of the Group

There were no changes in composition of the Group during the current financial year ended 30 June 2023.

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 June 2023	31 March 2023
	RM'000	RM'000
Capital expenditure		
Authorised and contracted for	27,588	22,703
	<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 period ended 30 June 2023 RM'000	Balance due from/(to) As at 30 June 2023 RM'000
Transaction with companies in which Certain Directors of the Company have substantial interests		
Sales of goods and services	822	406
Purchase of goods and services	(4,128)	(5,000)
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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		Changes		Cumulative Quarter		Changes	
	RM'000		(amount / %)		RM'000		(amount / %)	
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>RM'000</u>	<u>%</u>	<u>30/06/2023</u>	<u>30/6/2022</u>	<u>RM'000</u>	<u>%</u>
Revenue	261,480	331,129	(69,649)	(21%)	1,017,474	907,503	109,971	12%
Profit Before Interest and Tax	39,810	82,744	42,934	(52%)	201,487	203,918	(2,431)	(1%)
Profit Before Tax	38,907	81,962	(43,055)	(53%)	197,845	200,307	(2,462)	(1%)
Profit After Tax	34,098	78,684	(44,586)	(57%)	178,449	179,467	(1,018)	(1%)

The Group posted revenue of **RM1.02 billion** for the current financial year ended 30 June 2023, which is RM109.97 million or 12% higher than the preceding financial year ended 30 June 2022 of RM907.50 million. While, the profit before tax for the current financial year ended 30 June 2023 is **RM197.85 million**, which is RM2.46 million lower than the preceding financial year ended 30 June 2022 of RM200.31 million.

	Current Quarter		Changes		Cumulative Quarter		Changes	
	RM'000		(amount / %)		RM'000		(amount / %)	
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>RM'000</u>	<u>%</u>	<u>30/06/2023</u>	<u>30/6/2022</u>	<u>RM'000</u>	<u>%</u>
Other Income	925	9,116	(8,191)	(90%)	12,058	15,540	(3,482)	(22%)

The Group posted other income of **RM12.06 million** for the current financial year ended 30 June 2023, which is RM3.48 million or 22% lower the preceding financial year ended 30 June 2022 of RM15.54 million. The decrease in other income compared to the preceding financial year ended 30 June 2022 is due to the net reversal of impairment of assets of RM4.53 million in the preceding financial year.

	Current Quarter		Changes		Cumulative Quarter		Changes	
	RM'000		(amount / %)		RM'000		(amount / %)	
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>RM'000</u>	<u>%</u>	<u>30/06/2023</u>	<u>30/6/2022</u>	<u>RM'000</u>	<u>%</u>
Administrative Expenses	20,758	19,095	1,663	9%	79,224	68,285	10,939	16%

The Group posted administrative expenses of RM79.22 million for the current financial year ended 30 June 2023, which is RM10.94 million or more than 16% higher the preceding financial year ended 30 June 2022 of RM68.28 million. The increase in administrative expenses is mainly due to staff incentives, bonuses and increments and allowance of impairment of asset of RM 1.09 million.

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 (Cont'd)

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.

Shipping and marine segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	30/06/2023	30/06/2022	RM'000	%	30/06/2023	30/6/2022	RM'000	%
Revenue	124,848	219,481	(94,633)	(43%)	604,909	610,436	(5,527)	(1%)
Profit Before Interest and Tax	24,122	66,301	(42,179)	(64%)	143,287	169,330	(26,043)	(15%)
Profit Before Tax	23,047	67,166	(44,119)	(65%)	138,482	168,964	(30,482)	(18%)
Profit After Tax	20,801	62,745	(41,944)	(67%)	127,959	154,492	(26,533)	(17%)

The shipping and marine segment recorded revenue of **RM604.91 million** which is RM5.53 million or 1% lower than the preceding financial year ended 30 June 2022 of RM610.44 million.

The profit before tax of **RM138.48 million** has decreased by RM30.48 million and 18% as compared to preceding financial year ended 30 June 2022 of RM168.96 million. The reason for the significant decrease in the profit before tax is due to stiff competition with major liner operators who have deployed additional tonnages into the region that leads to the downward pressure on rates.

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 (Cont'd)

Integrated	Current Quarter		Changes		Cumulative Quarter		Changes	
	RM'000		(amount / %)		RM'000		(amount / %)	
logistics segment	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>RM'000</u>	<u>%</u>	<u>30/06/2023</u>	<u>30/6/2022</u>	<u>RM'000</u>	<u>%</u>
Revenue	120,396	75,199	45,197	60%	356,193	249,056	107,137	43%
Profit Before Interest and Tax	24,614	11,389	13,225	>100%	67,583	33,417	34,166	>100%
Profit Before Tax	24,170	11,148	13,022	>100%	65,864	31,507	34,357	>100%
Profit After Tax	21,377	11,332	10,045	89%	57,614	26,112	31,502	>100%

The integrated logistics segment recorded an increase in revenue by **RM107.14 million** to **RM356.19 million**, an increase of 43% as compared to the preceding financial year ended 30 June 2022 of RM249.06 million.

The profit before tax has recorded an increase of RM34.36 million to **RM65.86 million** as compared to preceding financial year ended 30 June 2022 of RM31.51 million.

The increase in the revenue and higher profit before tax is due to more sales on construction and port equipments as well as project logistics services during the endemic period until 30 June 2023.

Engineering	Current Quarter		Changes		Cumulative Quarter		Changes	
	RM'000		(amount / %)		RM'000		(amount / %)	
segment	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>RM'000</u>	<u>%</u>	<u>30/06/2023</u>	<u>30/6/2022</u>	<u>RM'000</u>	<u>%</u>
Revenue	14,060	19,216	(5,156)	(27%)	50,803	42,050	8,753	21%
Profit Before Tax and Interest	2,151	4,386	(2,235)	(51%)	3,139	2,183	956	44%
Profit Before Tax	2,135	4,346	(2,211)	(51%)	3,001	2,018	983	49%
Profit After Tax	1,550	3,617	(2,067)	(57%)	2,211	1,301	910	70%

The engineering segment recorded revenue of **RM50.80 million** which is RM8.75 million higher than the preceding financial year ended 30 June 2022 of RM42.05 million. The profit before tax for the current financial year is **RM3 million** as compared to a profit before tax of RM2.02 million in the preceding financial year ended 30 June 2022.

The increase in revenue and profit before tax is due to the current projects under review are at the advance stage as compared to preceding financial year ended 30 June 2022.

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 (Cont'd)

Property segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>RM'000</u>	<u>%</u>	<u>30/06/2023</u>	<u>30/6/2022</u>	<u>RM'000</u>	<u>%</u>
Revenue	2,668	861	1,807	>100%	5,569	5,962	(393)	(6%)
Profit Before Tax and Interest	1,156	89	1,067	>100%	1,454	2,755	(2,601)	(94%)
Profit Before Tax	1,137	45	1,092	>100%	1,311	2,527	(1,216)	(48%)
Profit After Tax	866	959	(93)	(10%)	811	1,807	(996)	(55%)

The property development division recorded revenue of **RM5.57 million** which is **RM0.39 million** lower than the preceding financial year ended 30 June 2022. The profit before tax is **RM1.31 million** which is RM1.22 million lower than the preceding financial year ended 30 June 2022.

The decrease in profit before tax is due to preceding financial year, there is a sale of vacant land for RM3.80 million as compared to current financial year which the revenue are mostly from the sale of shophouses.

Investment Holding	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>RM'000</u>	<u>%</u>	<u>30/06/2023</u>	<u>30/6/2022</u>	<u>RM'000</u>	<u>%</u>
Revenue	-	-	-	-	-	-	-	-
Loss Before Tax and Interest	(924)	(1,311)	(387)	(30%)	(3,704)	(3,767)	(63)	(2%)
Loss Before Tax	(949)	(1,422)	(473)	(33%)	(3,953)	(4,010)	(57)	(1%)
Loss After Tax	(1,174)	(1,348)	(174)	(13%)	(4,340)	(4,245)	95	2%

The investment holdings recorded a loss before tax of RM3.94 million as compare to the preceding financial year ended 30 June 2022 of loss before tax of RM4.01 million.

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

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

B2. Comparison with Preceding Quarter's Results

	Current quarter RM'000	Immediate Preceding Quarter RM'000	Changes (amount / %)	
	<u>30/06/2023</u>	<u>31/03/2023</u>	<u>RM'000</u>	<u>%</u>
Revenue	261,480	219,684	41,796	19%
Profit Before Tax and Interest	39,810	48,833	(9,023)	(18%)
Profit Before Tax	38,907	47,945	(9,038)	(19%)
Profit After Tax	34,098	42,780	(8,682)	(20%)

The Group posted revenue of **RM261.48 million** for the current quarter ended 30 June 2023 which is RM41.80 million or 19% higher than the immediate preceding quarter ended 31 March 2023 of RM219.68 million. The profit before tax for the current quarter ended 30 June 2023 is **RM38.91 million**, which is RM9.04 million and 19% lower than the immediate preceding quarter ended 31 March 2023 of RM47.95 million.

	Current quarter RM'000	Immediate Preceding Quarter RM'000	Changes (amount / %)	
	<u>30/06/2023</u>	<u>31/03/2023</u>	<u>RM'000</u>	<u>%</u>
<u>Shipping and marine segment</u>				
Revenue	124,848	134,791	(9,943)	(7%)
Profit Before Tax and Interest	24,122	28,267	(4,145)	(15%)
Profit Before Tax	23,047	27,184	(4,137)	(15%)
Profit After Tax	20,801	24,221	(3,420)	(14%)

The shipping and marine segment posted a decrease in revenue of RM9.94 million or 7% in the current quarter ended 30 June 2023 of RM124.85 million as compared to RM134.79 million in the immediate preceding quarter ended 31 March 2023. The reason for the significant decrease in the profit before tax is due to stiff competition with major liner operators who have deployed additional tonnages into the region that leads to the downward pressure on rates.

The profit before tax for the current quarter ended on 30 June, 2023 decreased by RM4.14 million or 15% compared to the immediate preceding quarter ended on 31 March, 2023, which had a profit before tax of RM23.05 million. The decrease in profit is in tandem with the decrease in the revenue.

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

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

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

	Current quarter	Immediate	Changes	
	RM'000	Preceding Quarter RM'000	(amount / %)	
<u>Integrated logistics segment</u>	<u>30/06/2023</u>	<u>31/03/2023</u>	<u>RM'000</u>	<u>%</u>
Revenue	120,396	75,776	44,620	59%
Profit Before Interest and Tax	24,614	19,817	4,797	24%
Profit Before Tax	24,170	19,404	4,766	25%
Profit After Tax	21,377	17,004	4,373	26%

The integrated logistics segment posted a significant increase in revenue of RM44.62 million or 59% in the current quarter ended 30 June 2023 of RM120.40 million as compared to RM75.78 million in the immediate preceding quarter ended 31 March 2023. The substantial growth in revenue was attributed to the achievement of specific milestones in the supply, delivery, installation, and commissioning phases of an one-off port equipment project in the current financial year.

The profit before tax for the current quarter ended 30 June 2023 is RM24.17 million, which is RM4.77 million or 25% higher than the immediate preceding quarter ended 31 March 2023 of RM19.4 million. The increase in the profit before tax is explained above.

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

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

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

	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
	30/06/2023	Quarter	RM'000	%
		RM'000		
		31/03/2023		
<u>Engineering segment</u>				
Revenue	14,060	8,195	5,865	72%
Profit/(Loss) Before Interest and Tax	2,151	(381)	2,532	>100%
Profit/(Loss) Before Tax	2,135	(420)	2,555	>100%
Profit/(Loss) After Tax	1,550	(310)	1,860	>100%

The engineering segment posted an increase in revenue of RM5.87 million or 72% in the current quarter ended 30 June 2023 of RM14.06 million as compared to RM8.20 million in the immediate preceding quarter ended 31 March 2023.

The profit before tax for the current quarter ended 30 June 2023 is RM2.14 million as compared a loss before tax of RM0.42 million in the immediate preceding quarter ended 31 March 2023. The increase in profit before tax is in tandem with the increase in revenue due to completion of few projects in hand.

	Current quarter	Immediate	Changes	
	RM'000	Preceding	(amount / %)	
	30/06/2023	Quarter	RM'000	%
		RM'000		
		31/03/2023		
<u>Property segment</u>				
Revenue	2,668	921	1,747	>100%
Profit Before Interest and Tax	1,156	94	1,062	>100%
Profit Before Tax	1,137	59	1,078	>100%
Profit Before Tax	866	185	681	>100%

The property segment posted an increase in revenue of RM1.75 million in the current quarter ended 30 June 2023 to RM2.67 million as compared to RM0.92 million in the immediate preceding quarter ended 31 March 2023.

The profit before tax for the current quarter ended 30 June 2023 of RM1.14 million, which is RM1.08 million higher than the immediate preceding quarter ended 31 March 2023. This increase is consistent with the rise in revenue attributed to the sale of a single shophouse unit.

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

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

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

	Current quarter RM'000	Immediate Preceding Quarter RM'000	Changes (amount / %)	
<u>Investment holding segment</u>	<u>30/06/2023</u>	<u>31/03/2023</u>	<u>RM'000</u>	<u>%</u>
Revenue	-	-	-	-
(Loss) Before Interest and Tax	(924)	(869)	55	6%
(Loss) Before Tax	(949)	(951)	(2)	0%
(Loss) After Tax	(1,174)	(988)	186	19%

The investment holdings recorded a loss before tax of RM0.95 million, an marginal decrease in loss before tax compared to immediate preceding quarter ended 31 March 2023.

B3. Prospects

Shipping and Marine Services Division

Harbour-Link container shipping activities are facing stiff competition with main liner operators who have deployed large tonnages into Intra-Asia and East Malaysian markets. Container freight rates have been eroded drastically since December 2022 to the present level. We expect the freight rates shall remain until the year end.

Domestic trade within Malaysia is also facing headwinds in freight rates and lower cargo volume.

However, our tugs and barges operations and shipping agencies services are still consistent and stable and we able to generate stable revenues.

Overall, based on the above, our shipping and marine services division shall be expecting lower revenue and profit for the next financial year.

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

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

B3. Prospects (Cont'd)

Integrated Logistics Division

All activities in logistics service division are remaining positive and steady. Cargo movements have been recovered and improved from manufacturing and oil and gas sectors. We shall expect to secure more project cargoes in the coming quarters.

On the other hand, our equipment and machinery sales, as well as rentals to sectors encompassing construction, port operations, and cargo handling, are poised to make a positive contribution to the division. This reinforces our diversified approach and ability to capitalize on various avenues of growth.

We are confident that the Integrated Logistics Division is well-positioned to achieve favorable results in our next financial year.

Engineering and Construction Division

Most projects are coming to the tail end, while new projects are currently in the tendering phase and have yet to be secured. Our team are working hard to secure new project bids.

B4. Profit Forecast or Profit Guarantee

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

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

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

B5. Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current year Quarter	Preceding year Corresponding Quarter	Current Financial Period	Preceding Financial Period
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>30/06/2023</u>	<u>30/06/2022</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the period ended is stated after charging/ (crediting):				
Interest income	(1,543)	(214)	(3,911)	(1,144)
Depreciation of plant and equipment	13,326	6,925	41,769	31,888
Finance cost	903	782	3,642	3,611
(Reversal) for impairment, net of allowance trade receivables	(811)	(1,234)	(854)	2,236
Share of profit/(loss) in associates	495	742	3,592	(586)
Share of profit in jointly controlled entities	20	(169)	47	2

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

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

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
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>30/06/2023</u>	<u>30/06/2022</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax expense	6,172	3,356	20,231	20,824
Tax under / (over) provision in prior year	470	(324)	1,147	(324)
Deferred tax expense: Origination and reversal of temporary difference	(1,833)	246	(1,982)	340
	4,809	3,278	19,396	20,840

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 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 22 August 2023, being the date not earlier than 7 days from the date of this announcement.

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

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

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2023 and 30 June 2022 are as follows:

	As at 30 June 2023		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	5,114	6,536	11,650
Bank Overdraft	117	-	117
Lease Liabilities	12,930	21,987	34,917
	<u>18,161</u>	<u>28,523</u>	<u>46,684</u>
Unsecured			
Bankers' Acceptance	-	-	-
Revolving Credit	1,400	-	1,400
	<u>1,400</u>	<u>-</u>	<u>1,400</u>
	<u>19,561</u>	<u>28,523</u>	<u>48,084</u>
	As at 30 June 2022		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	3,800	11,432	15,232
Bank Overdraft	284	-	284
Lease Liabilities	16,634	27,418	44,052
	<u>20,718</u>	<u>38,850</u>	<u>59,568</u>
Unsecured			
Bankers' Acceptance	1,417	-	1,417
Revolving Credit	1,830	-	1,830
	<u>3,247</u>	<u>-</u>	<u>3,247</u>
	<u>23,965</u>	<u>38,850</u>	<u>62,815</u>

The above borrowings are denominated in Ringgit Malaysia.

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

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

B9. Disclosure of derivatives

(a) Details of derivate financial instruments

Details of derivative financial instruments that are outstanding as at 30 June 2023 are as follows:

	Nominal Value	Fair Value
	(RM'000)	Assets/(Liabilities)
	<u>(RM'000)</u>	<u>(RM'000)</u>
Forward exchange contracts		
- Less than 1 year	38,064	(54)

The Group entered into the forward exchange contracts to hedge its highly probable forecast transactions denominated in foreign currency expected to occur in the future. Such contacts have maturity dates that match the expected occurrence of these transactions.

These financial instruments are stated at fair value based on the financial institutions' quote.

All the derivatives were contracted with creditworthy financial institutions to mitigate the credit risk, market risk and liquidity risk associated with the derivatives.

There has been no change made to the accounting policies associated with those derivatives since the end of the previous financial year ended 30 June 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 22 August 2023, being the date not earlier than 7 days from the date of this announcement.

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

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

B11. Changes in Material Litigation

There are no changes in material litigation since the last annual balance sheet date till 22 August 2023 being the date not earlier than 7 days from the date of this announcement.

B12. Dividend declared

- (a) The Board of Directors proposed to declare a final single tier dividend of 3.0 sen per ordinary share of RM0.50 each for the financial year ended 30 June 2023 amounting to RM11,960,551 (2022: RM19,930,048).

The proposed dividend is subject to shareholders' approval at the forthcoming 21st Annual General Meeting to be held on a date to be announced later. The date for the book closure of the Record of Depositors for determining dividend entitlement and the date of the payment will be announced at a later date.

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Year	Preceding Financial Year
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>30/06/2023</u>	<u>30/06/2022</u>
Proposed/Declared dividend per share (sen)	3.00	2.50	6.00	5.00

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 year ended 30 June 2023 is calculated by dividing the Group's profit for the year, net of tax, attributable to owners of the parent for the current quarter and financial year of RM28,588,000 and RM151,344,000 respectively by the weighted average number of ordinary shares in issue (net of treasury shares) during the current quarter and financial year ended 30 June 2023 of 398,744,000.

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Year	Preceding Financial Year
	<u>30/06/2023</u>	<u>30/06/2022</u>	<u>30/06/2023</u>	<u>30/06/2022</u>
Earnings Per Share				
Profit net of tax attributable to Owners of the parent (in RM'000)	28,588	66,590	151,344	149,740
Weighted average number of ordinary shares in issue ('000)	398,576	398,576	398,576	398,576
Basic earnings per share (sen)	7.17	16.71	37.97	37.57
Diluted earnings per share (sen)	7.17	16.71	37.97	37.57

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 June 2023 pursuant to paragraph 8.23(1) of the Listing Requirements.

<u>Company</u>	30 June 2023 RM'000	31 March 2023 RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- non wholly-owned subsidiary companies	10,178	8,339
Loan or advances - non wholly-owned subsidiary companies	1,002	1,754
	-----	-----
	11,180	10,093
	=====	=====

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 year ended 30 June 2023.

This announcement is dated 29 August 2023.