

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 2ND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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 / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Revenue	236,590	272,211	(35,621)	(13%)	442,694	536,310	(93,616)	(17%)
Operating expenses	(191,778)	(210,045)	18,267	(9%)	(355,192)	(393,344)	38,152	(10%)
Gross profit	44,812	62,166	(17,354)	(28%)	87,502	142,966	(55,464)	(39%)
Interest income	1,539	836	703	84%	2,960	1,352	1,608	>100%
Other income	5,484	3,500	1,984	57%	9,167	8,570	597	7%
Administrative Expenses	(26,139)	(12,124)	(14,015)	>100%	(47,765)	(43,512)	(4,253)	10%
Finance costs	(767)	(968)	201	(21%)	(1,568)	(1,851)	283	(15%)
Share of results of jointly controlled entity	-	18	(18)	>100%	(1)	17	(18)	>100%
Share of results of associated companies	376	2,987	(2,611)	(87%)	544	3,451	(2,907)	(84%)
Profit before taxation	25,305	56,415	(31,110)	(55%)	50,839	110,993	(60,154)	(54%)
Taxation	(3,576)	(3,558)	(18)	1%	(7,706)	(9,422)	1,716	(18%)
Net profit for the year	21,729	52,857	(31,128)	(59%)	43,133	101,571	(58,438)	(58%)
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss:								
Share of associates' other comprehensive income	(132)	(553)	421	(76%)	(108)	176	(284)	(>100%)
Exchange difference on translation of foreign entity	(17)	(782)	765	>100%	(59)	(101)	42	>100%
Total comprehensive income for the year	21,580	51,522	(29,942)	(58%)	42,966	101,646	(58,680)	(58%)
Profit for the year attributable to:								
Owners of the parent	17,365	46,510	(29,145)	(63%)	33,492	85,665	(52,173)	(61%)
Non-Controlling Interests	4,364	6,347	(1,983)	(31%)	9,641	15,906	(6,265)	(39%)
	21,729	52,857	(31,128)	(59%)	43,133	101,571	(58,438)	(58%)
Total Comprehensive income for the year attributable to:								
Owners of the parent	17,208	45,070	(27,862)	(62%)	33,319	85,627	(52,308)	(61%)
Non-Controlling Interests	4,372	6,452	(2,080)	(32%)	9,647	16,018	(6,371)	(40%)
	21,580	51,522	(29,942)	(58%)	42,966	101,646	(58,679)	(58%)
Earnings per share ("EPS") (in sen)								
Basic earnings per share (sen) (Note B13)	4.36	11.65	(7.30)	(63%)	8.40	21.47	(13.06)	(61%)
Diluted earnings per share (sen) (Note B13)	4.36	11.65	(7.30)	(63%)	8.40	21.47	(13.06)	(61%)

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 2023.

HARBOUR-LINK GROUP BERHAD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION

	As at	As at
	31/12/2023	30/06/2023
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	320,395	328,889
Investment properties	12,473	12,768
Inventories	44,976	45,750
Investment in jointly-controlled entity	29	29
Investment in associates	6,985	6,581
Deferred tax assets	1,481	1,338
Trade and other receivables	352	352
	386,691	395,707
Current assets		
Inventories	37,120	39,289
Trade and other receivables	207,770	183,541
Investment securities	180,966	135,957
Other current assets	34,803	46,703
Cash and bank balance	276,127	287,077
	736,786	692,567
TOTAL ASSETS	1,123,477	1,088,274
LIABILITIES		
Current liabilities		
Loans and borrowings	19,052	19,551
Trade and other payables	162,430	150,528
Other current liabilities	-	3,966
Tax payables	12,875	6,199
	194,357	180,244
Non-current liabilities		
Deferred tax liabilities	15,996	16,510
Loans and borrowings	26,609	29,774
	42,605	46,284
TOTAL LIABILITIES	236,962	226,528
NET ASSETS	886,515	861,746
EQUITY		
Share capital	200,200	200,200
Revenue reserves	564,264	542,905
Total shareholders' equity	764,464	743,105
Non-controlling interest	122,051	118,641
TOTAL EQUITY	886,515	861,746
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	1.92	1.86

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 2023.

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2023
(The figures have not been audited).

	CURRENT PERIOD ENDED 31/12/2023	COMPARABLE PERIOD ENDED 31/12/2022
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	50,839	110,993
Adjustments for:		
Non-operating items	(2,883)	789
Allowance of Impairment of assets	30	-
Depreciation	21,981	36,050
Interest expense	1,568	1,851
Interest income	(2,960)	(1,352)
Share of results in associates and jointly controlled entity	(404)	(3,469)
Operating profit before changes in working capital	68,171	144,862
Changes in working capital:		
Decrease/(Increase) in inventories	2,943	(6,357)
(Increase)/Decrease in trade and other receivables	(24,229)	4,750
Decrease in amount due from customers for contract works	11,900	7,114
(Decrease)/ Increase in other current liabilities	(3,966)	832
Increase in trade and other payables	11,902	13,616
Net cash generated from operations activities	66,721	164,817
Interest paid	(1,568)	(1,851)
Interest received	2,960	1,352
Taxes paid, net of refund	(7,883)	(8,102)
Net cash generated from operating activities	60,230	156,216
Cash flows from investing activities		
Acquisition of property, plant and equipment	(13,192)	(27,605)
Acquisition of investment securities, net of redemption	(45,009)	(99,585)
Acquisition of non-controlling interests	-	(2,172)
Dividend received	32	32
(Increase) in short term deposits with maturity more than 3 months	(909)	-
Proceeds from disposal of property, plant and equipment	947	568
Net cash used in investing activities	(58,131)	(128,762)
Cash flows from financing activities		
Dividend paid	(18,197)	(13,438)
Net (Repayment of)/generated from from borrowings	(936)	5,189
Net generated from / (repayment of)lease payables	7,217	(24,882)
Net cash used in financing activities	(11,916)	(33,131)
Net (decrease) in cash and cash equivalents	(9,817)	(5,677)
Cash and cash equivalents at beginning of period	266,884	251,524
Cash and cash equivalents at end of period	257,067	245,847

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

Cash and bank balances	266,626	256,132
Bank Overdraft	(57)	(1,692)
Cash at bank pledged as securities for bank borrowings	(9,501)	(8,593)
	<u>257,067</u>	<u>245,847</u>

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2023

HARBOUR-LINK GROUP BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS PERIOD ENDED 31 DECEMBER 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	
6 MONTHS ENDED 31 DECEMBER 2023							
At 1 July 2022	861,746	743,105	200,200	(887)	4,484	539,308	118,641
Total comprehensive income for the period	42,966	33,319	-	-	(173)	33,492	9,647
Dividends on ordinary shares	(18,197)	(11,960)	-	-	-	(11,960)	(6,237)
At 31 DECEMBER 2023	886,515	764,464	200,200	(887)	4,311	560,840	122,051
6 MONTHS ENDED 31 DECEMBER 2022							
At 1 July 2022	714,869	616,106	200,200	(887)	3,645	413,148	98,763
Total comprehensive income for the period	101,648	85,630	-	-	(35)	85,665	16,018
Acquisition of non-controlling interest	(2,172)	-	-	-	-	-	(2,172)
Dividends on ordinary shares	(13,438)	(9,968)	-	-	-	(9,968)	(3,470)
At 31 DECEMBER 2022	800,907	691,768	200,200	(887)	3,610	488,845	109,139

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 2023.

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 2023, except for the following:

Effective for financial periods beginning on or after 1 July 2023:

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

MFRSs and Amendments to MFRSs issued but not yet effective

Title	Effective Date
Amendments to MFRS 16 : Lease liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 : Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7 : Disclosures : Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121 : Lack of Exchangeability	1 January 2025

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 2023 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 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 December 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 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 final dividend of 3.0 sen net per ordinary share of RM0.50 each for the financial year ended 30 June 2023 amounting to RM11,957,301 (2023: RM11,957,301) was paid on 29 December 2023.

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	Machineries Trading	Engineering	Property development	Elimination	Total
<u>31 December 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>	<u>RM'000</u>
REVENUE								
Revenue from external sales	-	287,894	95,675	38,835	14,653	5,637	-	442,694
Inter-segment sales	20,487	10,645	7,966	684	-	196	(39,978)	-
	<u>20,487</u>	<u>298,539</u>	<u>103,641</u>	<u>39,519</u>	<u>14,653</u>	<u>5,833</u>	<u>(39,978)</u>	<u>442,694</u>
RESULTS								
(Loss)/Profit before taxation from the normal operations	(1,514)	30,584	15,373	6,570	(887)	3,007	(2,293)	50,839
Profit before taxation includes:								
Depreciation	134	12,970	8,242	93	179	203	160	21,981
Allowance of Impairment of assets	-	-	30	-	-	-	-	30
Finance cost	37	1,186	575	191	53	15	(489)	1,568
Net impairment of trade receivables	-	320	(351)	-	-	-	-	(31)
Share of profit in jointly controlled entities and associates	-	488	55	-	-	-	-	543

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	Machineries Trading	Engineering	Property development	Elimination	Total
<u>31 December 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>	<u>RM'000</u>
SEGMENT ASSETS	31,662	544,939	299,103	93,960	83,202	78,466	(9,336)	1,121,996
Deferred tax assets	-	538	897	-	-	46	-	1,481
TOTAL ASSETS	31,662	545,477	300,000	93,960	83,202	78,512	(9,336)	1,123,477
Included in measure of segment assets are:								
Investment in associates	-	6,091	894	-	-	-	-	6,985
Investment in jointly controlled entities	-	-	29	-	-	-	-	29
Additional to property, plant and equipment	87	4,999	6,915	340	721	130	-	13,192
SEGMENT LIABILITIES	4,255	102,287	54,141	68,735	5,463	2,557	(16,472)	220,966
Deferred tax liabilities	71	6,889	6,096	428	2,224	-	288	15,996
TOTAL LIABILITIES	4,326	109,176	60,237	69,163	7,687	2,557	(16,184)	236,962

A8. Segment Information (Cont'd)

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

Financial period to date 31 December 2022	Investment Holding RM'000	Shipping and Marine RM'000	Integrated logistics RM'000	Machineries Trading RM'000	Engineering RM'000	Property RM'000	Elimination RM'000	Total RM'000
REVENUE								
Revenue from external sales	-	345,760	112,460	47,562	28,548	1,980	-	536,310
Inter-segment sales	15,566	9,190	6,040	124	-	2,530	(33,450)	-
	<u>15,566</u>	<u>354,950</u>	<u>118,500</u>	<u>47,686</u>	<u>28,548</u>	<u>4,510</u>	<u>(33,450)</u>	<u>536,310</u>
RESULTS								
(Loss)/Profit before taxation from the normal operations	(2,054)	88,252	18,729	3,561	1,286	115	1,104	110,993
Profit before taxation includes:								
Depreciation	132	27,812	7,904	166	155	133	(252)	36,050
Finance cost	143	2,647	726	57	83	89	(1,894)	1,851
Net impairment of trade receivables	-	29	1,712	(89)	-	-	-	1,652
Share of profit/(loss) in jointly controlled entities and associates	3,461	(10)	17	-	-	-	-	3,468

A8. Segment Information (Cont'd)

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

Financial period to date 31 December 2022	Investment Holding RM'000	Shipping and Marine RM'000	Integrated logistics RM'000	Machineries Trading RM'000	Engineering RM'000	Property RM'000	Elimination RM'000	Total RM'000
SEGMENT ASSETS	38,660	527,791	297,982	63,728	92,418	75,312	(32,495)	1,063,396
Deferred tax assets	-	1,926	890	92	-	13	-	2,921
TOTAL ASSETS	38,660	529,717	298,872	63,820	92,418	75,325	(32,495)	1,066,317
Included in measure of segment assets are:								
Investment in associates	-	13,624	820	-	-	-	-	14,444
Investment in jointly controlled entities	-	-	37	-	-	-	-	37
Additional to property, plant and equipment	50	20,888	3,876	2,470	275	46	-	27,605
SEGMENT LIABILITIES	22,427	123,846	79,990	48,000	12,734	2,575	(41,820)	247,752
Deferred tax liabilities	70	7,114	7,768	221	2,456	29	-	17,658
TOTAL LIABILITIES	22,497	130,960	87,758	48,221	15,190	2,604	(41,820)	265,410

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 December 2023.

A10. Significant Post Balance Sheet Event

There are no material events as at 20 February 2024, 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 ended 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 December 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

	31 December 2023	30 Sept 2023
	RM'000	RM'000
Capital expenditure		
Authorised and contracted for	21,132	26,037
	<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 31 Dec 2023 RM'000	Balance due from/(to) As at 31 Dec 2023 RM'000
Transaction with companies in which Certain Directors of the Company have substantial interests		
Sales of goods and services	424	238
Purchase of goods and services	(1,001)	(602)
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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 / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Revenue	236,590	272,211	(35,621)	(13%)	442,694	536,310	(93,616)	(17%)
Profit Before Interest and Tax	26,072	57,383	31,311	(55%)	52,407	112,844	(60,437)	(54%)
Profit Before Tax	25,305	56,415	(31,110)	(55%)	50,839	110,993	(60,154)	(54%)
Profit After Tax	21,729	52,857	(31,128)	(59%)	43,133	101,571	(58,438)	(58%)

The Group posted revenue of RM442.69 million for the current financial period ended 31 December 2023, which is RM93.62 million or 17% lower than the preceding financial period ended 31 December 2022 of RM536.31 million. While, the profit before tax for the current financial period ended 31 December 2023 is RM50.84 million, which is RM60.15 million or 54% lower than the preceding financial period ended 31 December 2022 of RM110.99 million.

	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Other Income	5,484	3,500	1,984	57%	9,167	8,570	597	7%

The Group posted other income of RM9.17 million for the current financial period ended 31 December 2023, which is RM0.60 million or 7% higher than the preceding financial period ended 31 December 2022 of RM8.57 million. The slight increase in the other income is due to increase in the fair value gain in investment in securities during the current period under review.

	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Administrative Expenses	26,139	12,124	14,015	116%	47,765	43,512	4,253	10%

The Group posted administrative expenses of RM47.76 million for the current financial period ended 31 December 2023, which is RM4.25 million or 10% higher than the preceding financial period ended 31 December 2022 of RM43.51 million. The increase in administrative expenses is mainly due to directors' incentives and bonuses.

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.
- Heavy equipment trading segment comprises of selling of construction engineering machineries, heavy lifting machineries, common equipment, mechanical and electrical equipment products.
- Engineering segment
- Property segment
- Other operations mainly consist of investment, management services and treasury services.

	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Shipping and marine segment								
Revenue	156,017	165,184	(9,167)	(6%)	287,894	345,760	(57,866)	(17%)
Profit Before								
Interest and Tax	19,039	46,981	(27,942)	(59%)	32,235	90,898	(58,663)	(65%)
Profit Before Tax	18,218	45,659	(27,441)	(60%)	30,584	88,252	(57,668)	(65%)
Profit After Tax	16,732	43,824	(27,092)	(62%)	27,913	82,937	(55,024)	(66%)

The shipping and marine segment recorded revenue of RM287.89 million which is RM57.87 million or 17% lower than the preceding financial period ended 31 December 2022 of RM345.76 million.

The profit before tax of RM30.58 million which is RM57.67 million or 65% lower than preceding financial period ended 31 December 2022 of RM88.25 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 logistics segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Revenue	49,300	63,830	(14,530)	(23%)	95,675	112,460	(16,785)	(15%)
Profit Before Interest and Tax	6,411	7,212	(801)	(11%)	15,919	19,525	(3,606)	(18%)
Profit Before Tax	6,167	6,816	(649)	(10%)	15,373	18,728	(3,355)	(18%)
Profit After Tax	5,486	6,488	(1,002)	(15%)	13,188	16,496	(3,308)	(20%)

The integrated logistics segment recorded a decrease in revenue by RM16.79 million to RM95.68 million, a decrease of 15% as compared to the preceding financial period ended 31 December 2022 of RM112.46 million.

The profit before tax has recorded a decrease of RM3.36 million to RM15.37 million as compared to preceding financial period ended 31 December 2022 of RM18.73 million.

The decrease in the revenue and profit before tax is due to most of the projects cargoes have completed.

Machineries trading segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Revenue	23,304	25,599	(2,295)	(9%)	38,835	47,561	(8,726)	(18%)
Profit Before Interest and Tax	4,508	2,543	1,965	77%	6,804	3,627	3,177	88%
Profit Before Tax	4,353	2,506	1,847	74%	6,570	3,561	3,009	84%
Profit After Tax	3,099	1,948	1,151	59%	4,720	2,736	1,984	73%

The heavy equipment trading segment recorded a decrease in revenue by RM8.73 million or 18% to RM38.84 million as compared to the preceding financial period ended 31 December 2022 of RM47.56 million.

The profit before tax has recorded an increase of RM3.01 million to RM6.57 million as compared to preceding financial period ended 31 December 2022 of RM3.56 million.

Although our revenue has decreased, our profit before tax has risen due to higher margin in servicing and spare parts sales.

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)

Engineering segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Revenue	7,329	15,818	(8,489)	(54%)	14,654	28,548	(13,894)	(49%)
(Loss)/Profit Before Tax and Interest	(840)	1,281	(2,121)	(>100%)	(835)	1,369	(2,204)	(>100%)
(Loss)/Profit Before Tax	(840)	1,239	(2,079)	(>100%)	(887)	1,286	(2,173)	(>100%)
(Loss)/Profit After Tax	(841)	937	(1,778)	(>100%)	(939)	971	(1,910)	(>100%)

The engineering segment recorded a decrease in revenue of RM13.89 million or 49% as compared to the preceding financial period ended 31 December 2022 of RM28.55 million. The loss before tax for the current financial period is RM0.89 million as compared to a profit before tax of RM1.29 million in the preceding financial period ended 31 December 2022.

The decrease in revenue is due to the current projects under review are at the tail end of the projects thus result in a marginal loss before tax of RM0.89 million.

Property segment	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Revenue	640	1,780	(1,140)	(64%)	5,637	1,980	3,657	>100%
(Loss) / Profit Before Tax and Interest	(435)	927	(1,362)	(>100%)	3,022	204	2,818	>100%
(Loss) / Profit Before Tax	(436)	882	(1,318)	(>100%)	3,007	115	2,892	>100%
(Loss) / Profit After Tax	(495)	441	(936)	(>100%)	2,195	(239)	2,434	>100%

The property development division recorded revenue of RM5.64 million which is RM3.66 million higher than the preceding financial period ended 31 December 2022. The profit before tax is RM3.01 million which is RM2.89 million higher than the preceding financial period ended 31 December 2022.

The increase of revenue and profit before tax is mainly due to a sale of vacant land for RM3.72 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)

Investment Holding	Current Quarter RM'000		Changes (amount / %)		Cumulative Quarter RM'000		Changes (amount / %)	
	31/12/2023	31/12/2022	RM'000	%	31/12/2023	31/12/2022	RM'000	%
Revenue	-	-	-	-	-	-	-	-
Loss Before Tax and Interest	(991)	(775)	(216)	(28%)	(1,477)	(1,911)	434	23%
Loss Before Tax	(1,010)	(824)	(186)	(23%)	(1,514)	(2,054)	540	26%
Loss After Tax	(1,105)	(851)	(254)	(30%)	(1,651)	(2,178)	527	24%

The investment holdings recorded a loss before tax of RM1.51 million as compare to the preceding financial period ended 31 December 2022 of loss before tax RM2.05 million.

B2. Comparison with Preceding Quarter's Results

	Current quarter	Immediate Preceding Quarter	Changes	
	RM'000	RM'000	(amount / %)	
	31/12/2023	30/09/2023	RM'000	%
Revenue	236,590	206,104	30,486	15%
Profit Before Tax and Interest	26,072	26,336	(264)	(1%)
Profit Before Tax	25,305	25,535	(230)	(1%)
Profit After Tax	21,729	21,405	324	2%

The Group posted revenue of RM236.59 million for the current quarter ended 31 December 2023 which is RM30.49 million or 15% higher than the immediate preceding quarter ended 30 September 2023 of RM206.10 million. The profit before tax for the current quarter ended 31 December 2023 is RM25.31 million, which is RM0.23 million or 1% lower than the immediate preceding quarter ended 30 September 2023 of RM25.54 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

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

Financial period to date	Investment Holding RM'000	Shipping and Marine RM'000	Integrated logistics RM'000	Machineries Trading RM'000	Engineering RM'000	Property development RM'000	Elimination RM'000	Total RM'000
31 December 2023								
REVENUE								
Revenue from external sales	-	156,017	49,300	23,304	7,329	640	-	236,590
Inter-segment sales	743	4,995	4,348	653	-	115	(10,854)	-
	743	161,013	53,648	23,957	7,329	755	(10,854)	236,590
RESULTS								
(Loss)/Profit before taxation from the normal operations	(1,010)	18,218	6,167	4,353	(840)	(436)	(1,147)	25,305
30 September 2023								
REVENUE								
Revenue from external sales	-	128,197	46,374	19,211	7,325	4,997	-	206,104
Inter-segment sales	743	5,651	3,618	31	-	81	(10,124)	-
	743	133,848	49,992	19,242	7,325	5,078	(10,124)	206,104
RESULTS								
(Loss)/Profit before taxation from the normal operations	(504)	12,367	9,206	2,217	(47)	3,443	(1,147)	25,535

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)

<u>Shipping and marine segment</u>	Current quarter	Immediate	Changes	
	RM'000	Preceding Quarter RM'000	(amount / %)	
	<u>31/12/2023</u>	<u>30/09/2023</u>	<u>RM'000</u>	<u>%</u>
Revenue	156,017	128,197	27,820	22%
Profit Before Tax and Interest	19,039	13,196	5,843	44%
Profit Before Tax	18,218	12,367	5,851	47%
Profit After Tax	16,732	11,181	5,551	50%

The shipping and marine segment posted an increase in revenue of RM27.82 million or 22% in the current quarter ended 31 December 2023 of RM156.02 million as compared to RM128.20 million in the immediate preceding quarter ended 30 September 2023. The increase revenue in the current quarter under review is due to increase in lifting volume due to festive season.

The profit before tax for the current quarter ended on 31 December 2023 increased by RM5.85 million or 47% compared to the immediate preceding quarter ended on 30 September 2023, which had a profit before tax of RM12.37 million. The reason for the increase in the profit before tax is as 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 RM'000	Immediate Preceding Quarter RM'000	Changes (amount / %)	
	31/12/2023	30/09/2023	RM'000	%
<u>Integrated logistics segment</u>				
Revenue	49,300	46,374	2,926	6%
Profit Before Interest and Tax	6,411	9,509	(3,098)	(33%)
Profit Before Tax	6,167	9,206	(3,039)	(33%)
Profit After Tax	5,486	7,702	(2,216)	(29%)

The integrated logistics segment posted an increased in revenue of RM2.93 million or 6% in the current quarter ended 31 December 2023 of RM49.30 million as compared to RM46.37 million in the immediate preceding quarter ended 30 September 2023. The increase in revenue was attributed to the increase of cargoes handling due to festive season.

The profit before tax for the current quarter ended 31 December 2023 is RM6.17 million, which is RM3.04 million or 33% lower than the immediate preceding quarter ended 30 September 2023 of RM9.21 million. The decrease in profit before tax is due to increase of administrative expenses for staff bonus of RM1.80 million, impairment of trade receivables of RM0.67 million and realized forex exchange loss of RM0.15 million.

	Current quarter RM'000	Immediate Preceding Quarter RM'000	Changes (amount / %)	
	31/12/2023	30/09/2023	RM'000	%
<u>Machineries trading segment</u>				
Revenue	23,304	19,211	4,093	21%
Profit Before Interest and Tax	4,508	2,296	2,212	96%
Profit Before Tax	4,353	2,217	2,136	96%
Profit After Tax	3,099	1,621	1,478	91%

The machineries trading segment posted an increase in revenue of RM4.09 million or 21% in the current quarter ended 31 December 2023 of RM23.30 million as compared to RM19.21 million in the immediate preceding quarter ended 30 September 2023.

The profit before tax for the current quarter ended 31 December 2023 is RM4.35 million, which is RM2.14 million or 96% higher than the immediate preceding quarter ended 30 September 2023 of RM2.22 million. The increase in profit before tax due to more sales and delivery of machineries which fetched higher margin in after-sale-service work and spare parts sales.

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>Engineering segment</u>	<u>31/12/2023</u>	<u>30/09/2023</u>	<u>RM'000</u>	<u>%</u>
Revenue	7,329	7,325	4	0%
(Loss) / Profit Before Interest and Tax	(840)	5	(845)	>100%
(Loss) Before Tax	(840)	(47)	(887)	>100%
(Loss) After Tax	(841)	(97)	(938)	>100%

The engineering segment posted a slight increase in revenue in the current quarter ended 31 December 2023 of RM7.33 million as compared to RM7.32 million in the immediate preceding quarter ended 30 September 2023 due to the current projects in hand are just started.

The loss before tax for the current quarter ended 31 December 2023 is RM0.84 million as compared profit before tax of RM0.05 million in the immediate preceding quarter ended 30 September 2023. The decrease in profit before tax is explained above.

	Current quarter RM'000	Immediate Preceding Quarter RM'000	Changes (amount / %)	
<u>Property segment</u>	<u>31/12/2023</u>	<u>30/09/2023</u>	<u>RM'000</u>	<u>%</u>
Revenue	640	4,997	(4,357)	87%
(Loss) / Profit Before Interest and Tax	(435)	3,457	(3,892)	>100%
(Loss) / Profit Before Tax	(436)	3,443	(3,879)	>100%
(Loss) / Profit After Tax	(495)	2,690	(3,185)	>100%

The property segment posted a decrease in revenue of RM4.36 million in the current quarter ended 31 December 2023 to RM0.64 million as compared to RM5 million in the immediate preceding quarter ended 30 September 2023.

The loss before tax for the current quarter ended 31 December 2023 of RM0.44 million, which is RM3.88 million lower than the immediate preceding quarter ended 30 September 2023. This decrease in the revenue is due to the no sales of property in the current quarter under review.

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>31/12/2023</u>	<u>30/09/2023</u>	<u>RM'000</u>	<u>%</u>
<u>Investment holding segment</u>				
Revenue	-	-	-	-
(Loss) Before Interest and Tax	(991)	(486)	505	>100%
(Loss) Before Tax	(1,010)	(504)	506	>100%
(Loss) After Tax	(1,105)	(546)	559	>100%

The investment holdings recorded a loss before tax of RM1.01 million, an increase in loss before tax compared to immediate preceding quarter ended 30 September 2023. The increase in the loss before tax is due to increase in the administrative cost from the staff bonuses.

B3. Prospects

Shipping and Marine Services Division

Harbour-Link Intra-Asia/East Malaysia Container Shipping Trade had suffered lower freight rates since November 2023. However, we anticipate an increase in booking volume after Chinese New Year.

Domestic trade are stable and lesser freight corrections. Shipping agency business are active and consistent.

In general, we expect the coming quarter's performance to be favorable.

Integrated Logistics Division

All activities in logistics service division are consistent and results shall remain favorable in the coming quarters. We shall increase our vehicle fleets to cater for more cargo's delivery. Due to more activities in oil and gas sectors, business in our forwarding and heavylift departments and equipment utilization will improve.

Machinery Trading Division

Machinery sales and services shall expect more active in the coming quarters particularly in the supplies of port and construction machineries. We shall expect to deliver a favorable result in the coming quarters.

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)

Engineering and Construction Division

Works under existing contracts are mostly newly secured contracts. We shall expect to deliver a favorable result in the coming quarters.

On the whole, Harbour-Link Group 's performance will remain stable and favorable.

We exercise cautious measures in our decisions to ensure our business continuity in this uncertain economic and geopolitical environment. We are committed to our sustainability goals.

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 year Quarter	Preceding year Corresponding Quarter	Current Financial Period	Preceding Financial Period
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</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	1,539	836	2,960	1,352
Depreciation of plant and equipment	11,205	18,462	21,981	36,050
Finance cost	767	968	1,568	1,851
(Reversal)/ Allowance for impairment, net allowance of trade receivables	(154)	1,432	(31)	1,652
Share of profit in associates	376	3,916	545	3,451
Share of profit / (loss) in jointly controlled entities	-	16	(1)	17

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>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax expense	4,013	2,938	8,543	9,071
Tax over provision in prior year	(183)	-	(7)	-
Deferred tax expense:				
Origination and reversal of temporary difference	(254)	620	(830)	351
	<u>3,576</u>	<u>3,558</u>	<u>7,706</u>	<u>9,422</u>

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 20 February 2024, 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 31 December 2023 and 31 December 2022 are as follows:

	As at 31 December 2023		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	4,559	6,155	10,714
Bank Overdraft	57	-	57
Lease Liabilities	13,036	20,454	33,490
	<u>17,652</u>	<u>26,609</u>	<u>44,261</u>
Unsecured			
Bankers' Acceptance	-	-	-
Revolving Credit	1,400	-	1,400
	<u>1,400</u>	<u>-</u>	<u>1,400</u>
	<u>19,052</u>	<u>26,609</u>	<u>45,661</u>

	As at 31 December 2022		
	Short Term RM'000	Long Term RM'000	Total RM'000
Secured			
Term loan	3,185	9,769	12,954
Bank Overdraft	1,692	-	1,692
Lease Liabilities	17,950	18,233	36,183
	<u>22,827</u>	<u>28,002</u>	<u>50,829</u>
Unsecured			
Bankers' Acceptance	-	-	-
Revolving Credit	12,672	-	12,672
	<u>12,672</u>	<u>-</u>	<u>12,672</u>
	<u>35,499</u>	<u>28,002</u>	<u>63,501</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 31 December 2023 are as follows:

	Liabilities at Nominal Value (RM'000)	Liabilities at Fair Value (RM'000)
Forward exchange contracts		
- Less than 1 year	29,480	27,422

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 2023.

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 February 2024, 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 20 February 2024 being the date not earlier than 7 days from the date of this announcement.

B12. Dividend declared

A first interim dividend of 3.0 sen per ordinary share for the financial year ending 30 June 2024 amounting to RM11,957,301 (2023 : RM23,914,602) was proposed during the quarter under review and will be payable on 1 April 2024 to members registered on 15 March 2024.

B13. Earnings per Share

Basic earnings per share

The basic earnings per share for the current quarter and financial period ended 31 December 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 period of RM17,365,000 and RM33,492,000 respectively by the weighted average number of ordinary shares in issue (net of treasury shares) during the current quarter and financial period ended 31 December 2023 of 398,576,000.

	Individual Quarter		Cumulative Quarter	
	Current period Quarter	Preceding Period Corresponding Quarter	Current Financial Period	Preceding Financial Period
	<u>31/12/2023</u>	31/12/2022	<u>31/12/2023</u>	31/12/2022
Earnings Per Share				
Profit net of tax attributable to Owners of the parent (in RM'000)	17,365	46,510	33,492	85,665
Weighted average number of ordinary shares in issue ('000)	398,576	398,576	398,576	398,576
Basic earnings per share (sen)	4.36	11.65	8.40	21.47
Diluted earnings per share (sen)	4.36	11.65	8.40	21.47

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

<u>Company</u>	31 Dec 2023 RM'000	30 Sept 2023 RM'000
Corporate guarantees to financial institutions for credit facilities granted to:		
- non wholly-owned subsidiary companies	9,046	9,640
Loan or advances - non wholly-owned subsidiary companies	1,400	1,400
	-----	-----
	10,446	11,040
	=====	=====

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 December 2023.

This announcement is dated 27 February 2024.