

THRIVEN GLOBAL BERHAD (formerly known as MULPHA LAND BERHAD)

(Incorporated in Malaysia - 182350-H)

Quarterly report on consolidated results for the second financial quarter ended 30 June 2015

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	NOTE	Current Quarter Ended 30.06.15 RM'000	Comparative Quarter Ended 30.06.14 RM'000	6 Months Cumulative To 30.06.15 RM'000	6 Months Cumulative To 30.06.14 RM'000
Revenue		7,425	5,608	8,790	10,913
Operating expenses		(7,719)	(6,358)	(12,298)	(12,367)
Other operating income		286	301	784	532
Loss from operations		(8)	(449)	(2,724)	(922)
Finance cost		(963)	(1,610)	(2,023)	(3,357)
Loss before taxation		(971)	(2,059)	(4,747)	(4,279)
Income tax expense	20	(213)	(2)	(438)	(152)
Loss for the period		(1,184)	(2,061)	(5,185)	(4,431)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		(1,184)	(2,061)	(5,185)	(4,431)
Loss for the period attributable to:					
Owners of the Company		(616)	(1,796)	(3,706)	(4,056)
Non-controlling interests		(568)	(265)	(1,479)	(375)
		(1,184)	(2,061)	(5,185)	(4,431)
Total comprehensive loss for the period attributable to:					
Owners of the Company		(616)	(1,796)	(3,706)	(4,056)
Non-controlling interests		(568)	(265)	(1,479)	(375)
		(1,184)	(2,061)	(5,185)	(4,431)
Loss per ordinary share (sen) :-					
Basic / Diluted	25	(0.25)	(0.79)	(1.48)	(1.78)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

THRIVEN GLOBAL BERHAD (formerly known as MULPHA LAND BERHAD)

(Incorporated in Malaysia - 182350-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited) As At 30.06.2015 RM '000	(Audited) As At 31.12.2014 RM '000
Assets			
<i>Non-Current Assets</i>			
Property, plant and equipment	10	2,781	1,189
Investment properties		2,959	2,861
Inventories		49,204	49,213
Goodwill		1,891	1,891
		<u>56,835</u>	<u>55,154</u>
<i>Current Assets</i>			
Inventories		249,962	243,343
Trade and other receivables		5,426	5,939
Income tax recoverable		396	415
Cash and bank balances		41,343	19,927
		<u>297,127</u>	<u>269,624</u>
Total Assets		<u>353,962</u>	<u>324,778</u>
Equity and Liabilities			
<i>Equity attributable to owners of the Company</i>			
Share capital		25,113	22,830
Share premium		19,740	2,481
Capital reserve		85,544	85,544
Retained earnings		26,183	29,889
		<u>156,580</u>	<u>140,744</u>
Non-controlling interests		(1,421)	58
Total Equity		<u>155,159</u>	<u>140,802</u>
<i>Non - Current Liabilities</i>			
Bank borrowings	22	119,870	93,780
Deferred tax liabilities		4,811	4,811
		<u>124,681</u>	<u>98,591</u>
<i>Current Liabilities</i>			
Bank borrowings	22	15,339	28,572
Trade and other payables		36,616	45,799
Other current liabilities		21,738	10,536
Income tax payable		429	478
		<u>74,122</u>	<u>85,385</u>
Total Liabilities		<u>198,803</u>	<u>183,976</u>
Total Equity and Liabilities		<u>353,962</u>	<u>324,778</u>
Net assets per share attributable to owners of the Company (RM)		<u>0.62</u>	<u>0.62</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company ----->						
	<----- Non-distributable ----->			<--- Distributable --->			
	Share capital	Share premium	Capital reserves	Retained earnings	Total	Non-controlling interests	Total equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
At 1 January 2015	22,830	2,481	85,544	29,889	140,744	58	140,802
Total comprehensive income for the period	-	-	-	(3,706)	(3,706)	(1,479)	(5,185)
Increase in share capital	2,283	17,259	-	-	19,542	-	19,542
At 30 June 2015	<u>25,113</u>	<u>19,740</u>	<u>85,544</u>	<u>26,183</u>	<u>156,580</u>	<u>(1,421)</u>	<u>155,159</u>
At 1 January 2014	22,830	2,481	83,203	20,268	128,782	10,810	139,592
Total comprehensive loss for the period	-	-	-	(4,056)	(4,056)	(375)	(4,431)
At 30 June 2014	<u>22,830</u>	<u>2,481</u>	<u>83,203</u>	<u>16,212</u>	<u>124,726</u>	<u>10,435</u>	<u>135,161</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

THRIVEN GLOBAL BERHAD (formerly known as MULPHA LAND BERHAD)

(Incorporated in Malaysia - 182350-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<-----6 Months Ended----->	
	30.06.2015	30.06.2014
	RM '000	RM '000
Profit before tax	(4,747)	(4,279)
Adjustments for :-		
<i>Depreciation of property, plant and equipment</i>	80	17
<i>Depreciation of investment properties</i>	7	11
<i>Loss on disposal of property, plant & equipment</i>	4	-
<i>Gain on disposal of investment properties</i>	-	(93)
<i>Interest expense</i>	2,023	1,863
<i>Interest income</i>	(542)	(255)
<i>Unwinding of discount on payables</i>	-	1,494
Operating cash flows before changes in working capital	(3,175)	(1,242)
Changes in working capital:		
<i>Inventories</i>	(6,586)	1,055
<i>Receivables</i>	515	5,731
<i>Payables</i>	1,805	(4,284)
Cash generated from/(used in) operating activities	(7,441)	1,260
Interest paid	(2,023)	(1,863)
Tax paid	(379)	(2,397)
Tax refund	124	-
Net cash generated from/(used in) operating activities	(9,719)	(3,000)
Cash Flows from Investing Activities		
Proceed from share issued	19,542	-
Proceed from disposal of investment properties	15	400
Purchase of property, plant and equipment	(1,716)	(26)
Purchase of investment properties	(105)	-
Interest received	542	255
Net cash (used in)/generated from investing activities	18,278	629
Cash Flows from Financing Activities		
Net (repayment of)/drawdown of borrowings	5,591	(5,071)
Withdrawal/(placement) of pledged deposits	(293)	676
Net cash (used in)/generated from financing activities	5,298	(4,395)
Net (decrease)/increase in Cash & Cash Equivalents	13,857	(6,766)
Cash & Cash Equivalents at beginning of period	16,937	20,723
Cash & Cash Equivalents at end of financial period Note A	30,794	13,957
Note A :		
Included in cash and cash equivalents as at 31 March are the following:		
- Cash and deposits with licensed banks	41,343	14,487
- Bank overdrafts	(9,719)	-
- Deposits pledged	(830)	(530)
	30,794	13,957

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting

1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134, "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2014 except for the adoption of the following:-

Amendments to MFRS 10	Consolidation Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statements (2011): Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets - Recoverable Amount Disclosure for Non-Financial Assets
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting

The adoption of the above is not expected to have any material impact on the financial statements of the Group.

3. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the preceding year annual financial statements was not qualified.

4. SEASONAL OR CYCLICAL FACTORS

The business of the Group is generally not subject to seasonal changes.

5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter ended 30 June 2015.

6. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the results for the current financial quarter ended 30 June 2015.

7. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt and equity securities during the financial quarter ended 30 June 2015.

8. PAYMENT OF DIVIDEND

No dividend was paid during the current financial quarter ended 30 June 2015.

9. SEGMENTAL REPORTING

	6 Months Ended 30.06.2015 RM'000	6 Months Ended 30.06.2014 RM'000
Segment Revenue		
Property	7,629	10,111
Investment holding and others	1,161	802
Group Revenue	8,790	10,913
Segment Results		
Property	(3,084)	(1,162)
Investment holding and others	360	240
Loss from operations	(2,724)	(922)

Segmental information relating to geographical areas of operations is not presented as the Group operates only in Malaysia.

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The carrying amount of property, plant and equipment is at cost less accumulated depreciation and impairment losses.

11. SUBSEQUENT EVENTS

On 10 July 2015, the Company acquired 510,000 ordinary shares of RM1.00 each, representing 51% of the total issue and paid up share capital of Demi Wangsa Development Sdn Bhd, for a total purchase consideration of RM6,310,000.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial quarter ended 30 June 2015.

13. CONTINGENT LIABILITIES / CAPITAL COMMITMENTS

There were no material contingent liabilities and capital commitments as at the date of this report.

14. RELATED PARTY TRANSACTIONS

	2nd Quarter Ended		6 Months Ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Subsidiaries of related company, Mulpha International Bhd.				
-Management fee expense	155	(48)	462	753
-Secretarial service fee expenses	3	-	11	-
-Rental expense	88	84	196	144
-Unwinding of discount on payables	-	747	-	1,494
-Interest expense	-	-	122	101
<hr/>				
Other related parties				
A company which a person connected with a director of the holding company has interest				
-Interest expense	-	97	50	193
<hr/>				
Non-controlling interests of subsidiaries				
- Interest expense	513	312	958	557
- Project management fee expense	30	-	60	-
<hr/>				

Explanatory Notes Pursuant to paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad

15. REVIEW OF PERFORMANCE

The Group recorded a revenue of RM8.79 million for the 6 months ended 30 June 2015 which was lower than the previous corresponding period of RM10.91 million. The decrease in revenue was mainly due to lower revenue for Bukit Punchor Development Sdn Bhd, which also resulted in a higher pre-tax loss of RM4.75 million as compared to RM4.28 million for the 6 months ended 30 June 2014.

16. COMPARISONS WITH PRECEDING QUARTER'S RESULTS

The Group recorded a revenue of RM7.43 million and a pre-tax loss of RM0.97 million for the 2nd quarter of 2015 ("2Q 2015") as compared to revenues and pre-tax losses of RM1.37 million and RM3.78 million respectively in the 1st quarter of 2015 ("1Q 2015"). The increased revenue in 2Q 2015 was mainly due to higher sales from Golden Cignet Sdn Bhd, arising from the sale of land to PR1MA Corporation (as part of the PR1MA Homes project) in Desa Aman, which reduced the pre-tax loss to RM0.97 million as compared to RM3.78 million for 1Q 2015.

17. PROSPECTS

Despite the continued softening of the local property market outlook and sentiment amid credit tightening measures by financial institutions and a volatile economic environment, the Group remains cautiously optimistic as the development projects undertaken by the Group are at strategic and prime locations such as Tropicana (Lumi Tropicana), Kepong and Section 13 (Lumi Section 13) in the Klang Valley. Lumi Tropicana and our Kepong affordable housing project are expected to be launched in the last quarter of 2015, while Lumi Section 13's expected launch date is targetted for the second half of 2016, with a total gross development value approximately RM1.1 billion. The projects are expected to contribute positively to the Group's financial performance.

The Group continues to be supported by the profitable performance of its projects in the Northern Region. Going forward, the Group intends to focus on its existing projects and to successfully launch and sell the developments that are already in hand.

18. VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE

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

19. PROFIT BEFORE TAXATION

This is arrived at after charging/(crediting) the following:-

	2nd Quarter Ended		6 Months Ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	53	10	80	17
Depreciation of investment properties	-	4	7	11
Interest expense	1,085	863	2,023	1,863
Unwinding of discount on payables	-	747	-	1,494
Loss/(gain) on disposal of property, plant and equipment	4	-	4	-
Gain on disposal of investment properties	-	(93)	-	(93)
Interest income	(222)	(124)	(542)	(255)

20. INCOME TAX EXPENSE

	2nd Quarter Ended		6 Months Ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Malaysian tax expense				
Income tax				
- current year	213	(10)	438	(800)
- prior year	-	101	-	101
Deferred tax				
- current year	-	(210)	-	430
- prior year	-	117	-	117
	213	(2)	438	(152)

The effective tax rate of the Group for the six months ended 30 June 2015 under review is higher than the statutory rate of 25% mainly due to certain expenses being not deductible.

21. STATUS OF CORPORATE PROPOSALS

(a) Proposed Private Placement

On 13 May 2015, the Company announced that it is proposing to undertake a private placement of up to 10% of the issued and paid-up share capital of the Company ("Private Placement").

On 1 June 2015, the Company announced that Bursa Malaysia Securities Berhad had vide its letter dated 29 May 2015, resolved to approve the listing of and quotation for up to 22,830,250 new ordinary shares of RM0.10 each in the Company to be issued pursuant to the Proposed Private Placement. On the same date, the Company resolved to fix the issue price for 18,180,000 Placement Shares representing approximately 7.96% of the existing issued and paid-up share capital of the Company, at RM0.86 per Placement Share, the listing of which was completed on 9 June 2015.

Subsequently on 18 June 2015, the Company resolved to fix the issue price for remaining tranche of 4,650,250 Placement Shares pursuant to the Private Placement, at RM0.88 per Placement Share, the listing of which was completed on 25 June 2015. In total, the Company raised gross proceeds of RM19,727,020 from the Private Placement exercise

Utilisation of Proceeds from Private Placement

	Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance to be utilised (%)	Reason for Deviation
(i)	Finance TGB's share of remaining shareholders' advances to Mayfair Ventures Sdn Bhd	7,182	-	100%	(1)
(ii)	Repayment of Borrowings	7,462	3,385	54.64%	(1)
(iii)	Working Capital	3,527	650	81.57%	(1), (2)
(iv)	Estimated expenses in relation to the Private Placement	550	160	70.91%	(2)
	Total	18,721	4,195	77.59%	(3)

Notes:

- (1) The approval timeframe for utilisation is within twelve (12) months from the date of completion of the Private Placement which is by 25 June 2015.
- (2) The actual amount utilised to defray expenses was lower than the estimated expenses due mainly to the lower placement fee that was eventually charged. An advisory fee of RM25,000 remains unbilled. The difference of approximately RM365,000 shall be adjusted accordingly to the amount allocated for working capital.
- (3) The difference of approximately RM1,006,000 between the actual gross proceeds received and the indicative gross proceeds illustrated in the announcement dated 13 May 2015 was due to the higher weighted average price per TGB share actually issued of RM0.8641 per TGB share as compared to the indicative illustrative price of RM0.82 per TGB share.

21. STATUS OF CORPORATE PROPOSALS (Cont'd.)

(b) Proposed Bonus Issue of TGB Shares with Free Warrants

On 26 June 2015, the Company proposed to undertake the following:

i) Bonus issue of 125,566,375 TGB Shares on the basis of one (1) Bonus Share for every two (2) existing TGB Shares held

ii) Bonus issue of 188,349,562 free Warrants on the basis of one (1) free Warrant for every two (2) existing TGB Shares held, after the completion of the Proposed Bonus Issue of Shares

collectively referred to as the "Proposals"

The Company announced on 14 August 2015 that vide its letter of even date, Bursa Malaysia Securities Berhad has resolved to approve the Proposals.

The general meeting for the shareholders to approve the Proposals and relevant entitlement dates are to be determined later.

22. BANK BORROWINGS

The details of the Group's bank borrowings as at 30 June 2015 are as follows:-

	RM'000
Short Term - Secured	15,339
Long Term - Secured	119,870
	<u>135,209</u>

23. CHANGES IN MATERIAL LITIGATION

Neither the Company nor any of its subsidiaries is engaged in any material litigation or arbitration, either as plaintiff or defendant as at date of this report, which would have a material effect on the financial position of the Group.

24. DIVIDENDS

The Directors do not recommend any dividend for the financial quarter ended 30 June 2015.

25. LOSS PER ORDINARY SHARE

The calculation of basic loss per ordinary share was based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:-

	6 Months Ended	
	30.06.2015	30.06.2014
	RM'000	RM'000
Loss for the year	(5,185)	(4,431)
Non-controlling interest	1,479	375
Loss attributable to equity holders of the Company	<u>(3,706)</u>	<u>(4,056)</u>
Weighted average number of ordinary shares in issue ('000)	<u>229,413</u>	<u>228,303</u>
Basic loss per ordinary share (sen)	<u>(1.62)</u>	<u>(1.78)</u>

There are no potential dilution effects on ordinary shares of the Company for the comparative financial period under review. Accordingly, the diluted loss per ordinary share for the period is equal to the basic loss per ordinary share.

26. DISCLOSURE OF REALISED AND UNREALISED EARNINGS

The retained earnings is analysed as follow:-

	As at	As at
	30.06.2015	30.06.2014
	RM'000	RM'000
Total retained earnings of Thriven Global Berhad (formerly known as Mulpha Land Berhad) and its subsidiaries:		
- Realised	53,826	67,546
- Unrealised	1,244	2,020
	<u>55,070</u>	<u>69,566</u>
Consolidated adjustments	<u>(28,887)</u>	<u>(53,354)</u>
	<u>26,183</u>	<u>16,212</u>