

THRIVEN GLOBAL BERHAD (formerly known as MULPHA LAND BERHAD)

(Incorporated in Malaysia - 182350-H)

Quarterly report on consolidated results for the third financial quarter ended 30 September 2015

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	NOTE	Current Quarter Ended 30.09.15 RM'000	Comparative Quarter Ended 30.09.14 RM'000	9 Months Cumulative To 30.09.15 RM'000	9 Months Cumulative To 30.09.14 RM'000
Revenue		18,196	7,932	26,986	18,845
Operating expenses		(12,337)	(6,236)	(24,635)	(18,603)
Other operating income		374	15,278	1,158	15,810
Profit from operations		6,233	16,974	3,509	16,052
Finance cost		(923)	(1,477)	(2,946)	(4,834)
Profit before taxation		5,310	15,497	563	11,218
Income tax expense	20	(835)	(550)	(1,273)	(702)
Profit/(Loss) for the period		4,475	14,947	(710)	10,516
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		4,475	14,947	(710)	10,516
Profit/(Loss) for the period attributable to:					
Owners of the Company		5,302	14,625	1,596	10,569
Non-controlling interests		(827)	322	(2,306)	(53)
		4,475	14,947	(710)	10,516
Total comprehensive income/(loss) for the period attributable to:					
Owners of the Company		5,302	14,625	1,596	10,569
Non-controlling interests		(827)	322	(2,306)	(53)
		4,475	14,947	(710)	10,516
Earning per ordinary share (sen) :-					
Basic / Diluted	25	2.11	6.41	0.68	4.63

(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 30.09.2015 RM '000	(Audited) As At 31.12.2014 RM '000
Assets			
<i>Non-Current Assets</i>			
Property, plant and equipment	10	4,934	1,189
Investment properties		3,352	2,861
Inventories		49,052	49,213
Goodwill		7,205	1,891
		<u>64,543</u>	<u>55,154</u>
<i>Current Assets</i>			
Inventories		287,194	243,343
Trade and other receivables		29,055	5,939
Income tax recoverable		387	415
Cash and bank balances		26,156	19,927
		<u>342,792</u>	<u>269,624</u>
Total Assets		<u>407,335</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		31,485	29,889
		<u>161,882</u>	<u>140,744</u>
Non-controlling interests		(2,248)	58
Total Equity		<u>159,634</u>	<u>140,802</u>
<i>Non - Current Liabilities</i>			
Bank borrowings	22	119,100	93,780
Deferred tax liabilities		4,811	4,811
		<u>123,911</u>	<u>98,591</u>
<i>Current Liabilities</i>			
Bank borrowings	22	37,095	28,572
Trade and other payables		52,393	45,799
Other current liabilities		33,791	10,536
Income tax payable		512	478
		<u>123,791</u>	<u>85,385</u>
Total Liabilities		<u>247,702</u>	<u>183,976</u>
Total Equity and Liabilities		<u>407,336</u>	<u>324,778</u>
Net assets per share attributable to owners of the Company (RM)		<u>0.64</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	Total equity
	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	140,802
Total comprehensive income for the period	-	-	-	1,596	1,596	(710)
Increase in share capital	2,283	17,259	-	-	19,542	19,542
At 30 September 2015	25,113	19,740	85,544	31,485	161,882	159,634
At 1 January 2014	22,830	2,481	83,203	20,268	128,782	139,592
Total comprehensive income for the period	-	-	-	10,569	10,569	10,516
Change in ownership interest in a subsidiaries	-	-	2,341	-	2,341	(300)
Dividend to non-controlling interest of a subsidiary	-	-	-	-	-	(3,745)
At 30 September 2014	22,830	2,481	85,544	30,837	141,692	146,063

(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.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<-----9 Months Ended----->	
	30.09.2015	30.09.2014
	RM '000	RM '000
Cash Flows from Operating Activities		
Profit before tax	563	11,218
Adjustments for :-		
Depreciation of property, plant and equipment	156	37
Depreciation of investment properties	7	17
Loss on disposal of property, plant & equipment	4	-
Gain on disposal of investment properties	-	(15,032)
Provision of impairment loss on trade receivables	-	13
Interest expense	2,946	2,592
Unwinding of discount on payables	-	2,242
Interest income	(847)	(482)
Operating cash flows before changes in working capital	2,829	605
Changes in working capital:		
Inventories	(43,690)	4,691
Receivables	(23,116)	(5,892)
Payables	29,849	810
Cash (used in)/generated from operating activities	(34,128)	214
Interest paid	(2,946)	(2,592)
Tax paid	(1,043)	(3,863)
Tax refund	124	-
Net cash used in operating activities	(37,993)	(6,241)
Cash Flows from Investing Activities		
Proceeds from issuance of shares	19,542	-
Proceeds from disposal of property, plant and equipment	15	-
Proceeds from disposal of investment properties	-	33,118
Purchase of property, plant and equipment	(3,919)	(802)
Purchase of investment properties	(498)	-
Acquisition of a subsidiary	(6,310)	-
Interest received	847	482
Net cash generated from investing activities	9,677	32,798
Cash Flows from Financing Activities		
Acquisition of non-controlling interests	-	(300)
Dividend paid to owners of the Company	-	-
Dividend paid to non-controlling interest of a subsidiary	-	(3,745)
Net drawdown/(repayment) of borrowings	14,523	(32,425)
(Placement)/withdrawal of pledged deposits	(299)	674
Net cash generated from/(used in) financing activities	14,224	(35,796)
Net decrease in Cash & Cash Equivalents	(14,092)	(9,239)
Cash & Cash Equivalents at beginning of period	16,937	20,723
Cash & Cash Equivalents at end of financial period Note A	2,845	11,484
Note A :		
Included in cash and cash equivalents as at 30 September are the following:		
- Cash and deposits with licensed banks	26,156	12,680
- Bank overdrafts	(22,475)	(664)
- Deposits pledged	(836)	(532)
	2,845	11,484

(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.)

FINANCIAL QUARTER ENDED 30 SEPTEMBER 2015

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 September 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 September 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 September 2015.

8. PAYMENT OF DIVIDEND

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

9. SEGMENTAL REPORTING

	9 Months Ended 30.09.2015 RM'000	9 Months Ended 30.09.2014 RM'000
Segment Revenue		
Property	25,326	17,841
Investment holding and others	1,660	1,004
Group Revenue	26,986	18,845
Segment Results		
Property	3,180	649
Investment holding and others	329	15,403
Profit from operations	3,509	16,052

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. MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to the financial quarter ended 30 September 2015.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial quarter ended 30 September 2015, except for the acquisition of 510,000 ordinary shares of RM1.00 each, representing 51% of the total issued and paid up capital of Demi Wangsa Development Sdn Bhd ("DWDSB"), for a total purchase consideration of RM6,310,000 on 10 July 2015. DWDSB is now a subsidiary of the Company.

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

	3rd Quarter Ended		9 Months Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Director of the Company				
-Acquisition of motor vehicle for Company use	107	-	107	-
Subsidiaries of related company, Mulpha International Bhd.				
-Management fee expense	-	339	462	1,092
-Secretarial service fee expenses	-	-	11	-
-Rental expense	42	87	238	231
-Unwinding of discount on payables	-	748	-	2,242
-Interest expense	-	-	122	101
Other related parties				
A company which a person connected with a director of the holding company has interest				
-Interest expense	-	98	50	291
Non-controlling interests of subsidiaries				
- Interest expense	504	-	1,462	557
- Project management fee expense	30	-	90	-

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 RM26.97 million for the 9 months ended 30 September 2015 which was higher than the previous corresponding period's revenue of RM18.85 million. The increase was mainly due to higher revenues for Bukit Punchor Development Sdn Bhd and Golden Cignet Sdn Bhd. The Group achieved a pre-tax profit of RM0.56 million for the 9 months ended 30 September 2015 which is lower than the corresponding period's pre-tax profit of RM11.22 million. This is mainly due to the recognition of other operating income of RM15.81 million for the 9 months ended 30 September 2014. The bulk of this income is the gain on disposal of Raintree Residence amounting to RM14.94 million in the previous corresponding period.

16. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded a higher revenue of RM18.20 million in the current quarter as compared to the preceding quarter's revenue of RM7.43 million. Group pre-tax profit amounted to RM5.31 million, reversing the preceding quarter's pre-tax loss of RM0.97 million. The substantial improvement in the revenue and pre-tax profits were mainly contributed by Bukit Punchor Development Sdn Bhd and Golden Cignet Sdn Bhd.

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 projects are expected to be launched in the last quarter of 2015 and first quarter of 2016 respectively, while Lumi Section 13's expected launch date is targetted for the second half of 2016, with a total gross development value of approximately RM1.1 billion. These 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. Interest in our Lumi Tropicana & Kepong affordable projects is strong and going forward, the Group shall continue to focus on successfully selling 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:-

	3rd Quarter Ended		9 Months Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	76	20	156	37
Depreciation of investment properties	-	6	7	17
Interest expense	923	1,477	2,946	4,834
Unwinding of discount on payables	-	748	-	2,242
Loss on disposal of property, plant and equipment	-	-	4	-
Provision for impairment loss on trade receivables	-	34	-	34
Reversal of impairment loss on trade receivables	-	(21)	-	(21)
Gain on disposal of investment properties	-	(14,939)	-	(15,032)
Interest income	(305)	(227)	(847)	(482)

20. INCOME TAX EXPENSE

	3rd Quarter Ended		9 Months Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Malaysian tax expense				
Income tax				
- current year	662	1,555	1,100	2,355
- prior year	173	(134)	173	(235)
Deferred tax				
- current year	-	(627)	-	(1,057)
- prior year	-	(244)	-	(361)
	835	550	1,273	702

The effective tax rate of the Group for nine months ended 30 September 2015 under review is higher than the statutory rate of 25% mainly due to the Company's subsidiaries' current year losses for which no deferred tax asset was recognised.

21. STATUS OF CORPORATE PROPOSALS

(a) Proposed Private Placement

On 13 May 2015, the Company ("TGB") 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, which was listed on 25 June 2015, marking the completion of the Private Placement. 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	7,182	0%	(1)
(ii)	Repayment of Borrowings	7,462	7,462	0%	(1)
(iii)	Working Capital	3,527	2,661	24.55%	(1), (2)
(iv)	Estimated expenses in relation to the Private Placement	550	185	66.36%	(2)
	Total	18,721	17,490	6.58%	(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 2016.
- (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. 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 ("Proposals")

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 ("Proposed Bonus Issue of Shares") and

(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 announcement of entitlement date for the Proposed Bonus Issue of Shares ("Proposed Bonus Issue of Warrants")

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 extraordinary general meeting for the shareholders held on 11 September 2015 approved the Proposals and relevant entitlement dates are to be determined later.

The Company subsequently announced on 14 September 2015 that the entitlement date for the Proposed Bonus Issue of Shares was 30 September 2015. The Bonus Shares were subsequently listed on the Main Market of Bursa Malaysia Securities Berhad on 1 October 2015, marking the completion of the Proposed Bonus Issue of Shares.

The Company also announced on 18 September 2015 that the entitlement date for the Proposed Bonus Issue of Warrants was 5 October 2015. The free Warrants were subsequently listed on the Main Market of Bursa Malaysia Securities Berhad on 13 October 2015, marking the completion of the Proposed Bonus Issue of Warrants.

22. BANK BORROWINGS

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

	RM'000
Short Term - Secured	37,095
Long Term - Secured	119,100
	<u>156,195</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 September 2015.

25. EARNINGS PER ORDINARY SHARE

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

	3rd Quarter Ended		9 Months Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the period	4,475	14,947	(710)	10,516
Non-controlling interest	827	(322)	2,306	53
Profit attributable to owner of the Company	<u>5,302</u>	<u>14,625</u>	<u>1,596</u>	<u>10,569</u>
Weighted average number of ordinary shares in issue ('000)	<u>251,133</u>	<u>228,303</u>	<u>236,414</u>	<u>228,303</u>
Basic earnings per ordinary share (sen)	<u>2.11</u>	<u>6.41</u>	<u>0.68</u>	<u>4.63</u>

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

With the listing of the free Warrants on 13 October 2015 pursuant to the Proposed Bonus Issue of Warrants, there will be potential dilution effects on the ordinary shares of the Company in the 4th quarter of 2015.

26. DISCLOSURE OF REALISED AND UNREALISED EARNINGS

The retained earnings is analysed as follows:-

	As at	As at
	30.09.2015	30.09.2014
	RM'000	RM'000
Total retained earnings of TGB and its subsidiaries:		
- Realised	59,281	65,978
- Unrealised	1,244	2,615
	<u>60,525</u>	<u>68,593</u>
Consolidated adjustments	(29,040)	(37,756)
	<u>31,485</u>	<u>30,837</u>