

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 182350-H)

**Quarterly report on consolidated results for the financial period ended 31 March 2017**

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	NOTE	Current Quarter Ended 31.03.17 RM'000	Comparative Quarter Ended 31.03.16 RM'000	3 Months Cumulative To 31.03.17 RM'000	3 Months Cumulative To 31.03.16 RM'000
Revenue		11,411	14,055	11,411	14,055
Cost of sales		<u>(7,828)</u>	<u>(10,414)</u>	<u>(7,828)</u>	<u>(10,414)</u>
Gross profit		3,583	3,641	3,583	3,641
Operating expenses		(5,069)	(5,785)	(5,069)	(5,785)
Other operating income		<u>72</u>	<u>261</u>	<u>72</u>	<u>261</u>
Loss from operations		(1,414)	(1,883)	(1,414)	(1,883)
Finance cost		<u>(1,029)</u>	<u>(706)</u>	<u>(1,029)</u>	<u>(706)</u>
Loss before taxation		(2,443)	(2,589)	(2,443)	(2,589)
Tax expense	20	<u>(285)</u>	<u>533</u>	<u>(285)</u>	<u>533</u>
Loss for the year		(2,728)	(2,056)	(2,728)	(2,056)
Other comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive expense for the year		<u>(2,728)</u>	<u>(2,056)</u>	<u>(2,728)</u>	<u>(2,056)</u>
<b>Loss for the year,</b>					
<b>Total comprehensive expense</b>					
<b>for the period attributable to:</b>					
Owners of the Company		(1,778)	(1,378)	(1,778)	(1,378)
Non-controlling interests		<u>(950)</u>	<u>(678)</u>	<u>(950)</u>	<u>(678)</u>
		<u>(2,728)</u>	<u>(2,056)</u>	<u>(2,728)</u>	<u>(2,056)</u>
<b>Loss per ordinary share (sen)</b>					
Basic / Diluted	25	<u>(0.47)</u>	<u>(0.37)</u>	<u>(0.47)</u>	<u>(0.37)</u>

(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 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 182350-H)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTE	(Unaudited) As At 31.03.2017 RM '000	(Audited) As At 31.12.2016 RM '000
<b>Assets</b>			
<i>Non-Current Assets</i>			
Property, plant and equipment	10	10,751	11,050
Investment properties		5,863	5,768
Inventories		36,227	36,308
Goodwill		7,205	7,205
		<u>60,046</u>	<u>60,331</u>
<i>Current Assets</i>			
Inventories		283,695	287,567
Trade and other receivables		26,792	26,391
Income tax recoverable		698	695
Cash and bank balances		12,155	17,694
		<u>323,340</u>	<u>332,347</u>
<b>Total Assets</b>		<u>383,386</u>	<u>392,678</u>
<b>Equity and Liabilities</b>			
<i>Equity</i>			
Share capital		37,670	37,670
Share premium		7,182	7,182
Warrant reserve		14,126	14,126
Capital reserve		86,004	86,004
Retained earnings		9,077	10,855
<b>Total Equity attributable to owners of the Company</b>		<u>154,059</u>	<u>155,837</u>
Non-controlling interests		<u>(10,579)</u>	<u>(9,629)</u>
<b>Total Equity</b>		<u>143,480</u>	<u>146,208</u>
<i>Non - Current Liabilities</i>			
Bank borrowings	22	82,213	80,887
Deferred tax liabilities		4,256	4,294
		<u>86,469</u>	<u>85,181</u>
<i>Current Liabilities</i>			
Bank borrowings	22	84,161	82,015
Trade and other payables		66,515	73,565
Other current liabilities		2,761	5,606
Income tax payable		-	103
		<u>153,437</u>	<u>161,289</u>
<b>Total Liabilities</b>		<u>239,906</u>	<u>246,470</u>
<b>Total Equity and Liabilities</b>		<u>383,386</u>	<u>392,678</u>
Net assets per share attributable to owners of the Company (RM)		<u>0.41</u>	<u>0.41</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 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 182350-H)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

&lt;----- Attributable to Owners of the Company -----&gt;

&lt;----- Non-distributable -----&gt; &lt;- Distributable -&gt;

	<b>Share capital</b>	<b>Share premium</b>	<b>Warrant reserves</b>	<b>Capital reserves</b>	<b>Retained earnings</b>	<b>Total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<b>At 1 January 2017</b>	37,670	7,182	14,126	86,004	10,855	155,837	(9,629)	146,208
Total comprehensive income for the year	-	-	-	-	(1,778)	(1,778)	(950)	(2,728)
<b>At 31 March 2017</b>	<b>37,670</b>	<b>7,182</b>	<b>14,126</b>	<b>86,004</b>	<b>9,077</b>	<b>154,059</b>	<b>(10,579)</b>	<b>143,480</b>
<b>At 1 January 2016</b>	37,670	7,182	14,126	86,004	21,000	165,982	(3,074)	162,908
Total comprehensive income for the year	-	-	-	-	(1,378)	(1,378)	(678)	(2,056)
<b>At 31 March 2016</b>	<b>37,670</b>	<b>7,182</b>	<b>14,126</b>	<b>86,004</b>	<b>19,622</b>	<b>164,604</b>	<b>(3,752)</b>	<b>160,852</b>

(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 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 182350-H)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<-----12 Months Ended----->	
	31.03.2017	31.03.2016
	RM '000	RM '000
<b>Cash Flows from Operating Activities</b>		
Loss before tax	(2,443)	(2,589)
Adjustments for :-		
Depreciation of property, plant and equipment	578	581
Depreciation of investment properties	7	7
Interest expense	1,029	706
Interest income	(93)	(237)
	<hr/>	<hr/>
Operating cash flows before changes in working capital	(922)	(1,532)
Changes in working capital:		
Inventories	3,953	758
Receivables	(401)	13,319
Payables	(10,766)	(10,015)
Related companies	871	7,780
	<hr/>	<hr/>
Cash generated (used in)/generated from operating activities	(7,265)	10,310
Interest paid	(1,029)	(706)
Tax paid	(429)	(554)
	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	(8,723)	9,050
	<hr/>	<hr/>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(279)	(67)
Development cost incurred on investment property	(102)	(98)
Interest received	93	237
	<hr/>	<hr/>
Net cash (used in)/generated from investing activities	(288)	72
	<hr/>	<hr/>
<b>Cash Flows from Financing Activities</b>		
Net drawdown/(repayment) of borrowings	1,170	(11,655)
Placement of pledged deposits	(8)	(294)
	<hr/>	<hr/>
Net cash generated from/(used in) financing activities	1,162	(11,949)
	<hr/>	<hr/>
Net decrease in Cash & Cash Equivalents	(7,849)	(2,827)
Cash & Cash Equivalents at beginning of year	(2,943)	23,773
Cash & Cash Equivalents at end of financial year	<b>Note A</b> <hr/> <u>(10,792)</u>	<hr/> <u>20,946</u>
<b>Note A :</b>		
Included in cash and cash equivalents as at 31 December are the following:		
- Cash and deposits with licensed banks	12,155	38,705
- Bank overdrafts	(22,071)	(16,910)
- Deposits pledged	(876)	(849)
	<hr/>	<hr/>
	<u>(10,792)</u>	<u>20,946</u>

(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 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**FINANCIAL PERIOD ENDED 31 MARCH 2017**

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**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 2016.

**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 2016 except for the adoption of the following:-

Amendments to MFRS 12	Disclosure of Interests in Other Entities (Annual Improvements 2014-2016 Cycle)
Amendments to MFRS 107	Statement of Cash Flows – Disclosure Initiative
Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above has no 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 period ended 31 March 2017.

## 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 period ended 31 March 2017.

## 7. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuance, repayment and repurchase of debt and equity securities during the current financial year ended 31 March 2017.

## 8. PAYMENT OF DIVIDEND

No dividend was paid during the current financial period ended 31 March 2017.

## 9. SEGMENTAL REPORTING

	<b>3 Months Ended 31.03.2017 RM'000</b>	<b>3 Months Ended 31.03.2016 RM'000</b>
<b>Segment Revenue</b>		
Property development	11,177	13,792
Investment holding and others	234	263
<b>Group Revenue</b>	<u>11,411</u>	<u>14,055</u>
<b>Segment Results</b>		
Property development	(1,578)	(2,042)
Investment holding and others	164	159
<b>Loss from operations</b>	<u>(1,414)</u>	<u>(1,883)</u>

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

On 11 April 2017, MAPSB entered into a Sale and Purchase Agreement with Mount Well Sdn. Bhd. for the sale of one (1) piece of freehold land located in Bukit Tunku, District of Kuala Lumpur for a total consideration of RM27,518,166, subject to the fulfilment of the conditions precedent as follows:

- (i) the approval from the relevant authority of the State of Wilayah Persekutuan Kuala Lumpur for the acquisition of the Land by the Purchaser pursuant to Section 433B of the National Land Code 1965 and if applicable, the approval from the Economic Planning Unit, Prime Minister's Department of Malaysia, at the Purchaser's own cost and expense; and
- (ii) the extension of the development order for the proposed construction of six (6) units of Stratified Bungalows to be erected on the Land which was granted by Jabatan Perancangan Bandar, Dewan Bandaraya Kuala Lumpur ("DBKL") on 1 August 2011 (extended until 1 September 2016 via a letter from DBKL dated 6 April 2016) OR a confirmation letter from the relevant authority that the Development Order need not be extended, at MAPSB's own cost and expense.

To-date, the conditions precedent as stated above have been fulfilled. The Proposed Sale of Land is expected to be completed within the financial year ending 31 December 2017, without any material financial effect on the earnings and earnings per ordinary share.

Save as disclosed above, there were no material events subsequent to the financial period ended 31 March 2017.

## 12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period ended 31 March 2017.

## 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

	1st Quarter Ended		3 Months Ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM'000	RM'000
<b>Directors</b>				
Revenues recognised from the sale of properties under construction	300	-	300	-
<b>Other related parties</b>				
Non-controlling interests of subsidiaries				
- Interest expense	841	750	841	750
- Project management fee expense	30	30	30	30

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

**15. REVIEW OF PERFORMANCE**

The Group reported revenues of RM11.41 million for the period ended 31 March 2017, which was lower than the previous corresponding period's revenues of RM14.06 million. The Group's revenues for the financial period ended 31 March 2016 was higher due to the sale of the last unit of bungalow in Enclave Bangsar. In comparison with the corresponding period's pre-tax loss of RM2.59 million, the Group posted a lower pre-tax loss of RM2.44 million, principally due to lower operational expenses incurred for the current period under review.

**16. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

The Group recorded lower revenues of RM11.41 million for the current quarter under review in comparison with the preceding quarter's figure of RM23.45 million. The lower revenue performance in the current quarter was mainly due to slower progress billings from Lumi Tropicana. Despite the lower revenues achieved in the current quarter under review, the Group reported a lower pre-tax loss of RM2.44 million as compared to the preceding quarter's pre-tax loss of RM9.60 million. The higher pre-tax loss reported for the preceding quarter (fourth quarter of 2016) was principally due to the writing down of inventory amounting to RM8.81 million, which arose from the disposal of land in Bukit Tunku.

**17. PROSPECTS**

The local property market outlook remains soft with sentiment continuing to be affected by, amongst others, credit tightening measures by financial institutions and the volatile economic environment. Nonetheless, we are cautiously optimistic as our development projects are at strategic and prime locations in the Klang Valley and matured townships such as Desa Aman, Bukit Panchor and Behrang where there is strong demand for quality and affordable housing products and commercial units. The Group's projects have a total gross development value of approximately RM2 billion. Our current active project portfolio (as elaborated below), is expected to contribute positively to the Group's future financial performance.

Lumi Tropicana

With the majority of the units in Phase 1 sold, and steady construction progress, we expect to complete selling the bulk of the remaining units of Phase 1 over the rest of 2017. Meanwhile, for Phase 2, the third tower of 186 units of serviced residences (Wellness Tower) will be launched in the third quarter of 2017, with the last tower comprising the remaining 186 units of serviced residences to be launched in 2018. Construction of the structural framework has reached to the top of the podium structure, whereas piling works for Phase 2 will be fully completed in third quarter of 2017.

Kepong

In Kepong, the Group is launching two projects comprising 254 units of affordable housing ("Residensi ENESTA Kepong") and 258 units of serviced apartment together with 23 units of retail lots ("eNEStA Kepong") with a total gross development value of RM254 million. We have received an encouraging sales response for the units of Residensi ENESTA Kepong, with the second balloting event held in May 2017, whereas eNEStA Kepong is targeted to launch in the third quarter of 2017.

Northern Region

The Group has launched 66 units of single storey terrace houses (Suria) and 22 units of single storey semi detached houses (Indahyu - Phase 1) in Desa Aman, Kedah. In continuing the positive trend from prior years, sales demand in Desa Aman remains robust in 2017. The Group is planning to launch the next phase of 18 units of single storey semi detached houses (Indahyu - Phase 2), 18 units of shop houses (DA Business Park) and 74 units of low medium cost apartment in the second half of 2017. Aside from the projects in Desa Aman, the final phase of commercial shops in Taman Bukit Panchor, Penang and our joint venture in Behrang, Perak is also expected to commence in the second half of 2017.



## 18. VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE

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

## 19. LOSS BEFORE TAXATION

	1st Quarter Ended		3 Months Ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM'000	RM'000
Loss before tax is arrived at after charging/ (crediting) the following:-				
Depreciation of property, plant and equipment	578	581	578	581
Depreciation of investment properties	7	7	7	7
Interest expense	1,029	706	1,029	706
Interest income	(93)	(237)	(93)	(237)

## 20. TAX EXPENSES

	1st Quarter Ended		3 Months Ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM'000	RM'000
<b>Tax expenses</b>				
Income tax	323	785	323	785
Deferred tax	(38)	(1,318)	(38)	(1,318)
Total tax expenses charged in current year	285	(533)	285	(533)

The Group's effective tax rate higher than the statutory income tax rate of 24% mainly due to the taxable profit of certain subsidiaries of the Company is unable to utilise the unused tax losses of other subsidiaries.

## 21. CORPORATE PROPOSALS

### a) Proposed acquisition of the remaining 49% issued and paid up capital of Mayfair Ventures Sdn. Bhd. from MJC Development Sdn Bhd

On 2 December 2016, Thriven Global Bhd ("the Company") entered into a settlement agreement with MJC Development Sdn. Bhd. ("MJC") to mutually terminate the Subscription and Shareholder Agreement ("SSA") dated 30 August 2013 and Supplemental Letter to the SSA dated 13 November 2013 and 20 November 2013 for subscription of 1,020,000 ordinary shares of RM1.00 each in the subsidiary of the Company, Mayfair Ventures Sdn. Bhd. ("Mayfair") representing 51% of the equity interest in Mayfair together with the 255,000 units of redeemable preference shares ("RPS") of RM1.00 each in Mayfair.

Based on the SSA, the Company and MJC have undertaken to jointly develop two parcels of adjoining land in Bandar Damansara, Selangor, which have been amalgamated for the development in Tropicana, named "LUMI Tropicana".

The Settlement Agreement is to facilitate the following:

- (i) proposed acquisition by the Company of the following securities in Mayfair that are currently held by
  - (a) 980,000 Mayfair shares representing 49% of the issued and paid-up share capital in Mayfair for purchase consideration of RM980,000 or RM1.00 each, being the par value of Mayfair shares; and
  - (b) 45,000 Mayfair RPS for a purchase consideration of RM45,000 or RM1.00 each, being the par value of Mayfair RPS;
- (ii) proposed settlement of MJC's advances and contribution to Mayfair together with the interest accrued on the advances for aggregate settlement sum of RM52,880,670.

## 21. CORPORATE PROPOSALS (CONT'D)

a) **Proposed acquisition of the remaining 49% issued and paid up capital of Mayfair Ventures Sdn. Bhd. from MJC Development Sdn Bhd (cont'd)**

The conditions precedent of the Settlement Agreement have been fulfilled except for the approval of the non-interested shareholders of the Company at an Extraordinary General Meeting ("EGM") to be convened on 20 June 2017. Upon the fulfilment of all the conditions precedent, the Proposed Acquisition is deemed completed and Mayfair will become a wholly owned subsidiary of the Company.

b) **Joint venture**

Thriven NCR Sdn. Bhd. ("TNSB"), a subsidiary of the Company, has on 12 January 2017, entered into a Joint Venture agreement ("JVA") with the Perak State Secretary Incorporated ("SSI"). TNSB and SSI will work together as strategic joint development partners to jointly develop affordable housing scheme on eleven (11) pieces of freehold land measuring approximately 43.297 acres in Tempat R.T.P.Behrang Ulu, Mukim of Hulu Bernam Timur, District of Muallim, State of Perak Darul Ridzuan.

## 22. BANK BORROWINGS

The details of the Group's bank borrowings as at 31 March 2017 are as follows:-

	<b>RM'000</b>
Short Term - Secured	84,161
Long Term - Secured	82,213
	<u>166,374</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 period ended 31 March 2017.

## 25. LOSS 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:-

	<b>1st Quarter Ended</b>		<b>3 Months Ended</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loss for the period	(2,728)	(2,056)	(2,728)	(2,056)
Add back: Non-controlling interest	950	678	950	678
Loss attributable to the owners of the Company	<u>(1,778)</u>	<u>(1,378)</u>	<u>(1,778)</u>	<u>(1,378)</u>
Weighted average number of ordinary shares in issue ('000)	376,699	376,699	376,699	376,699
Basic loss per ordinary share (sen)	<u>(0.47)</u>	<u>(0.37)</u>	<u>(0.47)</u>	<u>(0.37)</u>

**25. LOSS PER ORDINARY SHARE (CONT'D)**

There are no dilution effects for the bonus issue of warrants on the ordinary shares due to the warrants' exercise price of 64 sen being out-of-the-money since their listing on 13 October 2015. Accordingly, the diluted loss per ordinary share for the year is equal to the basic loss per ordinary share.

**26. DISCLOSURE OF REALISED AND UNREALISED EARNINGS**

The retained earnings is analysed as follows:-

	<b>As at 31.03.2017 RM'000</b>	<b>As at 31.12.2016 RM'000</b>
Total retained earnings of TGB and its subsidiaries:		
- Realised	4,188	6,103
- Unrealised	1,321	1,321
	<u>5,509</u>	<u>7,424</u>
Consolidated adjustments	3,568	3,431
	<u>9,077</u>	<u>10,855</u>