

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 198901005042 (182350-H))

**Quarterly report on consolidated results for the financial period ended 30 September 2022****CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(The figures have not been audited)

	NOTE	Current Quarter Ended 30.09.22 RM'000	Comparative Quarter Ended 30.09.21 RM'000	9 Months Cumulative To 30.09.22 RM'000	9 Months Cumulative To 30.09.21 RM'000
Revenue		45,903	10,011	59,186	75,857
Cost of sales		<u>(21,188)</u>	<u>(6,541)</u>	<u>(31,586)</u>	<u>(55,681)</u>
Gross profit		24,715	3,470	27,600	20,176
Other expenses		(14,120)	(4,308)	(23,496)	(14,973)
Other income		<u>91</u>	<u>409</u>	<u>2,345</u>	<u>941</u>
Profit/(Loss) from operations		10,686	(429)	6,449	6,144
Finance costs		<u>(1,473)</u>	<u>(1,612)</u>	<u>(4,651)</u>	<u>(5,079)</u>
Profit/(Loss) before taxation		9,213	(2,041)	1,798	1,065
Taxation	20	<u>(3,878)</u>	<u>360</u>	<u>(4,041)</u>	<u>(1,627)</u>
Profit/(Loss) for the period		5,335	(1,681)	(2,243)	(562)
Other comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive profit/(loss) for the period		<u>5,335</u>	<u>(1,681)</u>	<u>(2,243)</u>	<u>(562)</u>
<b>Profit/(Loss) for the period, total comprehensive income/(loss) for the period attributable to:</b>					
Owners of the Parent		5,617	(1,951)	(1,822)	(2,743)
Non-controlling interests		<u>(282)</u>	<u>270</u>	<u>(421)</u>	<u>2,181</u>
		<u>5,335</u>	<u>(1,681)</u>	<u>(2,243)</u>	<u>(562)</u>
<b>Earnings/(Loss) per ordinary share (sen)</b>					
Basic / Diluted	25	<u>1.03</u>	<u>(0.36)</u>	<u>(0.33)</u>	<u>(0.50)</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 2021 and the accompanying explanatory notes attached to the interim financial statements)

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 198901005042 (182350-H))

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	NOTE	As At 30.09.2022 RM '000 (Unaudited)	As At 31.12.2021 RM '000 (Audited)
<b>Assets</b>			
<i>Non-Current Assets</i>			
Property, plant and equipment		7,175	4,608
Investment properties		30,168	28,729
Inventories		29,354	29,763
Goodwill		5,443	5,314
Deferred tax assets		3,009	2,829
		75,149	71,243
<i>Current Assets</i>			
Inventories		169,156	175,427
Trade and other receivables		31,110	56,645
Contract assets		23,799	57,059
Current tax assets		2	219
Cash and bank balances		19,691	11,114
		243,758	300,464
<b>Total Assets</b>		318,907	371,707
<b>Equity and Liabilities</b>			
<i>Equity attributable to owners of the Parent</i>			
Share capital		59,587	59,587
Capital reserve		77,986	77,986
Retained earnings		24,218	27,940
		161,791	165,513
Non-controlling interests		4,116	3,442
<b>Total Equity</b>		165,907	168,955
<i>Non-Current Liabilities</i>			
Borrowings	22	-	7,000
Lease liabilities		381	385
Redeemable preference shares		499	2,493
		880	9,878
<i>Current Liabilities</i>			
Borrowings	22	89,446	106,080
Trade and other payables		54,356	76,608
Lease liabilities		2,920	4,579
Contract liabilities		37	3,396
Current tax liabilities		5,361	2,211
		152,120	192,874
<b>Total Liabilities</b>		153,000	202,752
<b>Total Equity and Liabilities</b>		318,907	371,707
Net assets per share attributable to owners of the Parent (RM)		0.30	0.30

(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 2021 and the accompanying explanatory notes attached to the interim financial statements)

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 198901005042 (182350-H))

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(The figures have not been audited)

	<----- Attributable to Owners of the Parent ----->					
	<---- Non-distributable ---->			<- Distributable ->		
	Share capital	Capital reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
<b>At 1 January 2022</b>	59,587	77,986	27,940	165,513	3,442	168,955
Total comprehensive loss for the period	-	-	(1,822)	(1,822)	(421)	(2,243)
Acquisition of shares from non-controlling interest of a subsidiary	-	-	(1,900)	(1,900)	1,102	(798)
Acquisition of a new subsidiary	-	-	-	-	(7)	(7)
<b>At 30 September 2022</b>	<u>59,587</u>	<u>77,986</u>	<u>24,218</u>	<u>161,791</u>	<u>4,116</u>	<u>165,907</u>
<b>At 1 January 2021</b>	59,587	77,986	48,410	185,983	2,303	188,286
Effects on adoption of IFRIC Agenda Decision	-	-	(4,530)	(4,530)	(574)	(5,104)
<b>At 1 January 2021, restated</b>	<u>59,587</u>	<u>77,986</u>	<u>43,880</u>	<u>181,453</u>	<u>1,729</u>	<u>183,182</u>
Total comprehensive income for the period	-	-	(2,743)	(2,743)	2,181	(562)
<b>At 30 September 2021</b>	<u>59,587</u>	<u>77,986</u>	<u>41,137</u>	<u>178,710</u>	<u>3,910</u>	<u>182,620</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 2021 and the accompanying explanatory notes attached to the interim financial statements)

**THRIVEN GLOBAL BERHAD**

(Incorporated in Malaysia - 198901005042 (182350-H))

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(The figures have not been audited)

	<-----9 Months Ended----->	
	30.09.2022	30.09.2021
	RM '000	RM '000
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	1,798	1,065
Adjustments for :-		
Depreciation of property, plant and equipment	896	1,301
Depreciation of investment properties	1,143	3,065
(Reversal of impairment losses)/Impairment losses on:		
- trade and other receivables	(1,653)	630
- contract assets	(107)	(418)
- inventories	8,546	-
Finance costs	4,651	5,079
Interest income	(347)	(221)
Operating profit before changes in working capital	<u>14,927</u>	<u>10,501</u>
Changes in working capital:		
Inventories	(1,866)	(528)
Receivables	59,760	(10,278)
Payables	(25,088)	10,139
Cash generated from operating activities	<u>47,733</u>	<u>9,834</u>
Interest paid	(4,451)	(4,714)
Tax paid	(922)	(2,294)
Net cash generated from operating activities	<u>42,360</u>	<u>2,826</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(2,438)	(1,024)
Additions to investment properties	(690)	(1,271)
Acquisition of non-controlling interests	(3)	-
Interest received	347	221
Net cash used in investing activities	<u>(2,784)</u>	<u>(2,074)</u>
<b>Cash Flows from Financing Activities</b>		
Repayment of redeemable preference shares to non-controlling interests by a subsidiary	(1,994)	-
Repayment of borrowings	(22,408)	(3,012)
(Placement)/Withdraw of pledged deposits	(1,038)	3,638
Payment of lease liabilities	(5,371)	(5,114)
Net cash used in financing activities	<u>(30,811)</u>	<u>(4,488)</u>
Net decrease in Cash & Cash Equivalents	8,765	(3,736)
Cash & Cash Equivalents at beginning of financial period	5,721	5,603
Cash & Cash Equivalents at end of financial period	<u>14,486</u>	<u>1,867</u>

**Note A :**

Included in cash and cash equivalents as at 30 September are the following:

- Cash and deposits with licensed banks	19,691	7,122
- Bank overdrafts	(2,794)	(3,688)
- Deposits pledged	(2,411)	(1,567)
	<u>14,486</u>	<u>1,867</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 2021 and the accompanying explanatory notes attached to the interim financial statements)**

**FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

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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 condensed consolidated 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 2021.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies and methods of computation applied in the condensed consolidated interim financial statements are consistent with those adopted in the most recent annual audited consolidated financial statements for the financial year ended 31 December 2021 except for the adoption of the following:-

Annual Improvements to MFRS Standards 2018 - 2020

Amendments to MFRS 3 *Reference to the Conceptual Framework*

Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*

Amendments to MFRS 137 *Onerous Contracts - Cost of Fulfilling a Contract*

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 30 September 2022.

**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 30 September 2022.

**7. CHANGES IN DEBT AND EQUITY SECURITIES**

There were no issuance or repayment of debt and equity securities, share buy-backs and share cancellations during the current financial period ended 30 September 2022.

**8. PAYMENT OF DIVIDEND**

No dividend was paid during the current financial period ended 30 September 2022.

## 9. SEGMENTAL REPORTING

### a) Segment revenue and results

	Property Development RM'000	Property Investment RM'000	Investment Holding / Others RM'000	Elimination RM'000	Consolidated RM'000
<b>9 months ended 30 September 2022</b>					
Total Revenue					
External Revenue	57,273	1,085	828	-	59,186
Inter-segment revenue	-	-	4,230	(4,230)	-
	<u>57,273</u>	<u>1,085</u>	<u>5,058</u>	<u>(4,230)</u>	<u>59,186</u>
Profit/(Loss) from operations	<u>4,994</u>	<u>(3,023)</u>	<u>(3,238)</u>	<u>8,567</u>	<u>6,449</u>
<b>9 months ended 30 September 2021</b>					
Total Revenue					
External Revenue	74,460	380	1,017	-	75,857
Inter-segment revenue	-	-	4,230	(4,230)	-
	<u>74,460</u>	<u>380</u>	<u>5,247</u>	<u>(4,230)</u>	<u>75,857</u>
Profit/(Loss) from operations	<u>4,677</u>	<u>(3,530)</u>	<u>6,002</u>	<u>(1,005)</u>	<u>6,144</u>

### b) Segment assets and liabilities

	Property Development RM'000	Property Investment RM'000	Investment Holding / Others RM'000	Elimination RM'000	Consolidated RM'000
<b>As at 30 September 2022</b>					
Segment assets	339,000	24,290	286,179	(330,562)	318,907
Segment liabilities	206,627	32,992	102,024	(188,643)	153,000
<b>As at 31 December 2021</b>					
Segment assets	418,420	24,954	320,571	(392,238)	371,707
Segment liabilities	296,871	29,349	100,095	(223,563)	202,752

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 period ended 30 September 2022.

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**12. CHANGES IN THE COMPOSITION OF THE GROUP**

Same as below, there were no changes in the composition of the Group for the current quarter under review.

- (a) On 22 February 2022, the Company has completed the acquisition of the remaining 15% equity interest in Thriven NCR Sdn. Bhd. ("TNCR") for a total purchase consideration of RM795,005. Upon the completion of the acquisition, TNCR is now a wholly owned subsidiary of the Company.
- (b) On 28 February 2022, the Company subscribed 100 ordinary shares for a total cash consideration of RM100, representing 100% of the issued share capital of a newly incorporated company, Provideo Sdn. Bhd..
- (c) On 4 March 2022, the Company subscribed 100 ordinary shares for a total cash consideration of RM100, representing 100% of the issued share capital of a newly incorporated company, Foreli Sdn. Bhd..
- (d) On 22 April 2022, the Company entered into a Share Purchase and Shareholders' Agreement to acquire 95 ordinary shares in Bizbox Sdn. Bhd. ("Bizbox") for a total purchase consideration of RM1.00 from Teh Yi Yin ("Vendor"). Upon completion of the acquisition of shares, Bizbox is now a 95% owned subsidiary of the Company. The remaining 5% equity interest of Bizbox is held by the Vendor.
- (e) On 27 April 2022, the Company entered into a Share Purchase Agreement to acquire 3,360 ordinary shares in Bakat Stabil Sdn. Bhd. ("BSSB") from a non-controlling interest for a total consideration of RM3,360.00. This resulted in an increase in equity interest in BSSB from 93.33% to 98.66%.

**13. CHANGES IN CONTINGENT LIABILITIES / CAPITAL COMMITMENTS**

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

**14. RELATED PARTY TRANSACTIONS**

	<b>3rd Quarter Ended</b>		<b>9 months Ended</b>	
	<b>30.09.2022</b>	<b>30.09.2021</b>	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Directors</b>				
-Revenues recognised from the sale of properties under construction	-	53	-	528
-Office rental paid/payable	(14)	(14)	(41)	(18)

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

#### 15. REVIEW OF PERFORMANCE

	9 months Ended		(Decrease)/ Increase %
	30.09.2022 RM'000	30.09.2021 RM'000	
Revenue	59,186	75,857	(22.0)
Profit before taxation	1,798	1,065	68.8

The Group recorded revenue of RM59.19 million, which was approximately 22% lower than the previous corresponding period's figure of RM75.86 million as a result of lower sales for the period ended 30 September 2022. Despite the drop in revenues, the Group reported a higher pre-tax profit of RM1.80 million compared to the corresponding period's pre-tax profit of RM1.07 million. This is principally due to higher gross profit margin from our Lumi Tropicana project which arose from the release of the project's bumiputra units quota from 50% to 30% of the total number of units.

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

	3Q 2022	2Q 2022	Increase
	RM'000	RM'000	%
Revenue	45,903	5,681	708.0
Profit/(Loss) before taxation	9,213	(4,734)	294.6

The Group recorded higher revenue of RM45.90 million compared to the preceding quarter's revenue of RM5.68 million. The higher revenue reported is mainly due to the project's bumiputra units quota from 50% to 30% of the total number of units in our Lumi Tropicana project. Accordingly, the Group reported a pre-tax profit of RM9.21 million in comparison to the preceding quarter's pre-tax loss of RM4.73 million.

#### 17. PROSPECTS

##### Lumi Tropicana

Our Lumi Tropicana project has achieved an overall average take up rate of approximately 80% for all the units launched with notice of vacant possession issued to buyers for Phase 1 and Phase 2. We are now aggressively selling the remaining Phase 1 units and intend to actively market our unsold Phase 2 units both for long term rental and sale.

##### Kepong

In Kepong, Suite eNESTa Kepong project has been completed and handed over to buyers on 12 September 2022. The project has achieved take up rate of approximately 90% and we are commencing a marketing program to sell our remaining unsold Suite eNESTa Kepong units over the next 6 to 12 months.

##### Northern Region

Based on past encouraging sales responses, the Group is launching a series of affordable housing projects, including a new phase of affordable single storey terrace and semi-detached houses (under the name Enesta Avenue) to meet the local market demand. The buyers' interest in Enesta Avenue are strong, and we believe that this trend will continue.



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### **17. PROSPECTS (CONTINUED)**

#### Lumi Market Place and Lumi Hospitality

One of the Group's intended core businesses is lifestyle retail. Lumi Market Place ("LMP") is Thriven's first foray into this business segment.

LMP is a dedicated food and beverage ("F&B") space located within Lumi Tropicana with over 30,000 square feet of garden space fronting LMP, suitable for events. LMP will have a strong design element and coherent concept to focus on F&B outlets as well as curated weekend food markets or events to create interest in the space and give a reason for people to visit. LMP has commenced its operation in the Quarter 3 of 2022. Management is also actively building up its lifestyle retail business by partnering with experienced professionals in the industry.

In addition to the lifestyle retail business, the Group has kickstarted operations of its hospitality division since Quarter 4 of 2020, by operating short stay accommodations catering to business and leisure travellers as well as providing rental management services for owners. The business is progressing well with strong demand during the school holidays and weekends.

#### Overall

For the financial year ending 31 December 2022 ("FY2022"), the Group's revenues will continue to be underpinned by new sales and unbilled sales of more than RM45 million from our on-going developments to be delivered during the next financial year.

In property development the Group plans to deploy more resources to further expand our involvement in the affordable housing segment as a key growth driver particularly in Desa Aman which continues to see resilient demand.

The completion of our flagship project Lumi Tropicana is testament to the Group's commitment to delivering homes which offer value exceeding their price point. With improving market sentiment, coupled with commencement of operations at LMP as the final jigsaw piece for the Luminous lifestyle we envisioned for Lumi Tropicana, sales take-up rates are predicted to improve. We are also expanding our portfolio under the property investment and hospitality divisions by retaining and marketing unsold units for recurring rental income via both short-stay accommodations and long-term rental arrangements.

### **18. VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE**

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

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**19. PROFIT/(LOSS) BEFORE TAXATION**

	<b>3rd Quarter Ended</b>		<b>9 Months Ended</b>	
	<b>30.09.2022</b>	<b>30.09.2021</b>	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit/(Loss) before tax is arrived at after charging/(crediting) the following:-				
Depreciation of property, plant and equipment	336	294	896	1,301
Depreciation of investment properties	459	411	1,143	3,065
(Reversal of impairment losses)/Impairment losses on:				
- trade and other receivables	181	(5)	(1,653)	630
- contract assets	17	(345)	(107)	(418)
- inventories	8,546	-	8,546	-
Finance costs:				
- bank borrowings	776	797	2,428	2,588
- Other non-financial institution borrowings (arising from sale and leaseback arrangement)	622	608	1,837	1,823
- lease liabilities	54	103	200	365
- others	21	104	186	303
Interest income	(262)	(59)	(347)	(221)

**20. TAXATION**

	<b>3rd Quarter Ended</b>		<b>9 Months Ended</b>	
	<b>30.09.2022</b>	<b>30.09.2021</b>	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Tax expense</b>				
Income tax	3,891	(69)	4,220	2,465
Deferred tax	(13)	(291)	(179)	(838)
Total tax expense charged in current period	<u>3,878</u>	<u>(360)</u>	<u>4,041</u>	<u>1,627</u>

The effective tax rates of the Group was higher than the statutory tax rate of 24%, principally due to losses from other subsidiaries which reduced the profit before tax of the Group and non-deductibility of certain expenses including depreciation and amortisation on properties, plant and equipment and investment properties.

**21. CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed during the financial period ended 30 September 2022.

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**22. BORROWINGS**

The details of the Group's borrowings are as follows:-

	<b>30.09.2022</b>	<b>31.12.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Borrowings denominated in Ringgit Malaysia:		
Long Term - Secured	-	7,000
Short Term - Secured	89,446	106,080
	<u>89,446</u>	<u>113,080</u>

Short term borrowings include other borrowing from a non-financial institution which represents proceeds received from a sale and leaseback arrangement that is accounted for as a financial liability.

**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 30 September 2022.

**25. EARNINGS/(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>3rd Quarter Ended</b>		<b>9 Months Ended</b>	
	<b>30.09.2022</b>	<b>30.09.2021</b>	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit/(Loss) for the period	5,335	(1,681)	(2,243)	(562)
Add: Non-controlling interests	282	(270)	421	(2,181)
Profit/(Loss) attributable to the owners of the Parent	<u>5,617</u>	<u>(1,951)</u>	<u>(1,822)</u>	<u>(2,743)</u>
Weighted average number of ordinary shares in issue ('000) ("WAVOS")	<u>546,944</u>	<u>546,943</u>	<u>546,944</u>	<u>546,943</u>
Basic earnings/(loss) per ordinary share (sen) ("EPS")	<u>1.03</u>	<u>(0.36)</u>	<u>(0.33)</u>	<u>(0.50)</u>

The diluted loss per ordinary share for the current and previous financial period is equal to the basic (loss)/earnings per ordinary share for the respective financial period as there are no dilutive potential ordinary shares as at 30 September 2022 and 30 September 2021.