

THRIVEN GLOBAL BERHAD

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

Quarterly report on consolidated results for the financial period ended 31 March 2024**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(The figures have not been audited)

	NOTE	Current Quarter Ended 31.03.24 RM'000	Comparative Quarter Ended 31.03.23 RM'000	3 Months Cumulative To 31.03.24 RM'000	3 Months Cumulative To 31.03.23 RM'000
Revenue		9,159	33,744	9,159	33,744
Cost of sales		<u>(7,604)</u>	<u>(38,292)</u>	<u>(7,604)</u>	<u>(38,292)</u>
Gross profit/(loss)		1,555	(4,548)	1,555	(4,548)
Other expenses		(6,255)	(13,211)	(6,255)	(13,211)
Other income		<u>752</u>	<u>1,262</u>	<u>752</u>	<u>1,262</u>
Loss from operations		(3,948)	(16,497)	(3,948)	(16,497)
Finance costs		<u>(1,313)</u>	<u>(1,411)</u>	<u>(1,313)</u>	<u>(1,411)</u>
Loss before taxation		(5,261)	(17,908)	(5,261)	(17,908)
Taxation	20	<u>(203)</u>	<u>(593)</u>	<u>(203)</u>	<u>(593)</u>
Loss for the year		(5,464)	(18,501)	(5,464)	(18,501)
Other comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive loss		<u>(5,464)</u>	<u>(18,501)</u>	<u>(5,464)</u>	<u>(18,501)</u>
(Loss)/Profit, total comprehensive (loss)/ profit attributable to:					
Owners of the Parent		(5,136)	(18,904)	(5,136)	(18,904)
Non-controlling interests		<u>(328)</u>	<u>403</u>	<u>(328)</u>	<u>403</u>
		<u>(5,464)</u>	<u>(18,501)</u>	<u>(5,464)</u>	<u>(18,501)</u>
Loss per ordinary share (sen)					
Basic / Diluted	25	<u>(0.94)</u>	<u>(3.46)</u>	<u>(0.94)</u>	<u>(3.46)</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 2023 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 31.03.2024 RM '000 (Unaudited)	As At 31.12.2023 RM '000 (Audited)
Assets			
<i>Non-Current Assets</i>			
Property, plant and equipment		10,936	10,808
Investment properties		81,711	82,390
Inventories		64,411	64,667
Goodwill		5,314	5,314
Deferred tax assets		2,230	2,124
		<u>164,602</u>	<u>165,303</u>
<i>Current Assets</i>			
Inventories		52,269	54,307
Trade and other receivables		5,429	13,293
Contract assets		18,697	16,772
Current tax assets		387	336
Cash and bank balances		7,665	9,879
		<u>84,447</u>	<u>94,587</u>
Total Assets		<u>249,049</u>	<u>259,890</u>
Equity and Liabilities			
<i>Equity attributable to owners of the Parent</i>			
Share capital		59,587	59,587
Capital reserve		77,986	77,986
Retained earnings		(32,013)	(26,877)
		<u>105,560</u>	<u>110,696</u>
Non-controlling interests		1,757	2,085
Total Equity		<u>107,317</u>	<u>112,781</u>
<i>Non-Current Liabilities</i>			
Borrowings	22	58,952	59,702
Lease liabilities		1,093	1,075
Redeemable preference shares		499	499
		<u>60,544</u>	<u>61,276</u>
<i>Current Liabilities</i>			
Borrowings	22	18,726	24,572
Trade and other payables		57,179	55,534
Lease liabilities		558	924
Contract liabilities		-	-
Current tax liabilities		4,725	4,803
		<u>81,188</u>	<u>85,833</u>
Total Liabilities		<u>141,732</u>	<u>147,109</u>
Total Equity and Liabilities		<u>249,049</u>	<u>259,890</u>
Net assets per share attributable to owners of the Parent (RM)		<u>0.19</u>	<u>0.20</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 2023 and the accompanying explanatory notes attached to the interim financial statements)

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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
At 1 January 2024	59,587	77,986	(26,877)	110,696	2,085	112,781
Total comprehensive loss for the period	-	-	(5,136)	(5,136)	(328)	(5,464)
At 31 March 2024	<u>59,587</u>	<u>77,986</u>	<u>(32,013)</u>	<u>105,560</u>	<u>1,757</u>	<u>107,317</u>
At 1 January 2023	59,587	77,986	19,132	156,705	3,901	160,606
Total comprehensive loss for the period	-	-	(18,904)	(18,904)	403	(18,501)
At 31 March 2023	<u>59,587</u>	<u>77,986</u>	<u>228</u>	<u>137,801</u>	<u>4,304</u>	<u>142,105</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 2023 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)

	<-----3 Months Ended----->	
	31.03.2024	31.03.2023
	RM '000	RM '000
Cash Flows from Operating Activities		
Loss before taxation	(5,261)	(17,908)
Adjustments for :-		
Depreciation of property, plant and equipment	771	527
Depreciation of investment properties	679	487
Gain on disposal of property, plant & equipment	-	(100)
Impairment losses on:		
- trade and other receivables	-	954
- contract assets	-	343
Finance costs	1,313	1,411
Interest income	(318)	(13)
Operating loss before changes in working capital	<u>(2,817)</u>	<u>(14,299)</u>
Changes in working capital:		
Inventories	2,294	42,215
Receivables	5,939	(3,304)
Payables	1,645	(13,451)
Cash generated from operating activities	<u>7,061</u>	<u>11,161</u>
Interest paid	(1,290)	(761)
Tax paid	(438)	(464)
Net cash generated from operating activities	<u>5,333</u>	<u>9,936</u>
Cash Flows from Investing Activities		
Proceeds from disposal of property, plant and equipment	-	100
Purchase of property, plant and equipment	(248)	(2,490)
Additions to investment properties	-	(484)
Interest received	318	13
Net cash generated from/(used in) investing activities	<u>70</u>	<u>(2,861)</u>
Cash Flows from Financing Activities		
(Repayment)/Drawdown of borrowings	(7,639)	4,088
Drawdown/(Placement) of pledged deposits	635	(9)
Payment of lease liabilities	(371)	(456)
Net cash (used in)/generated from financing activities	<u>(7,375)</u>	<u>3,623</u>
Net (decrease)/increase in Cash & Cash Equivalents	(1,971)	10,698
Cash & Cash Equivalents at beginning of financial period	5,651	5,350
Cash & Cash Equivalents at end of financial period	Note A <u>3,680</u>	<u>16,048</u>

Note A :

Included in cash and cash equivalents as at 31 March are the following:

- Cash and deposits with licensed banks	7,665	21,505
- Bank overdrafts	(1,208)	(3,019)
- Deposits pledged	(2,777)	(2,438)
	<u>3,680</u>	<u>16,048</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 2023 and the accompanying explanatory notes attached to the interim financial statements)

FINANCIAL PERIOD ENDED 31 MARCH 2024

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 2023.

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 2023 except for the adoption of the following:-

Amendments to MFRS 107 and MFRS 7	<i>Supplier Finance Arrangements</i>
Amendments to MFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to MFRS 101	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to MFRS 101	<i>Non-current Liabilities with Covenants</i>

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 2024.

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 2024.

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 31 March 2024.

8. PAYMENT OF DIVIDEND

No dividend was paid during the current financial period ended 31 March 2024.

9. SEGMENTAL REPORTING

a) Segment revenue and results

	Property Development RM'000	Property Investment RM'000	Food and Beverages RM'000	Investment Holding / Others RM'000	Elimination RM'000	Consolidated RM'000
3 months ended 31 March 2024						
Total Revenue						
External Revenue	7,988	419	752	-	-	9,159
Inter-segment revenue	-	-	-	1,884	(1,884)	-
	<u>7,988</u>	<u>419</u>	<u>752</u>	<u>1,884</u>	<u>(1,884)</u>	<u>9,159</u>
Loss from operations	<u>(830)</u>	<u>(1,152)</u>	<u>(1,173)</u>	<u>116</u>	<u>(909)</u>	<u>(3,948)</u>
3 months ended 31 March 2023						
Total Revenue						
External Revenue	32,728	486	530	-	-	33,744
Inter-segment revenue	2,052	-	-	1,410	(3,462)	-
	<u>34,780</u>	<u>486</u>	<u>530</u>	<u>1,410</u>	<u>(3,462)</u>	<u>33,744</u>
Loss from operations	<u>(12,201)</u>	<u>(1,134)</u>	<u>(1,682)</u>	<u>4,196</u>	<u>(5,676)</u>	<u>(16,497)</u>

b) Segment assets and liabilities

	Property Development RM'000	Property Investment RM'000	Food and Beverages RM'000	Investment Holding / Others RM'000	Elimination RM'000	Consolidated RM'000
As at 31 March 2024						
Segment assets	224,938	10,880	597	262,088	(249,454)	249,049
Segment liabilities	184,704	40,332	14,354	101,426	(199,084)	141,732
As at 31 December 2023						
Segment assets	233,728	11,258	394	260,187	(245,677)	259,890
Segment liabilities	221,562	39,363	13,008	68,962	(195,786)	147,109

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 31 March 2024.

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 2024.

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

	1st Quarter Ended		3 months Ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Directors				
-Office rental paid/payable	(16)	(14)	(16)	(14)

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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

	3 months Ended		Decrease %
	31.03.2024 RM'000	31.03.2023 RM'000	
Revenue	9,159	33,744	(72.9)
Loss before taxation	(5,261)	(17,908)	(70.6)

The Group recorded revenue of RM9.16 million, approximately 72.9% lower than the corresponding period's revenue of RM33.74 million, mainly due to lower sales for the period under review. Despite the lower revenue reported, the Group achieved a lower pre-tax loss of RM5.26 million for the quarter compared to the pre-tax loss of RM17.91 million for the corresponding period.

Loss for the quarter was attributed to slower sales of property segment and the high operating cost of F&B and hospitality segments. Group's performance improved against the corresponding period due to the absence of elevated cost of sales which were reported in that period.

16. COMPARISON WITH PRECEDING QUARTER'S RESULTS

	1Q 2024	4Q 2023	Decrease %
	RM'000	RM'000	
Revenue	9,159	9,734	(5.9)
Loss before taxation	(5,261)	(14,597)	(64.0)

The group recorded revenue of RM9.16 million in the current quarter as compared to RM9.73 million in the preceding quarter due to lower sales of property. However, the Group posted a lower pre-tax loss during the quarter of RM5.26 million as compared to the pre-tax loss of RM14.60 million in the immediate preceding quarter in which several assets impairment and write off were reported.

17. PROSPECTS

Lumi Tropicana

Lumi Tropicana has achieved a take-up rate of 98% for Phase 1 and 63% for Phase 2 respectively. The remaining unsold units held for future sales are primarily located within the Lifestyle Tower, which have the most impressive views of the Tropicana Golf & Country Club. Management aims to sell most of these units in 2024 while retaining some units for our hospitality segment to generate recurring income.

We anticipate the growing interest in the completed units in Lumi Tropicana following the recent announcement of the re-implementation of the LRT 3 Tropicana Station during Budget 2024 presentation on 13 October 2023 (source: <https://www.nst.com.my/news/nation/2024/01/999173/loke-5-lrt3-stations-expected-be-operational-2027>). Management anticipate an upside in the values of these units as a result of this development.

Kepong

In 2023, the Group has successfully achieved 100% sales of our Suite eNESTa Kepong serviced apartment units and we plan to sell our remaining Suite eNESTa Kepong retail units in the current year. The strategy of securing tenancy for our retail units in year 2023 has been encouraging with investment returns ranging from 4.5% to 7%.

Given its strategic location near the MRT Jinjang Station, eNESTa Kepong is set to be a commercial hub in the making.

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17. PROSPECTS (CONTINUED)

Northern Region - Desa Aman, Kedah

Our township in Desa Aman, Kedah has shown great performance in 2023, particularly with our current project Enesta Avenue. We have achieved impressive sales with 239 units out of 261 units already sold, representing 91% of sales. At the same time, the construction progress is at an advanced stage with vacant possession for three phases delivered in first quarter and two other phases expected to be handed over between second quarter and third quarter of 2024.

In 2023, while the focus was on the development of Enesta Avenue with a gross development value of RM88 million, the Group also undertook land enhancement exercise on several plots of land in our Desa Aman with planning approvals for outright sales to improve the Group's profitability and its cash flow.

Northern Region - eNESTa East, Bagan Jermal

In Butterworth, Pulau Pinang, we are in the advanced stage of preparing our 19-storey serviced apartments for launch which comprise 293 units with a Gross Development Value of over RM140 million. The sales gallery and site preparation have all been completed and the project is expected to be launched in the 3rd quarter of 2024.

This project, boasting a seafront view is poised to be a landmark development in Bagan Jermal, Butterworth, Pulau Pinang.

Hospitality

Thriven has diversified its business by introduction of its hospitality division which provides short-term accommodation to both business and leisure travellers as well as Hospitality Management Services for property owners. The hospitality division has shown promising growth throughout the year 2023.

Moving forward, the Group will be focusing on its own units and have in place plans to increase it to over 100 rooms. This segment is expected to generate positive recurring income while enhancing the asset value of the assets held by the Group.

Lifestyle Retail

Lumi Market Place ("LMP") is a dedicated Food and Beverage ("F&B") space, situated within Lumi Tropicana, featuring over 30,000 square feet of garden space that is perfect for hosting events. To create interest in the space and to attract visitors, LMP incorporated a strong design element and a coherent concept centred around the F&B outlets, as well as curated weekend food markets and events. Management is actively working on building up the lifestyle retail business by collaborating with experienced professionals in the industry.

LMP was launched in 2023 by operating subsidiary Foreli Sdn Bhd ("Foreli") with 5 main brands: -

W.E.P – A lifestyle café which also provides for a co-working space

PROVIDO – A community grocer

SAVAGE Steakhouse – A premium dining venue focused on best steaks in town

AKARI – A Japanese Restaurant

Bite Club – A food hall, catering to a Kopitiam, Asian, Western, Rotisserie and Pizza

LMP Events Hall – A banquet and event space

We anticipate Foreli to enter a growth stage and will begin making a positive contribution to the Group.

17. PROSPECTS (CONTINUED)

Overall

For the financial year ended December 31, 2024 ("FY2024"), the Group's revenues were consistently supported by new and unbilled sales totaling approximately RM22 million from our ongoing developments, which were expected to be delivered in the current financial year.

The property development segment is committed to expanding its offering of affordable housing, as it serves as a key growth driver, especially in Desa Aman, which continues to experience encouraging demand. The Group is actively on the lookout for new landbank in this segment and to have a larger portfolio of affordable housing in the central and northern regions.

The successful completion of our flagship project, Lumi Tropicana, is a testament to the Group's commitment to delivering homes that provide value appreciation and beyond. With an improving market sentiment and the activities at LMP, the Group has chosen to create the envisioned Luminous lifestyle for Lumi Tropicana. Additionally, we are expanding our portfolio in the property investment and hospitality segments by retaining selected units for recurring rental income through both short-stay accommodations and long-term rental arrangements.

Through Group's strategies, Management is confident of achieving its aspiration for the year in line with its long term growth trajectory.

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	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	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	771	527	771	527
Depreciation of investment properties	679	487	679	487
Impairment losses on:				
- trade and other receivables	-	954	-	954
- contract assets	-	343	-	343
Gain on disposal of property, plant & equipment	-	(100)	-	(100)
Finance costs:				
- bank borrowings	614	87	614	87
- Other non-financial institution borrowings (arising from sale and leaseback arrangement)	651	651	651	651
- lease liabilities	23	650	23	650
- others	25	23	25	23
Interest income	(318)	(13)	(318)	(13)

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20. TAXATION

	1st Quarter Ended		3 months Ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Tax expense				
Income tax	308	1,247	308	1,247
Deferred tax	(105)	(654)	(105)	(654)
Total tax expense charged	<u>203</u>	<u>593</u>	<u>203</u>	<u>593</u>

The effective tax rates of the Group for the current financial period were higher than the statutory tax rate of 24%, due mainly to the losses from other subsidiaries which reduced the profit before tax of the Group.

21. CORPORATE PROPOSALS

There were no corporate proposals announced but not completed during the financial period ended 31 March 2024.

22. BORROWINGS

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

	31.03.2024	31.12.2023
	RM'000	RM'000
Borrowings denominated in Ringgit Malaysia:		
Long Term - Secured	58,952	59,702
Short Term - Secured	18,726	24,572
	<u>77,678</u>	<u>84,274</u>

Long 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 31 March 2024.

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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:-

	1st Quarter Ended		3 months Ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Loss for the period	(5,464)	(18,501)	(5,464)	(18,501)
Add: Non-controlling interests	328	(403)	328	(403)
Loss attributable to the owners of the Parent	<u>(5,136)</u>	<u>(18,904)</u>	<u>(5,136)</u>	<u>(18,904)</u>
Weighted average number of ordinary shares in issue ('000) ("WAVOS")	<u>546,944</u>	<u>546,944</u>	<u>546,944</u>	<u>546,944</u>
Basic loss per ordinary share (sen)	<u>(0.94)</u>	<u>(3.46)</u>	<u>(0.94)</u>	<u>(3.46)</u>

The diluted loss per ordinary share for the current and previous financial period is equal to the basic loss per ordinary share for the respective financial period as there are no dilutive potential ordinary shares as at 31 March 2024 and 31 March 2023.