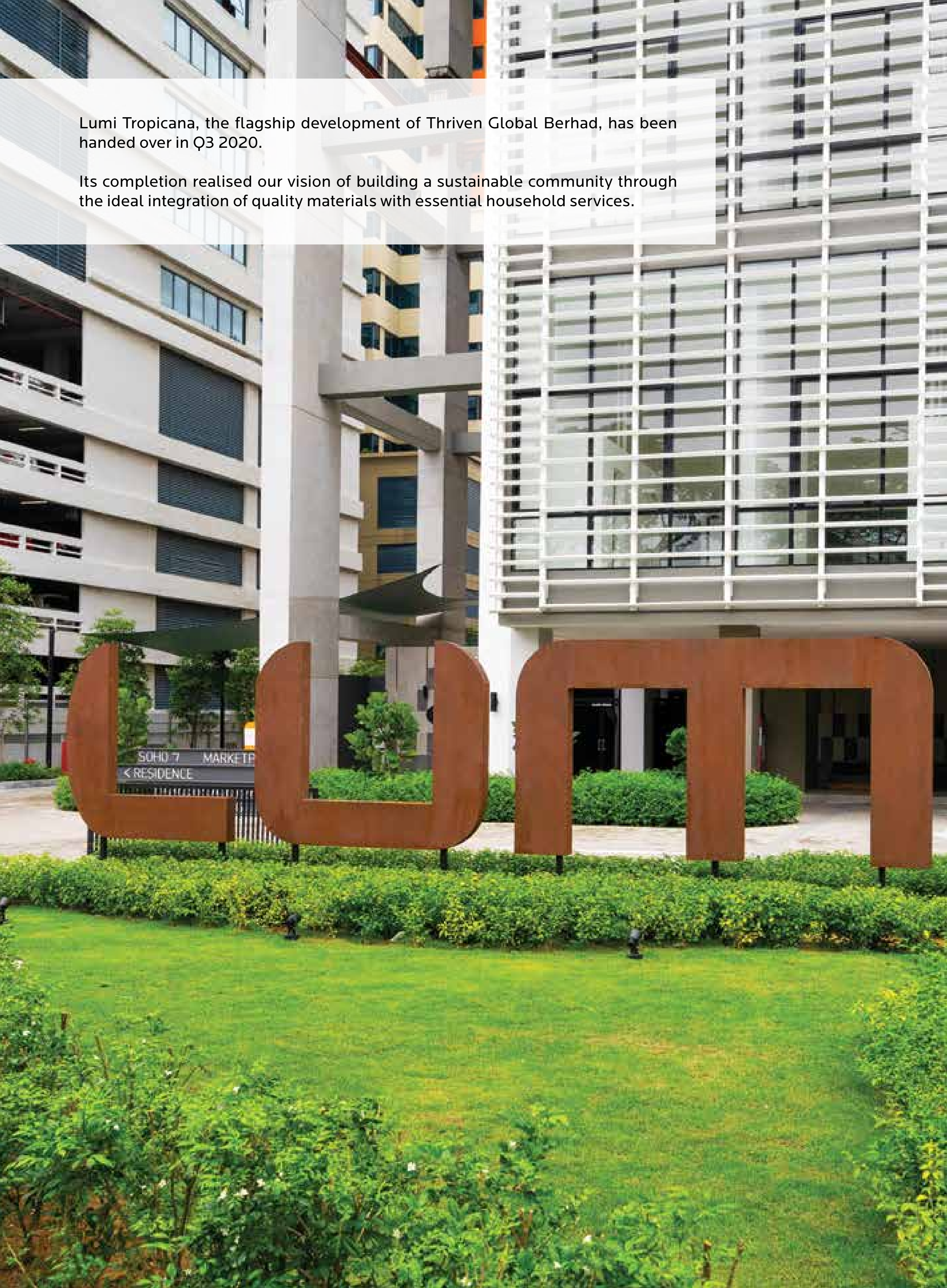
THRIVEN

Annual Report 2020

IDEAL LIVING

Lumi Tropicana, the flagship development of Thriven Global Berhad, has been handed over in Q3 2020.

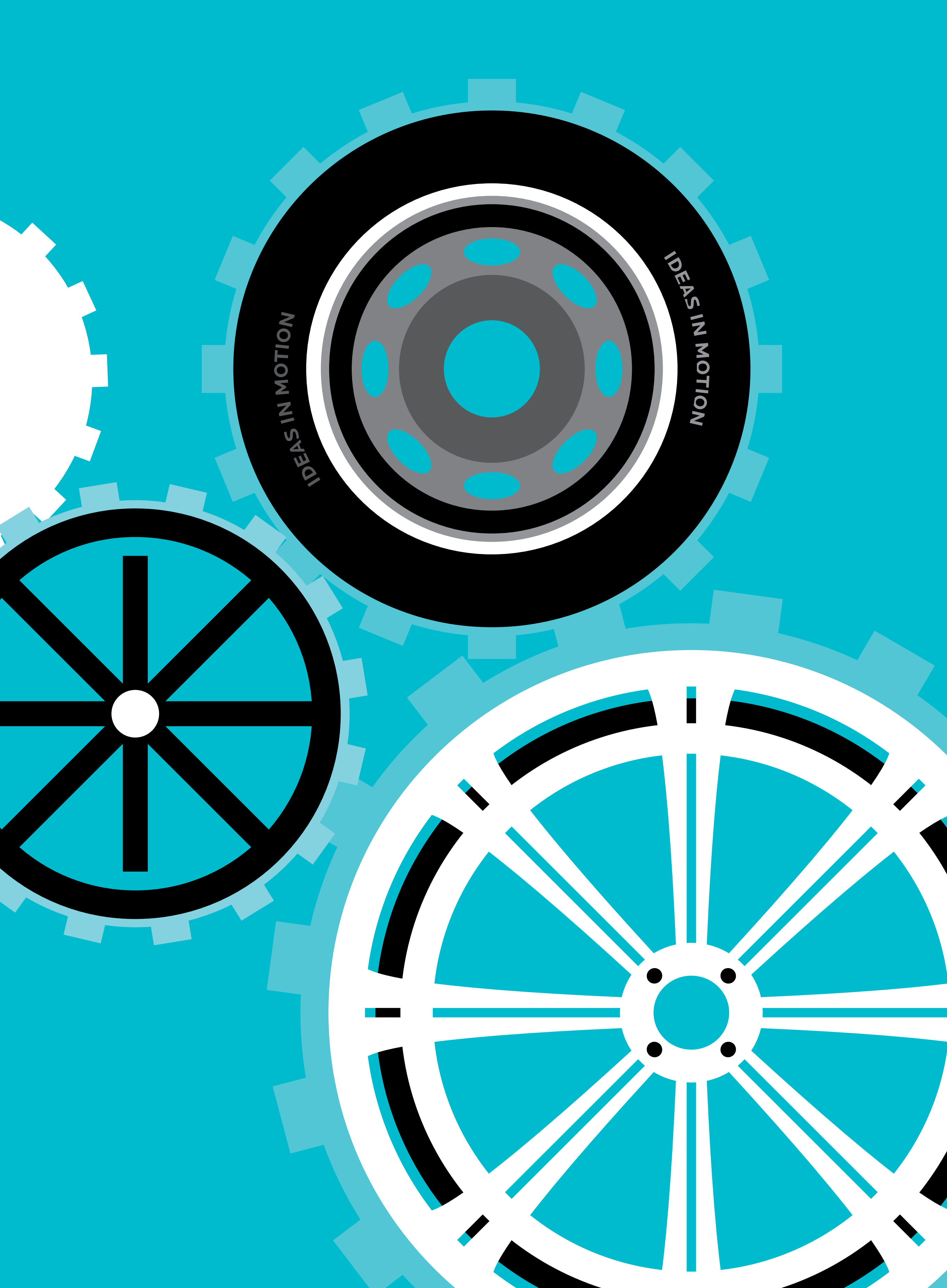
Its completion realised our vision of building a sustainable community through the ideal integration of quality materials with essential household services.



CONTENTS

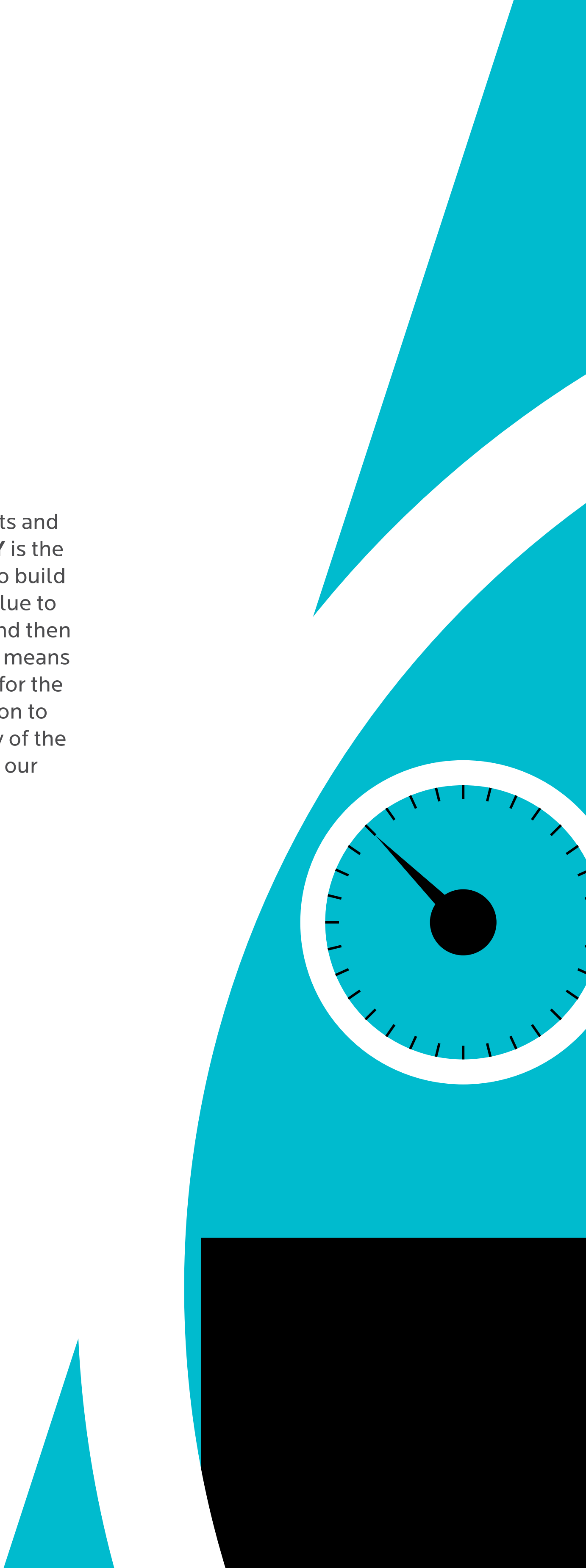
CREATIVITY DRIVES US FORWARD, INNOVATION MEANS WE DON’T STOP MOVING

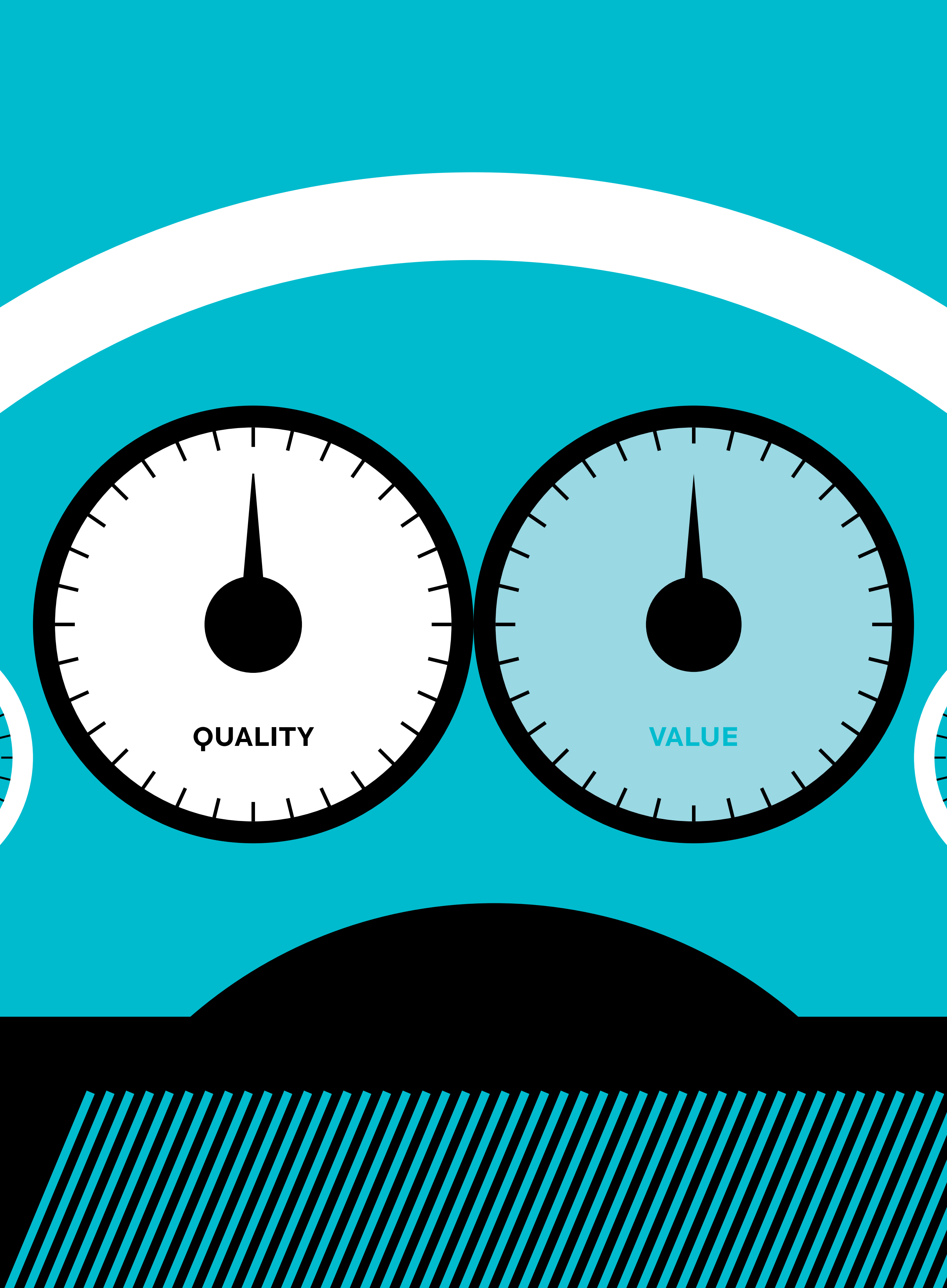
The value of **INNOVATION** is embedded in our corporate culture. We are driven by design and passionate about the delivery of a quality lifestyle, be that in the creation of exciting new property products that set benchmarks for the industry, or services that push the boundaries in the customer experience. But being innovative isn’t only about creating the ‘new’. It also means we continually strive to think of better ways of doing things and improving what we do, for the benefit of our customers. It means we always challenge the status quo, and are never satisfied with ‘business as usual’.


IDEAS IN MOTION
IDEAS IN MOTION

WE ARE DRIVEN BY EXCELLENCE, BUT ALWAYS WITH VALUE IN MIND

At Thriven, we want to create the kind of products and services that will lead the market, and **QUALITY** is the way we are going to achieve it. Our objective is to build quality living environments that deliver good value to our customers at the initial point of purchase, and then continue to increase in value, over time. Quality means we don’t cut corners or compromise standards, for the sake of the bottom line. It means we pay attention to the details, both in the design and the durability of the buildings we create, and the way in which we do our work, or serve our customers.




QUALITY
VALUE

CARE IS HOW YOU BUILD COMMUNITY, AND GENUINE RELATIONSHIPS

Our vision says we want to build living communities, including our own, and **CARE** is at the heart of community. The Thriven difference is that we genuinely care for our customers, our business partners and each other. This means we always treat everyone with warmth and respect. It means that we are friendly, helpful and flexible in our customer service. It also means we are cooperative and easy-to-deal-with in our interactions with each other. This is how we nurture a winning network of clients and collaborators, generating mutual and enduring value together.


TAKE
CARE

CORPORATE PROFILE

Malaysia Book of Records' Longest Infinity Pool (190 metres) at Lumi Tropicana

Thriven Global Berhad is setting new standards in the Malaysian property market. We innovate new lifestyles with great passion and purpose.

We synergistically unlock the full potential of our project sites, which results in convenient, unique and efficient living spaces.

Listed on the Main Market of Bursa Malaysia Securities Berhad, we intend to leave an impressive legacy in urban planning and development. Our forte lies in creating integrated communities where lifestyle, leisure and business come together, in one place. We utilise innovation, forward-looking design and smart urban planning to forge a superior living experience.

CORPORATE PROFILE (cont'd)

Our three complementary core businesses, **Property Development and Investment, Hospitality And Lifestyle Retail and Facilities Management** are integrated to create our unique approach to community building.

PROPERTY DEVELOPMENT AND INVESTMENT

We handle each project with comprehensive detail and ensure that all steps taken in the planning and execution process are carefully carried out. At every phase, we drive the project forward with insight and vigour. With our team of dedicated and experienced staff, we deliver not only a superior product, but also an unforgettable experience.

HOSPITALITY AND LIFESTYLE RETAIL

In order to make living in our developments both a joy to live in as well as being convenient, we provide a range of services that have our homeowners' well-being and satisfaction in mind. Our lifestyle retail is carefully tailored in order to provide only the best for our homeowners. We have forged a long-term partnership with many key retail operators to provide the best possible experience for you.

FACILITIES MANAGEMENT

Our facilities management team carry out comprehensive services with a "personal touch" that ensure post-developmental activities are carried out efficiently and meet the highest standards possible. This is to ensure a high standard of living as well as safeguard the durability and investment potential of our developments.

This is what we call '**FORWARD LIVING**'.

CORPORATE PROFILE (cont'd)

FORWARD LIVING

We believe that property development is fundamentally about the future, about innovative concepts for the middle-income market, distinguished by cutting-edge planning and design. Our products offer a total lifestyle experience where living, leisure and business come together, in one place. In pursuit of our vision, we forge mutually beneficial relationships of trust with our business associates and customers.

This is Forward Living, in action.

FORWARD THINKING

We are inspired by design and passionate about creating a coveted living experience, be that in the development of new genres in service residences, or master-planned townships with affordable housing. We conceptualize every project from the broad view of urban planning all the way through to the essence of the product, the living space, where people can feel the impact of our design on a daily basis. We embrace more evolved ways of creating spaces with keen attention to detail and sensitivity to evolving market needs. By adopting a thoughtful approach to structures and materials, we deliver choice products that appreciate in value over time.

FORWARD MOVING

For us, property development isn't just about building houses, it's about creating holistic, sustainable, thriving communities. It's about values. We believe fundamentally in the family as a core unit of society, consequently, a 'Live-Work-Play' model lies at the heart of our urban planning. We also believe in sustainable development and caring for the environment, which has two aspects. First, we are determined that green spaces comprise at least 25% of the land area of all our developments. Second, we strive to keep our carbon footprint and energy consumption low, making astute choices in our building design and the selection of materials and lighting to accomplish this.

We have assembled a broad-based team with a complementary range of skill sets, leveraging on diverse backgrounds to transform the development landscape in Malaysia. We also believe in cultivating long-term, mutually beneficial partnerships of trust with our business associates for the best all-round results.

FORWARD LOOKING

We believe that no truly great vision can be achieved without collaboration, the mutually rewarding dynamic that creates value for everyone as it moves toward the goal. For this reason we have brought together a broad-based team internally with a complementary range of skill sets, leveraging our diverse backgrounds toward the shared objective of transforming the development landscape in Malaysia. Externally we also believe in cultivating long-term, mutually beneficial partnerships of trust with our business associates, where each contributes their expertise for the best all-round result, which for us means happy customers living in well-designed, healthy and sustainable communities.

CORPORATE
PROFILE (cont'd)

ABOUT THRIVEN

The name Thriven says something about who we are. Derived from the two words 'thrive' and 'driven', this kinetic fusion defines our corporate character.

We are a youthful and energetic group, open to growth and change. Our core strength lies in our people — a dynamic team of forward-thinking professionals with a high awareness of design and detailing. Innovative and progressive, we study emerging trends and push the boundaries to create products that will set benchmarks for the industry.

The Thriven team has a formidable track record in local and international markets, and brings together a comprehensive suite of skills from property development, facilities management and hospitality to corporate finance, debt capital markets and law.

The 3-acres Lumi Park at Lumi Tropicana

CORPORATE PROFILE (cont'd)

OUR FOCUS

Our aim is to bring exciting and innovative residential products and services to the Malaysian market, which will define a new level of living experience, what we call 'Total Living'. Our focus over the medium term will be on Affordable Luxury for the upper mid-market, and Affordable Homes for the lower income segment.

Whatever the residential product, our focus is on quality, but always with value in mind — we seek to create and deliver those aspects of the living experience that create the most value and impact for the customers. Our objective is to build quality living environments with the kind of supporting infrastructure that delivers good value at the initial point of purchase, and then continues to appreciate in value as an investment, over time.

We pay attention to the details both in design and planning, and materials and fittings, building in the appropriate quality and reliability both in the 'hardware' and the 'software' of our developments. The result is a superior product that will lead the market.

We take our social responsibilities seriously. We aim to build well-rounded 'Live-Work-Play' communities in environments that have been considered from an urban planning viewpoint, bringing together residential, commercial and public spaces in a harmonious and mutually enriching manner. Woven into the fabric of these living communities will be generous green and leisure spaces.

OUR VALUES

Thriven Global is defined not only by our vision to create holistic communities which benefit society as a whole, but also by the values which guide all our business efforts, on a daily basis.

Honesty and integrity form the bedrock of our organization and this is the basis of how we build long-term trust between us and all our stakeholders. We care for our customers, our business partners, and for each other, treating everyone with warmth and respect. This is how we nurture a winning network of customers and collaborators, creating mutual, enduring value together.

We believe that great work begins with a great workplace — we work hard at cultivating an environment that inspires everyone to share his or her best. With a lean organizational structure, we move quickly and efficiently to accomplish tasks and achieve goals. We respect convention but are not bound by it, and 'champion the brand' by looking for new and unexpected — but always better — ways of doing things.

We believe in conducting our business in a sustainable manner, and always consider the long-term impact of our operations from an environmental standpoint.

THE FUTURE

Our projects are currently local but our horizon is global. We are dedicated to creating Thriven Global Berhad as an international brand, extending our reach across the region, building and maintaining a portfolio of quality projects that will build our reputation globally.

The retail, commercial and supporting infrastructure at the heart of our developments will create a recurring revenue stream, while partnerships with key retail operators will enhance the sustainability of our community-focused concept.

We envision growing our hospitality and lifestyle and facilities management teams to undertake projects of increasing size and complexity, and then offer this expertise on the market to third parties.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman
Datuk Fakhri Yassin Bin Mahiaddin

Group Managing Director
Ghazie Yeoh Bin Abdullah

Executive Director
Dato' Low Keng Siong

Independent Non-Executive Directors
Lim Kok Beng
Henry Choo Hon Fai
Rewi Hamid Bugo

Non-Independent Non-Executive Director
Lee Eng Leong

AUDIT AND RISK MANAGEMENT COMMITTEE

Lim Kok Beng *(Chairman)*
Rewi Hamid Bugo
Lee Eng Leong

NOMINATION COMMITTEE

Rewi Hamid Bugo *(Chairman)*
Lim Kok Beng
Henry Choo Hon Fai

REMUNERATION COMMITTEE

Rewi Hamid Bugo *(Chairman)*
Lim Kok Beng
Henry Choo Hon Fai

COMPANY SECRETARIES

Seet Wan Sing (BC/S/1491/PC No. 202008000746)
Tan Lai Hong (MAICSA 7057707/PC No. 202008002309)

REGISTERED OFFICE

Level 23A, Menara LGB
No. 1, Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur, Malaysia

T : (603) 7688 1266
F : (603) 7688 1277

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
Registration no. 199601006647 (378993-D)

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

T : (603) 7890 4700
F : (603) 7890 4670

AUDITORS

BDO PLT (LLP0018825-LCA & AF 0206)
Chartered Accountants

PRINCIPAL BANKERS

United Overseas Bank (Malaysia) Bhd.
AmBank (M) Berhad
Hong Leong Bank Berhad
Bank Islam Malaysia Berhad
CIMB Bank Berhad
Kenanga Investment Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : THRIVEN
Stock Code : 7889

WEBSITE ADDRESS

www.thriven.com.my

INVESTOR RELATIONS

E : ir@thriven.com.my
T : (603) 7768 1266

GROUP'S 5-YEAR FINANCIAL HIGHLIGHTS

Statements of Profit or Loss and Other Comprehensive Income

	2020 RM'000	2019 RM'000	2018 RM'000	2017 RM'000	2016 RM'000
Revenue	**147,036**	236,408	239,079	122,870	66,969
Profit/(Loss) before tax	**794**	29,255	27,369	2,650	(16,589)
(Loss)/Profit after tax	**(4,570)**	20,802	21,520	1,791	(16,700)
(Loss)/Profit attributable to owners of the parent	**(6,288)**	16,938	20,395	201	(10,145)

Statements of Financial Position

	2020 RM'000	2019 RM'000	2018 RM'000 (Restated^^)	2017 RM'000 (Restated~)	2016 RM'000
Issued share capital	**59,587**	59,586	49,724	44,852^	37,670
Reserves	**126,396**	144,257	129,218	113,260	118,167
Total shareholders funds attributable to owners of the parent	**185,983**	203,843	178,942	158,112	155,837
Total assets	**374,399**	423,708	383,212	407,383	392,678
Total liabilities	**186,113**	219,280	207,549	253,244	246,470
Non-controlling interests	**2,303**	585	(3,279)	(3,973)	(9,629)
(Loss)/Earnings per ordinary share attributable to equity holders of the Company ("EPS")(sen)	**(1.15)**	3.14	4.10	0.04*	(2.04)*
Net assets per ordinary share attributable to owners of the parent ("NAPS")(RM)	**0.34**	0.37	0.36	0.32*	0.31*

~ Comparatives have been restated due to the adoption of MFRS 9, *Financial Instruments.*

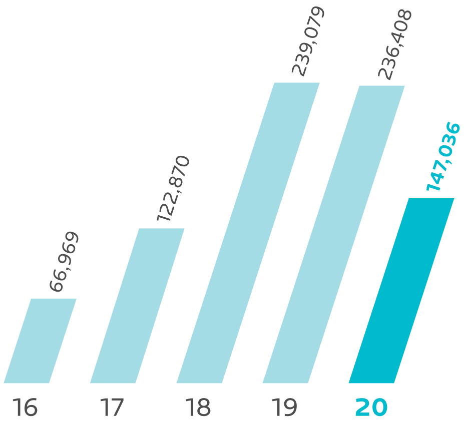
* The EPS and NAPS has been restated to take into account the effect of the bonus share issues for financial year ended 31 December 2016 to financial year ended 31 December 2017.

^ Pursuant to the Companies Act 2016 in Malaysia, the credit balance in the share premium account was transferred to the share capital account.

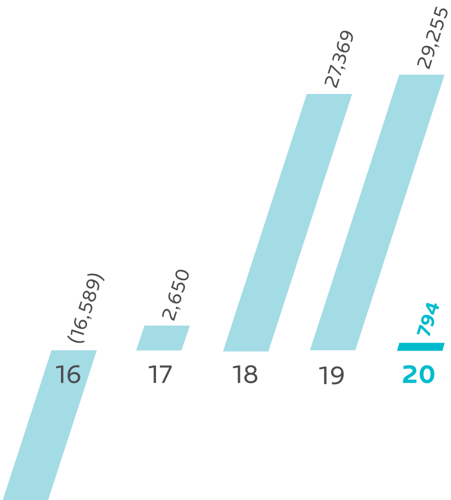
^^ Certain comparative figures have been reclassified where necessary to conform with current year presentation.

GROUP'S 5-YEAR FINANCIAL HIGHLIGHTS (cont'd)

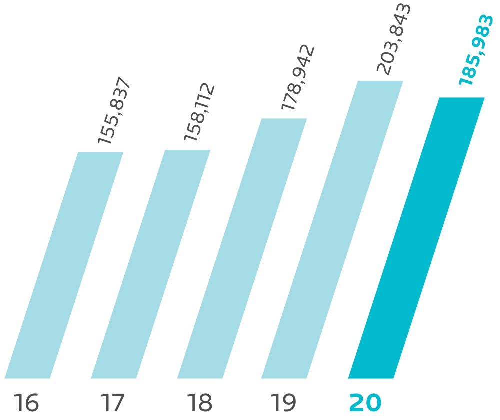
Revenue
(RM'000)



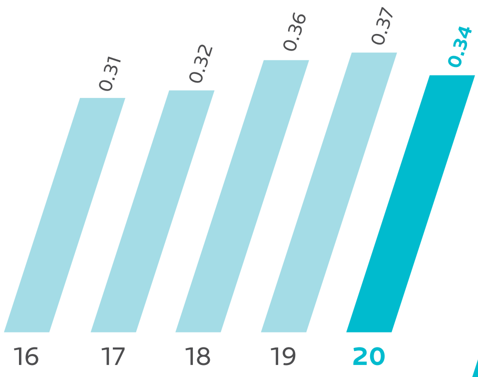
(Loss)/Profit before tax
(RM'000)



Total shareholders funds attributable to owners of the parent
(RM'000)



Net assets per ordinary share attributable to owners of the parent
(RM)



FINANCIAL CALENDAR

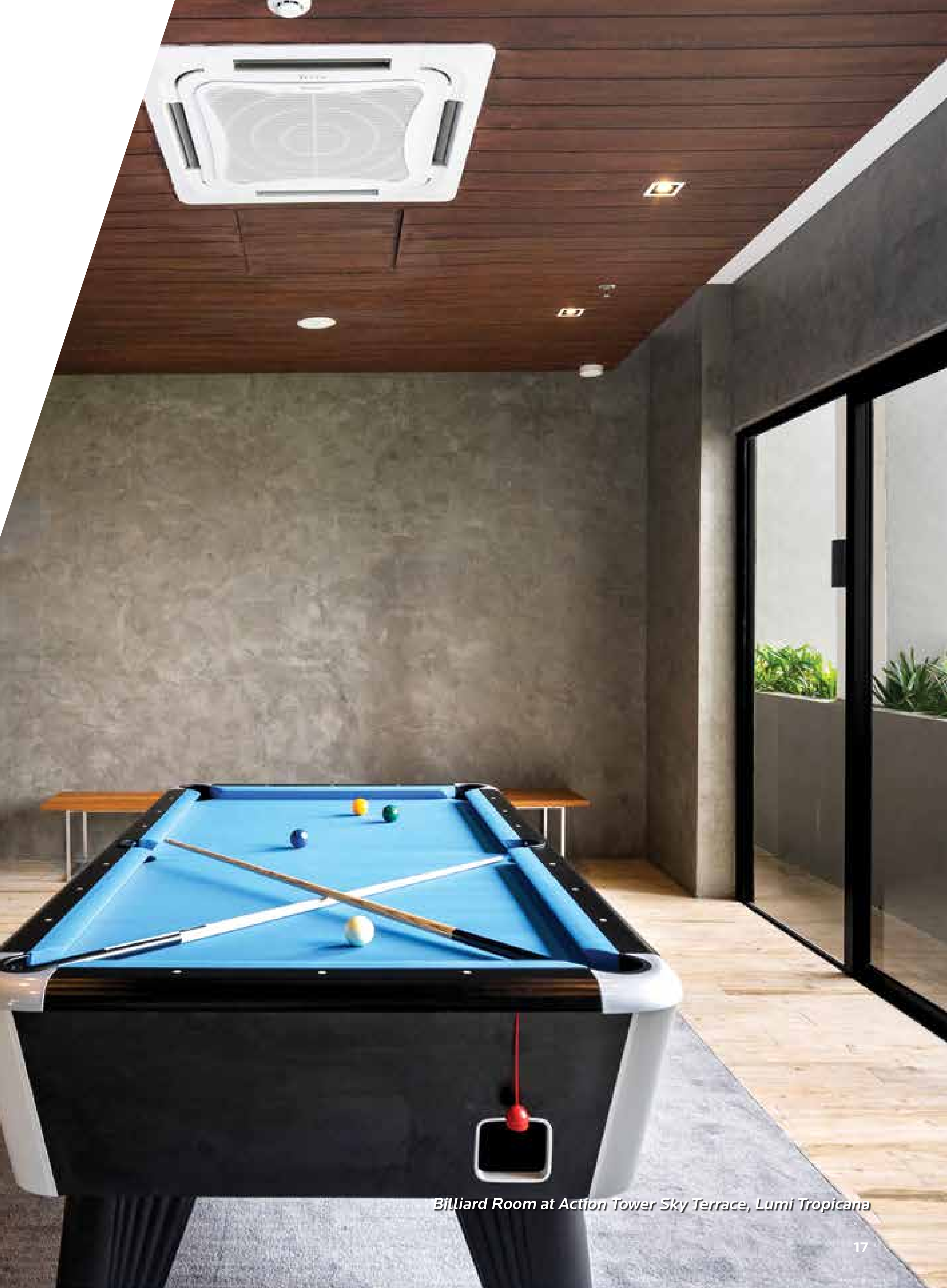
2020

FEBRUARY 21 FRIDAY	Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2019
JUNE 26 FRIDAY	Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2020
JULY 28 TUESDAY	31st Annual General Meeting
AUGUST 28 FRIDAY	Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2020
NOVEMBER 20 FRIDAY	Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2020

2021

FEBRUARY 25 THURSDAY	Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2020
MAY 28* FRIDAY	Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2021
JUNE 17* THURSDAY	32nd Annual General Meeting
AUGUST 27* FRIDAY	Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2021
NOVEMBER 26* FRIDAY	Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2021

* Date is subject to change



Billiard Room at Action Tower Sky Terrace, Lumi Tropicana

BOARD OF DIRECTORS

left to right

Lee Eng Leong
Non-Independent Non-Executive Director

Rewi Hamid Bugo
Independent Non-Executive Director

Dato' Low Keng Siong
Executive Director

Datuk Fakhri Yassin bin Mahiaddin
Executive Chairman

Ghazie Yeoh bin Abdullah
Group Managing Director

Henry Choo Hon Fai
Independent Non-Executive Director

Lim Kok Beng
Independent Non-Executive Director


THRIVEN

PROFILE OF BOARD OF DIRECTORS

DATUK FAKHRI YASSIN BIN MAHIADDIN
Executive Chairman

Gender	Nationality	Age
Male	Malaysian	45

Board Meeting Attendance in 2020 **4/4**

Date of Appointment: 18 April 2015

Length of Service (as at 2 April 2021): 5 years and 11 months

Board Committee Membership(s): Nil

Academic/Professional Qualification/Membership(s):
- Bachelor of Science (Econs) Degree in Business Economics, Queen Mary College, University of London, United Kingdom

Present Directorship(s) in other Listed Companies: Nil

Present Directorship(s) in other Public Companies: Nil

Working Experiences: Datuk Fakhri is currently the Group Managing Director of Ketapang Capital Sdn. Bhd., an investment holding company of the Ketapang Group. He commenced his career as an Investment Analyst with Hwang-DBS Securities Bhd. He was a director of Eden Inc. Berhad until 31 December 2017.

He is currently serving on the Board of Trustees of TSM Charity Golf Foundation and Yayasan Nurul Yaqeen, both being educational and charitable non-governmental organisations.

Other Information: Datuk Fakhri does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years. He is deemed interested in 148,524,802 or 27.16% of the shares in the Company by virtue of his shareholdings in Ketapang Capital Sdn. Bhd..

GHAZIE YEOH BIN ABDULLAH
Group Managing Director

Gender	Nationality	Age
Male	Malaysian	44

Board Meeting Attendance in 2020 **4/4**

Date of Appointment: 22 May 2012

Length of Service (as at 2 April 2021): 8 years 10 months

Board Committee Membership(s): Nil

Academic/Professional Qualification/Membership(s):
- Bachelor of Science Degree (Information Technology), Monash University, Melbourne, Australia

Present Directorship(s) in other Listed Companies: Nil

Present Directorship(s) in other Public Companies: Nil

Working Experiences: Armed with 21 years of experience in the property industry, Encik Ghazie brings with him vast knowledge and understanding in the development, construction and building materials sector.

Other Information: Encik Ghazie does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years. He holds 23,939,619 or 4.38% shares in the Company.

PROFILE OF BOARD OF DIRECTORS (cont'd)

DATO' LOW KENG SIONG
Executive Director

Gender	Nationality	Age
Male	Malaysian	47

Board Meeting Attendance in 2020 4/4

Date of Appointment: 4 September 2013

Length of Service (as at 2 April 2021): 7 years 6 months

Board Committee Membership(s): Nil

Academic/Professional Qualification/Membership(s):
- Bachelor of Laws (Hons) Degree, King's College London, United Kingdom
- Barrister at Law, Lincoln's Inn
- Advocate and Solicitor of the High Court of Malaya (Non-practising)

Present Directorship(s) in other Listed Companies: Nil

Present Directorship(s) in other Public Companies: Nil

Working Experiences: He was called to the Bar of England & Wales and subsequently called to the Malaysian Bar. He was a Partner with a leading law firm in Kuala Lumpur from 2003 to 2014, with substantial experience in the practice areas of capital markets and corporate restructuring.

Other Information: Dato' Low does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years. He holds 50,264,610 or 9.19% shares in the Company.

LIM KOK BENG
Independent Non-Executive Director

Gender	Nationality	Age
Male	Malaysian	74

Board Meeting Attendance in 2020 5/5

Date of Appointment: 28 August 2001

Length of Service (as at 2 April 2021): 19 years 7 months

Board Committee Membership(s):
Remuneration Committee
Nomination Committee
Audit And Risk Management Committee *(Chairman)*

Academic/Professional Qualification/Membership(s):
- Fellow of the Institute of Chartered Accountants, England & Wales
- Member of the Malaysian Institute of Certified Public Accountants
- Member of the Malaysian Institute of Accountants

Present Directorship(s) in other Listed Companies: Nil

Present Directorship(s) in other Public Companies: Nil

Working Experiences: Mr. Lim has broad experience gained internationally in the fields of investment banking and corporate planning, and has held Chief Executive positions in industrial, trading, development and information technology companies. He is a Senior Partner in a Chartered Accountants firm.

Other Information: Mr. Lim does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years. He holds 100,000 or 0.02% shares in the Company.

PROFILE OF BOARD OF DIRECTORS (cont'd)

HENRY CHOO HON FAI
Independent Non-Executive Director

Gender	Nationality	Age
Male	Malaysian	48

Board Meeting Attendance in 2020 5/5

Date of Appointment: 13 September 2007

Length of Service (as at 2 April 2021): 13 years 6 months

Board Committee Membership(s):
Remuneration Committee
Nomination Committee

Academic/Professional Qualification/Membership(s):
- Bachelor of Science Degree (Computer Science), La Trobe University, Melbourne, Australia

Present Directorship(s) in other Listed Companies: Nil

Present Directorship(s) in other Public Companies: Nil

Working Experiences: Mr. Henry Choo has 2 decades of direct investment and operations experience within the venture capital/ private equity and securities industry in Malaysia, Hong Kong and Australia. He was a former head of investment and chief operating officer of a sovereign wealth corporate venture fund. He is active on the boards and advisory committees of several private and public companies in the Asia-Pacific region. He has been the Managing Director of Geogenesis Sdn. Bhd., an explorer and developer of natural resources since 2011.

He was formerly the Independent Non-Executive Director of Mudajaya Group Berhad from 2004 to 1 January 2015.

Other Information: Mr. Henry Choo does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years and he does not hold any shares in the Company.

PROFILE OF
BOARD OF DIRECTORS (cont'd)

REWI HAMID BUGO
Independent
Non-Executive Director

Gender	Nationality	Age
Male	Malaysian	47

Board Meeting Attendance in 2020 **5/5**

Date of Appointment: 18 September 2015

Length of Service (as at 2 April 2021): 5 years 6 months

Board Committee Membership(s):
Remuneration Committee *(Chairman)*
Nomination Committee *(Chairman)*
Audit And Risk Management Committee

Academic/Professional Qualification/Membership(s):
- Bachelor of Science (Management Science), University of Canterbury, New Zealand
- Master of Commerce (Business Administration), University of Canterbury, New Zealand

Present Directorship(s) in other Listed Companies: Nil

Present Directorship(s) in other Public Companies: Nil

Working Experiences: Mr. Bugo serves as a director of several private companies in Malaysia and New Zealand spanning various industries including property development, finance, motorcycle import and distribution, manufacturing and insurance broking.

He was the Deputy President of the Sarawak Housing and Real Estate Developer Association for the 2015-2018 term and currently serves on the Board of Trustees for WWF-Malaysia.

Other Information: Mr. Bugo does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years. He holds 2,349,700 or 0.43% shares in the Company. He is deemed interested in 488,400 or 0.09% shares in the Company by virtue of his shareholdings in Santubong Properties Sdn. Bhd. and indirect interest in 2,400,000 or 0.44% shares in the Company through shareholding by his father in the Company.

PROFILE OF
BOARD OF DIRECTORS (cont'd)

LEE ENG LEONG
Non-Independent Non-Executive Director

Gender	Nationality	Age
Male	Malaysian	53

Board Meeting Attendance in 2020 5/5

Date of Appointment: 10 March 2016

Length of Service (as at 2 April 2021): 5 years

Board Committee Membership(s):
Audit And Risk Management Committee

Academic/Professional Qualification/Membership(s):
- Member, Malaysian Institute of Certified Public Accountants
- Member, Malaysian Institute of Accountants
- INSEAD Global Executive Master of Business Administration (MBA)

Present Directorship(s) in other Listed Companies:
- Mudajaya Group Berhad
- Mulpha International Berhad

Present Directorship(s) in other Public Companies:
- Mudajaya Corporation Berhad
- Leisure Farm Polo Club Berhad

Working Experiences: Mr. Lee, is a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. He attained his INSEAD Global Executive Master of Business Administration (MBA) in 2018.

Mr. Lee was formerly the Group Chief Financial Officer of Alliance Bank Malaysia Berhad from 4 January 2010 to 2 October 2012. Prior to joining Alliance Bank Malaysia Berhad, he was the Chief Financial Officer for Microsoft, a major global company where he oversaw their finance operations covering the Asia region. For over 20 years, he has held various leadership roles in management positions within both local companies and multi-national companies in Asia.

Mr. Lee is currently the Executive Director of Mudajaya Group Berhad and Mulpha International Bhd. Prior to Mr. Lee's appointment as Executive Director of Mulpha International Berhad, he was the Group Chief Financial Officer of Mulpha International Berhad since 3 October 2012.

Other Information: Mr. Lee does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years and he does not hold any shares in the Company.

KEY
SENIOR MANAGEMENT

BOARD OF DIRECTORS

1 **Datuk Fakhri Yassin bin Mahiaddin**
Executive Chairman

2. **Ghazie Yeoh bin Abdullah**
Group Managing Director

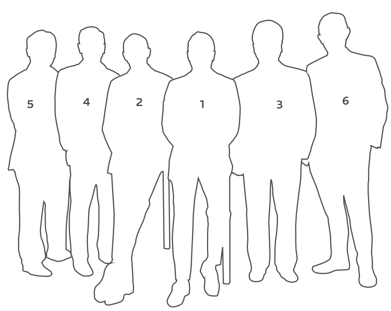
3. **Dato' Low Keng Siong**
Executive Director

KEY SENIOR MANAGEMENT

4. **Augustone Cheong Kwok Fai**
Group Chief Financial Officer

5. **Teoh Kong Haur**
*Managing Director,
Northern Region

6. **Seet Wan Sing (Edmund)**
Joint Company Secretary



*Note: Mr. Teoh Kong Haur was promoted as Managing Director for Northern Region on 23 January 2020.

PROFILE OF KEY SENIOR MANAGEMENT

AUGUSTONE CHEONG KWOK FAI *Group Chief Financial Officer*

Gender: Male | **Nationality:** Malaysian | **Age:** 52

Date of Appointment: 1 April 2015

Academic/Professional Qualification(s):

- Member of CPA Australia and the Malaysian Institute of Accountants
- Bachelor of Economics (majoring in Accountancy) from Monash University, Melbourne

Present Directorship(s):
Listed entity: Nil
Other public companies: Nil

Working Experience: In his working career, he has gained diverse experience in the areas of corporate finance, debt and equity fund raising as well as project financing with several financial institutions. Prior to joining Thriven as its Group Chief Financial Officer, he had also established and managed several private companies and ventures focusing on advisory and investment opportunities for its shareholders and external clients.

Others: He does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

TEOH KONG HAUR *Managing Director, Northern Region*

Gender: Male | **Nationality:** Malaysian | **Age:** 45

Date of Appointment: Appointed as senior management on 1 January 2016 and subsequently promoted as Managing Director for Northern Region on 23 January 2020.

Academic/Professional Qualification(s):

- Bachelor of Business Management Degree from Wawasan Open University, Malaysia
- Diploma in Civil Engineering from the Federal Institute Technology

Present Directorship(s):
Listed entity: Nil
Other public companies: Nil

Working Experience: Having more than 20 years of working experience in property developments which involved private and government projects within Klang Valley, Johor, Penang and Kedah. Mr. Teoh has experience in managing and coordinating large and complex real estate projects through all phases of designing, planning and development. He joined Thriven on 17 September 2014 as Project Manager and was subsequently promoted as General Manager on 1 January 2016 before being promoted to Managing Director in charge of its Northern Region division in January 2020 where he provides leadership in project management, property development and marketing to the team based there.

Others: He does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF
KEY SENIOR MANAGEMENT (cont'd)

SEET WAN SING (EDMUND) *Joint Company Secretary*

Gender: Male | **Nationality:** Malaysian | **Age:** 45

Date of Appointment: 1 May 2015

Academic/Professional Qualification(s):
- Bachelor of Laws, University of East London, England
- Certificate in Legal Practice
- Advocate & Solicitor of the High Court of Malaya

Present Directorship(s):
Listed entity: Nil
Other public companies: Nil

Working Experience: Mr. Seet was called to the Malaysian Bar in March, 2002. A lawyer by profession, he was a partner with a leading law firm in Kuala Lumpur before setting up his own legal firm in 2015. He has substantial experience in the practice areas of real estate, banking, corporate and commercial law.

Others: He does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past five years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

DATUK FAKHRI YASSIN BIN MAHIADDIN
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

Overview of Group's Business and Operations

Thriven Global Berhad ("Thriven" or the "Group") is an established property developer listed on the Main Market of Bursa Malaysia. The principal activities of Thriven are currently property development, property investment, facilities management and hospitality and lifestyle retail.

THRIVEN's name and branding was established six years ago with the change in Thriven's controlling shareholders. Originating from the words "thrive" and "driven", this dynamic synthesis of two positive intrinsic qualities describes our corporate culture and character. During this time, we have also created two product lines, namely LUMI Collections and eNESTa Homes, segregating our target customers into the upper middle-market and middle-income markets respectively. We are proud that in just six short years, our LUMI and eNESTa brands have made their presence felt in northern Peninsular Malaysia and lately, within the Klang Valley itself.

Our LUMI Tropicana, Residensi ENESTA Kepong and Suite eNESTa Kepong developments in the central region, and affordable housing projects in Desa Aman, Kulim continue to be the main revenue drivers for the Thriven Group.

In 2020, the emergence of COVID-19 has caused unparalleled disruption to economies and lives around the world. This pandemic and the economic disruption that ensued had adversely affected our Group's financial performance in 2020.

The Group recorded a loss after tax of RM4.57 million on the back of revenues amounting to RM147.04 million during the financial year ended 31 December 2020 ("FY2020"). Despite the disruptions and delays caused by the Movement Control Order ("MCO") in its various forms, we were able to complete our Lumi Tropicana Phase 1 and Residensi ENESTA Kepong projects and delivered vacant possession of both projects on 29 June 2020 and 15 October 2020 respectively. The completion of these two Central Region projects marked a major milestone for the Group. Their successful completion sustained our financial position and partly cushioned COVID-19's impact on the Group's financial performance in 2020.

Objective and strategies

During these difficult times, the Group's commitments to our shareholders are to improve performance, create sustainability in our businesses and endeavour to return the Group to profitability as soon as possible, guided by the following strategies and initiatives:

Improve Our Sales Leading To Stronger Cash Generation	With our current portfolio of property developments nearing full completion, we can leverage on our track record of delivering completed homes in the earlier phases to push new sales. We need to redouble our sales efforts, via inter alia, widening our sales and marketing channels, including empowering our staff to be salespersons, embracing the use of technology and creating innovative sales ideas. Despite competitive pressures, we continually aspire to improve our product quality and market perception. We are designing attractive and innovative methods (including Rent-To-Own ("RTO") schemes) to sell our remaining unsold inventories in Lumi Tropicana and Suite eNesta Kepong, especially units in Phase 2 of both projects which are expected to be completed and handed over in 2021.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

Enhance And Differentiate Our Products	In order to maintain demand and obtain good prices, we need to enhance our products, by making each product unique while still considering our cost. In other words, we intend to cost effectively differentiate our products to fit different buyer segments.
Sectoral Focus For Property Development	Reinforce our focus on the affordable housing sector, by fast tracking development activities for the remaining land banks located in Desa Aman. We intend to continue capturing the good demand for affordable homes still prevailing in the area. Where feasible, we will continue to look for potential joint ventures with landowners to increase our land banks, particularly to undertake affordable housing. The overall objective of our developments remains the creation of the concept of Total Living i.e., integrated communities, where lifestyle, business and leisure are enmeshed harmoniously together, assuring continuous growth in value of our customers' investments for years to come.

With the current challenging business environment, we are re-strategising our business plans for 2021 and 2022 to focus more on our property development projects as elaborated above. We also intend to kick start and expect a boost in our lifestyle retail and hospitality businesses respectively once the pandemic is under better control as vaccination programmes are rolled out in 2021.

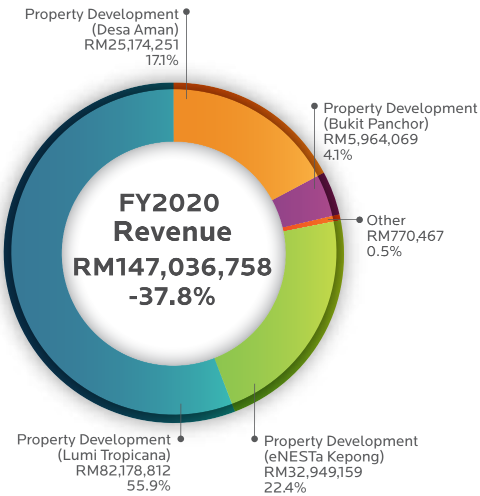
Financial Review

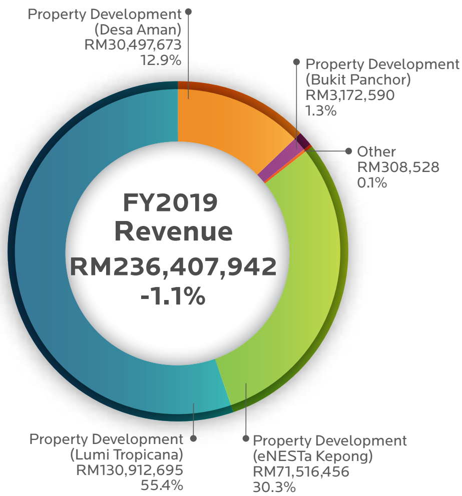
Summary of Income Statement

	FY2020 RM'000	FY2019 RM'000
Revenue	**147,036**	236,408
Cost of sales	**(116,511)**	(184,410)
Gross profit	**30,525**	51,998
Other income	**1,556**	2,445
Major operating expenses & finance costs		
Staff costs	**(9,519)**	(11,113)
Finance costs	**(5,928)**	(3,617)
Impairment losses on:		
– Investment properties	**(5,290)**	–
– Trade and other receivables	**(768)**	(702)
Depreciation and amortisation	**(4,874)**	(3,559)
Professional fees	**(1,226)**	(1,046)
Sales and marketing costs	**(561)**	(2,691)
Tax expense	**(5,364)**	(8,453)
Number of staff	**80**	88
Gross profit margin (%)	**20.76%**	22.00%
Total expenses as a % of revenue	**21.28%**	10.65%

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

Revenue and Profit Before Tax





In FY2020, the Group achieved revenues of RM147.04 million in FY2020, which is 37.8% lower than the prior year's revenues of RM236.41 million. The drop was mainly caused by lower revenue recognition from Lumi Tropicana and eNESTa Kepong Project as a result of the lower sales and slower construction progress during the year due to work stoppages caused by the MCO.

Aside from the lower revenues attained, the Group recognised impairment losses on investment properties and higher finance cost arising from the full year's impact of rental payments relating to the sale & leaseback of Lumi Retail and lease interest for certain right-of-use assets which commenced in September 2020. This resulted in the Group reporting a lower pre-tax profit of RM794k as compared to the corresponding year's pre-tax profit of RM29.26 million.

For 2020, in the central region, we were focusing on delivering vacant possession of our Lumi Tropicana Phase 1 and Residensi ENESTA Kepong developments.

The sales demand for our northern region projects remains robust, continuing the trend of prior years. Our launches in Desa Aman, Kulim for affordable housing projects were fully sold within a year from launch.

Operating Expenses and Finance Costs

The drop in staff costs in the current year as compared to the corresponding year ended in 2019 was mainly due to the reduction in certain management allowances and elimination of staff bonus provisions.

Higher finance costs for the current financial year were attributable to the rental paid of RM2.43 million to the purchaser for Lumi Retail which was classified as finance cost to reflect the sale & leaseback transaction as a financing arrangement.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

Due to inherent uncertainties arising from the COVID-19 pandemic i.e. imposition of various phases of the MCO and Conditional MCO, which resulted in interstate travel restrictions and stricter Standard Operating Procedures and based on certain assumptions for various probability-weighted cash flow scenarios, the Group has provided an impairment loss for investment properties (assets used for generating rental income through short term rental/short stay and RTO scheme) of RM5.29 million during the financial year.

The increase in depreciation and amortisation was mainly due to the amortisation of Right-Of-Use assets caused by the adoption of MFRS 16 effective on 1 January 2019.

Tax Expense

The Group's effective tax rate was significantly higher than the statutory tax rate of 24%, principally due to the following:

(a) subsidiaries incurring losses before tax which reduced the profit before tax of the Group;
(b) non-deductibility expenses including impairment losses on investment properties, trade and other receivables plus depreciation and amortisation on properties, plant and equipment;
(c) intercompany interest income which was taxable at the Company level but eliminated at the Group level; and
(d) over provision of deferred tax assets in prior year.

Summary of Financial Position

	FY2020 RM'000	FY2019 RM'000	Increase (+)/ Decrease (-) %
Assets			
Investment properties	**30,729**	26,263	+17.0%
Inventories	**220,658**	225,869	-2.3%
Trade and other receivables	**31,371**	16,291	+92.6%
Contract assets	**67,125**	124,381	-46.0%
Cash and bank balances	**14,480**	16,701	-13.3%
Liabilities			
Borrowings	**104,823**	109,091	-3.9%
Trade and other payables	**63,697**	99,220	-35.8%
Lease liabilities	**10,586**	2,565	+>100.0%
Contract liabilities	**2,059**	3,419	-39.8%
Total equity	**188,286**	204,428	-7.9%
Net debt-to-equity ratio (%)	**47%**	49%	-4.1%
Net assets per ordinary share attributable to owners of the parent (RM)	**0.34**	0.37	-8.1%

Investment Properties

Included in investment properties is Lumi Retail while the proceeds from its sale are recognised as current liabilities in total borrowings in accordance with MFRS 16. Please refer to Note 7 and Note 17 to the financial statements for further details.

MANAGEMENT DISCUSSION
AND ANALYSIS (cont'd)

The increase in investment properties during the financial year was attributable to additional allocated development costs i.e. main building works and consultants fees, and the inclusion of certain Lumi Tropicana service residences which were regarded as sales and leaseback transactions in accordance with MFRS 16.

Inventories and Contract Assets

For FY2020, inventories, which comprised of properties held for development (RM30.34 million), properties under development (RM187.64 million) and completed properties (RM2.67 million), have decreased marginally by 2.3%, principally due to the charging out of property development costs to cost of sales in accordance with project construction progress during FY2020.

Contract assets has decreased significantly as compared to the previous year, mainly attributable to the 25% progress billings being issued to buyers upon the vacant possession hand over for Lumi Tropicana Phase 1 and Residensi ENESTA Kepong projects in 2020.

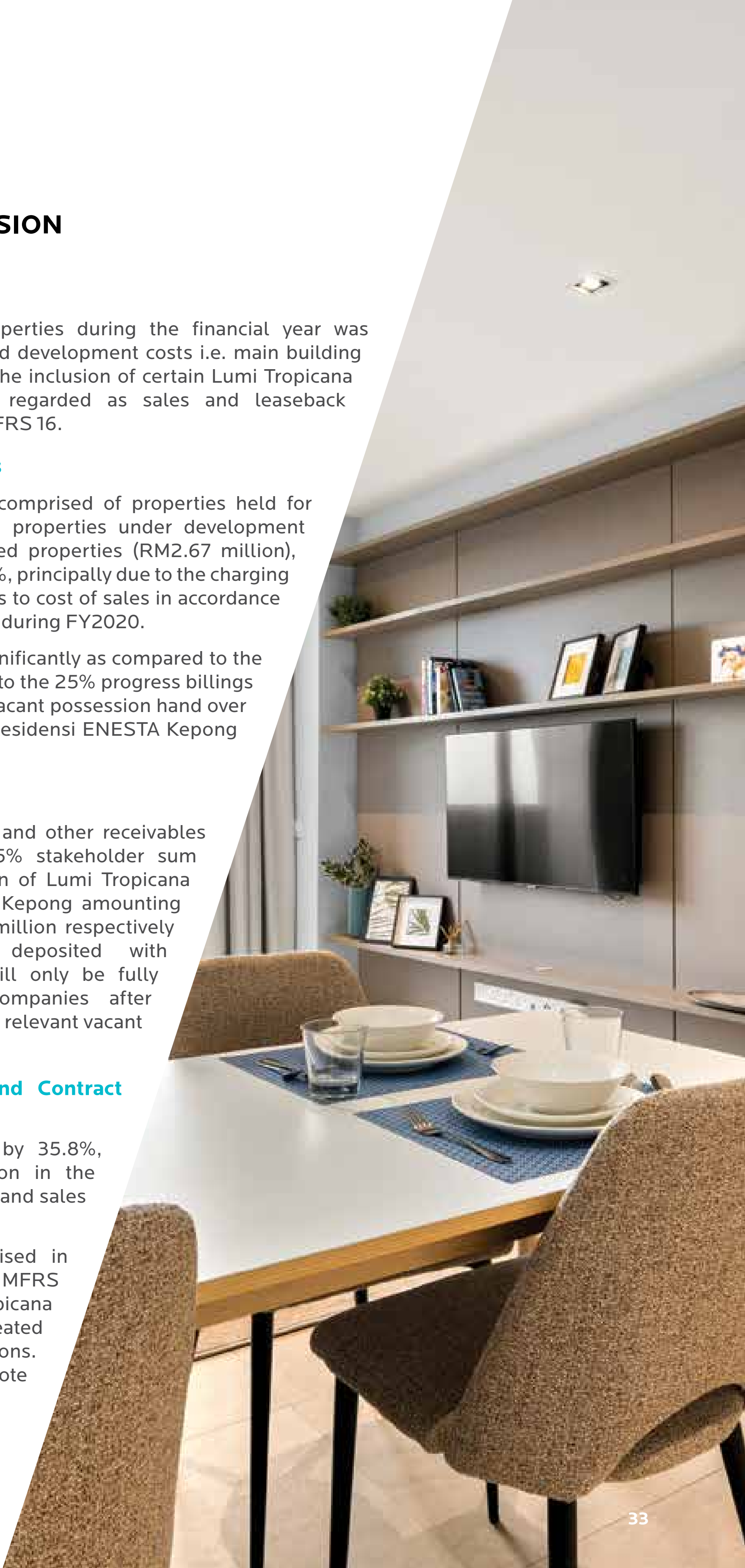
Trade and Other Receivables

The significant increase in trade and other receivables was mostly the result of the 5% stakeholder sum billings for the vacant possession of Lumi Tropicana Phase 1 and Residensi ENESTA Kepong amounting to RM16.61 million and RM3.81 million respectively which are currently being deposited with stakeholders. The said sums will only be fully released to the respective companies after 8 months and 24 months from the relevant vacant possession dates.

Trade and Other Payables and Contract Liabilities

Trade and other payables fell by 35.8%, largely because of the reduction in the amounts owing to our contractors and sales agents.

Contract liabilities were recognised in conjunction with the adoption of MFRS 16 for certain units of our Lumi Tropicana service residences which were treated as sale and leaseback transactions. Further details are explained in Note 12 to the financial statements.



MANAGEMENT DISCUSSION
AND ANALYSIS (cont'd)

Lease Liabilities

Lease liabilities were recognised upon adoption of MFRS 16 which took effect on 1 January 2019. The increase of lease liabilities was mostly caused by additional lease liabilities represented by Lumi Tropicana service residences which were under sale and leaseback arrangements.

Borrowings and Net Debt-To-Equity Ratio

	FY2020 RM'000	FY2019 RM'000	Increase/ (Decrease) RM'000
Borrowings	70,106	81,317	(11,211)
Other Borrowings – non-financial institution (arising from sale and leaseback arrangement)	34,717	27,774	6,943
Total	**104,823**	**109,091**	**(4,268)**

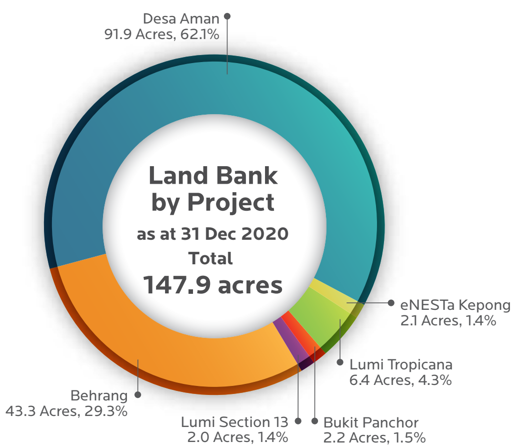
As at 31 December 2020, the Group has drawn-down a new term loan of RM17.50 million and repaid RM28.71 million of borrowings during the current financial year. The Group also recognised an additional RM6.94 million of billings relating to the sale and leaseback of Lumi Retail as borrowings in accordance to MFRS16.

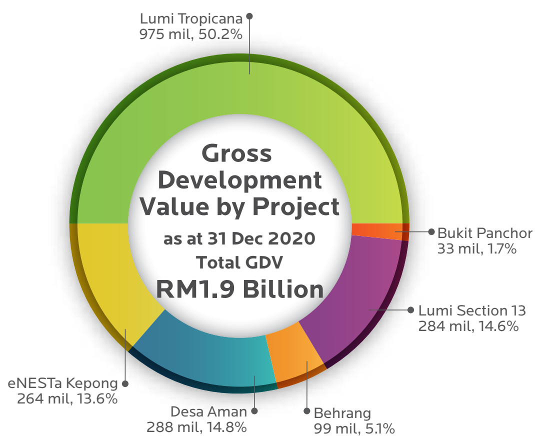
The Group's current ratio as at 31 December 2020 has shown some improvement, climbing to 1.78 times (31 December 2019: 1.71 times), which indicates that the Group will be comfortably able to meet its short-term liquidity obligations as they become due.

In terms of capital management, the Group's principal objective is to build a strong capital base and safeguard the Group's ability to continue as a going concern. This is to preserve investor, creditor and market confidence and to support its future developments. The Group intends to maintain a sustainable debt-to-equity ratio and also comply with the debt covenants required by its financing facilities.

As at 31 December 2020, the Group's net debt-to-equity ratio (Net Debt/Total Capital plus Net Debt) has decreased to 47% (31 December 2019: 49%), and we are pleased to inform that our financiers and creditors remain very supportive and have continued to provide financing for our property development activities.

Operational Review





MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

CENTRAL REGION

LUMI Tropicana

Lumi Tropicana is the first development in the Lumi Collections series and comprises:

- 744 residences, in two to three bedroom configurations, housed in four themed towers, namely "PLAY", "ACTION", "WELLNESS" and lastly "LIFESTYLE", featuring hotel-styled concierge and housekeeping services.
- 62 SoHo units for those who desire a 'work, live, play' environment.
- A retail podium featuring cafes, a supermarket, and other leisure amenities.

Lumi Tropicana (Phase 1) and Lumi Tropicana (Wellness Tower/Tower 3) achieved an average take up rate of 92% and 70% respectively for the units launched. In April 2019, we started selling the last of the four towers comprising the remaining 186 units of serviced residences, namely Lifestyle Tower. Sales for Lifestyle Tower units are still on-going and we continue to sign up buyers even during the MCO 2.0 period.

Our Phase 1 construction has been completed with the notice of vacant possession to buyers issued on 29 June 2020. The construction of Phase 2 is catching up well following the reactivation of our construction works in June 2020, and external building works for Wellness Tower and Lifestyle Tower have been completed. Phase 2 is expected to be handed over to buyers by the third quarter of 2021.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

Residensi ENESTA Kepong & Suite eNESTa Kepong

Residensi ENESTA Kepong and Suite eNESTa Kepong is located at the intersection of Jalan Kepong and Pintasan Segambut, Kuala Lumpur. The strategic location provides ease of access from highway and public transport alike, with the Jinjang MRT Station right across Jalan Kepong, while AEON BIG and AEON Metro Prima are both a stone's throw away. They are low-density developments which command a main road frontage.

Residensi ENESTA Kepong comprises 254 units of affordable housing under the RUMAWIP programme, designed exclusively for qualified first home buyers who are currently residing or working in Kuala Lumpur. Suite eNESTa Kepong on the other hand, consists of 258 units of serviced apartments together with 23 units of retail lots targeted at middle income buyers and investors.

In Kepong, both projects (Residensi ENESTA Kepong and Suite eNESTa Kepong) had upon their launching received very encouraging responses from purchasers. All the non-bumiputra residential units for both projects have been fully sold. Overall, the average take-up rate has exceeded 85%.

Residensi ENESTA Kepong has been completed with the notice of vacant possession to buyers issued on 15 October 2020. The main building works for Suite eNESTa Kepong has attained level 34 and is estimated to be completed by the third quarter of 2021.

Within walking distance to Jinjang MRT Station

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

NORTHERN REGION

Taman Desa Aman, Kedah

Continuing the positive trend from prior years, sales demand in Desa Aman remains robust. We have successfully completed and achieved strong sales for our single storey semi-detached houses (Indahyu) and fully sold the low medium cost apartments (Residensi eNESTa Desa Aman). Our developments in Desa Aman have always received very encouraging sales responses, and as such, the Group is planning to launch a series of affordable housing projects, including a new phase of affordable single storey terrace houses and semi-detached houses (under the name Enesta Avenue) to meet the local market demand. So far, potential buyer interest in Enesta Avenue has been strong, and we believe that this trend will continue once the project is launched sometime in mid-2021.

Identification and Managing Anticipated or Known Risks

In any financial year, fluctuation of the Group's revenue, profit and operating cash flows may occur depending on the sales performance and construction progress of the projects undertaken.

Cost management is important, in particular, the construction cost of our development projects is subject to overruns, which may adversely affect our profitability. We are aware of raw material price volatility and mitigate our risks by entering into fixed price contracts with our contractors, vendors and suppliers, for example in our Lumi Tropicana, Kepong and Desa Aman projects.

In the current highly competitive market environment, we recognise that it is vital to differentiate ourselves from our competitors. We do so by offering excellent value for our products regardless of whether it is an upper middle market product such as the LUMI series or a middle market development such as eNESTa. Our projects are distinguished by their unique designs and superior locations, highlighting integrated and harmonious community living incorporating value-added housekeeping, concierge, maintenance and professional rental management services, further substantiating our commitment to buyers. These post-development activities/services provided to buyers enhance the value of our developments. We also offer innovative ownership packages to attract buyers to invest in our housing developments, including RTO schemes and other investment packages. Product enhancement and differentiation are important features of our strategy to attract buyers to our developments.

With the general credit tightening by local lenders affecting the ready accessibility of both project and end-financing, going forward, we intend to match the demand for our products with the availability of such financing in support of our projects, and also minimise our capital outlays by entering into joint ventures with land owners.

The Group will continue adhering to its policy of maintaining a healthy balance sheet to ensure it remains flexible to respond to any business opportunities that may arise.

Future Prospects

For the financial year ending 31 December 2020 ("FY2020"), the Group's revenues will continue to be underpinned by new sales and unbilled sales of more than RM130 million from our on-going developments, to be delivered during the next financial year. For the central region, we will focus on the handover vacant possession of our anchor projects i.e. Lumi Tropicana Phase 2 and Suite eNESTa Kepong projects.

Both our LUMI Tropicana and eNESTa Kepong developments are strategically located in mature and prime residential areas within the Klang Valley, and hence we are confident that demand for units there would continue to be healthy.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

2021 will remain challenging for the local property market, as sales continue to be affected by the economic downturn caused by the COVID-19 outbreak. With the earlier lifting of restrictions under the Recovery MCO, we were able to re-commence our business activities, however the subsequent return of most of the nation to MCO 2.0 status has further dampened interest in property sales.

The Group will deliver vacant possession of the subsequent phases for both its Klang Valley (Lumi Tropicana Phase 2 and Suite eNesta Kepong) and Desa Aman projects over the next 12 months, and consolidating its property development activities in the affordable housing segment going forward. The hand over proceeds from these projects in 2021 will enable us to overcome any liquidity issues that may arise during this current difficult business environment. We are still confident that our strategies are sufficiently flexible to overcome any challenges to be encountered while our economy is recovering.

We hope that the many economic stimulus packages and accommodative monetary policies announced by the Government in the past 12 months will revive the economy. In particular, the Government's efforts under the PENJANA economic package to stimulate the property sector by re-introducing the Home Ownership Campaign, and exemption of real property gains tax for residential disposal, are expected to provide more impetus to the property market.

Bank Negara Malaysia's gradual cuts in the overnight policy rate of 125 basis points since January 2020 are helping to lower borrowing costs for property buyers, potentially accelerating market demand. Therefore, we are still cautiously optimistic that the local property market will remain relatively stable, especially in the affordable housing sub-sector, where we are planning the next phase of our Desa Aman development (i.e. Enesta Avenue).

While sales in general may take some time to fully recover, we believe that demand in prime areas (our Lumi Tropicana and eNESTa Kepong developments are strategically located in mature and prime residential areas within the Klang Valley) will continue to be supported by scarcity values, expected improved liquidity and likely better sentiment in the second half of 2021 and beyond.

Apart from property development, the Group intends to embark on our lifestyle retail (Lumi Marketplace) business in the second half of 2021 during the anticipated recovery stage of our economy. Similarly, we expect our hospitality division to pick up once further MCO restrictions are lifted later in the year.

For FY2020, the Board of Directors is not proposing to declare any dividends to conserve funds for re-investment into our current projects in order to see them to fruition. The Board will review this policy from time to time depending upon a number of factors, including future earnings, capital commitments, general economic conditions and distributable reserves.

Datuk Fakhri Yassin bin Mahiaddin
Executive Chairman
30 March 2021

Gymnasium at Lumi Tropicana, fully equipped with Technogym equipment for exclusive use by residents

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the "Board") of Thriven Global Berhad ("Thriven" or the "Company") recognises that maintaining good corporate governance practices is critical to business integrity and key to maximise and create long term shareholders' value and the financial performance of the Company and its subsidiaries (the "Group").

The Board is committed in ensuring the Group practises a high standard of corporate governance in discharging its responsibilities to enhance shareholders' value and financial position of the Group by evaluating and continuing to review its existing corporate governance practices and policies throughout the Group in order to (i) remain relevant with the developments in the market practice; (ii) comply with relevant laws and regulations; and (iii) ensure full application of key corporate governance principles as set out in the Malaysian Code of Corporate Governance 2017 ("MCCG").

This statement which is made pursuant to paragraph 15.25 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), sets out the manner in which the Group has applied the three (3) key principles and recommendations of MCCG. It must be read together with the Corporate Governance Report published on Thriven's website at *www.thriven.com.my*.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is cognisant of its responsibilities by ensuring proper control of the economics and financial management of the Company and validates the strategic directions proposed by the Management for implementation.

The Board acts in the best interests of Thriven, honestly, fairly and diligently and in accordance with the duties and obligations imposed upon it by the Constitution of the Company and the laws and regulations.

The Board also serves as a panel to provide effective guidance on the assessment of principal risks and the appropriate systems to manage these risks, as well as to review the adequacy and integrity of the Company's internal control system in safeguarding shareholders' interests and the Company's assets.

The Board's role and responsibilities include but are not limited to the following:-

- Setting and reviewing the objectives, goals and strategic plans for the Group with a view to maximising shareholders' value.
- Adopting and monitoring progress of the Company's strategies, budgets, plans and policies.
- Overseeing the conduct of the Group's businesses to evaluate whether the businesses are properly managed.
- Identifying principal risks of the Group and ensuring the implementation of appropriate systems to mitigate and manage these risks.
- Considering Management's recommendations on key issues including acquisitions, divestments, restructuring, funding and significant capital expenditure.
- Implementing succession planning for senior management.
- Reviewing the adequacy and integrity of the Group's internal control systems and management information systems.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT (cont'd)

To discharge its functions and responsibilities, the Board ensures proper control of the economics and financial management of the Company and validates the strategic directions proposed by the Management for implementation. It has in place, business authority limits which sets out relevant matters which the Board has delegated to the Management Team led by the Group Managing Director. These authority limits are reviewed and revised as and when required, to ensure an optimum structure for efficient and effective decision-making in the Group.

There is a schedule of matters reserved specifically for the Board's decision, including the approval of corporate plans and budgets, acquisition and disposal of major investments, changes to the management and control structure of the Company and issues in respect of key policies, procedures and authority limits. The Executive Directors and the Management are tasked to ensure compliance with this.

It is also the Directors' responsibility to declare to the Board whether they have any potential or actual conflict of interest in any transactions or in any contract or proposed contract with the Company or any of its related companies. Where issues involve conflict of interest, the Directors will abstain from discussion and voting on the matters as well as abstain from any other decision-making process in relation to these transactions.

The Board delegates certain responsibilities to the Board Committees namely, the Audit And Risk Management Committee, Nomination Committee and Remuneration Committee, all of which operate within defined terms of reference, to examine specific matters within their respective terms of reference as approved by the Board. The terms of reference of the Board Committees are published on Thriven's website at *www.thriven.com.my* and are reviewed and revised from time to time, as and when required. Although specific powers are delegated to the Board Committees, the Board keeps itself abreast of the key issues and decisions made by each Board Committee through the reports by the Chairman of the Board Committees and the tabling of minutes of the Board Committee meetings at Board meetings. The ultimate responsibility for decision-making, however, lies with the Board.

The roles of the Chairman and the Group Managing Director remain separate and distinct to promote accountability and facilitate division of responsibilities. The Chairman with the assistance from the Company Secretaries plays an important leadership role and is responsible for the following duties as set in the Board Charter of the Company:

- Setting the agenda for meetings of the Board that focus on strategic direction and performance.
- Maintaining on-going dialogue and relationship of trust with and between the Directors and the Management.
- Ensuring clear and relevant information is provided to the Directors on timely manner.
- Ensuring sufficient time is allowed for the discussion of complex or critical issues.
- Cultivating good governance and compliance practices throughout the Group.

During the financial year ended 31 December 2020, the Company has appointed an external legal advisor to review, advise and prepare a report for Group on a comprehensive anti-bribery and corruption ("ABC") policy and compliance programme to ensure that adequate procedures are in place for everyone in the Thriven Group to adopt the highest level of ethics and integrity, manage corruption risks effectively while at the same time complying with all applicable laws (including the Malaysian Anti-Corruption Commission Act 2009) and regulations.

The Board has assessed the impact of corporate liabilities under the Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and had adopted an Anti-Bribery And Corruption ("ABC")

Manual (which includes an ABC Policies And Procedures) in May 2020. By adopting the ABC Manual, the Company has complied with Paragraph 15.29 of the Listing Requirements. The Company has also established an Anti-Bribery And Corruption Compliance Team to review from time to time any transaction that falls under the ABC Manual and to update Audit And Risk Management Committee ("ARMC") as well as the Board on a quarterly basis.

The Board has also approved the revision of the following and adopted a new Procurement Policy in May 2020, in accordance with the ABC Manual:-

- Board Charter
- Whistleblowing Policy
- Corporate Code of Conduct
- Employee Handbook

The Employee Handbook, which was adopted by the Group in February 2016 and revised in November 2019 and May 2020, includes the Employee's Code of Conduct and Whistleblowing Policy, which are intended to provide guidance and protection for staff who raise concerns in relation to irregular and unlawful practices.

The Whistleblowing Policy is meant to directly support the Company and the Group's Core Values, Code of Ethics and Governance requirement and to encourage and enable employees, directors, shareholders or any parties with a business relationship with the Company to raise concerns regarding any illegal conduct or malpractice at the earliest opportunity without being subject to victimisation, harassment or discriminatory treatment and to have such concerns properly investigated within the Company and the Group prior to seeking resolution outside the Company. Any complaint or information in respect of any illegal, unethical or questionable practices may be made through e-mail (*armc@thriven.com.my*) or mail addressed directly to the Audit And Risk Management Committee ("ARMC").

The employees and other stakeholders are guided by the Whistleblowing Policy when relaying any information in relation to the abovementioned in writing to any one or more of the designated persons stated in the said Policy. Upon receipt of a report made together with available evidence, the Whistleblowing Committee (comprising of the Chairman and the Independent Non-Executive Directors) may assign the relevant department head or an investigator ("Investigator") to investigate and take all reasonable steps to ensure that investigations regarding the report and disclosure are carried out fairly, unbiased and with due regards to the principles of natural justice. The Investigator will report the outcome of the investigation to the ARMC and a copy of the Whistleblowing report will be submitted to the ARMC for Loss Event Reporting purposes.

The Corporate Code of Conduct, which was formalised in 2013 by the Board and revised in May 2020, provides guidance for Directors, senior executives and other employees on the standards expected on them in the conduct of business. Directors and employees are required to uphold high standards of integrity in discharging their duties and to comply with the relevant laws and regulations.

The Board Charter (which was formalised in 2013 and revised in March 2018 to be in line with MCCG) was revised in May 2020 and it sets out inter alia, the roles and responsibilities of the Board and Board Committees, the procedures for convening Board meetings, financial reporting, investor relations and shareholder communication. The Board Charter which serves as a source of reference for new Directors, will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT (cont'd)

The Board Charter, the Corporate Code of Conduct and the details of the procedures and lodgement channels of the Whistleblowing Policy are available for reference at the Company's website at *www.thriven.com.my*.

The Board members have full access to the two (2) Companies Secretaries, both are professionally qualified, who play an advisory role to the Board in relation to the Company's Constitution, Board's policies and procedures as well as compliance with the relevant guidelines, regulatory and statutory requirements, corporate governance and best practices. The Board is being regularly updated and apprised by the Company Secretaries on the laws and regulations, as well as directives issued by the regulatory authorities.

The Company Secretaries are also responsible in organising and attending all Board and Committee Meetings, ensuring adherence to Board policies and procedures and that all statutory records are well maintained at the registered office of the Company. The Company Secretaries also ensure that the deliberations and decisions made at the Board and Committee Meetings are well captured and minuted.

II. Board Composition

Thriven is led and managed by a competent Board comprising members with vast experience in the real estate investment and property development, business strategies, management, accounting, finance, economics and legal to control and provide stewardship of Thriven's business and affairs on behalf of the shareholders. The breadth and depth of the Board skills are vital for the successful stewardship of Thriven's strategic direction and operations to maximise and create long term shareholder value.

As at 31 December 2020, the Board has seven (7) members, comprising three (3) Executive Directors and four (4) Non-Executive Directors, of which three (3) of the Non-Executive Directors are Independent Non-Executive Directors and one (1) is a Non-Independent Non-Executive Director. This complies with paragraph 3.04 of the Listing Requirements of at least two (2) Directors or one-third (1/3) of the Board to be independent.

The Independent Directors provide independent judgment, objectivity and check and balance on the Board, including ensuring the strategies, plans and policies proposed by Management are deliberated and considered, taking into account the overall strategies and directions of the Group and the interest of stakeholders, as well as advising and monitoring corporate governance framework, policies and practices. This is to protect the interests of shareholders, employees, various other stakeholders and the communities where the Company operates.

There is a clear division of responsibilities between the Executive Chairman and the Group Managing Director to ensure that there is a balance of power and authority such that no one individual has unfettered powers over decision-making.

The Executive Chairman is primarily responsible for the orderly conduct and performance of the Board. He also ensures that the Board practises good governance in discharging its duties and responsibilities. The Group Managing Director is responsible for the implementation of the objectives, goals and operational matters of the Group. Although the Executive Chairman, Datuk Fakhri Yassin bin Mahiaddin is not an Independent Director, the Board believes that with the three (3) Independent Directors on the Board, there is a balance of power and authority on the Board.

The Board takes cognisant of the recommendation to have gender diversity on the Board. Through its Nomination Committee ("NC"), the Board is taking steps to ensure that women candidates are sought as part of its recruitment exercise. NC will endeavour to consider women candidates in the recruitment exercise and identify suitable candidate(s).

CORPORATE GOVERNANCE
OVERVIEW STATEMENT (cont'd)

In maintaining the effectiveness of the Board and the independence of Independent Directors, the Board through its NC performs annual assessment in order to review that the Board as a whole and to ensure that individual Director performed effectively in discharging their functions and duties as well as to mitigate risks arising from conflict of interests or undue influence affecting their independence. The assessment is conducted via the Assessment Sheet for each member of the Board and the Independent Directors of the Company. The assessment on independence serves as a form of attestation by the Independent Directors that they are able to exercise independent judgment, impartiality and objectivity in the best interest of the Company. The NC reviewed the overall results of the evaluations conducted and subsequently presented the same to the Board and highlighted those areas which required further and continuous improvement.

The NC comprises all Independent Non-Executive Directors. In compliance with the MCCG, the NC is chaired by an Independent Non-Executive Director, Mr. Rewi Hamid Bugo. The NC has written terms of reference dealing with its authority, duties and responsibilities, which are available on the Company's website at *www.thriven.com.my*.

The activities of the NC during the financial year are summarised as follows:

(a) Reviewed the evaluation results of the Board and Board Committees, and independence assessment of the Independent Directors.

(b) Reviewed the results of the Director's Self & Peer Evaluation and mix of skills, competencies and experience of Directors.

(c) Reviewed the term of office, competency and performance of the ARMC and its members.

(d) Reviewed and recommended the retention of Independent Directors who have served on the Board for a cumulative term of 9 years and above.

(e) Reviewed and recommended the re-election of Directors who were required to retire by rotation under Clause 88 of the Company's Constitution.

(f) Reviewed the training programmes attended by the Directors and assessed the training needs of Directors.

(g) Reviewed the composition of the ARMC, the NC and the Remuneration Committee.

(h) Reported its proceedings and made recommendations to the Board for its consideration and approval.

During the financial year, the level of time commitment given by the Directors was satisfactory, which was evidenced by the attendance record of the Directors at the Board meetings held. To facilitate the Directors' time planning, a schedule of meetings comprising the dates of Board and Board Committees' meetings and AGM, would be prepared and circulated to the Directors at the last Board Meeting of every year.

The disclosures in relation to Practice 4.2 of the MCCG are disclosed in the Corporate Governance Report.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT (cont'd)

III. Directors' Training

The Board is mindful of the need to enhance competency by improving their skills and knowledge to stay abreast with the ever-changing business environment, regulatory requirements and corporate governance developments. All Directors have attended and successfully completed the Mandatory Accreditation Programme ("MAP") as required under paragraph 15.08 of the Listing Requirements. The Directors undergo training programmes and seminars from time to time and as and when necessary to keep themselves conversant with relevant new developments on a continuous basis on the general regulatory, economic, industry and technical developments to further enhance their skills, knowledge and experience as well as update themselves on new developments in the business environment in order to discharge their duties effectively.

The Directors have on-going access to continuing education programmes as they are kept informed of relevant training programmes by the Company Secretaries. The records of all training programmes attended by the Directors are maintained by the Company Secretaries.

Details of trainings attended by Directors during the financial year under review are as follows:-

Name of Directors	Title	Organiser	Date
Datuk Fakhri Yassin Bin Mahiaddin	Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 – How Adequate are your Adequate Procedures?	Messrs. Shook Lin & Bok	21 February 2020
Ghazie Yeoh Bin Abdullah	Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 – How Adequate are your Adequate Procedures?	Messrs. Shook Lin & Bok	21 February 2020
Dato' Low Keng Siong	Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 – How Adequate are your Adequate Procedures?	Messrs. Shook Lin & Bok	21 February 2020
Lim Kok Beng	Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 – How Adequate are your Adequate Procedures?	Messrs. Shook Lin & Bok	21 February 2020
	Fraud Risk Management Workshop	Messrs. PricewaterhouseCoopers PLT	2 November 2020
Henry Choo Hon Fai	Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 – How Adequate are your Adequate Procedures?	Messrs. Shook Lin & Bok	21 February 2020

CORPORATE GOVERNANCE
OVERVIEW STATEMENT (cont'd)

Name of Directors	Title	Organiser	Date
Rewi Hamid Bugo	Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 – How Adequate are your Adequate Procedures?	Messrs. Shook Lin & Bok	23 October 2020
	Fraud Risk Management Workshop	Messrs. PricewaterhouseCoopers PLT	2 November 2020
Lee Eng Leong	Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 – How Adequate are your Adequate Procedures?	Messrs. Shook Lin & Bok	21 February 2020

IV. Remuneration

The Board believes in a competitive and transparent remuneration framework that supports the Directors' and the Senior Management's responsibilities and fiduciary duties in managing the Group to achieve its long-term objective and enhance stakeholders' value.

The remuneration of Directors is determined at levels which enable the Company to attract and retain Directors with the relevant experience and expertise to govern the Group effectively. In the case of Executive Directors, the remuneration is structured to link rewards to corporate and individual performance based on key performance indicators. For Non-Executive Directors, the level of remuneration reflects their experience, level of responsibilities and industry average.

The role of the Remuneration Committee ("RC") is to assist the Board in overseeing the remuneration policies of the Group. The RC consists of all Independent Non-Executive Directors, chaired by Mr. Rewi Hamid Bugo. The written terms of reference of the RC which deals with its authority, duties and responsibilities, are available on the Company's website at *www.thriven.com.my*.

During the financial year under review, the RC evaluated the Executive Chairman and the Executive Directors against the set key performance criteria, and reviewed and recommended their compensation packages for the Board's approval. The RC also evaluated and reviewed the fees paid to the Non-Executive Directors benchmarked against the average remuneration paid to the Non-Executive Directors of other public listed companies in the same industry, which was prepared by the Management.

The Board collectively determined the remuneration for the Non-Executive Directors based on the evaluation by the RC. Each of the Non-Executive Directors abstained from deliberating and voting in respect to his individual remuneration. The Directors' fees and benefits payable to the Non-Executive Directors are subject to the approval of shareholders at the AGM.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT (cont'd)

The remuneration of the Directors on a named basis are set out below:-

Name	Salary/ Fees (RM)	Bonus (RM)	Defined contribution plan – EPF (RM)	Other emoluments/ allowances (RM)	Benefits-in-kind (RM)	Total (RM)
Executive Directors						
Datuk Fakhri Yassin bin Mahiaddin *(Executive Chairman)*	745,200	–	89,424	–	475,150	1,309,774
Ghazie Yeoh bin Abdullah *(Group Managing Director)*	688,752	–	82,656	–	247,150	1,018,558
Dato' Low Keng Siong *(Executive Director)*	521,640	–	62,604	–	391,150	975,394
Non-Executive Directors						
Lim Kok Beng *(Independent Non-Executive Director)*	43,000	–	–	5,100[@]	–	48,100
Henry Choo Hon Fai *(Independent Non-Executive Director)*	35,000	–	–	2,600[@]	–	37,600
Rewi Hamid Bugo *(Independent Non-Executive Director)*	43,000	–	–	4,600[@]	–	47,600
Lee Eng Leong *(Non-Independent Non-Executive Director)*	33,000	–	–	4,500[@]	–	37,500
Total	**2,109,592**	**–**	**234,684**	**16,800**	**1,113,450**	**3,474,526**

Notes: [@] Other emoluments / allowances comprising meeting allowances which vary from one Director to another, depending on the number of committees they sit on and the number of meetings attended in the year 2020.

The remuneration (including salary, bonus, allowances, benefits-in-kind and other emoluments) of top five (5) key senior management personnel on a named basis during the financial year in bands of RM50,000 are set out below:-

Range of Remuneration	Name of Key Senior Management
RM1,300,001 to RM 1,350,000	Datuk Fakhri Yassin bin Mahiaddin *(Executive Chairman)*
RM1,000,001 to RM1,050,000	Ghazie Yeoh bin Abdullah *(Group Managing Director)*
RM950,001 to RM1,000,000	Dato' Low Keng Siong *(Executive Director)*
RM400,001 to RM450,000	Augustone Cheong Kwok Fai *(Group Chief Financial Officer)*
RM300,001 to RM350,000	Teoh Kong Haur *(Managing Director – Northern Region)*

The disclosures on Practices 6.2 and 7.1 to 7.3 of the MCCG are disclosed in the Corporate Governance Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit And Risk Management Committee

In 2020, the ARMC comprised three (3) members, all of whom are Non-Executive Directors and is chaired by an Independent Non-Executive Director.

The ARMC and its composition is evaluated by the NC annually and recommended to the Board for noting. In safeguarding an independent and effective ARMC whilst taking guidance from the MCCG, the membership for ARMC consists of members who are financially literate and possess appropriate level of expertise, experience and strong understanding of the Company's business.

On 28 February 2018, the Audit Committee was renamed as ARMC to reflect the ARMC's role to support the Board in fulfilling its responsibility in governance of the Company's risk management matters, in line with the recommendation of the MCCG. The ARMC comprises of three (3) members, two (2) of whom are Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The ARMC is chaired by Mr. Lim Kok Beng, the Senior Independent Non-Executive Director of the Company. This meets the requirements of paragraph 15.09(1)(a) and (b) of the Listing Requirements.

The Audit And Risk Management Committee Report set out in this Annual Report 2020, provides the details of the ARMC's activities which among others, include the annual assessment on the suitability, objectivity and independence of the external auditors.

The disclosures on Practices 8.1 to 8.5 of the MCCG are disclosed in the Corporate Governance Report.

II. Risk Management and Internal Control Framework

The Board understands that the ultimate responsibility for ensuring a sound internal control systems which provides reasonable assurance on the effectiveness and efficiency of the systems lies with the Board. The Group's internal control system is crafted to manage the risks to achieve Company's objectives aside from safeguarding the stakeholder's interest and the Group's asset.

The details of the Risk Management and Internal Control Framework are set out in the Statement On Risk Management And Internal Control of the Annual Report.

III. Internal Audit

The internal audit function is out-sourced to CGRM Infocomm Sdn. Bhd. ("CGRM"), an independent professional services firm which is a corporate member of the Institute of Internal Auditors ("IIA") Malaysia. The Executive Director in-charge of the engagement, in her capacity as the head of the internal audit function, is also an individual member of the IIA.

On an annual basis, CGRM provides the Board with a signed declaration of competency and list of trainings attended by the audit engagement team.

The internal audit charter was approved by the Audit Committee on 29 March 2016 and stipulates, amongst others, the internal auditors' role, scope and authority, organisation status and reporting structure, independence and objectivity and responsibilities.

The disclosures on Practices 10.1 to 10.2 of the MCCG are disclosed in the Corporate Governance Report as well as Audit and Risk Management Committee Report of the Annual Report.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT (cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Board acknowledges the need for shareholders to be informed of all material business matters of the Company. Announcements to Bursa Securities are made on significant developments and matters of the Group. Financial results are released on a quarterly basis to provide shareholders with a regular overview of the Group's performance. The Marketing Communications Department of the Company also arranges press interviews and briefings, and releases press announcements to provide information on the Group's business activities, performance and major developments, as and when necessary.

In addition to published annual report and quarterly results announced to Bursa Securities, the Company has a website at *www.thriven.com.my* from which investors and shareholders can access for information about the Group, including detailed information on the Group's businesses and latest development, a dedicated section on investor relations and corporate governance which contains all announcements to Bursa Securities, quarterly financial results, financial statements and annual reports. Any enquiries may be directed to this email address, *ir@thriven.com.my*.

While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

A Corporate Communication Policy, which was approved by the Board in November 2018, is adopted by the Group to provide accurate and timely disclosure of corporate and other related information to enable informed and orderly decision-making by our stakeholders. In formulating this policy, the Group has taken into account the disclosure obligations contained in the Listing Requirements, which in turn relied on the principles contained in its Corporate Disclosure Guide.

II. Conduct of General Meetings

The Company's general meetings serve as a forum for dialogue and interaction with shareholders. Notices of general meetings and related documents are sent to shareholders within the notice period required by the relevant law and the Listing Requirements of Bursa Securities before the meeting is to be held. Notices of general meetings with sufficient information of business to be dealt with thereat are also published in one national newspaper to provide for wider dissemination of such notice to encourage shareholders participation. At the general meetings, shareholders have direct access to the Board and key senior management and are encouraged to participate in the question and answer session.

Resolutions will be voted by way of poll, as required under the Listing Requirements, and the Company will make an announcement on the detailed results to Bursa Securities.

In facilitating greater participation by shareholders at AGMs of the Company, Thriven will continue to explore possible means of leveraging the technology such as to conduct general meetings via telephone conference, video conference or other similar equipment and appointment of proxy via electronic communication as stated in the Company's Constitution.

This Corporate Governance Overview Statement was approved by the Board of Thriven on 30 March 2021.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:-

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

The Company did not undertake any corporate proposal to raise proceeds during the financial year ended 31 December 2020.

2. AUDIT AND NON-AUDIT FEES

The fees paid/payable to the external auditors for services rendered to the Company and/or its subsidiaries ("the Group") for the financial year ended 31 December 2020 are as follows:-

The audit fees incurred on a Group basis is RM172,500.00; and the amount of non-audit fees incurred on a Group basis is RM12,000.00, with the details set out below:-

Company	Audit Fees (RM)	Non-audit Fees (RM)
Bakat Stabil Sdn. Bhd.	5,100	–
Bukit Punchor Development Sdn. Bhd.	5,000	1,000
Dynamic Unity Sdn. Bhd.	4,000	–
Eco Green Services Sdn. Bhd.	14,000	–
Golden Cignet Sdn. Bhd.	28,000	1,000
Lumi Hospitality Sdn. Bhd.	6,100	–
Mayfair Ventures Sdn. Bhd.	28,000	1,000
MLB Quarry Sdn. Bhd.	4,100	–
Thriven Amona Sdn. Bhd.	13,100	1,000
Thriven Global Berhad	51,000	8,000
Thriven NCR Sdn. Bhd.	3,000	–
Thriven Properties Sdn. Bhd.	4,100	–
Thriven TT Sdn. Bhd.	5,000	–
Verdant Parc Sdn. Bhd.	2,000	–
Total	172,500	12,000

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests during the financial year ended 31 December 2020.

4. RECURRENT RELATED PARTY TRANSACTIONS

There were no recurrent related party transactions of a revenue or trading nature **("RRPT")** conducted pursuant to the Shareholders' Mandate during the financial year ended 31 December 2020.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

CONSTITUTION AND TERMS OF REFERENCE

The Audit Committee ("AC") was established pursuant to a resolution of the Board of Directors ("Board") passed on 10 April 1997 and renamed as Audit And Risk Management Committee ("ARMC") on 28 February 2018 to reflect the ARMC's role to support the Board in fulfilling its responsibility in governance of the Company's risk management matters, in line with the recommendation of the Malaysian Code on Corporate Governance 2017 ("MCCG").

The terms of reference of the ARMC were reviewed and updated on 28 February 2019 to reflect the requirements of the applicable practices and guidance of the MCCG and are available on the Company's corporate website at *www.thriven.com.my*.

COMPOSITION

The ARMC comprises of three (3) members, two (2) of whom are Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This meets the requirements of paragraphs 15.09(1)(a), 15.09(1)(b) and 15.09(2) of the Bursa Malaysia's Main Market Listing Requirements ("MMLR").

The current members of the ARMC are as follows:-

1. Lim Kok Beng *(Chairman)*
   (Independent Non-Executive Director)
2. Rewi Hamid Bugo
   (Independent Non-Executive Director)
3. Lee Eng Leong
   (Non-Independent Non-Executive Director)

The Chairman of the ARMC is a fellow of the Institute of Chartered Accountants in England & Wales. He is also a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. In this respect, the Company complies with Paragraph 15.09(1)(c)(i) of the MMLR and Practice 8.1 of the MCCG, whereby the Chairman of the ARMC is not the Chairman of the Board.

PERFORMANCE OF ARMC

The performance of the ARMC in year 2020 was assessed through self and peer evaluation among the members themselves and the Nomination Committee has reviewed the results of such assessments prior recommending the same to the Board for notation. Collectively from the results, the Board are satisfied that the ARMC has discharged its function, duties and responsibilities in accordance to the Terms of Reference of the ARMC and has supported the Board to ensure that the Group upholds appropriate Corporate Governance standards, practices and guidance during the financial year ended 31 December 2020.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (cont'd)

MEETINGS AND ATTENDANCE

The ARMC meets quarterly and as and when required in accordance with the Terms of Reference of the ARMC. During the financial year ended 31 December 2020, the ARMC has held five (5) meetings and the records of attendance of the ARMC members are as follows:-

Name of ARMC Members	Number of Meetings Attended
Lim Kok Beng	5/5
Rewi Hamid Bugo	5/5
Lee Eng Leong	5/5

Notices and items on the agenda of ARMC meetings were sent to the ARMC members at least seven (7) days in advance together with meeting papers (save in certain circumstances whereby some of the meeting papers were sent to the ARMC members later) to enable all ARMC members to review the relevant documents and provide their feedback or comments at the meetings.

The Group Chief Financial Officer and the Senior Manager of Group Finance and Treasury were invited to attend all the meetings held to present and provide clarification on the unaudited consolidated quarterly results and audit matters. The external auditors were invited to present at three (3) meetings out of the total five (5) meetings held. During the financial year ended 31 December 2020, the ARMC met with the external auditors two (2) times, without the presence of the executive board members and the Management, to express any concerns or issues they may have which are related to their ability to perform their audit work without restraint or interference.

During the financial year ended 31 December 2020, the internal auditors have attended three (3) out of the five (5) meetings held to table the respective internal audit reports and presented their recommendations together with the actions and steps taken by the Management in response to any audit findings and to discuss the internal audit plan. Follow-up audit reports on the status, actions and steps taken by the Management on previous audit findings were tabled to the ARMC at subsequent ARMC meeting to update the ARMC accordingly.

Minutes of each ARMC meeting were recorded and tabled for confirmation at subsequent ARMC meeting and thereafter, the minutes will be presented to the Board for notation. The ARMC Chairman, with the assistance of the Group Chief Financial Officer and the Senior Manager of Group Finance and Treasury, presented to the Board the Committee's recommendations to approve the annual and quarterly financial statements. The ARMC Chairman also conveyed and made recommendations to the Board on matters of significant concern as and when raised by the external auditors or internal auditors in the respective presentations or reports.

The ARMC is also responsible for overseeing the implementation of the Company's Policy on Whistleblowing for the Group's employees and third parties. Any complaint or information in respect of any illegal, unethical or questionable practices may be made through e-mail (*armc@thriven.com.my*) or mail addressed directly to the ARMC. A copy of the Company's Policy on Whistleblowing is available on the Company's corporate website at *www.thriven.com.my*.

AUDIT AND RISK MANAGEMENT
COMMITTEE REPORT (cont'd)

SUMMARY OF WORK OF THE ARMC

During the financial year, the ARMC carried out its work in line with its Terms of Reference, which are summarised as follows:-

(a) Reviewed the quarterly results and annual financial statements for recommendation to the Board for approval and release to Bursa Malaysia Securities Berhad.

The ARMC is delegated with the responsibility to ensure that the Group's statutory accounts are fairly stated and conform to the relevant regulations and acceptable accounting policies. The ARMC focuses particularly on changes in or implementation of major accounting policy changes, significant and other legal requirements before recommending them for approval by the Board for announcement to Bursa Securities.

In review of the annual audited financial statements, the ARMC has discussed with the Management and the external auditors on the accounting principles and standards and their judgement of the items that may affect the financial statements as well as issues and reservation, arising from the statutory audits.

Upon recommendations by the ARMC, the unaudited quarterly financial results and annual audited financial statements were presented to the Board for approval.

(b) Reviewed and approved internal audit plan, which encompassed the scope of internal audit work.

(c) Reviewed the audit activities and findings of internal audit, as well as the actions and steps taken by the Management in response to such findings.

(d) Reviewed with the external auditors, their audit plan and scope of audit prior to the commencement of audit.

(e) Reviewed with the external auditors, the audit report, issues, reservations and management responses arising from their audit, as well as the audit and non-audit fees.

(f) Reviewed with the external auditors, the extent of assistance rendered by the Management and issues arising from their audit, without the presence of the executive board member and the Management.

During the year under review, the ARMC had two (2) independent meetings with the external auditors without the presence of the Management to discuss any problems/issues arising from the final audit and the assistance given by the employees or the Management during the course of audit by external auditors. The ARMC was pleased to report that there was no significant matter of disagreement that arose between the external auditors and the Management.

(g) Reviewed the recurrent related party transactions entered into by the Company and the Group throughout the financial year ended 31 December 2020 to ensure that such transactions are undertaken on normal commercial terms and that internal control procedures employed are both sufficient and effective.

(h) Reported to the Board on significant issues and concerns discussed during the ARMC meetings together with applicable recommendations. Minutes of the ARMC meetings were tabled and noted by the Board.

AUDIT AND RISK MANAGEMENT
COMMITTEE REPORT (cont'd)

(i) Reviewed the independence status and performance of the external auditors for the financial year ended 31 December 2020.

The ARMC carried out an assessment on the performance of external auditors covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees of the external auditors with the assistance from the Management.

The ARMC also ensured the independence of the external auditors by obtaining written assurance from the external auditors that the external auditors are independent in accordance with the *By-Laws (on Professional Ethics, Conducts and Practice)* of the Malaysia Institute of Accountants.

Having satisfied with the independence, suitability and performance of BDO PLT, the ARMC recommended to the Board for approval to seek shareholders' approval for the re-appointment of BDO PLT as external auditors for the ensuing financial year ending 31 December 2021.

(j) Reviewed and recommended to the Board for approval, the Circular to Shareholders in relation to the Proposed Shareholders' Mandate for Recurrent Related Party Transactions.

(k) Reviewed and recommended to the Board for approval, the establishment and implementation of Adequate Policy under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and compliance with paragraph 15.29 of the MMLR (which had come into effect on 1 June 2020).

(l) Reviewed and recommended to the Board for approval, the Statement on Risk Management and Internal Control for inclusion in the Annual Report.

(m) Reviewed and approved the Audit And Risk Management Committee Report for inclusion in the Annual Report.

(n) Reviewed the key observations by Bursa Malaysia Berhad and Institute of Internal Auditors on the effectiveness of internal audit function of listed issuers.

As part of the duties and responsibilities to oversight the financial reporting, the ARMC ensures that the changes in or implementation of major accounting policy changes and all significant matters highlighted including financial reporting issues, significant judgments made by the Management, significant and unusual events or transactions, and how these matters are addressed are adhered to.

The ARMC also ensures that the financial reporting of the Company and the Group are in compliance with the MMLR, applicable approved accounting standards and other statutory and regulatory requirements.

INTERNAL AUDIT FUNCTION AND SUMMARY OF WORK

The Board recognised the importance of the internal audit function whose principal responsibility is to evaluate and improve the effectiveness of risk management, control and governance processes.

The role of Internal Audit was out-sourced to CGRM Infocomm Sdn. Bhd. ("**CGRM**"), a professional consultancy firm specialises in corporate governance, risk management and internal audit. CGRM reports functionally to the ARMC and undertake regular reviews of the systems of controls, procedures and operations so as to provide reasonable assurance that the internal control system is sound, adequate and operating satisfactorily.

AUDIT AND RISK MANAGEMENT
COMMITTEE REPORT (cont'd)

The attainment of such objectives involved the following activities being carried out by CGRM during the financial year ended 31 December 2020:-

(a) Continuously reviewed and revised the 24-month risk-based internal audit plan for approval by the ARMC for implementation taking cognisance of changes in the Group and operating environment.

(b) Reviewed and appraised the adequacy, effectiveness and reliability of internal control systems, policies and procedures.

(c) Monitored the adequacy, reliability, integrity, security and timeliness of financial and other management information systems.

(d) Determined the extent of compliance with relevant laws, codes, standards, regulations, policies, plans and procedures.

(e) Reviewed the efficiency and effectiveness of operational controls to mitigate identified risks.

(f) Reviewed and verified the means used to safeguard assets.

(g) Tabled to the ARMC, the audit reports incorporating the audit findings, audit recommendations, identified risks, risk management recommendations, root-cause analysis on all observations requiring improvement and management responses on the following areas:
    - Tender Management
    - Treasury Management
    - Procurement And Sourcing Management For Property Management

(h) Reviewed, identified risk, carried out root-cause analysis on all observations requiring improvement and recommended risk management procedures to the Management in respect of the areas audited in paragraph (g) above and reported to the ARMC for review and necessary actions.

(i) Incorporated suggestions made by the ARMC and the Management on concerns over operations or controls and significant issues pertinent to the Company and the Group into the pre-audit planning.

(j) Assisted in the preparation of the Statement on Risk Management and Internal Control for inclusion in the Annual Report.

The outsourced internal auditors adhered to the International Professional Practices Framework of the Institute of Internal Auditors and used a risk-based approach in preparing their internal audit plan. The results of the audits provided in the Internal Audit Reports together with the findings and recommendation for improvements were presented to the ARMC for deliberations. The resulting reports from the audits were also forwarded to the Management for attention and necessary corrective actions, if any, and periodic status reports were tabled to Board together with a summary of improvements required and actions taken by the Management for the Board's review and noting.

The Board noted that the internal audit reviews carried out during the financial year ended 31 December 2020 did not reveal any material weaknesses that have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

The total costs incurred for the internal audit service provided by CGRM for the financial year ended 31 December 2020 amounted to RM59,571.44 as compared to RM67,245.34 for the financial year ended 31 December 2019.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Thriven Global Berhad is pleased, pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), to provide the following Statement on Risk Management and Internal Control, which outlines the nature and scope of internal controls and risk management within Thriven Global Berhad and its subsidiaries (collectively referred to as the "Group") during the year under review.

BOARD OF DIRECTORS' RESPONSIBILITY

The Board of Directors ("Board") acknowledges its overall responsibility to ensure the establishment, adequacy and integrity of the Group's risk management and system of internal control. The Board affirms its commitment to maintaining a sound risk management and internal control system and recognises the importance of methodical risk management practices and rigorous internal controls to safeguard shareholders' investments and the assets of the Group.

The Board also recognises that there are inherent limitations to any system of risk management and internal control. Such a system can only provide reasonable, and not absolute, assurance against material misstatement or loss. Thus, the system is designed to manage and minimise impact rather than completely eliminate risks that may impact the achievement of the Group's business objectives.

RISK MANAGEMENT

The Board has delegated the responsibility of risk management to the Audit and Risk Management Committee ("ARMC"). The ARMC supports the Board in fulfilling its responsibility by regularly reviewing the adequacy and effectiveness of the Group's internal control and risk management processes. The ARMC, in conjunction with our internal auditors systematically identify and assess the risks faced by the Group according to the Group's risk management framework.

The risk management framework contains elements drawn from ISO 31000: 2018 Risk Management – Principles and Guidelines. Within the framework, the Group has an established and structured process for identifying, assessing, communicating, monitoring and continuously review risks and effectiveness of the risk mitigation strategies and actions. This process includes reviewing and updating the system of internal controls to take into consideration changes in the regulatory, business and external environment.

INTERNAL CONTROLS

The Group's system of internal control encompasses governance, risk assessment, financial, organisational, operational, regulatory and compliance control matters. The key elements of the Group's internal control systems are categorised and summarised as follows:

Control Environment

1. The Group's commitment to integrity and high ethical standards of business conduct are embodied in our Corporate Code of Conduct. A copy of the Corporate Code of Conduct is available on our corporate website *(thriven.com.my > investor relations > corporate governance > corporate code of conduct)*. The Corporate Code of Conduct reiterates the Group's commitment to good corporate behaviour and is an integral part of the Group's system of internal control and corporate governance.

2. The Board has approved the business authority limits covering key aspects of the Group's business and financial operations. Management have conducted the business of the Group within this mandate provided by the Board. During the financial year, the business authority limits were revised and updated based on the latest organisation structure.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

3. The Group has a clearly defined organisation structure and reporting responsibilities for all staff which is further subdivided into the northern and central region of its operations.

4. Job descriptions are established for all levels of staff which clearly stipulates their respective job responsibilities and duties.

5. The Group maintained its whistleblower policy and procedures with the intention to encourage and enable employees and other stakeholders to raise concerns regarding any illegal conduct or malpractice without being subject to victimisation, harassment or discriminatory treatment, and to have such concerns properly investigated prior to seeking resolution outside the Group. The ARMC has the overall responsibility to oversee the implementation of the whistleblower policy and procedures of the Group.

6. Departmental/functional objectives are communicated to and understood by employees with specific criteria established to measure achievement of such objectives.

7. The Group has adopted an Anti-Bribery and Anti-Corruption Policy with the enforcement of the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) (effective from 1 June 2020) to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business in order to prevent acts of bribery and corruption. In adherence to this Policy, the Group has adopted a zero-tolerance approach against bribery and corruption. The Anti-Bribery and Anti-Corruption ("ABC") Policies serve as the Group's pledge of commitment and initiative to eradicate the acts of corruption, breach of duty and trust, abuse of power and avoid conflicts of interest among the Group and its Directors, Employees and Business Partners. An ABC Compliance Team ("Team") which is headed by the Senior Manager, Human Resources and Administration was formed and assigned with the responsibility to oversee, coordinate and implement the Group's ABC Compliance Program. The Team reports directly to the ARMC and Board, and will also provide a report on any relevant activities and/or payments to the ARMC and Board on a quarterly basis.

   The ABC Policy may be viewed at our corporate website.

Risk Assessment

8. Management periodically considers/anticipates, identifies, and responds to routine events or activities that could have an impact on achieving Group-wide or process-level objectives.

9. Where appropriate, these responses would be translated into policies and/or procedures to ensure continuous application of mitigating controls to prevent recurrence and/or reduce the impact of the event/activity that prevented the Group or process from achieving its objective(s).

10. In the financial year under review, three (3) Internal Audit cycles were performed. The Internal Audit findings of the review have been reported to the Audit and Risk Management Committee and subsequently presented to the Board of Directors for discussion and deliberation. Resolution plans and corrective actions with set timelines were agreed upon to mitigate the risks identified.

11. The COVID-19 pandemic and its aftermath have exposed the Group to the risk of uncertainty in sales and thus affected the Group's revenues and profits during the current financial year. Nevertheless, the Group has taken steps to alleviate and minimise COVID-19's impact on our operations, which involve among others, prudent financial management and adapting our business plans to the prevailing market. Despite the pandemic, the Group managed to deliver vacant possession of Lumi Tropicana Phase 1 and Residensi ENESTA Kepong on 29 June 2020 and 15 October 2020 respectively. At the same time, the Group was also able to obtain new credit facilities from its bankers in addition to temporary interest moratoriums and certain flexibilities to our existing loans. These developments enabled our Group to sustain our financial position in 2020, and build a resilient platform for our Group's recovery in the coming year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

Control Activities

12. The Group has systematically documented Standard Operating Policies and Procedures ("SOPP") in place to guide employees in their day-to-day work. These policies and procedures are reviewed regularly and updated when necessary. During the financial year, the following SOPPs have been issued or revised:

    - One (1) new SOPP for Engaging External Service Providers
    - One (1) new SOPP for Lumi Hospitality Long Term Rental ("Smart Own Scheme")
    - One (1) revised SOPP for Employee Referral Program
    - One (1) revised SOPP for Recruitment and Resignations
    - One (1) new SOPP for Restarting Work Post-Movement Control Order ("MCO")
    - One (1) new SOPP for Empanelment of Real Estate Agency
    - One (1) new Anti-Bribery and Corruption ("ABC") Policy and ABC Manual

13. Periodic individual and collective progress assessments are carried out to ensure alignment and achievement of individual department deliverables/targets to Group objectives and goals.

Information and Communication

14. Feedback and monitoring mechanisms are implemented to enable management to periodically assess whether business and/or Group-wide objectives have been achieved or are achievable. Monthly review of the Group's operational activities is conducted during management meetings chaired by the Group Chief Financial Officer.

15. Management frequently collaborate and meet, whether formally or informally, to discuss and address significant/potential issues in a timely manner.

16. Management is provided with timely, relevant and reliable management, financial and operational reports from the business operations and financial reporting functions of the Group.

Monitoring

17. The Board met quarterly and have set a schedule of matters, which is required to be deliberated and approved by the Board, thus ensuring the Board maintains full and effective supervision over the Group's control processes.

18. Quarterly financial results are reviewed and deliberated by the ARMC prior to announcement and release to the investing public.

19. The ARMC and Management continuously evaluate the adequacy, sufficiency and effective operation of the Group's risk management and internal control system through regular reviews, discussions and deliberations following matters brought to their attention.

20. The internal audit function of the Group, which is outsourced to CGRM Infocomm Sdn Bhd ("CGRM"), an independent professional firm, supports the ARMC and the Board by planning, conducting and providing independent assurance of the adequacy and effectiveness of the Group's risk assessment processes and system of internal controls through audit reviews carried out based on a rolling 24-month risk-based internal audit plan. The reviews were conducted with reference to the International Professional Practices Framework and the Code of Ethics issued by the Institute of Internal Auditors, Inc and classified and reported according to the principles of COSO Internal Control – Integrated Framework.

21. Please refer to the Audit & Risk Management Committee Report on pages 51 to 55 for a summary of internal audit and risk management activities during the financial year.

BOARD ASSESSMENT & ASSURANCE FROM MANAGEMENT

The Board is of the view that the development of a sound system of risk management and internal control is an on-going process, and will continue to take pertinent measures to maintain and improve the Group's system of risk management and internal controls in meeting the Group's strategic objectives, targets and goals.

The process for identifying, evaluating and managing risks as outlined in this Statement has been in place for the year under review and up to the approval of this statement for inclusion in the 2020 Annual Report. During the financial year, the Group has continuously evaluated and implemented a number of internal control improvements as recommended by its internal auditors.

The Board, with assurance received from the Group Managing Director and Group Chief Financial Officer, concludes that the Group's risk management and internal control system are operating effectively, in all material aspects.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the MMLR, the external auditors have reviewed this statement for inclusion in the 2020 Annual Report, and have reported to the Board that nothing has come to their attention that causes them to believe that this Statement on Risk Management and Internal Control is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the system of risk management and internal controls.

The scope of their review is set out in Audit and Assurance Practice Guide 3 ("AAPG3") Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants.

CONCLUSION

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board dated 30 March 2021.

SUSTAINABILITY STATEMENT

SUSTAINABILITY AT THRIVEN

Thriven Global Berhad ("Thriven") is a committed corporate citizen and works to continually embed sustainability into all areas of our business. We believe that sustainability is the key for Thriven to thrive – by cultivating a competitive and well governed Marketplace and instilling best practices in our Workplace, our team is then able to put all the necessary building blocks in place to protect the Environment and nurture the Communities in and around our development creations.

We don't just build homes, we believe in the creation of total living environments built around the needs of our residents for today and tomorrow that delivers sustainable financial results for Thriven and its stakeholders. To that end, our three complementary areas of business – property development and investment, hospitality and lifestyle retail, and facility management – work together to deliver an integrated approach to community building, embodying our Forward Living principle to lead the market in setting new standards in innovating lifestyle developments with passion and purpose.

Adopted **Anti-Corruption Policy** in May 2020

Reduced excess office space by **30%**

In 2020, the concept of sustainability is at the forefront of all businesses, particularly as companies struggled to survive in the pandemic year that has impacted all sectors of the economy. At Thriven, our focus was likewise aimed at safeguarding business continuity while pursuing our sustainability agenda.

SUSTAINABILITY STATEMENT (cont'd)

The following are our key priorities and achievements for FY2020, mapped to the four pillars of sustainability:

PILLARS	PRIORITIES	ACHIEVEMENTS
Marketplace	Promoting fair marketplace competition among our vendors	Completed the adoption of our Anti-Corruption Policy in May 2020
	Ensuring continued sales and a safe and smooth homeownership journey for our customers during the various phases of Movement Control Order ("MCO")	Digitalised the entire sales process from marketing to virtual showrooms and online engagement and introduced a new normal 'drive in' handover process with a staggered schedule to ensure physical distancing
	Ensuring timely handovers of our completed projects to customers amid significantly slower regulatory approvals due to MCO	Successfully completed 2 vacant possessions through proactive engagement with regulators
	Continuing stakeholder engagement in compliance with strict infection prevention standard operation procedures ("SOPs") during the various phases of MCO	Adopted digital channels for continuous engagement with Customers, Vendors, Business Partners, Financiers and Regulators
Workplace	Retaining all employees and avoiding staff retrenchment	Successfully retained all employees through a hiring freeze and selective renewal of contract staff term-extensions
	Ensuring employees' health and safety during the pandemic	Putting in place strict SOPs including physical distancing measures in the office while continuing to practice work-from-home arrangements
	Optimising operational and cost efficiencies	Completed renovations to reduce excess office space by 30% in February 2020 to reduce rental cost while ensuring physical distancing can be practiced even at 100% occupancy
	Ensuring business continuity and maintaining employee productivity and performance during MCO's mandatory closure of non-essential premises	Leveraging existing digital infrastructure and virtual project management tools to enable employees to work from home
Environment	Ensuring sustainable management of environmental resources such as water, energy and materials	Reduced usage of water, energy and office consumables at Thriven's offices and sales galleries during the MCO and throughout 2020
	Reducing waste generation and ensuring responsible waste disposal	Adoption of waste management policies and waste separation practices
Community	Ensuring the safety and wellbeing of our residents and the communities where we operate	Implementing and communicating the new pandemic SOPs in the properties we manage
	Continuing CSR efforts to support and uplift communities	Donated drinking water to frontliners and contributed RM5,000 in sponsorship to Majlis Bandaraya Petaling Jaya's ("MBPJ") PJ City Food Bank and another RM5,000 in sponsorship to Majlis Sukan Negeri Selangor

SUSTAINABILITY STATEMENT (cont'd)

ABOUT THIS REPORT

The Thriven Sustainability Statement ("Statement") provides a review of the Group's sustainability performance in day-to-day activities for the financial year ended 31 December 2020 ("FY2020") along the four pillars of Marketplace, Workplace, Environment and Community.

It serves as a key channel of communication to our stakeholders on the progress of our sustainability journey as we continue to strengthen the Group's performance through the gradual adoption of Environmental, Social and Governance ("ESG") best practices guided by sustainability reporting frameworks.

REPORTING FRAMEWORK

This Statement has been prepared in accordance with Bursa Malaysia's Main Market Listing Requirements, with reference to the Bursa Sustainability Reporting Guide (2nd Edition).

REPORTING SCOPE AND BOUNDARIES

This Statement is published annually and contains quantitative data for the period of 1 January 2020 to 31 December 2020, with comparisons made to previous years where possible to illustrate our sustainability progress thus far on topics deemed material to our stakeholders and the sustainability of Thriven.

Unless otherwise specified, the data, results and information contained in this Statement cover the Group's main operating activities for which we have direct managerial control. We continue to endeavour towards improving our internal processes to collect, monitor and report additional aspects of our ESG performance to enhance our sustainability management and disclosures.

DISCLOSURE ASSURANCE

As the sustainability function at Thriven is still in the nascent stage of development, we have not sought external assurance for this Statement. However, we recognise the value of independent verification and will consider seeking assurances for our key sustainability indicators as our reporting journey progresses.

In the meantime, we rely on internal functions to ensure the accuracy of the data disclosed. The Management and Board of Directors have applied their collective minds to the preparation and presentation of the information in this Statement and believes that it provides a fair and balanced account of Thriven's sustainability performance and commitments.

FEEDBACK

In line with our commitment towards continuous improvement, we welcome feedback from our stakeholders on our sustainability reporting and practices. Comments and recommendations can be directed to:

Thriven Global Berhad (182350-H)
Level 23A, Menara LGB
1, Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Email : ir@thriven.com.my
General Line : +603 7688 1266
General Fax : +603 7688 1277

Group CFO : Augustone Cheong Kwok Fai
Email : ackf@thriven.com.my

Co. Secretary : Edmund Seet Wan Sing
Email : edmund.seet@thriven.com.my

SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY GOVERNANCE

At Thriven, we believe that sustainability must be driven at the top-most tiers of leadership for it to be effectively embedded into every aspect of our business and cascaded down to the rest of the organisation. For that reason, sustainability at Thriven is governed by the Board and led by our Group Managing Director, Encik Ghazie Yeoh Bin Abdullah.

The Board takes full accountability to ensure effective corporate governance across the Group which includes overseeing risks and internal controls that are also key functions of sustainability. In this, they are supported by a growing set of ESG policies and a capable team of senior management, department heads and project leads for sustainability implementation and performance reporting.

WHO	SUSTAINABILITY ROLES & RESPONSIBILITY	
Board of Directors	Deliberates and determines the Group's strategies and policies with a focus on ESG aspects	
Senior Management	Oversees the overall strategy implementation and progress	Reviews sustainability related information and presents it to the Board for deliberation
Department Heads/Project Leads	Operationalise the plan in the respective business units and divisions	Collate sustainability related information against measurable indicators
Working Level	Implement the plan in their respective job functions	

Meanwhile, Thriven continues its efforts to prepare a sustainability policy for adoption by the year 2023, which will provide a clearer outline of Thriven's key commitments in driving sustainability through its operations.

SUSTAINABILITY STATEMENT (cont'd)

COMMITMENT TO THE UNSDGs

The Group is also prepared to support the Malaysian Government's commitment to the United Nations Sustainable Development Goals ("UNSDGs") through our role as a responsible property developer. We will be reviewing and selecting the appropriate UNSDGs for adoption that best aligns with Thriven's business activities, vision and mission.

STAKEHOLDER ENGAGEMENT

As we formulate our sustainability agenda, we are continuously engaging and building strong relationships with our key stakeholders to gain a more complete understanding of their interests and concerns. The wider range of perspectives help to inform the Board and Management's decisions and ensures that our business strategies are able to meet the needs and expectations of our stakeholders in a continuously evolving landscape.

In FY2020, we have had to alter our modes and frequency of engagement with our stakeholders in light of the restrictions brought on by the COVID-19 pandemic. Digital channels were favoured in place of physical events, with increased frequency of engagement with several stakeholder groups such as suppliers, regulators and customers to address new and emerging concerns. We have also made the decision to include banking institutions as a key stakeholder of the Group in our disclosures going forward as they play an important role in ensuring the sustainability of Thriven.

Below are the details of our stakeholder engagement activities in 2020 which help inform our material matters and business strategies:

Stakeholder Group (Importance)	Engagement Mode	Frequency	Material Concerns	Engagement Outcomes
Shareholders/ Investors (High)	• General Meetings • Reports • Investor Briefings/ Press Release • Website • Announcements	• Annually • Quarterly • As and when required	• Audited financial statements • Re-appointment of Auditors and Directors • Directors' fees • Company prospects • Governance, policies and procedures • Material information disclosures • Changes in shareholdings • New issue of securities, if any	• Good governance • Communication with shareholders and investors • Compliance with regulations • Timely disclosures • Transparency • Revision to Whistleblowing Policy • Implementation of Anti-Bribery Policy

SUSTAINABILITY STATEMENT (cont'd)

Stakeholder Group (Importance)	Engagement Mode	Frequency	Material Concerns	Engagement Outcomes
Customers (Critical)	• Marketing campaigns • Digital platforms (social media, WhatsApp chats) • Sales galleries (virtual or physical)	• As and when required	• Affordable housing solutions • Quality and value • Return on investments • Timely vacant possession handovers	• Property sales • Handover events for Lumi Tropicana Phase 1 and Residensi Enesta Kepong
Public/ Government Agencies and Regulators (Critical)	• Online surveys • Meetings • Consultations	• As and when required	• Compliance • National agenda	• Compliance with relevant standards • Feedback regarding regulatory changes affecting the industry • Receipt of relevant approvals in a timely manner • Obtained land conversion, lease extensions and DO approvals for Section 13 • Obtained operating permit for subsidiaries to re-start work during MCO period
Employees (Critical)	• Management Meetings • Performance Appraisals • E-letters and Memos, WhatsApp Exchanges	• Quarterly • Monthly • Half-yearly • Ongoing	• Competitive remuneration • Employee-friendly policies • Career development • Safe and comfortable work environment	• Reviewed and revised HR policies • Skills and talent development training • Succession planning in progress • Employee job satisfaction evaluations in development

SUSTAINABILITY STATEMENT (cont'd)

Stakeholder Group (Importance)	Engagement Mode	Frequency	Material Concerns	Engagement Outcomes
Communities (Moderate) 	• Meetings/ Community Events	• Yearly • As and when required	• Responsible community engagement	• Corporate Social Responsibility activities • Communication of COVID-19 SOPs to residents
Suppliers/ Contractors (High) 	• Supplier/Contractor Meetings • Procurement Activities • Assessments and Performance Review	• As and when required	• Transparent processes • Fair and timely payments • Ministry of Health compliance at worksites	• Fair procurement practices • Competitively priced source materials • Advantageous credit/payment terms
Media (Moderate) 	• Meetings • Website and Social Media • Press Conferences and Interviews	• As and when required	• Credible information on Thriven including financial information • Sales and Marketing activities	• Timely corporate updates • Enhanced company reputation • Enhanced sales
Banking Institutions (High) 	• Meetings (including virtual) • Annual Reviews	• As and when required • Periodic	• Economic and financial performance • Business risks, opportunities and growth prospects • Industry forecasts	• Obtained loan moratoriums and certain flexibilities for our existing credit facilities • Obtained new credit lines

SUSTAINABILITY STATEMENT (cont'd)

MATERIALITY MATTERS

Through our regular engagement with stakeholders, we have identified a broad range of material concerns in our previous years' reporting. That list was then reviewed against the changing business landscape, emerging trends, regulatory development as well as feedback from stakeholder groups, and reprioritised accordingly. The Board and Management have acknowledged the following updated list of materiality matters as being most relevant to Thriven's sustainability.

MARKETPLACE	
Quality & Value	• Provision of value added services for better quality of life • Adherence to international quality standards and compliance • Affordability of well-built homes
Integrity	• Regulatory and legislative compliance and ethical conduct • Fair and transparent business conduct free from corruption and bribery • Provision of whistleblowing channels for staff to report unlawful business practices • Fair and impartial procurement
Customer Engagement	• Regular engagement with our customers through various initiatives and channels • Protecting the privacy of our customers' data
Risk Management	• Effective risk management and control systems to respond to changes in the operating environment
Industry Associations	• Membership in industry associations and participation in marketplace events
WORKPLACE	
Codes, Policies and Handbooks	• Clear policies and procedures governing workplace behaviours
Recruitment	• Merit-based non-discriminatory hiring
Diversity and Inclusivity	• Diversity in representation and a culture of inclusivity and non-discrimination
Training and Development	• Investment in employee training, education, as well as professional and personal development
Employee Performance and Remuneration	• Structured and standardised periodic performance appraisal • Opportunities for career growth and job promotions • Competitive employee remuneration and benefits based on performance • Recognition of outstanding performance and achievements through awards and other means of appreciation
Health and Safety	• Implementation of pandemic prevention measures • Standardised Health, Safety and Environment ("HSE") worksite policies and practices
Employee Engagement	• Regular engagement with employees through formal and informal channels, events and social bonding activities

SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENT	
Green Building	• Putting in place sustainable and environmentally friendly construction practices
Materials Management	• Conscientious use of construction materials and raw resources
Waste Management	• Reducing waste and ensuring efficient disposal of waste generated
Noise Reduction	• Minimising noise pollution
Energy and Water Consumption	• Efficient and responsible energy and water consumption
COMMUNITY	
Residential SOP Communication	• Ensuring pandemic-related information and SOPs are effectively communicated to residents
CSR Activities and Volunteerism	• Championing social causes and community outreach through CSR initiatives and volunteerism

These material matters form the scope of reporting for this Sustainability Statement along the four pillars of Marketplace, Workplace, Environment and Community.

MARKETPLACE

Thriven strives to contribute to a fair, competitive and vibrant marketplace, providing quality products and services to meet customers' needs while upholding ethical, sustainable and responsible business practices.

QUALITY & VALUE

Thriven's business is sustained by customers' continued trust and confidence in the quality of our developments and the value it offers to homebuyers. With core businesses encompassing property development, investment holding of developed projects, facilities management and provision of hospitality services and lifestyle retail operations, we are able to leverage our synergistic ecosystem of service offering to provide a complete living experience of exceptional value.

Value Added

We leverage innovation, forward-looking design and smart urban planning to build affordably priced products and services to meet stakeholders' demands without compromising on the quality we deliver. Our commitment to value creation also extends to value added services beyond vacant possession, including the provision of our soon-to-be-launched Lumi Hospitality services such as on-demand housekeeping, music teachers, masseurs and other professional service providers pre-screened by Thriven for residents' convenience and peace of mind. We also provide lease management services such as tenancy management and controlled rental rates to ensure investment-based homebuyers enjoy better returns.

These efforts are in line with our "FORWARD LIVING" philosophy. We are committed to enhancing the living environment of all our developments and the quality of life of our communities.

SUSTAINABILITY STATEMENT (cont'd)

Quality Benchmarking
Our Management places tight internal controls to safeguard the quality of our projects during the building process, and throughout the projects' lifecycle through building and facilities management services. Materials used in our construction process are registered under the Construction Industry Development Board's ("CIDB") material list and approved by SIRIM and other relevant authority departments. Aside from that, the design and choice of materials are also quality tested in our office, sales gallery and show units prior to approval, with a preference for materials with proven durability and ease of maintenance.

As a member of CIDB, Quality Assessment System in Construction ("QLASSIC") assessments form a core part of our quality benchmarking process to ensure the workmanship quality of our building projects are up to par. Most recently, our property projects in Desa Aman have all scored 70 points and above in the 2019 assessments. However, due to the economic challenges brought on by the pandemic, we did not pursue any QLASSIC application for FY2020.

Nevertheless, Thriven continues to be recognised for establishing new benchmarks in quality and innovation, with the certification of Lumi Tropicana on 4 August 2020 as the title holder of the "Longest Infinity Pool" in Malaysia by The Malaysia Book of Records, at a length of 190 metres.

Affordability
We have established a niche in affordable luxury properties, and our recent Lumi project is branded to reflect that value proposition. In 2020, we have also delivered vacant possession of our Residensi Enesta Kepong project, an affordable housing project under the Rumah Mampu Milik program.

Our capabilities in supplying housing products with excellent value propositions will serve the Company well as we move into 2021 and beyond, with the economic downturn shifting the property market's focus into the affordably-priced homes segment – a view that is affirmed by the Government's Budget 2021 allocations.

Thriven's properties are competitively priced to reflect what is deemed affordable in a given location, providing our buyers with appreciating investments located in strategic or matured areas close to various amenities.

At a length of 190 metres, Lumi Tropicana holds the record for the "Longest Infinity Pool" in Malaysia

SUSTAINABILITY STATEMENT (cont'd)

INTEGRITY

Integrity continues to be a cornerstone of Thriven's behaviour in the marketplace and workplace. We are in compliance with all relevant legislation and regulations and are committed to continually raise the bar in our integrity standards.

In FY2020, the Board has established a comprehensive anti-bribery and corruption ("ABC") policy and compliance programme, adopted a new Procurement Policy, and made revisions to the following existing charter, policies and/or handbook in accordance with the ABC Manual:

- Board Charter
- Whistleblowing Policy
- Corporate Code of Conduct
- Employee Handbook

Other than the employee handbook, all of Thriven's governing codes, charters and policies can be found on our website at: https://www.thriven.com.my/investor-relations/corporate-governance/

Anti-Bribery and Corruption

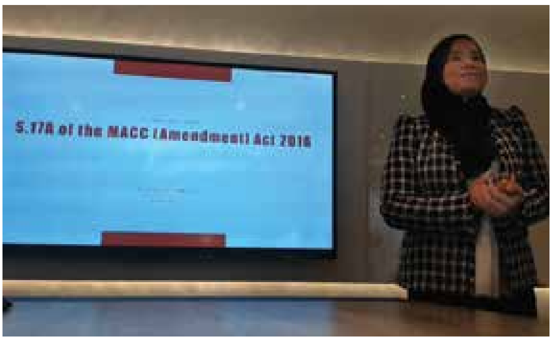
During FY2020, Thriven had appointed Messrs. Shook Lin & Bok to review, advise and prepare the ABC policy and compliance programme for the Group to ensure that everyone in Thriven practises the highest level of ethics and integrity, complies with all applicable laws and regulations including the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") which came into force on 1 June 2020, and that corruption risks are being managed effectively.

An ABC Manual, also known as ABC Compliance Program with its accompanying policies and procedures ("ABC Policies") were approved by the Board for adoption on 28 May 2020, with the appointment of the Audit and Risk Management Committee ("ARMC") and an ABC Compliance Team to support its implementation. Several registers mentioned in the ABC Manual and ABC Policies (including Corruption Risk Register) were also created and will be maintained and updated from time to time. In addition to that, SOP for Group Finance & Treasury Process, Recruitment and Resignation were amended in accordance with the Management's recommendations and the ABC Compliance Program.

The ABC Policies have been published on Thriven's website (www.thriven.com.my) and applies to the Group's Directors, employees and business partners, while the ABC Manual was emailed to all employees. All Board of Directors, employees and existing vendors of Thriven have signed an ABC Pledge, with new vendors following suit upon engagement.

Thriven's ABC Manual and ABC Pledge

Briefing and training on Section 17A of the MACC Act were also conducted by Messrs. Shook Lin & Bok for the Directors and employees of the Thriven Group.



Briefing and training on Section 17A of the MACC Act

SUSTAINABILITY STATEMENT (cont'd)

Whistleblowing
Thriven's Whistleblowing Policy was revised in May in accordance with Management's recommendations to align it with the ABC Compliance Program. It serves to provide an independent platform for all employees and external parties to report any instances of wrongdoing.

There have been no cases of misconduct reported through the Whistleblowing channel in FY2020.

Procurement
We aim to support the marketplace through fair and equitable procurement practices that prioritises responsible local suppliers and contractors with a good track record of contributing positively to the local economy. This has been enshrined in Thriven's newly established Procurement Policies that has come into effect in FY2020.

We are happy to report that 100% of projects up for tender in both the Central and Northern Regions in FY2020 have been awarded to local suppliers and contractors, with the total value awarded standing at RM6.6 million for Central Region and RM1.0 million for the Northern Region.

100% of
tenders awarded to
local suppliers and **contractors**

CUSTOMER ENGAGEMENT

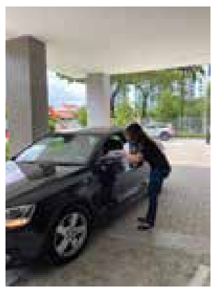
Meeting customers' needs is always a top priority for Thriven. We strive to continuously provide products and services that meet the quality and value expectations of our customers, relying strongly on customer engagement to better understand and deliver the ideal customer experience.

Towards this end, we have continued to put our Customer Relationship Management SOP in practice amid the changes brought on by the pandemic. Though our engagement channels have changed to favour digital modes such as our CRM live chat "WIX", WhatsApp through CRM's hotline number, and our CRM/Ask Lumi/Thriven email portals, which have been in place since 2018, the principles guiding our engagement approach remains the same. Virtual showrooms facilitated the viewing experience during MCO, while 'Thrivers', our frontline customer relationship managers, helped guide customers' homeownership journey through the digitalised process. A 'drive-thru' vacant possession handover experience was also conceptualised to make our customers' homeownership journey safer and more memorable.

We aim to continually enhance our customers' experience with Thriven and have put in place plans to introduce customer satisfaction surveys to further strengthen our engagement process.

Lumi Tropicana 360° Virtual Tour

Pandemic SOPs were observed at the Residensi Enesta Kepong vacant possession handover session



Lumi Tropicana's innovative drive thru handover vacant possession

SUSTAINABILITY STATEMENT (cont'd)

Customer Privacy
As we interact with our customers through the various platforms, we inevitably come into contact with large amounts of customer data, some of which may be sensitive in nature. We respect our customers' right to privacy of their personal data and adhere fully to the Personal Data Protection Act 2010. We will never use our customers' data for commercial purposes without their consent. Suppliers and business partners who may come into contact with this information during the course of their work are also required to sign Non-Disclosure Agreements to ensure our customers' data privacy.

Our Privacy Policy is posted on our website at https://www.thriven.com.my/investor-relations/privacy-policy/.

RISK MANAGEMENT

Risk management is an important part of Thriven's sustainability process in identifying, monitoring, minimising and controlling the probability or impact of potentially adverse events. It is spearheaded by the Executive Risk Management Committee consisting of senior management and heads of department with the Group Managing Director at the helm, while the Board, via the ARMC, reviews the effectiveness of the process.

Our risk management framework incorporates elements drawn from ISO 31000: 2018 Risk Management – Principles and Guidelines, as well as the Enterprise Risk Management standard, in monitoring key risks that affect the Company's sustainability, such as financial management, changes in the regulatory, business and external environment, and reviewing and updating the Company's system of internal controls.

During the year under review, some of the key risks that threatened Thriven's sustainability included poor sales due to the challenging market environment, as well as MCO-driven construction halts leading to the possibility of project delays and tighter cashflows. With the oversight provided by our risk management processes, Thriven was able to act quickly to mitigate these risks by obtaining new credit lines, ramping up sales, chasing collections on existing sales and deferring non-critical expenditures to ensure Thriven's continued liquidity. Our robust risk management activities have helped Thriven navigate through the storms of the COVID-19 pandemic onto calmer, more sustainable seas.

INDUSTRY ASSOCIATIONS

As a property developer, Thriven understands the importance of membership in industry association as a means to participate in policy dialogue, enhance the company's reputation, trust and credibility, and to be exposed to sectorial market trends. Participation in industry forums and events also expands the Company's network of industry professionals that we can engage and collaborate with, and add to our talent force.

Though the pandemic has prevented the organisation of industry events, Thriven continues to be an active member of:
- Real Estate and Housing Developers' Association ("REHDA"); and
- Construction Industry Development Board ("CIDB").

WORKPLACE

At Thriven, we believe that a healthy and sustainable workplace nurtures employees to work better, and to be more driven to deliver better results. It is why we continue to put a strong emphasis on human resources as a key function of sustainability to recruit, upskill, engage and reward our employees.

CODES, POLICIES & HANDBOOKS

As of FY2020, our workplace now exists both virtually and physically, with approximately half of our employees working from home and online for much of the year due to the MCO and pandemic prevention best practices. Thriven's operations are also separated into two main offices in the Northern and Central Regions, that are united by our common Thriven DNA and a commitment to the realisation of the Group's vision and mission. Hence, it is clear that our workplace is defined less by where we are, and more by how we behave.

SUSTAINABILITY STATEMENT (cont'd)

We have in place a collection of codes of conduct and policies that guide employees' behaviour, which are outlined in the Employee Handbook for easy reference. The handbook undergoes regular updates and revisions in line with policy changes, incorporating two rounds of revisions in FY2020 as follows:

1st Revision (1 January 2020)

- Inclusion of Employee Referral Programme and Reward for Perfect Attendance
- Revisions to Working Hours, Overtime, Corporate Uniform, Bonus, Outstation and Overseas Travel, Company Car, Medical Benefits, Professional Society Membership, Long Service Holiday Policy, Training, Domestic Inquiry, Dining & Pantry Area, Company Communications, and Annual Capital Development Plan and Budget.

2nd Revision (10 June 2020)

- Amendments on compliance with the ABC Manual and the MACC Act 2009
- Revised Recruitment SOP
- Revised Resignation SOP
- Revised Exit Interview Form

A Post-MCO SOP was also adopted by the Group on 24 April 2020, which has not been included in the Employee Handbook as its implementation is expected to be in effect only until the end of the pandemic.

RECRUITMENT

Thriven continues to value a merit-based equal opportunity recruitment process. Nevertheless, a recruitment freeze was in effect for most of FY2020 as the Company endeavoured to prevent retrenchments during the economic downturn and are happy to report that we have been successful on that front.

Employee turnover for the year stands at 16.5%, with two (2) contract staff resigning and three (3) more whose contracts were not renewed. No retirements were registered in FY2020.

The Company did approve five (5) new hires for FY2020 to fill essential roles under our facilities management subsidiary, Eco Green Services Sdn Bhd. Two (2) of those new hires were offered the position in 2019, with their commencement date delayed from 1Q2020 to May 2020 due to the MCO. The remaining three (3) new hires joined in August, September and December 2020 respectively while the Company cross utilised team members' skills where applicable to fill any gaps.

Thriven also values loyalty and have continued to re-employ two (2) highly-valued former staff beyond their retirement age on a yearly contract basis. We also reward employees who have dedicated many years of their lives to our service, conferring long service awards to three (3) employees from our HQ and one (1) from the Northern office during FY2020.

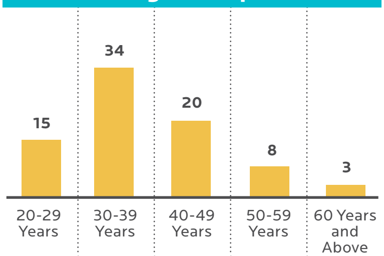
DIVERSITY & INCLUSIVITY

Operating in a culturally diverse nation, Thriven strives to reflect that same sense of diversity and inclusivity at our Company through a merit-based approach to hiring, retaining, training, promoting and rewarding employees irrespective of age, race, gender and religion.

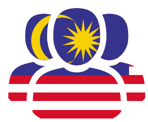
We have made investing in workforce diversity a priority as we believe it contributes to a higher performing culture that encourages the acceptance and respect of differences in ideas and perspectives.

The following is the age, gender, ethnicity and nationality breakdown of our workforce:

Age Group

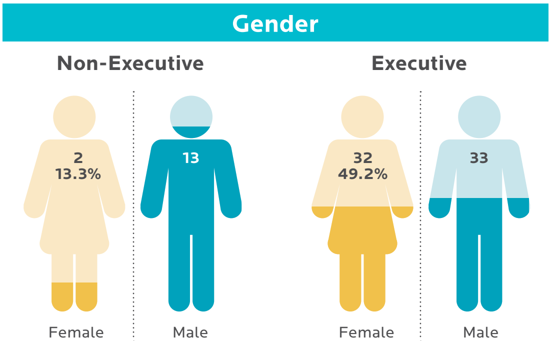


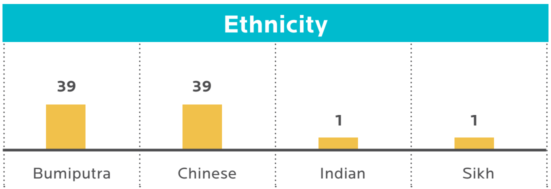
Nationality



100%
Malaysian

SUSTAINABILITY
STATEMENT (cont'd)





TRAINING AND DEVELOPMENT

Despite the challenges presented by the pandemic, we continue to place a strong priority on talent training and development, providing our employees the opportunity to acquire skills, knowledge and competencies to better perform their roles and succeed in life.

Aside from on-the-job training, organisational awareness briefings and in-house courses, we also invest in professionally structured courses on hard and soft skills to develop a talent pool for effective succession planning. The list of training programmes conducted in FY2020 are as follows:

- In-house Sales & Marketing Training
- Section 17A of the MACC Act - Anti Bribery & Corruption Laws in Msia
- Understanding the Employment Act 1955 & Its Practical Approach (With Recent Amendments)
- HRDF Workshop Anjuran Oleh Pembangunan Sumber Manusia Berhad
- Important Industrial and Higher Court Decisions of 2019
- Jom Guna Levi
- Misconduct Investigation and Evidence Collection Techniques
- MEF Seminar on Lawful and Fair Dealings in Termination of Employment
- FMM Selangor & Kuala Lumpur briefing on SOCSO's hiring incentive programme: Penjana Kerjaya & MyFuture Jobs
- The Art of Handling Difficult Employees Effectively
- Property Managers Induction Course for Newly Registered Property Managers
- CIDB Certified QLASSIC Assessor

Training & Development Budget	Average Spend Per Employee FY2019 RM	Average Spend Per Employee FY2020 RM
Company's Human Resources Development Fund ("HRDF")	15,663	6,576
Thriven's Training Budget	7,706	743
Total	**23,369**	**7,319**

The total amount spent on training in FY2020 is lower than the previous year as Thriven is cognisant of the need to reduce expenditure amid the softer pandemic market. We hope to resume our recommended number of training hours per year for all our employees as soon as practicable.

Employee Level	Recommended Training Hours per Year
Assistants Managers & above	24 Hours
Executives	48 Hours
Clerical/Non-Clerical	24 Hours

Sales & Marketing Focus Group In-house Training on 5 June 2020

SUSTAINABILITY STATEMENT (cont'd)

EMPLOYEE PERFORMANCE AND REMUNERATION

As a merit-based company, we recognise the importance of providing attractive benefits and remunerations to our employees based on their performance as a key strategy in retaining our talents.

Performance Review

We conduct regular performance appraisals with our employees to ensure they remain on track towards achieving their KPIs and their career goals. Despite the unorthodox working arrangement in the pandemic-ridden FY2020, we have managed to carry out performance appraisals with all but one (1) employee in our organisation, who was subject to a domestic inquiry and eventually terminated.

Job Promotion

Through the process of continuous training and development, we hope to groom our employees to succeed as future leaders of the company. We also prefer to promote from within to fill available positions, hiring externally only when no suitable candidates are presented.

During the year under review, Mr. Teoh Kong Haur was promoted from the General Manager Northern Region, to the Managing Director Northern Region on 23 January 2020.

Employee Benefits

Thriven continues to review and revise the range of employee benefits on offer to ensure we remain a competitive employer. Changes to employee benefits during the year under review include:

BENEFITS	DESCRIPTION
Professional Society Membership	Company will also reimburse in full the professional fee of employees who are substantially responsible for the review of technical/professional work including but not limited to finance & accounts, engineering, contracts, quantity surveying, etc.
Reward for Perfect Attendance	A RM300 cash reward is provided if the employee holds a perfect attendance record for the year with no medical leave, no hospitalisation, no maternity leave, no time slip, and utilising less than five (5) emergency leaves in 1 whole year. This reward is eligible for employees ranked from Non-Executive to Senior Manager.
Company Car Usage	Petrol claims/allowance for the use of company car has been revised from RM1,000 a month to RM1,500 a month for Grades UG1, UG2, E1 and E2.
Insurance	We have provided medical insurance coverage for three (3) of our Executive Directors as part of their competitive remuneration package.

Aside from that, we also incentivised our employees to help drive sales and rental for Thriven's properties amid the challenging year.

SUSTAINABILITY STATEMENT (cont'd)

Meanwhile, the changes to employee benefits implemented in FY2019 did garner interest from employees, particularly the revised rates under the Employee Referral Programme which came into effect on 1 January 2020. However, the hiring freeze implemented as a response to the pandemic has placed the programme on hold. Likewise, the change in SOP favouring work from home arrangements on a rotation basis and limiting office occupancy to only 50%, has also effectively halted our plans to reward employees for exemplary attendance records.

Nevertheless, we are optimistic that these changes will continue to spur our employees to perform even better in the future.

Awards and Appreciations

We have revised our "Long Service Holiday" award terms and entitlement, so as not to negatively impact the Company's financials in the long run. Entitlement for the "Long Service Holiday" award is also contingent upon the employee's clean employment record without disciplinary issues, and KPI of at least 80% throughout his/her employment.

Previous Terms

Years of Service	Long Service Award Entitlement
10 years of service	Two (2) months of last drawn basic salary
15 years of service	Four (4) months of last drawn basic salary
20 years of service	Six (6) months of last drawn basic salary

New Terms

Years of Service	Long Service Award Entitlement
First 10 years of service	Two (2) months of last drawn basic salary
Every Subsequent 5 years	Two (2) months of last drawn basic salary

We have conferred (4) long service awards during the year under review. Other than long service, Thriven did not organise any other award competition or ceremonies in view of the ongoing pandemic.

HEALTH AND SAFETY

Thriven respects the right of all workers to be provided with safe working conditions that do not negatively impact their health. We have put in place robust HSE practices to ensure all the necessary training, protective equipment and other safeguards are provided for work to be conducted safely on our projects. We have zero tolerance towards non-compliance with our safety standards, and these expectations are cascaded down to all of our suppliers and contractors as well.

Pandemic Prevention Measures

As a precaution against the spread of COVID-19 among Thriven's staff members, the Group has adopted all the necessary outbreak mitigation measures prescribed by the government mandated SOPs, and more.

The new pandemic prevention measures implemented at all Thriven Group's business premises include:

Mandatory COVID-19 SOPs
Mandatory scanning of MySejahtera QR code, temperature screening and recording, and hand sanitisation for all staff and visitors upon arrival
Compliance with the minimal effective level of headcount in the Headquarters at 50% of staff allowed on the premises, with the others working from home following a duty roster prepared by each Head of Department and submitted to the Head of Human Resources and Administration
Observation of the minimum 1-meter physical distancing when interacting face-to-face with others
Daily sanitisation of office common areas such as pantry, washroom and meeting rooms, and office equipment including laptops, computers, printers and other IT equipment
Rearranging workstations in the office to enforce physical distancing
Encouraging online meetings and discouraging face-to-face meetings unless the meetings are critical, with limitations set on physical meeting attendance and length
Discouraging unnecessary travel and prohibiting attendance at big gatherings or events

SUSTAINABILITY STATEMENT (cont'd)

Outbreak Prevention Tools			
Air purifier to eliminate micro dust, bacteria, viruses and germs in HQ with high-efficiency particulate air ("HEPA") filter that can deactivate bacteria and viruses by up to 99%	Three fogging disinfectant machines, one each for HQ, Lumi Tropicana and Enesta Kepong	Infrared thermometers/ Automatic themometer scanners	Face masks, face shields and hand sanitisers, to be used or distributed when required

Other COVID-19 strategies and SOPs:
A no-touch policy for deliveries is also in place, with items and documents left outside the main door for at least 30 minutes (unless the items are time sensitive) before collection, and a mandatory disinfection of all items received.
Sick employees are required to stay home until they are well, while employees who develop symptoms while in office are immediately isolated in the marketing meeting room designated for this purpose. HRAD will then inform the Building Manager and identify an isolated route where the employee with suspected illness can be brought safely to the clinic or hospital for further tests and examinations, without risking contact with more people.
Employees exposed to a COVID-19 positive patient must undergo tests and quarantine to ensure that they are not infected before being allowed back to work. If a staff is exposed to a close contact of the COVID-19 positive patient, the staff will be quarantined until the close contact is tested negative. The cost for COVID-19 tests conducted under these scenarios are borne by the Company.

A full explanation of the Company's health measures is made available to staff via email, WhatsApp and saved in our Shared Server.

The total cost of implementing these additional COVID-19 safety measures during the financial year amounted to RM17,076.75.

	TGB (RM)	BPDSB (RM)	GCSB (RM)	LHSB (RM)	MVSB (RM)	EGSSB (RM)	TASB (RM)	TOTAL (RM)
SMALL VALUE ASSETS (Thermometers, air filters & etc)	767.00	–	897.00	–	200.00	–	1,017.15	2,881.15
GENERAL EXPENSES (Sanitisers, face masks & etc)	3,351.40	–	3,050.80	–	4,714.25	1,030.75	2,048.40	14,195.60
							Total	**17,076.75**

COVID Swab Tests	When	No. of Staff	Amount (RM)
Thriven's Staff	18 May to 17 Dec 2020	41	10,324.00
Foreign Workers at Lumi Tropicana Site	17 Dec 2020	33	3,630.00
		SOCSO Subsidy	(450.00)
		Total	**13,504.00**

Physically distanced seating arrangements and the installation of an air purifier and fogging disinfectant machine are just some of the pandemic prevention measures in place at Thriven's HQ

Worksite Safety Practices

Every worker at Thriven's property development worksites are provided with SIRIM-approved personal protective equipment such as safety helmets, reflective vests, safety boots, hand gloves, and dust masks.

For projects valued at RM20 million and above, our main contractors are required to provide a full-time safety officer on site to ensure compliance with CIDB requirements, and submit a Health and Safety Report every month. They are also responsible for conducting hazard identification and implementation of risk control measures, such as HSE briefings and training programmes for all new workers, site supervisors, and/or new clerks in compliance with Malaysia's Occupational Safety and Health Act requirements. Toolbox meetings were also conducted by the main contractor at least once a week for our sites in the Klang Valley (Lumi Tropicana and Kepong) and Desa Aman, Kedah.

We are pleased to note that our stringent approach to HSE management has ensured that Thriven continues to record Zero Accidents in FY2020.

ZERO
Accidents in FY2020

Aside from regular safety practices, standard COVID-19 SOPs have also been implemented at all of Thriven's worksites, becoming a regular part of site workers' daily briefings and toolbox meetings. The responsibility for implementation and monitoring rests on the appointed contractor, who has to ensure compliance with guidelines issued by the Ministry of Health, National Security Council, and the Public Works Department, in addition to the regular CIDB requirements.

All site workers underwent compulsory COVID-19 screening in May before commencing work after the first MCO, and new workers joining the project were also tested before starting work. Additional testing is done as and when needed to prevent outbreaks at our property worksites.

SUSTAINABILITY STATEMENT (cont'd)

EMPLOYEE ENGAGEMENT

As the Company's most critical stakeholder, engagement with our employees is one of the highest priorities of the company. Over the years, we have fostered a close-knit relationship among our small but loyal workforce through a range of communication channels and engagement events to ensure their needs and concerns are addressed.

However, due to the pandemic, many of those avenues that were traditionally used to foster this sense of community were not available to us. Festive events, recreational activities, performance award ceremonies and townhall meetings have been shelved in FY2020 in favour of ensuring the safety, health and wellbeing of our workforce. Instead, WhatsApp group chats were widely used by employees to keep in contact with one another, in addition to its use in work communications. Our virtual work meetings also served as a platform for employees to touch base with one another while discussing work related matters.

Aside from that, Thriven held 10 Management Meetings in FY2020 and 2 Festive Celebrations in January 2020 prior to the pandemic's outbreak in Malaysia.

January 2020 Birthday Celebration Lunch with 3 Executive Directors in attendance

Chinese New Year Lou Sang held on 22 January 2020

SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENT

Addressing the various environmental challenges facing our world has been a key priority for many property developers and Thriven is no different. We are cognisant of the risk that climate change poses to our business and society at large and have focused our efforts on managing and minimising the impact of our business activities on the environment.

GREEN BUILDING

From design and masterplan of our property creations to construction, furnishing and fittings all the way to occupancy and facilities management, we strive to ensure efficient resource consumption and waste management is built into the project's ecosystem, incorporating green features and eco-friendly materials whenever possible.

Our Lumi Tropicana project is a prime example of our efforts to ramp up the adoption of green features in our creations, such as the incorporation of rainwater harvesting system. Lumi Tropicana successfully obtained a provisional certificate for a GOLD Green Building Index ("GBI") rating, while our official application for assessment will be done upon the completion of the entire project in FY2021. Aside from that, we also observe strict compliance with all relevant laws and regulations of the Department of Environment ("DOE").

MATERIALS MANAGEMENT

Our concern for the environment has led us to give serious consideration to the materials used in our property projects. We have eliminated the use of scarce natural raw resources such as marble, granite and timber in our developments, and instead committed to procure more than half of our construction materials from renewable sources. Materials are responsibly procured, sourcing only from CIDB's material list and ensuring approval by SIRIM and other relevant authorities.

Lumi Tropicana will be undergoing its official application for Green Building Index assessment in FY2021

SUSTAINABILITY STATEMENT (cont'd)

Likewise, we are aware of the impact of office consumables adding to our waste production, and have opted for environmentally friendly and recyclable consumables to reduce our footprint. We have stopped all physical newspaper subscriptions and scrutinised our printing practices to reduce our paper consumption. We favour the use of softcopies for memos, letters, documents as well as filing of records on servers, discouraging printing unless necessary. Double-sided printing is championed whenever possible, which not only saves paper but also reduces filing and cabinet space needs.

WASTE MANAGEMENT

Waste is inevitably generated from our daily operations, such as debris, hardcore and concrete waste, steel scraps, chemical waste and general waste from our property development projects. Over the years, through the establishment of more stringent processes and procedures in compliance with DOE's regulatory standards, we have improved our waste management system to generate less waste and be more efficient in its disposal.

Our Northern operations out of Kulim, Kedah, has begun to practice recycling in line with the adoption of waste management policies by Majlis Perbandaran Kulim Kedah in 2021, while our Enesta Kepong project team engages a waste management contractor to responsibly dispose of all construction waste before the Kebenaran Mendiri Bangunan approval can be issued by Dewan Bandaraya Kuala Lumpur. Over at Lumi Tropicana, our construction site voluntarily practices separation of construction waste and food waste on site in an effort to live up to our GBI aspirations.

Other than worksites, we also encourage our office employees to Reuse, Reduce and Recycle whenever possible.

NOISE REDUCTION

Thriven remains mindful of noise pollution that can result from our construction projects contributing to environmental noise. To minimise noise pollution in the urban areas where our projects are located, we have opted for low noise and low vibration equipment for a quieter construction experience.

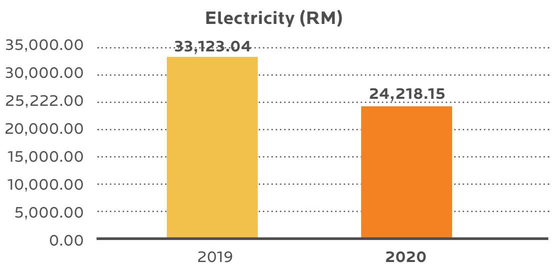
ENERGY AND WATER CONSUMPTION

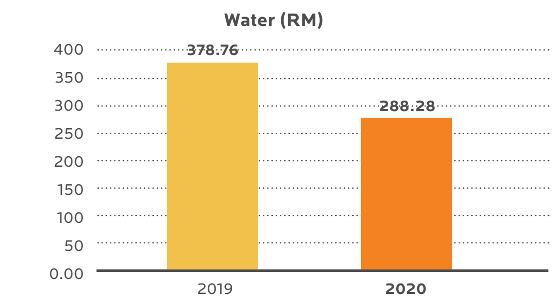
Energy and water are used extensively in the process of building construction, and will continue to be a concern for our homeowners upon handover. Hence, we strive to include energy and water efficient measures into our projects, like incorporating extra openings to increase cross-ventilation and enhance natural lighting, and installing energy-saving LED lights. Features such as integrated rainwater harvesting system and the installation of water-efficient fittings reduce residents' water consumption and helps in preserving this precious resource.

In our offices, simple measures such as switching off the lights when not in use and putting machines in hibernation are also practiced as a means to reduce our carbon footprint and our utilities bill.

Due to the reduced occupancy at our offices throughout the 2020 pandemic year, we have seen a marked reduction in our HQ's energy and water bills, which serves as a reminder on the potential financial benefits of sustainable practices.

Thriven HQ Utilities Bill





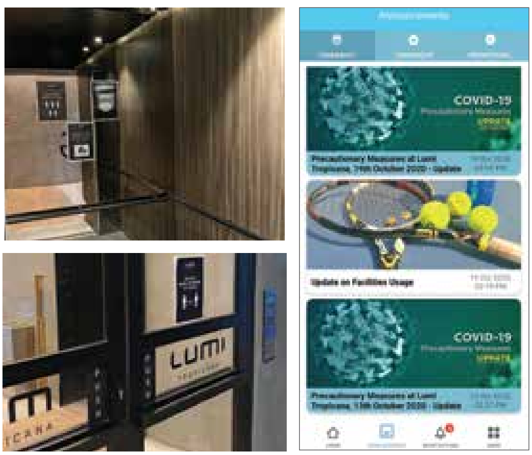
COMMUNITIES

As a community builder, we strive to enrich the lives of the communities where we operate through our 'FORWARD LIVING' philosophy that envisions property creations that support sustainable lifestyles for our residents, and the surrounding neighbourhood. We engage with the community regularly through the organisation of festive events and other get-togethers to foster a sense of community living among the residents in the area, and to better understand the needs and challenges faced by the community.

As it was not possible to hold such events amid the pandemic, our community engagement effort for FY2020 was significantly reduced to minimise the risk of transmission among our employees and the community.

RESIDENTIAL SOP COMMUNICATION

Notices about pandemic related SOPs were posted in communal residential areas to ensure that Thriven's residents are aware of the latest rules and guidelines for their health and safety.



Residential Pandemic Prevention Communication at Lumi Tropicana

CSR ACTIVITIES & VOLUNTEERISM

In light of the challenges posed by the pandemic, Thriven stepped up to offer assistance to members of the community affected by COVID-19 as part of our Corporate Social Responsibility ("CSR") commitment.

On 9 March 2020, as the nation grappled with its first COVID-19 outbreak, Thriven's employees drove to the Emergency Ward of Hospital Sungai Buloh to deliver 60 bottles of Thriven-branded drinking water as a show of support to our pandemic frontliners.

We also donated RM5,000.00 to MBPJ in sponsorship to the PJ City Food Bank to help feed hundreds of vulnerable individuals and families in Petaling Jaya during the critical early stage of the pandemic.

Later on in the year, Thriven also provided a sum of RM5,000.00 in September as sponsorship to the Majlis Sukan Negeri Selangor in conjunction with the 58th Tun Abdul Razak 2020 Hockey Tournament.

We look forward to continuing our CSR activities and employee volunteerism efforts with renewed fervour once the fog of the pandemic is lifted.

Thriven's drinking water delivery to Hospital Sungai Buloh on 9 March 2020 as part of its CSR effort

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are required by the Companies Act 2016 ("the Act") to prepare financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards (MFRSs), the International Financial Reporting Standards (IFRSs) and the requirements of the Act.

The Directors are responsible to ensure that:-

(a) the financial statements give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year and of the results and cash flows of the Group and of the Company for the financial year then ended;

(b) the Management has used suitable accounting policies and applied them consistently, made reasonable and prudent judgments and estimates, in the preparation of the financial statements on a going concern basis; and

(c) the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are also responsible for taking such steps as are reasonably to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

This statement was approved by the Board of Thriven on 30 March 2021.

Fully-furnished units for rental, managed by Lumi Hospitality

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, property development and property investment.

The principal activities and other information of the subsidiaries are set out in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year	(4,570)	(32)
Attributable to:		
Owners of the parent	(6,288)	(32)
Non-controlling interests	1,718	–
	(4,570)	(32)

DIVIDEND

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year. The Directors do not recommend any payment of dividend in respect of the financial year ended 31 December 2020.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those presented in the statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 546,942,726 to 546,944,126 by the issuance of 1,400 new ordinary shares amounting to RM672 pursuant to the exercise of 1,400 warrants at an exercise price of RM0.48 each for cash.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issues of shares during the financial year.

The Company did not issue any debentures during the financial year.

DIRECTORS' REPORT (cont'd)

WARRANTS

On 6 October 2015, the Company issued 188,349,562 free warrants on the basis of one (1) warrant for every two (2) existing ordinary shares held in the Company, after completion of the bonus issue of ordinary shares. The warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 13 October 2015.

On 13 September 2018, the Company issued additional 60,271,743 free warrants arising from the adjustment made pursuant to the bonus issue of ordinary shares. The additional warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 14 September 2018.

Salient features of the warrants are as follows:

(a) each warrant entitles its registered holder thereof ('warrant holders') to subscribe for one (1) new ordinary share in the Company at an adjusted exercise price of RM0.48 per share (original exercise price: RM0.64 per share), subject to the adjustments in accordance with the provisions of the Deed Poll constituting the warrants; and

(b) the tenure of the warrants is five (5) years, with the expiry date on 5 October 2020 and the warrants can be exercised during the period. Warrants not exercised during the exercise period shall thereafter lapse and cease to be valid for any purpose.

The movements of the warrants of the Company during the financial year are as follows:

Adjusted exercise price per ordinary share	← Number of warrants outstanding →			
	Balance as at 1.1.2020	Exercised	Expired	Balance as at 31.12.2020
RM0.48	248,621,305	(1,400)	(248,619,905)	–

The warrants expired on 5 October 2020.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Datuk Fakhri Yassin bin Mahiaddin
Ghazie Yeoh bin Abdullah*
Dato' Low Keng Siong*
Lim Kok Beng
Henry Choo Hon Fai
Rewi Hamid Bugo
Lee Eng Leong

* Directors of the Company and its subsidiaries

Pursuant to Section 253 of Companies Act 2016 in Malaysia, the Directors of the subsidiaries of the Company who have held office during the financial year and up to the date of this report are as follows:

Augustone Cheong Kwok Fai
Tunku Zainol bin Tengku Izham
Che Hasnadi bin Che Hassan
Ramzia binti Arshad (Alternate Director to Tunku Zainol bin Tengku Izham)
Teoh Kong Haur

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares and warrants of the Company and of its related corporations during the financial year ended 31 December 2020 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	Number of ordinary shares			
Shares in the Company	Balance as at 1.1.2020	Bought	Sold	Balance as at 31.12.2020
Direct interests				
Ghazie Yeoh bin Abdullah	23,939,619	–	–	23,939,619
Dato' Low Keng Siong	50,264,610	–	–	50,264,610
Rewi Hamid Bugo	1,349,700	1,000,000	–	2,349,700
Lim Kok Beng	100,000	–	–	100,000
Deemed interests				
Datuk Fakhri Yassin bin Mahiaddin [1]	148,524,802	–	–	148,524,802
Rewi Hamid Bugo [2]	488,400	2,400,000	–	2,888,400

	Number of warrants			
Warrants in the Company	Balance as at 1.1.2020	Disposed	Expired	Balance as at 31.12.2020
Direct interests				
Ghazie Yeoh bin Abdullah	7,443,433	(1,471,800)	(5,971,633)	–
Dato' Low Keng Siong	24,406,588	(3,906,588)	(20,500,000)	–
Rewi Hamid Bugo	410,850	–	(410,850)	–
Deemed interests				
Datuk Fakhri Yassin bin Mahiaddin [1]	74,262,503	–	(74,262,503)	–

[1] Deemed interest pursuant to Section 8(4) of the Companies Act 2016 by virtue of his shareholding in Ketapang Capital Sdn. Bhd..

[2] Deemed interest pursuant to Section 8(4) of the Companies Act 2016 by virtue of his shareholding in Santubong Properties Sdn. Bhd. and indirect interest through shareholding by his father in the company.

By virtue of his substantial interests in the ordinary shares of the Company, Datuk Fakhri Yassin bin Mahiaddin is also deemed interested in the shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and warrants of the Company or options over ordinary shares and debentures of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into with companies in which certain Directors have substantial financial interests.

DIRECTORS' REPORT (cont'd)

DIRECTORS' BENEFITS (continued)

The details of the above transactions are disclosed in Note 29 to the financial statements.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the warrants issued by the Company, which expired on 5 October 2020.

DIRECTORS' REMUNERATION

The details of remuneration paid and payable to the Directors of the Group and of the Company for the financial year are as follows:

	Group and Company 2020 RM'000	 2019 RM'000
Executive:		
- Salaries and other emoluments	**3,305**	2,285
Non-executive:		
- Directors' fees	**154**	154
- Other emoluments	**17**	24
	171	178
Total	**3,476**	2,463

Included in Directors' remuneration of the Group and of the Company are estimated monetary value of benefits-in-kind provided to the Directors of the Group and of the Company during the financial year amounted to RM1,114,000 (2019: RM94,000).

Remuneration paid and payable to the Directors of the Group and of the Company for the financial year, analysed into bands of RM50,000 are as follows:

	Number of Directors 2020	 2019
Executive:		
RM1,300,000 - RM1,350,000	**1**	–
RM1,000,000 - RM1,050,000	**1**	–
RM950,000 - RM1,000,000	**1**	–
RM850,000 - RM900,000	**–**	1
RM800,000 - RM850,000	**–**	1
RM600,000 - RM650,000	**–**	1
	3	3
Non-executive:		
Below RM50,000	**4**	4

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group and the Company effected Directors' and officers' liability insurance during the financial year to protect the Directors and officers of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors.

The total amount of insurance premiums effected for the Directors and officers of the Group and of the Company were RM23,955 for the financial year.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.

(b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, except for the impairment losses recognised on the carrying amounts of investment properties amounting to RM5,290,000 as a result of the impact of the COVID-19 pandemic as disclosed in Note 7 to the financial statements.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

DIRECTORS' REPORT (cont'd)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued)

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Significant event during the financial year and subsequent to the end of the reporting period is disclosed in Note 34 to the financial statements.

AUDITORS

The auditors, BDO PLT (LLP0018825-LCA & AF 0206), have expressed their willingness to continue in office.

The details of auditors' remuneration of the Company and its subsidiaries for the financial year ended 31 December 2020 are disclosed in Note 24 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Datuk Fakhri Yassin bin Mahiaddin
Director

Ghazie Yeoh bin Abdullah
Director

Kuala Lumpur
30 March 2021

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 99 to 178 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Datuk Fakhri Yassin bin Mahiaddin
Director

Ghazie Yeoh bin Abdullah
Director

Kuala Lumpur
30 March 2021

STATUTORY DECLARATION

I, Augustone Cheong Kwok Fai (CA 39083), being the officer primarily responsible for the financial management of Thriven Global Berhad, do solemnly and sincerely declare that the financial statements set out on pages 99 to 178 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Kuala Lumpur this)
30 March 2021)

Augustone Cheong Kwok Fai

Before me:

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THRIVEN GLOBAL BERHAD

(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thriven Global Berhad, which comprise the statements of financial position as at 31 December 2020 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 99 to 178.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ('MFRSs'), International Financial Reporting Standards ('IFRSs') and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ('ISAs'). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

a. Property development revenue recognition

Revenue from property development activities during the financial year as disclosed in Note 21 to the financial statements is RM146,266,000.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations. The Group also estimates total contract costs in applying the input method to recognise revenue over time.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocations and costs in applying the input method to recognise revenue over time.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THRIVEN GLOBAL BERHAD (cont'd)
(Incorporated in Malaysia)

Key Audit Matters (continued)

a. Property development revenue recognition (continued)

Our audit procedures included the following:

(i) reviewed contracts with customers to identify distinct and material performance obligations, and compared our findings to the findings of the Group;

(ii) recomputed transaction prices based on contract prices, performance obligations and profit margins of the Group;

(iii) recomputed the results of the input method determined by management for revenue recognition based on verified actual costs incurred to-date and budgeted costs;

(iv) assessed estimated total costs to complete through inquiries with operational and financial personnel of the Group; and

(v) compared contract budgets to actual outcomes to assess reliability of management budgeting process and controls.

b. Recoverability of trade receivables

As at 31 December 2020, the Group had trade receivables amounted to RM26,640,000, which was net of impairment losses of RM1,848,000. The details of trade receivables and its credit risks have been disclosed in Note 11 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward looking information incorporating the impact of COVID-19 pandemic.

Our audit procedures included the following:

(i) recomputed the probability of default using historical data and forward looking information adjustment, incorporating the impact of the COVID-19 pandemic, applied by the Group;

(ii) recomputed the correlation coefficient between the macroeconomic indicators set by the Group and historical credit losses to determine the appropriateness of the forward-looking information used by the Group; and

(iii) inquired of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

c. Impairment of carrying amount of investment properties

As at 31 December 2020, the carrying amount of investment properties as disclosed in Note 7 to the financial statements is RM30,729,000, which was net of impairment losses of RM5,290,000.

We determined this to be a key audit matter because it requires management to exercise significant judgements and estimates about the future results and key assumptions applied to the probability-weighted projected cash flows in determining the recoverable amounts after incorporating the impact of COVID-19 pandemic as disclosed in Note 7 to the financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THRIVEN GLOBAL BERHAD (cont'd)
(Incorporated in Malaysia)

Key Audit Matters (continued)

c. Impairment of carrying amount of investment properties (continued)

Our audit procedures included the following:

(i) inquired financial personnel of the Group to assess whether the carrying amounts of certain investment properties may require impairment due to losses as a result of the impact of COVID-19 pandemic;

(ii) verified the pre-tax discount rates applied to the forecasted cash flows by comparison to pre-tax discount rates used by companies within the same industry and comparing to the weighted average cost of capital of the Group adjusted for relevant risk factors incorporating the impact of the COVID-19 pandemic;

(iii) assessed the reasonableness of the management's assumptions on the basis of determining the probability-weighted projected cash flows by assessing evidence available to support these assumptions; and

(iv) performed further sensitivity analysis of our own to stress test the key assumptions in the future cash flows of the impairment model.

We have determined that there is no key audit matter to be communicated in our auditors' report of the audit of the separate financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRSs and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THRIVEN GLOBAL BERHAD (cont'd)
(Incorporated in Malaysia)

Responsibilities of the Directors for the Financial Statements (continued)

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THRIVEN GLOBAL BERHAD (cont'd)
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT
LLP0018825-LCA & AF 0206
Chartered Accountants

Ho Kok Khiaw
03412/02/2023 J
Chartered Accountant

Kuala Lumpur
30 March 2021

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	6	**4,587**	7,777	**1,843**	3,481
Investment properties	7	**30,729**	26,263	**–**	–
Investments in subsidiaries	8	**–**	–	**85,370**	85,370
Goodwill	9	**5,314**	5,314	**–**	–
Inventories	10	**30,343**	30,398	**–**	–
Trade and other receivables	11	**–**	–	**42,964**	40,430
Deferred tax assets	16	**34**	490	**–**	–
		71,007	70,242	**130,177**	129,281
Current assets					
Inventories	10	**190,315**	195,471	**–**	–
Trade and other receivables	11	**31,371**	16,291	**121,280**	127,480
Contract assets	12	**67,125**	124,381	**–**	–
Current tax assets		**101**	622	**–**	–
Cash and bank balances	13	**14,480**	16,701	**540**	332
		303,392	353,466	**121,820**	127,812
TOTAL ASSETS		**374,399**	423,708	**251,997**	257,093
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	14	**59,587**	59,586	**59,587**	59,586
Reserves	15	**126,396**	144,257	**116,732**	122,564
		185,983	203,843	**176,319**	182,150
Non-controlling interests	8(e)	**2,303**	585	**–**	–
TOTAL EQUITY		**188,286**	204,428	**176,319**	182,150

STATEMENTS OF FINANCIAL POSITION (cont'd)
as at 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
LIABILITIES					
Non-current liabilities					
Borrowings	17	8,634	8,304	3,700	4,000
Lease liabilities	20	4,420	1,197	478	1,183
Redeemable preference shares	19	2,493	2,493	–	–
		15,547	11,994	4,178	5,183
Current liabilities					
Borrowings	17	96,189	100,787	43,972	45,492
Trade and other payables	18	63,697	99,220	26,586	22,391
Contract liabilities	12	2,059	3,419	–	–
Lease liabilities	20	6,166	1,368	654	1,251
Current tax liabilities		2,455	2,492	288	626
		170,566	207,286	71,500	69,760
TOTAL LIABILITIES		186,113	219,280	75,678	74,943
TOTAL EQUITY AND LIABILITIES		374,399	423,708	251,997	257,093

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Revenue	21	**147,036**	236,408	**5,640**	5,659
Cost of sales	22	**(116,511)**	(184,410)	**–**	(7)
Gross profit		**30,525**	51,998	**5,640**	5,652
Other income	23	**1,556**	2,445	**9,950**	13,424
Other expenses	24	**(25,359)**	(21,571)	**(11,025)**	(10,686)
Operating profit		**6,722**	32,872	**4,565**	8,390
Finance costs	25	**(5,928)**	(3,617)	**(3,928)**	(3,189)
Profit before tax		**794**	29,255	**637**	5,201
Tax expense	27	**(5,364)**	(8,453)	**(669)**	(1,094)
(Loss)/Profit for the financial year		**(4,570)**	20,802	**(32)**	4,107
Other comprehensive income, net of tax		**–**	–	**–**	–
Total comprehensive (loss)/income for the financial year		**(4,570)**	20,802	**(32)**	4,107
(Loss)/Profit for the financial year/ Total comprehensive (loss)/income attributable to:					
Owners of the parent		**(6,288)**	16,938	**(32)**	4,107
Non-controlling interests	8(e)	**1,718**	3,864	**–**	–
		(4,570)	20,802	**(32)**	4,107
(Loss)/Earnings per ordinary share attributable to equity holders of the Company					
Basic/Diluted (sen per share)	28	**(1.15)**	3.14		

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2020

	Note
Group	
Balance as at 1 January 2019	
Profit for the financial year	
Other comprehensive income, net of tax	
Total comprehensive income	
Transactions with owners	
Issuance of ordinary shares pursuant to private placements	14
Total transactions with owners	
Balance as at 31 December 2019	

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)

for the financial year ended 31 December 2020

	← Non-distributable		→	Distributable			
	Share capital RM'000	Warrant reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
	49,724	14,126	89,559	23,634	177,043	(3,279)	173,764
	–	–	–	16,938	16,938	3,864	20,802
	–	–	–	–	–	–	–
	–	–	–	16,938	16,938	3,864	20,802
	9,862	–	–	–	9,862	–	9,862
	9,862	–	–	–	9,862	–	9,862
	59,586	**14,126**	**89,559**	**40,572**	**203,843**	**585**	**204,428**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)

for the financial year ended 31 December 2020

	Note
Group	
Balance as at 1 January 2020	
Loss for the financial year	
Other comprehensive income, net of tax	
Total comprehensive loss	
Transactions with owners	
Redemption of redeemable preference shares in a subsidiary	15(b)
Transfer of warrant reserve to retained earnings upon expiry of unexercised warrants	
Issuance of ordinary shares pursuant to warrants exercised	14
Total transactions with owners	
Balance as at 31 December 2020	

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)

for the financial year ended 31 December 2020

	← Non-distributable		→	Distributable			
	Share capital RM'000	Warrant reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
	59,586	14,126	89,559	40,572	203,843	585	204,428
	–	–	–	(6,288)	(6,288)	1,718	(4,570)
	–	–	–	–	–	–	–
	–	–	–	(6,288)	(6,288)	1,718	(4,570)
	–	–	(11,573)	–	(11,573)	–	(11,573)
	–	(14,126)	–	14,126	–	–	–
	1	–	–	–	1	–	1
	1	(14,126)	(11,573)	14,126	(11,572)	–	(11,572)
	59,587	**–**	**77,986**	**48,410**	**185,983**	**2,303**	**188,286**

STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2020

	Note	← Non-distributable		→	Distributable	
		Share capital RM'000	Warrant reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Total equity RM'000
Company						
Balance as at 1 January 2019		49,724	14,126	83,203	21,128	168,181
Profit for the financial year		–	–	–	4,107	4,107
Other comprehensive income, net of tax		–	–	–	–	–
Total comprehensive income		–	–	–	4,107	4,107
Transactions with owners						
Issuance of ordinary shares pursuant to private placements	14	9,862	–	–	–	9,862
Total transactions with owners		9,862	–	–	–	9,862
Balance as at 31 December 2019		59,586	14,126	83,203	25,235	182,150
Company						
Balance as at 1 January 2020		59,586	14,126	83,203	25,235	182,150
Loss for the financial year		–	–	–	(32)	(32)
Other comprehensive income, net of tax		–	–	–	–	–
Total comprehensive loss		–	–	–	(32)	(32)
Transactions with owners						
Redemption of redeemable preference shares in a subsidiary	15(b)	–	–	(5,800)	–	(5,800)
Transfer of warrant reserve to retained earnings upon expiry of unexercised warrants		–	(14,126)	–	14,126	–
Issuance of ordinary shares pursuant to warrants exercised	14	1	–	–	–	1
Total transactions with owners		1	(14,126)	(5,800)	14,126	(5,799)
Balance as at 31 December 2020		**59,587**	**–**	**77,403**	**39,329**	**176,319**

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		**794**	29,255	**637**	5,201
Adjustments for:					
Depreciation of:					
- investment properties	7(a)(i)	**1,859**	4	**–**	4
- property, plant and equipment	6	**3,015**	3,555	**1,444**	1,746
Finance costs	25	**5,928**	3,617	**3,928**	3,189
Gain on disposal of:					
- investment properties	23	**–**	(1,214)	**–**	(1,214)
- property, plant and equipment	23	**(3)**	–	**(3)**	–
Gain on modifications of leases	23	**(44)**	–	**(44)**	–
Impairment losses on:					
- amounts due from subsidiaries	11(h)	**–**	–	**2,258**	–
- contract assets	12(d)	**386**	–	**–**	–
- investment properties	7(a)(i)	**5,290**	–	**–**	–
- trade and other receivables	11(h)	**866**	739	**–**	–
Interest income	23	**(641)**	(190)	**(9,832)**	(9,188)
Lease concessions	20	**(52)**	–	**(39)**	–
Property, plant and equipment written off	6	**219**	283	**1**	283
Reversal of impairment losses on:					
- amounts due from subsidiaries	11(h)	**–**	–	**–**	(3,021)
- contract assets	12(d)	**–**	(250)	**–**	–
- trade and other receivables	11(h)	**(98)**	(37)	**–**	–
Operating profit/(loss) before changes in working capital		**17,519**	35,762	**(1,650)**	(3,000)

STATEMENTS OF CASH FLOWS (cont'd)

for the financial year ended 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (continued)					
Working capital changes:					
Contract assets		**56,870**	(66,380)	**–**	–
Contract liabilities		**236**	(4,109)	**–**	–
Inventories		**5,349**	27,166	**–**	–
Trade and other payables		**(47,746)**	22,510	**(771)**	298
Trade and other receivables		**(15,848)**	2,953	**(5,426)**	(5,559)
Cash generated from/(used in) operations		**16,380**	17,902	**(7,847)**	(8,261)
Interest paid		**(2,564)**	(2,628)	**(2,564)**	(2,149)
Tax paid		**(5,087)**	(7,622)	**(1,007)**	(526)
Tax refunded		**663**	1,110	**–**	39
Net cash from/(used in) operating activities		**9,392**	8,762	**(11,418)**	(10,897)
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to investment properties under construction	7(a)(ii)	**(2,137)**	–	**–**	–
Interest received		**641**	190	**6**	6
Proceeds from disposal of:					
- investment properties		**–**	2,035	**–**	2,035
- property, plant and equipment		**12**	–	**12**	–
Purchase of property, plant and equipment	6	**(373)**	(909)	**(86)**	(82)
Advances from/(to) subsidiaries		**–**	–	**14,546**	(18,718)
Net cash (used in)/from investing activities		**(1,857)**	1,316	**14,478**	(16,759)

STATEMENTS OF CASH FLOWS (cont'd)

for the financial year ended 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
(Repayments)/Drawdowns of borrowings		**(6,775)**	6,692	**(1,897)**	18,847
Payments of lease liabilities	20(b)	**(3,059)**	(1,477)	**(1,033)**	(1,350)
Placements of:					
- fixed deposits pledged with licensed banks		**(4,325)**	(223)	**(6)**	(6)
Proceeds from issuance of ordinary shares	14	**1**	9,862	**1**	9,862
Net cash (used in)/from financing activities		**(14,158)**	14,854	**(2,935)**	27,353
Net (decrease)/increase in cash and cash equivalents		**(6,623)**	24,932	**125**	(303)
Cash and cash equivalents at beginning of financial year		**12,226**	(12,706)	**(3,526)**	(3,223)
Cash and cash equivalents at end of financial year	13	**5,603**	12,226	**(3,401)**	(3,526)

STATEMENTS OF CASH FLOWS (cont'd)

for the financial year ended 31 December 2020

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Term loans (Note 17) RM'000	Bridging loans (Note 17) RM'000	Revolving credits (Note 17) RM'000	Other (Note 17) RM'000	Total borrowings excluding bank overdrafts RM'000	Lease liabilities (Note 20) RM'000
Group						
At 1 January 2020	5,597	11,300	60,825	27,774	105,496	2,565
Cash flows	15,603	(6,366)	(20,525)	4,513	(6,775)	(3,059)
Non-cash flows:						
- Additions	–	–	–	–	–	11,263
- Lease concessions	–	–	–	–	–	(52)
- Modifications	–	–	–	–	–	(415)
- Unwinding of interest	–	–	–	2,430	2,430	284
At 31 December 2020	21,200	4,934	40,300	34,717	101,151	10,586
At 1 January 2019	20,950	51,744	25,300	–	97,994	3,863
Cash flows	(15,353)	(40,444)	35,525	26,964	6,692	(1,477)
Non-cash flows:						
- Unwinding of interest	–	–	–	810	810	179
At 31 December 2019	5,597	11,300	60,825	27,774	105,496	2,565

STATEMENTS OF CASH FLOWS (cont'd)

for the financial year ended 31 December 2020

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

	Term loans (Note 17) RM'000	Revolving credits (Note 17) RM'000	Total borrowings excluding bank overdrafts RM'000	Lease liabilities (Note 20) RM'000
Company				
At 1 January 2020	**5,597**	**40,300**	**45,897**	**2,434**
Cash flows	**(1,897)**	**–**	**(1,897)**	**(1,033)**
Non-cash flows:				
- Additions	**–**	**–**	**–**	**101**
- Lease concessions	**–**	**–**	**–**	**(39)**
- Modifications	**–**	**–**	**–**	**(415)**
- Unwinding of interest	**–**	**–**	**–**	**84**
At 31 December 2020	**3,700**	**40,300**	**44,000**	**1,132**
At 1 January 2019	1,750	25,300	27,050	3,616
Cash flows	3,847	15,000	18,847	(1,350)
Non-cash flows:				
- Unwinding of interest	–	–	–	168
At 31 December 2019	5,597	40,300	45,897	2,434

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

1. CORPORATE INFORMATION

Thriven Global Berhad ('the Company') is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company are located at Level 23A, Menara LGB, No. 1, Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

The consolidated financial statements for the financial year ended 31 December 2020 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ('RM'), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 30 March 2021.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, property development and property investment. The principal activities of the subsidiaries are set out in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ('MFRSs'), International Financial Reporting Standards ('IFRSs') and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 32 to the financial statements.

The Group and the Company have also early adopted Amendment to MFRS 16 *Covid-19 - Related Rent Concessions* in the current financial year and elected to apply the practical expedient to all rent concessions relating to leases with similar characteristics and similar circumstances.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

4. OPERATING SEGMENTS

The Group has three reportable segments, as described below, which are the strategic business units of the Group. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group Managing Director (the chief operations decision maker) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the reportable segments of the Group:

(a) Property development
(b) Property investment
(c) Investment holding and others

Performance is measured based on segment profit before tax ('Segment Profit') as included in the internal management reports that are reviewed by the Group Managing Director (the chief operations decision maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

(a) Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment assets are used to measure the return of assets of each segment.

(b) Segment liabilities

Segment liabilities are measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment liabilities are used to measure the gearing of each segment.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

4. OPERATING SEGMENTS (continued)

	Property development RM'000	Property investment RM'000	Investment holding and others RM'000	Total RM'000	Adjustments and eliminations RM'000	Per consolidated financial statements RM'000
2020						
Revenue						
Revenue from external customers	146,266	41	729	147,036	–	147,036
Inter-segment revenue	–	–	6,081	6,081	(6,081)	–
Total revenue	146,266	41	6,810	153,117	(6,081)	147,036
Results						
Interest income	2,178	2	9,832	12,012	(11,371)	641
Finance costs	(6,165)	(196)	(3,928)	(10,289)	4,361	(5,928)
Net finance (costs)/ income	(3,987)	(194)	5,904	1,723	(7,010)	(5,287)
Depreciation of property, plant and equipment and investment properties	1,559	1,868	1,447	4,874	–	4,874
Impairment losses on investment properties	–	5,290	–	5,290	–	5,290
Segment profit/ (loss) before tax	11,751	(7,614)	794	4,931	(4,137)	794
Assets						
Additions to non-current assets	275	11,820	187	12,282	–	12,282
Segment assets	383,629	31,363	327,140	742,132	(367,733)	374,399
Liabilities						
Segment liabilities	305,415	27,774	107,472	440,661	(254,548)	186,113

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

4. OPERATING SEGMENTS (continued)

	Property development RM'000	Property investment RM'000	Investment holding and others RM'000	Total RM'000	Adjustments and eliminations RM'000	Per consolidated financial statements RM'000
2019						
Revenue						
Revenue from external customers	236,100	19	289	236,408	–	236,408
Inter-segment revenue	–	–	6,080	6,080	(6,080)	–
Total revenue	236,100	19	6,369	242,488	(6,080)	236,408
Results						
Interest income	1,439	–	9,188	10,627	(10,437)	190
Finance costs	(3,991)	–	(3,574)	(7,565)	3,948	(3,617)
Net finance (costs)/income	(2,552)	–	5,614	3,062	(6,489)	(3,427)
Depreciation of property, plant and equipment and investment properties	1,807	4	1,748	3,559	–	3,559
Gain on disposal of investment properties	–	–	1,214	1,214	–	1,214
Segment profit before tax	30,395	12	5,474	35,881	(6,626)	29,255
Assets						
Additions to non-current assets	1,088	–	84	1,172	–	1,172
Segment assets	420,673	27,367	323,493	771,533	(347,825)	423,708
Liabilities						
Segment liabilities	340,679	27,774	95,663	464,116	(244,836)	219,280

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

4. OPERATING SEGMENTS (continued)

Reportable segment profit or loss, assets and liabilities of the Group are as follows:

	2020 RM'000	2019 RM'000
Profit for the financial year		
Segment profit	794	29,255
Tax expense	(5,364)	(8,453)
(Loss)/Profit for the financial year per statements of profit or loss and other comprehensive income	(4,570)	20,802
Additions to non-current assets		
Investment properties	11,615	–
Properties held for development	105	263
Property, plant and equipment	562	909
	12,282	1,172
Assets		
Total assets for reportable segments per statements of financial position	374,399	423,708
Current tax assets	101	622
Deferred tax assets	34	490
Liabilities		
Total liabilities for reportable segments per statements of financial position	186,113	219,280
Current tax liabilities	2,455	2,492

Geographical segments

Segment information relating to geographical areas of operation has not been presented as the Group operates only in Malaysia.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

5. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The objectives of the Group when managing capital is to maintain a strong capital base and safeguard the ability of the Group to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2020 and 31 December 2019.

The Group monitors capital utilisation on the basis of net debt-to-equity ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, borrowings, lease liabilities and trade and other payables less cash and bank balances. Capital represents equity attributable to the owners of the parent. The net debt-to-equity ratios as at 31 December 2020 and 31 December 2019 are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Borrowings	**104,823**	109,091	**47,672**	49,492
Lease liabilities	**10,586**	2,565	**1,132**	2,434
Trade and other payables	**63,697**	99,220	**26,586**	22,391
Less: Cash and bank balances	**(14,480)**	(16,701)	**(540)**	(332)
Net debt	**164,626**	194,175	**74,850**	73,985
Total capital	**185,983**	203,843	**176,319**	182,150
Net debt	**164,626**	194,175	**74,850**	73,985
Total	**350,609**	398,018	**251,169**	256,135
Ratio	**47%**	49%	**30%**	29%

Pursuant to the requirements of Practice Note No. 17/2005 of Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 31 December 2020.

The Group is not subject to any other externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

5. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management objectives and policies

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

The Group is exposed mainly to credit risk, liquidity and cash flow risk and interest rate risk. Information on the management of the related exposures is detailed below:

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The exposure to credit risk of the Group arises principally from its receivables from customers. The exposure to credit risk of the Company arises principally from loans and advances to subsidiaries.

The credit risk concentration profiles have been disclosed in Note 11 to the financial statements.

(ii) Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company would encounter difficulty in meeting financial obligations due to shortage of funds. The exposure to liquidity and cash flow risk of the Group and of the Company arises primarily from mismatches of the maturities of financial assets and liabilities. The objective of the Group and of the Company is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position.

In order to mitigate potential risk exposure due to the COVID-19 pandemic, the Group has taken and will continue to take necessary steps to safeguard and preserve its financial condition, emphasising on liquidity management to meet its continuing financial commitments and liquidity needs of business operations.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 17, 18 and 20 to the financial statements.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

5. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management objectives and policies (continued)

The Group is exposed mainly to credit risk, liquidity and cash flow risk and interest rate risk. Information on the management of the related exposures is detailed below: (continued)

(iii) Interest rate risk

The fixed rate borrowings of the Group is exposed to a risk of change in their fair value due to changes in interest rates. The variable rate borrowings of the Group are exposed to a risk of change in cash flows due to changes in interest rates. The short term receivables and payables are not significantly exposed to interest rate risk.

The income and operating cash flows of the Group are substantially independent of changes in market interest rate. Interest rate exposure arises from the borrowings and deposits of the Group and is managed through the use of fixed and floating rate borrowings and deposits. The Group does not use derivative financial instruments to hedge its interest rate risk.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 11, 13, 17, 18 and 20 to the financial statements.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

6. PROPERTY, PLANT AND EQUIPMENT

	Note	Land and buildings RM'000	Motor vehicles RM'000
Group			
2020			
Carrying amount			
As at 1 January 2020		3,359	14
Additions		228	–
Disposal		–	–
Modifications		–	–
Reclassifications		684	–
Transferred to inventories	10(a)(ii)	–	–
Written off	24	(218)	–
Depreciation charge for the financial year	24	(1,218)	(12)
As at 31 December 2020		2,835	2
Cost		8,785	337
Accumulated depreciation		(5,950)	(335)
Carrying amount		2,835	2

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

				Right-of-use assets		
Office equipment, furniture and fittings RM'000	**Capital work-in-progress RM'000**	**Subtotal RM'000**	**Buildings RM'000**	**Office equipment RM'000**	**Motor vehicles RM'000**	**Total RM'000**
1,391	831	5,595	1,622	–	560	7,777
145	–	373	88	101	–	562
(9)	–	(9)	–	–	–	(9)
–	–	–	(371)	–	–	(371)
9	(693)	–	–	–	–	–
–	(138)	(138)	–	–	–	(138)
(1)	–	(219)	–	–	–	(219)
(518)	–	(1,748)	(871)	(8)	(388)	(3,015)
1,017	–	3,854	468	93	172	4,587
4,936	–	14,058	2,457	101	1,940	18,556
(3,919)	–	(10,204)	(1,989)	(8)	(1,768)	(13,969)
1,017	–	3,854	468	93	172	4,587

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

6. PROPERTY, PLANT AND EQUIPMENT (continued)

	Note	Land and buildings RM'000
Group		
2019		
Carrying amount		
As at 1 January 2019		4,398
Additions		264
Written off	24	(283)
Depreciation charge for the financial year	24	(1,362)
Reclassifications		342
As at 31 December 2019		3,359
Cost		8,246
Accumulated depreciation		(4,887)
Carrying amount		3,359

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Capital work-in-progress RM'000	Subtotal RM'000	Right-of-use assets Buildings RM'000	Right-of-use assets Motor vehicles RM'000	Total RM'000
55	1,793	772	7,018	2,740	948	10,706
–	224	421	909	–	–	909
–	–	–	(283)	–	–	(283)
(41)	(646)	–	(2,049)	(1,118)	(388)	(3,555)
-	20	(362)	–	–	–	–
14	1,391	831	5,595	1,622	560	7,777
337	4,814	831	14,228	2,740	1,940	18,908
(323)	(3,423)	–	(8,633)	(1,118)	(1,380)	(11,131)
14	1,391	831	5,595	1,622	560	7,777

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

6. PROPERTY, PLANT AND EQUIPMENT (continued)

	Note	Buildings RM'000
Company		
2020		
Carrying amount		
As at 1 January 2020		742
Additions		62
Disposal		–
Modifications		–
Written off	24	–
Depreciation charge for the financial year	24	(138)
As at 31 December 2020		666
Cost		1,385
Accumulated depreciation		(719)
Carrying amount		666

	Note
Company	
2019	
Carrying amount	
As at 1 January 2019	
Additions	
Written off	24
Depreciation charge for the financial year	24
As at 31 December 2019	
Cost	
Accumulated depreciation	
Carrying amount	

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

				Right-of-use assets			
	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Subtotal RM'000	Buildings RM'000	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
	12	671	1,425	1,496	–	560	3,481
	–	24	86	–	101	–	187
	–	(9)	(9)	–	–	–	(9)
	–	–	–	(371)	–	–	(371)
	–	(1)	(1)	–	–	–	(1)
	(12)	(148)	(298)	(750)	(8)	(388)	(1,444)
	–	537	1,203	375	93	172	1,843
	107	1,931	3,423	2,122	101	1,940	7,586
	(107)	(1,394)	(2,220)	(1,747)	(8)	(1,768)	(5,743)
	–	537	1,203	375	93	172	1,843

					Right-of-use assets		
	Buildings RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Subtotal RM'000	Buildings RM'000	Motor vehicles RM'000	Total RM'000
	1,156	34	797	1,987	2,493	948	5,428
	49	–	33	82	–	–	82
	(283)	–	–	(283)	–	–	(283)
	(180)	(22)	(159)	(361)	(997)	(388)	(1,746)
	742	12	671	1,425	1,496	560	3,481
	1,323	107	1,938	3,368	2,493	1,940	7,801
	(581)	(95)	(1,267)	(1,943)	(997)	(1,380)	(4,320)
	742	12	671	1,425	1,496	560	3,481

6. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has a different useful life, is depreciated separately.

(b) All items of property, plant and equipment, except for right-of-use assets, are initially measured at cost. Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives or the end of the lease term. The estimated useful lives represent common life expectancies applied for the business of the Group. The principal annual depreciation rates used are as follows:

Land and buildings	2% - 20%
Motor vehicles	20%
Office equipment, furniture and fittings	10% - 33%
Right-of-use assets	
- Buildings	over the lease period from 2 to 3 years
- Office equipment	5 years
- Motor vehicles	5 years

In the previous financial year, capital work-in-progress consisted of office shop lots under construction for intended use as office premises. The amount was stated at cost. Capital work-in-progress were not depreciated until such time when the assets were available for use.

7. INVESTMENT PROPERTIES

		Group	
	Note	2020 RM'000	2019 RM'000
Investment properties	7(a)(i)	**30,729**	–
Investment properties under construction	7(a)(ii)	**–**	26,263
		30,729	26,263
Investment properties pledged as securities	17	**–**	26,263

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

7. INVESTMENT PROPERTIES (continued)

(a) The details of the investment properties are as follows:

(i) Investment properties

	Note	Retail RM'000	|-Right-of-use assets -| Apartments RM'000	Total RM'000
Group				
2020				
Carrying amount				
As at 1 January 2020		–	–	–
Additions		–	9,478	9,478
Transferred from investment properties under construction	7(a)(ii)	28,400	–	28,400
Depreciation charge for the financial year	24	(304)	(1,555)	(1,859)
Impairment losses for the financial year		–	(5,290)	(5,290)
As at 31 December 2020		28,096	2,633	30,729
Cost		28,400	9,478	37,878
Accumulated depreciation		(304)	(1,555)	(1,859)
Accumulated impairment losses		–	(5,290)	(5,290)
Carrying amount		28,096	2,633	30,729

	Note	Building RM'000
Group and Company		
2019		
Carrying amount		
As at 1 January 2019		825
Disposal		(821)
Depreciation charge for the financial year	24	(4)
As at 31 December 2019		–
Cost		–
Accumulated depreciation		–
Carrying amount		–

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

7. INVESTMENT PROPERTIES (continued)

(a) The details of the investment properties are as follows: (continued)

(ii) Investment properties under construction

	Note	Retail RM'000
Group		
Carrying amount		
As at 1 January 2020		**26,263**
Additions		**2,137**
Transferred to investment properties	7(a)(i)	**(28,400)**
As at 31 December 2020		**–**
As at 1 January 2019		–
Transferred from inventories	10(a)(ii)	26,263
As at 31 December 2019		26,263

(b) Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties (including right-of-use assets that meet the definition of investment properties) are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of the investment properties to their residual values on a straight line basis over their estimated useful lives. The depreciation rates used are as follows:

Retail	50 years
Apartments	2 years

Investment properties under construction are not depreciated until such time when the assets are available for use.

(c) Investment properties are properties, which are owned to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

(d) The cost of investment properties under construction included the cost of materials, direct labour and other costs directly attributable to bringing the investment properties to a working condition for their intended use.

7. INVESTMENT PROPERTIES (continued)

(e) In the previous financial year, a subsidiary of the Company, Mayfair Ventures Sdn. Bhd. ('MVSB'), entered into a Sale and Purchase Agreement ('SPA') to dispose its retail space in Lumi Tropicana which was under construction to a third party ('Purchaser') for a total cash consideration of RM34,716,981.

On the same date, another subsidiary of the Company, Lumi Hospitality Sdn. Bhd. ('LHSB'), entered into a Tenancy Agreement with the Purchaser to immediately leaseback the retail space for a lease period of ten (10) years. In addition, MVSB and the Purchaser had also entered into a buyback option agreement, whereby the Purchaser had the option to request MVSB to repurchase the retail space at least three (3) months prior to the expiry of the lease period at the original selling price of RM34,716,981.

The above arrangement has been determined as a sale and leaseback arrangement in accordance with MFRS 16 *Leases* and the disposal of the retail space also did not satisfy the requirements of MFRS 15 *Revenue from Contracts with Customers* to be accounted for as a sale of asset. Therefore, the above arrangement constitutes a financing arrangement. Accordingly, the Group continues to recognise the Lumi Tropicana retail space under construction in its financial statements and reclassified the said retail space as an investment property as at 31 December 2020 and 31 December 2019.

Disposal proceeds received from the Purchaser, which represent the progress billings received as at 31 December 2020 amounted to RM34,716,981 (2019: RM27,773,585), has been accounted for as financial liability in accordance with MFRS 9 *Financial Instruments* as disclosed in Note 17 to the financial statements.

(f) The Group determines whether an impairment loss is required by evaluating the extent to which the recoverable amount is less than its carrying amount. The recoverable amount is determined based on the value in use. Estimating a value in use requires significant judgements and estimates about the future results and key assumptions applied to the cash flow projections in determining the recoverable amounts after incorporating the impact of COVID-19 pandemic.

7. INVESTMENT PROPERTIES (continued)

The recoverable amount of investment properties - apartments, was reviewed for impairment during the financial year due to losses incurred resulting from the impact of the COVID-19 pandemic. The review led to the recognition of an impairment losses of RM5,290,000, which was recognised and presented within "other expenses" in the statements of profit or loss and other comprehensive income due to adverse adjustments made to the cash flow forecasts included in the value in use calculations. The cash flow forecasts are based on budgets for the remaining lease period of 21 months, with various inputs and assumptions and were probability weighted based on the following scenarios as follows:

	Worst case	Base case	Best case
Probability weightage	30%	60%	10%
Average monthly rental			
Short-term rental/short-stay	RM242	RM287	RM382
Long-term rental	RM3,050	RM3,169	RM3,400
Average occupancy rate			
Short-term rental/short-stay	55%	64%	71%
Long-term rental	50%	61%	75%
Pre-tax discount rate	8%	8%	8%
Period of time from 1 January 2021 until various phases of Movement Control Order ('MCO') are lifted	6 to 12 months	3 to 6 months	Within 3 months

For disclosure purposes, the sensitivity of the impairment assessment to reasonably possible changes in each of the key inputs with all other variables held constant are as follows:

	Change in assumption	Additional change in impairment RM'000
Probability weightage	Worst case: 40% Base case: 55% Best case: 5%	140
Average monthly rental		
Short-term rental/short-stay	Reduce by 5%	78
Long-term rental	Reduce by 5%	74
Average occupancy rate		
Short-term rental/short-stay	Reduce by 5%	111
Long-term rental	Reduce by 5%	125
Pre-tax discount rate	Increase by 1%	30
Period of time from 1 January 2021 until various phases of MCO are lifted	Delay by 3 months	188

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

7. INVESTMENT PROPERTIES (continued)

(g) The fair value of investment properties of the Group were categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2020	**–**	**–**	**37,351**	**37,351**
2019	–	–	26,263	26,263

(i) There are no transfers between Level 1, Level 2, and Level 3 fair value measurements during the financial years ended 31 December 2020 and 31 December 2019.

(ii) The fair value of the investment properties except investment properties under construction was determined using comparison method and investment method by the management. The comparison method entailed comparing the property with comparable properties, which had been sold or are being offered for sale whereas the investment method involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property.

Assessment of the fair values of the investment properties of the Group is undertaken annually. The changes in Level 3 fair values are analysed by the management based on the assessments undertaken.

In the previous financial year, the Group had determined that the fair value of investment properties under construction was not reliably determinable and expected the fair value of the properties to be reliably determinable when construction was complete. Therefore, the Group disclosed the fair value of investment properties under construction at cost.

(h) The investment properties with a carrying amount of RM26,263,000 had been charged to a financial institution in the previous financial year as disclosed in Note 17 to the financial statements.

(i) The following are recognised in the statements of profit or loss and other comprehensive income in respect of investment properties:

	Group 2020 RM'000	Group and Company 2019 RM'000
Rental income derived from investment properties	**41**	19
Direct operating expenses arising from investment properties	**17**	7

8. INVESTMENTS IN SUBSIDIARIES

	Company 2020 RM'000	2019 RM'000
Unquoted shares, at costs	**121,023**	121,023
Less: Accumulated impairment losses	**(35,653)**	(35,653)
	85,370	85,370

(a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses.

(b) All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of the measurement criteria is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(c) Management reviews the material investments in subsidiaries for impairment when there is an indication of impairment.

The recoverable amounts of the investments in subsidiaries are assessed by reference to the value-in-use or fair value less cost to sell of the respective subsidiaries, whichever is higher.

Estimating a value in use requires significant judgements and estimates about the future results and key assumptions applied to the cash flow projections of the subsidiaries in determining the recoverable amounts after incorporating the impact of COVID-19 pandemic. These key assumptions include different forecast growth in future revenue and operating cash flows, as well as determining an appropriate pre-tax discount rate for used for each subsidiaries.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

8. INVESTMENTS IN SUBSIDIARIES (continued)

(d) The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Effective interest in equity 2020 %	Effective interest in equity 2019 %	Principal activities
Dynamic Unity Sdn. Bhd.	Malaysia	**100**	100	Investment holding
Bukit Punchor Development Sdn. Bhd.	Malaysia	**100**	100	Property development
Thriven TT Sdn. Bhd.	Malaysia	**90**	90	Property development
Lumi Hospitality Sdn. Bhd.	Malaysia	**100**	100	Investment holding, hospitality and retail management
MLB Quarry Sdn. Bhd.	Malaysia	**60**	60	Dormant
Eco Green Services Sdn. Bhd.	Malaysia	**100**	100	Maintenance services and facilities management services
Thriven Properties Sdn. Bhd.	Malaysia	**100**	100	Property ownership and management
Bakat Stabil Sdn. Bhd.	Malaysia	**93**	93	Property development
Mayfair Ventures Sdn. Bhd.	Malaysia	**100**	100	Property development
Thriven Amona Sdn. Bhd.	Malaysia	**51**	51	Property development
Thriven NCR Sdn. Bhd.	Malaysia	**85**	85	Property development
Verdant Parc Sdn. Bhd.	Malaysia	**100**	100	Property development
Subsidiary of Dynamic Unity Sdn. Bhd.				
Golden Cignet Sdn. Bhd.	Malaysia	**100**	100	Property development

All subsidiaries are audited by BDO PLT.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

8. INVESTMENTS IN SUBSIDIARIES (continued)

(e) The subsidiaries of the Group that have non-controlling interests ('NCI') are as follows:

	Thriven TT Sdn. Bhd. RM'000	Bakat Stabil Sdn. Bhd. RM'000	Thriven Amona Sdn. Bhd. RM'000	MLB Quarry Sdn. Bhd. RM'000	Thriven NCR Sdn. Bhd. RM'000	Total RM'000
2020						
NCI percentage of ownership and voting interest	**10%**	**7%**	**49%**	**40%**	**15%**	
Carrying amount of NCI	**(2,997)**	**(1,002)**	**6,775**	**(445)**	**(28)**	**2,303**
Profit/(Loss) for the financial year/Total comprehensive income/(loss) allocated to NCI	**2**	**(267)**	**1,988**	**(4)**	**(1)**	**1,718**

	Thriven TT Sdn. Bhd. RM'000	Bakat Stabil Sdn. Bhd. RM'000	Thriven Amona Sdn. Bhd. RM'000	MLB Quarry Sdn. Bhd. RM'000	Thriven NCR Sdn. Bhd. RM'000	Total RM'000
2019						
NCI percentage of ownership and voting interest	10%	7%	49%	40%	15%	
Carrying amount of NCI	(2,999)	(735)	4,787	(441)	(27)	585
(Loss)/Profit for the financial year/Total comprehensive (loss)/income allocated to NCI	(1)	(228)	4,100	(5)	(2)	3,864

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

8. INVESTMENTS IN SUBSIDIARIES (continued)

(f) The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows:

	Thriven TT Sdn. Bhd. RM'000	Bakat Stabil Sdn. Bhd. RM'000	Thriven Amona Sdn. Bhd. RM'000	MLB Quarry Sdn. Bhd. RM'000	Thriven NCR Sdn. Bhd. RM'000
2020					
Assets and liabilities					
Non-current assets	–	110	268	–	884
Current assets	1	54,040	56,528	–	80
Non-current liabilities	–	(2,493)	(4,933)	–	–
Current liabilities	(29,972)	(47,277)	(38,037)	(1,113)	(1,151)
Net (liabilities)/assets	(29,971)	4,380	13,826	(1,113)	(187)
Results					
Revenue	–	–	32,949	–	–
Profit/(Loss) for the financial year and total comprehensive income/(loss)	24	(3,819)	4,058	(10)	(9)
Cash flows (used in)/from operating activities	(12)	(471)	12,517	(16)	(10)
Cash flows from/(used in) investing activities	12	464	(3,292)	10	19
Cash flows used in financing activities	–	–	(6,366)	–	–
Net (decrease)/increase in cash and cash equivalents	–	(7)	2,859	(6)	9

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

8. INVESTMENTS IN SUBSIDIARIES (continued)

(f) The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows: (continued)

	Thriven TT Sdn. Bhd. RM'000	Bakat Stabil Sdn. Bhd. RM'000	Thriven Amona Sdn. Bhd. RM'000	MLB Quarry Sdn. Bhd. RM'000	Thriven NCR Sdn. Bhd. RM'000
2019					
Assets and liabilities					
Non-current assets	–	134	574	–	3
Current assets	2	53,131	61,142	7	952
Non-current liabilities	–	(2,493)	(4,304)	–	–
Current liabilities	(29,997)	(42,573)	(47,644)	(1,110)	(1,133)
Net (liabilities)/assets	(29,995)	8,199	9,768	(1,103)	(178)
Results					
Revenue	–	–	71,516	–	–
(Loss)/Profit for the financial year and total comprehensive (loss)/income	(13)	(3,258)	8,368	(13)	(15)
Cash flows (used in)/from operating activities	(14)	(515)	6,485	(19)	(634)
Cash flows from investing activities	13	12,098	7,070	–	614
Cash flows used in financing activities	–	(11,569)	(13,564)	–	–
Net (decrease)/increase in cash and cash equivalents	(1)	14	(9)	(19)	(20)

9. GOODWILL

	Group	
	2020 RM'000	2019 RM'000
As at 1 January/31 December	**5,314**	5,314

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

9. GOODWILL (continued)

	Cost RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Group			
2020	**31,675**	**(26,361)**	**5,314**
2019	31,675	(26,361)	5,314

(a) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

(b) The carrying amount of goodwill is in relation to the investment in Thriven Amona Sdn. Bhd. ('TASB') (2019: TASB), which is allocated to the property development segment.

(c) For the purpose of impairment testing, goodwill is allocated to the subsidiary acquired, which represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

The recoverable amount of the subsidiary is determined based on the value in use ('VIU') calculation. The VIU is calculated using the pre-tax cash flow projections based on financial budgets approved by management. VIU was determined by discounting the future cash flow generated from the development of properties of the subsidiary and were based on the following key assumptions:

(i) Cash flow projected was based on the gross development value of projects planned and that there will be continual demand for quality residential properties; and

(ii) The pre-tax discount rate of 9.20% (2019: 7.00%) is applied in discounting the cash flows and was based on the weighted average cost of capital adjusted for specific risks relating to the subsidiary incorporating the impact of the COVID-19 pandemic.

(d) The values assigned to the key assumptions represent assessment of the management of future trends in the industry and are based on both external sources and internal sources (historical data).

The above estimates are particularly sensitive in the following areas:

(i) Fluctuations in future planned revenues and development costs arising from fluctuations in raw material costs and constructions costs; and

(ii) Fluctuations in the discount rate used and general interest rates.

(e) The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amount of the subsidiary to materially exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

10. INVENTORIES

	Note	Group 2020 RM'000	Group 2019 RM'000
Non-current assets			
Properties held for development	10(a)(i)	**30,343**	30,398
Current assets			
Properties under development	10(a)(ii)	**187,644**	194,592
Completed properties		**2,671**	879
		190,315	195,471
Total inventories		**220,658**	225,869
Inventories pledged as securities	17	**71,706**	212,727

(a) The details of the inventories are as follows:

(i) Non-current assets - Properties held for development

	Note	Freehold land RM'000	Development costs RM'000	Total RM'000
Group				
At cost				
2020				
As at 1 January		**6,025**	**24,373**	**30,398**
Additions		**–**	**105**	**105**
Transferred from/(to) properties under development	10(a)(ii)	**142**	**(302)**	**(160)**
As at 31 December		**6,167**	**24,176**	**30,343**
2019				
As at 1 January		6,344	27,158	33,502
Additions		–	263	263
Transferred to properties under development	10(a)(ii)	(319)	(3,048)	(3,367)
As at 31 December		6,025	24,373	30,398

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

10. INVENTORIES (continued)

(a) The details of the inventories are as follows: (continued)

(ii) Current assets - Properties under development

	Note	Land costs RM'000	Development costs RM'000	Accumulated costs charged to profit or loss RM'000	Total RM'000
Group					
At cost					
2020					
As at 1 January		168,312	482,943	(456,663)	194,592
Cost incurred during the financial year		–	109,321	–	109,321
Transferred from property, plant and equipment	6	–	138	–	138
Transferred (to)/from properties held for development	10(a)(i)	(142)	302	–	160
Transferred to completed properties		(79)	(2,022)	–	(2,101)
Reversal of completed projects		(214)	(6,243)	6,457	–
Cost recognised in profit or loss during the financial year	22	–	–	(114,466)	(114,466)
As at 31 December		167,877	584,439	(564,672)	187,644
2019					
As at 1 January		168,464	355,859	(278,959)	245,364
Cost incurred during the financial year		–	156,636	–	156,636
Transferred to investment properties under construction	7(a)(ii)	–	(26,263)	–	(26,263)
Transferred from properties held for development	10(a)(i)	319	3,048	–	3,367
Transferred to completed properties		(326)	(1,108)	–	(1,434)
Reversal of completed projects		(145)	(5,229)	5,374	–
Cost recognised in profit or loss during the financial year	22	–	–	(183,078)	(183,078)
As at 31 December		168,312	482,943	(456,663)	194,592

10. INVENTORIES (continued)

(b) Inventories are stated at lower of cost and net realisable value.

(c) Properties held for development consists of land where no development activities have been carried out or are not expected to be completed within the normal operating cycle of the Group. Such land is classified as non-current assets.

(d) Included in the land costs under properties under development are leasehold land of RM165,904,000 (2019: RM166,847,000), which represent costs incurred as a consequence of having used the right-of-use assets to produce inventories during the financial year in accordance with MFRS 102 *Inventories*.

(e) Borrowing costs capitalised during the financial year of the Group amounted to RM7,408,000 (2019: RM4,477,000) with interest rates ranging from 4.77% to 5.32% (2019: 5.97% to 6.24%) per annum.

(f) Completed development properties comprise costs associated with the acquisition of land, direct costs, appropriate proportions of common costs attributable to developing the properties to completion and borrowing costs.

(g) During the financial year, completed properties of the Group recognised as cost of sales amounted to RM309,000 (2019: RM987,000).

11. TRADE AND OTHER RECEIVABLES

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Non-current assets:					
Other receivables					
Amount due from a subsidiary		**–**	–	**43,742**	40,591
Less: Impairment loss		**–**	–	**(778)**	(161)
Total other receivables (non-current)		**–**	–	**42,964**	40,430
Current assets:					
Trade receivables					
Third parties		**28,488**	14,848	**–**	–
Less: Impairment losses		**(1,848)**	(1,160)	**–**	–
Total trade receivables	21	**26,640**	13,688	**–**	–

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

11. TRADE AND OTHER RECEIVABLES (continued)

	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Current assets: (continued)				
Other receivables				
Amounts due from subsidiaries	–	–	154,044	158,448
Third parties	4,398	2,703	1,481	1,636
Deposits	2,129	1,617	210	210
	6,527	4,320	155,735	160,294
Less: Impairment losses on:				
- Amounts due from subsidiaries	–	–	(33,273)	(31,632)
- Other receivables	(1,852)	(1,772)	(1,235)	(1,235)
Total other receivables	4,675	2,548	121,227	127,427
Total receivables	31,315	16,236	121,227	127,427
Prepayments	56	55	53	53
Total trade and other receivables (current)	31,371	16,291	121,280	127,480
Total trade and other receivables (non-current and current)	31,371	16,291	164,244	167,910

(a) Receivables (excluding prepayments) are classified as financial assets, and are measured at amortised cost.

(b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group and the Company ranged from 15 to 60 days (2019: 15 to 60 days). Other credit terms are assessed and approved on a case by case basis. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.

(c) Trade and other receivables are denominated in RM.

(d) The non-current amount due from a subsidiary represents non-trade transactions, which are unsecured, bear interest at rates ranging from 7% to 8% (2019: 8%) and are not payable within the next twelve months.

(e) Non-trade balances due from subsidiaries represent advances and payments on behalf, which are unsecured, interest-free and payable on demand in cash and cash equivalents except for an amount of RM119,466,000 (2019: RM126,108,000), which bear interest at rates ranging from 5.00% to 8.00% (2019: 6.00% to 8.00%) per annum.

Sensitivity analysis for amounts due from subsidiaries as at the end of the reporting period is not presented as fixed rate instruments are not affected by change in interest rates.

11. TRADE AND OTHER RECEIVABLES (continued)

(f) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach of calculating the lifetime expected credit losses.

The Group and the Company consider credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 4 to the financial statements to estimate the amount of expected impairment losses. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information (i.e. gross domestic product ('GDP'), inflation rate and unemployment rate) and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward looking information incorporating the impact of the COVID-19 pandemic.

(g) Impairment for other receivables and amounts due from subsidiaries are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology to determine the amount of the impairment is based on determining if there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For financial assets where credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For financial assets that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. Credit impaired refers to debtors who are in significant financial difficulties as at the end of the reporting period.

The Group and the Company defined significant increase in credit risk based on the operating performance of the receivables.

The probability of non-payment by other receivables and amounts due from subsidiaries is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for other receivables and amounts due from subsidiaries.

It requires management to exercise significant judgement in determining the probability of default by other receivables and amounts due from subsidiaries, appropriate forward looking information and significant increase in credit risk incorporating the impact of the COVID-19 pandemic.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

11. TRADE AND OTHER RECEIVABLES (continued)

(h) The reconciliations of movements in the impairment allowance for trade receivables are as follows:

	Note	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total allowance RM'000
Group				
2020				
As at 1 January		**1,018**	**142**	**1,160**
Charge for the financial year	24	**786**	**–**	**786**
Reversal of impairment losses	23	**(78)**	**(20)**	**(98)**
As at 31 December		**1,726**	**122**	**1,848**
2019				
As at 1 January		311	144	455
Charge for the financial year	24	739	–	739
Reversal of impairment losses	23	(32)	(2)	(34)
As at 31 December		1,018	142	1,160

The reconciliations of movements in the impairment allowance for other receivables are as follows:

	Note	Lifetime ECL - credit impaired RM'000
Group		
2020		
As at 1 January		**1,772**
Charge for the financial year	24	**80**
As at 31 December		**1,852**
2019		
As at 1 January		1,775
Reversal of impairment losses	23	(3)
As at 31 December		1,772

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

11. TRADE AND OTHER RECEIVABLES (continued)

(h) The reconciliations of movements in the impairment allowance for other receivables are as follows: (continued)

	Lifetime ECL - credit impaired RM'000
Company	
2020	
As at 1 January/31 December	**1,235**
2019	
As at 1 January/31 December	1,235

The reconciliations of movements in the impairment allowance for amounts due from subsidiaries are as follows:

	Note	12-month ECL RM'000	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total RM'000
Company					
2020					
As at 1 January		**565**	**161**	**31,067**	**31,793**
Charge for the financial year	24	**1,620**	**617**	**21**	**2,258**
As at 31 December		**2,185**	**778**	**31,088**	**34,051**
2019					
As at 1 January		2,983	764	31,067	34,814
Reversal of impairment losses	23	(2,418)	(603)	–	(3,021)
As at 31 December		565	161	31,067	31,793

(i) As at the end of each reporting period, the credit risk exposure relating to trade receivables of the Group are summarised in the table below:

	Group 2020 RM'000	2019 RM'000
Maximum exposure	**26,640**	13,688
Collateral obtained	**–**	–
Net exposure to credit risk	**26,640**	13,688

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

11. TRADE AND OTHER RECEIVABLES (continued)

(j) The following tables provide information about expected credit losses for trade receivables as at the end of the reporting period:

	Gross carrying amount RM'000	Loss allowance RM'000	Balance as at 31.12.2020 RM'000
Group			
2020			
Current	**24,572**	**(916)**	**23,656**
Past due			
1 to 30 days	**1,231**	**(49)**	**1,182**
31 to 60 days	**822**	**(243)**	**579**
More than 60 days	**1,863**	**(640)**	**1,223**
	3,916	**(932)**	**2,984**
	28,488	**(1,848)**	**26,640**

	Gross carrying amount RM'000	Loss allowance RM'000	Balance as at 31.12.2019 RM'000
Group			
2019			
Current	8,249	(301)	7,948
Past due			
1 to 30 days	2,616	(190)	2,426
31 to 60 days	2,323	(200)	2,123
More than 60 days	1,660	(469)	1,191
	6,599	(859)	5,740
	14,848	(1,160)	13,688

(k) The Group does not have any significant concentration of credit risks as at the end of the reporting period.

The Company does not have any significant exposure to any individual customer or counterparty other than amounts due from subsidiaries, which constitutes 99.72% (2019: 99.64%) of total receivables as at the end of the reporting period.

12. CONTRACT ASSETS/(LIABILITIES)

	Group 2020 RM'000	Group 2019 RM'000
Contract assets		
Property development contracts	**67,504**	124,422
Property management and rental operations	**48**	–
Less: Impairment losses	**(427)**	(41)
	67,125	124,381
Contract liabilities		
Property development contracts	**(2,059)**	(3,419)
	65,066	120,962

(a) Contract assets and contract liabilities represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Contract liabilities are recognised as revenue when performance obligations are satisfied.

(b) Contract assets and contract liabilities from property development contracts

	Group 2020 RM'000	Group 2019 RM'000
Revenue recognised in profit or loss to date	**739,563**	593,297
Progress billings to date	**(674,118)**	(472,294)
Less: Impairment losses	**(427)**	(41)
	65,018	120,962

(c) Impairment for contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 11(f) to the financial statements.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

12. CONTRACT ASSETS/(LIABILITIES) (continued)

(d) The reconciliations of movements in the impairment allowance for contract assets are as follows:

	Note	Group Lifetime ECL - not credit impaired 2020 RM'000	2019 RM'000
As at 1 January		41	291
Charge for the financial year	24	386	–
Reversal of impairment losses	23	–	(250)
As at 31 December		427	41

13. CASH AND BANK BALANCES

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Cash and bank balances		9,275	15,821	271	69
Deposits with licensed banks		5,205	880	269	263
As reported in the statements of financial position		14,480	16,701	540	332
Less:					
- Bank overdrafts	17	(3,672)	(3,595)	(3,672)	(3,595)
- Deposits pledged to licensed banks		(5,205)	(880)	(269)	(263)
Cash and cash equivalents included in the statements of cash flows		5,603	12,226	(3,401)	(3,526)

(a) Cash and bank balances are classified as financial assets, and are measured at amortised cost.

(b) Included in cash and bank balances of the Group and of the Company is a balance of RM5,435,000 (2019: RM8,197,000) held under Housing Development Account pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966, as amended by the Housing Developers (Housing Development Account) (Amendment) Regulations, 2015, which is not available for general use by the Group.

(c) Deposits with licensed banks of the Group and of the Company were pledged as securities for banking facilities granted to the Group and to the Company as disclosed in Note 17 to the financial statements.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

13. CASH AND BANK BALANCES (continued)

(d) The weighted average effective interest rate of deposits with licensed banks of the Group and of the Company are 2.32% (2019: 2.98%) and 1.82% (2019: 2.83%) per annum respectively.

Sensitivity analysis for fixed rate deposits at the end of the reporting period is not presented as fixed rate instruments are not affected by change in interest rates.

(e) Cash and bank balances are denominated in RM.

(f) No expected credit losses were recognised arising from the deposits with financial institutions because the probability of default by these financial institutions were negligible.

14. SHARE CAPITAL

	Group and Company			
	2020		2019	
	Number of shares '000	RM'000	Number of shares '000	RM'000
Issued and fully paid				
As at 1 January	**546,943**	59,586	**497,243**	49,724
Exercise of warrants	**1**	1	**–**	–
Private placements	**–**	–	**49,700**	9,862
As at 31 December	**546,944**	59,587	**546,943**	59,586

(a) Owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

(b) During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 546,942,726 to 546,944,126 by the issuance of 1,400 new ordinary shares amounting to RM672 pursuant to the exercise of 1,400 warrants at an exercise price of RM0.48 each for cash.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

(c) In the previous financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 497,242,726 to 546,942,726 by way of issuance of 49,700,000 new ordinary shares pursuant to the following:

(i) 17,000,000 ordinary shares for private placement at RM0.205 each for cash, which were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 25 January 2019.

(ii) 32,700,000 ordinary shares for private placement at RM0.195 each for cash, which were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 15 March 2019.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

15. RESERVES

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Non-distributable					
Warrant reserve	15(a)	–	14,126	–	14,126
Capital reserve	15(b)	77,986	89,559	77,403	83,203
Distributable					
Retained earnings		48,410	40,572	39,329	25,235
		126,396	144,257	116,732	122,564

(a) Warrant reserve

The warrant reserve arose from the issuance of warrants, which would be transferred to share capital upon the holder converting the warrants to ordinary shares. During the financial year, 1,400 warrants were exercised at an exercise price of RM0.48 each for cash. Warrant reserve related to the unexercised warrants have been transferred to retained earnings upon their expiry on 5 October 2020.

(b) Capital reserve

The capital reserve represents the following:

	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Changes in ownership interest in a subsidiary				
As at 1 January	12,156	12,156	5,800	5,800
Redemption of redeemable preference shares in a subsidiary*	(11,573)	–	(5,800)	–
As at 31 December	583	12,156	–	5,800
Reduction in par value of the ordinary shares of the Company in year 2010	77,403	77,403	77,403	77,403
	77,986	89,559	77,403	83,203

* During the financial year ended 31 December 2013, a subsidiary of the Company, Mayfair Ventures Sdn. Bhd. ("MVSB"), issued ordinary shares and redeemable preference shares ("RPS") to the Company and a former non-controlling party, MJC Development Sdn. Bhd. ("MJC"). MJC paid the premium portion of the RPS amounting to RM5,800,179 on behalf of the Company, which was not deemed as a debt to MJC and this was recognised as capital reserve at the Group and the Company respectively.

Upon the completion of Lumi Tropicana's Phase 1 by MVSB during the financial year, the remaining RPS held by MJC was redeemed by MVSB and the premium portion of the RPS amounting to RM5,800,179 that was previously paid on behalf of the Company by MJC was reclassified from capital reserve to amount owing to MJC as the relevant parties have agreed to its repayment. The amount of RM11,573,000 was fully settled by the Group during the financial year.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

16. DEFERRED TAX ASSETS

(a) The deferred tax assets are made up of the following:

	Note	Group 2020 RM'000	2019 RM'000
As at 1 January		**490**	193
Recognised in profit or loss	27	**(456)**	297
As at 31 December		**34**	490

(b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group

	Property, plant and equipment RM'000	Investment properties RM'000	Provisions RM'000	Offsetting RM'000	Total RM'000
As at 1 January 2020	**22**	**539**	**254**	**(325)**	**490**
Recognised in profit or loss	**14**	**(383)**	**236**	**(323)**	**(456)**
As at 31 December 2020	**36**	**156**	**490**	**(648)**	**34**
As at 1 January 2019	**–**	**599**	**–**	**–**	**599**
Recognised in profit or loss	**22**	**(60)**	**254**	**(325)**	**(109)**
As at 31 December 2019	**22**	**539**	**254**	**(325)**	**490**

Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Inventories RM'000	Offsetting RM'000	Total RM'000
As at 1 January 2020	(24)	(301)	325	–
Recognised in profit or loss	5	(328)	323	–
As at 31 December 2020	(19)	(629)	648	–
As at 1 January 2019	(20)	(386)	–	(406)
Recognised in profit or loss	(4)	85	325	406
As at 31 December 2019	(24)	(301)	325	–

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

16. DEFERRED TAX ASSETS (continued)

(c) The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Unused tax losses				
- Expires by 31 December 2027	2,482	–	–	–
- Expires by 31 December 2026	112	32	–	–
- Expires by 31 December 2025	33,469	33,504	603	603
Unabsorbed capital allowances	1,075	1,490	1,643	1,484
	37,138	35,026	2,246	2,087

Deferred tax assets of the Company and certain subsidiaries have not been recognised in respect of these items as it is not probable that future taxable profits of the Company and subsidiaries would be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities.

17. BORROWINGS

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Non-current					
Term loans		3,700	4,000	3,700	4,000
Bridging loans		4,934	4,304	–	–
		8,634	8,304	3,700	4,000
Current					
Term loans		17,500	1,597	–	1,597
Bridging loans		–	6,996	–	–
Revolving credits		40,300	60,825	40,300	40,300
Bank overdrafts		3,672	3,595	3,672	3,595
Other borrowings - non- financial institution (arising from sale and leaseback arrangement)	17(d)	34,717	27,774	–	–
		96,189	100,787	43,972	45,492
Total borrowings					
Term loans		21,200	5,597	3,700	5,597
Bridging loans		4,934	11,300	–	–
Revolving credits		40,300	60,825	40,300	40,300
Bank overdrafts	13	3,672	3,595	3,672	3,595
Total bank borrowings		70,106	81,317	47,672	49,492
Other borrowings - non-financial institution (arising from sale and leaseback arrangement)	17(d)	34,717	27,774	–	–
		104,823	109,091	47,672	49,492

(a) Borrowings are classified as financial liabilities, and are measured at amortised cost.

(b) Borrowings are denominated in RM.

(c) The borrowings are secured by the following:

(i) Pledge of certain inventories of the Group as disclosed in Note 10 to the financial statements;

(ii) Lien on a portion of fixed deposit placement and amount held in an interest reserve account of the Group and of the Company as disclosed in Note 13 to the financial statements;

(iii) Corporate guarantees by the Company; and

(iv) Pledge of investment properties of the Group in the previous financial year as disclosed in Note 7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

17. BORROWINGS (continued)

(d) Other borrowings - non-financial institution represents proceeds received from sale and leaseback arrangement accounted for as financial liability as disclosed in Note 7 to the financial statements.

(e) Fair value of the bank borrowings of the Group and of the Company are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

(f) The fair values of the bank borrowings are estimated by discounting expected future cash flows at the current market interest rates available to the Group and Company for similar instruments.

The carrying amounts of the current portion of borrowings are reasonable approximation of fair value due to the insignificant impact of discounting.

(g) The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of each reporting period and the remaining maturities of the borrowings of the Group and of the Company that are exposed to interest rate risk:

	Weighted average effective interest rate per annum %	On demand or within one (1) year RM'000	One (1) to five (5) years RM'000	More than five (5) years RM'000	Total RM'000
Group					
31 December 2020					
Floating rates					
Term loans	5.46	**17,500**	**3,700**	**–**	**21,200**
Bridging loans	5.32	**–**	**4,934**	**–**	**4,934**
Revolving credits	4.77	**40,300**	**–**	**–**	**40,300**
Bank overdrafts	7.08	**3,672**	**–**	**–**	**3,672**
Fixed rate					
Others	7.00	**34,717**	**–**	**–**	**34,717**
31 December 2019					
Floating rates					
Term loans	7.20	1,597	4,000	–	5,597
Bridging loans	6.24	6,996	4,304	–	11,300
Revolving credits	5.97	60,825	–	–	60,825
Bank overdrafts	6.92	3,595	–	–	3,595
Fixed rate					
Others	7.00	27,774	–	–	27,774

17. BORROWINGS (continued)

(g) The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of each reporting period and the remaining maturities of the borrowings of the Group and of the Company that are exposed to interest rate risk: (continued)

	Weighted average effective interest rate per annum %	On demand or within one (1) year RM'000	One (1) to five (5) years RM'000	More than five (5) years RM'000	Total RM'000
Company					
31 December 2020					
Floating rates					
Term loans	6.66	–	3,700	–	3,700
Revolving credits	4.77	40,300	–	–	40,300
Bank overdrafts	7.08	3,672	–	–	3,672
31 December 2019					
Floating rates					
Term loans	7.20	1,597	4,000	–	5,597
Revolving credits	5.26	40,300	–	–	40,300
Bank overdrafts	6.92	3,595	–	–	3,595

(h) Sensitivity analysis for fixed rate borrowings as at the end of the reporting period is not presented as fixed rate instruments are not affected by change in interest rates. Sensitivity analysis of interest rates for the floating rate instruments at the end of the reporting period, assuming all other variables remain constant are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Effects of 50 basis points changes to (loss)/profit after tax				
- Increase by 0.5% (2019: 0.5%)	(266)	(310)	(181)	(188)
- Decrease by 0.5% (2019: 0.5%)	266	310	181	188

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

17. BORROWINGS (continued)

(i) The table below summarises the maturity profile of the bank borrowings of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations as follows:

	On demand or within one (1) year RM'000	One (1) to five (5) years RM'000	Over five (5) years RM'000	Total RM'000
Group				
31 December 2020				
Term loans	**18,565**	**3,737**	**–**	**22,302**
Bridging loans	**251**	**5,088**	**–**	**5,339**
Revolving credits	**40,300**	**–**	**–**	**40,300**
Bank overdrafts	**3,672**	**–**	**–**	**3,672**
Others	**34,717**	**–**	**–**	**34,717**
	97,505	**8,825**	**–**	**106,330**
31 December 2019				
Term loans	1,989	4,335	–	6,324
Bridging loans	7,492	4,395	–	11,887
Revolving credits	60,825	–	–	60,825
Bank overdrafts	3,595	–	–	3,595
Others	27,774	–	–	27,774
	101,675	8,730	–	110,405
Company				
31 December 2020				
Term loans	**226**	**3,737**	**–**	**3,963**
Revolving credits	**40,300**	**–**	**–**	**40,300**
Bank overdrafts	**3,672**	**–**	**–**	**3,672**
	44,198	**3,737**	**–**	**47,935**
31 December 2019				
Term loans	1,989	4,335	–	6,324
Revolving credits	40,300	–	–	40,300
Bank overdrafts	3,595	–	–	3,595
	45,884	4,335	–	50,219

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

18. TRADE AND OTHER PAYABLES

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Trade payables					
Third parties		40,104	58,844	–	1
Other payables					
Amounts due to subsidiaries		–	–	26,229	21,263
Amounts due to related parties		2,061	1,903	–	–
Third parties		3,536	8,734	211	393
Accruals		13,191	25,862	146	723
Deposits received	21	4,750	3,877	–	11
Others		55	–	–	–
		23,593	40,376	26,586	22,390
Total payables		63,697	99,220	26,586	22,391

(a) Trade and other payables are classified as financial liabilities, and are measured at amortised cost.

(b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company ranged from 30 to 45 days (2019: 30 to 45 days).

(c) Included in trade payables of the Group and of the Company are retention sums for contract works of RM15,980,000 and RM Nil (2019: RM13,848,000 and RM1,000) respectively. The retention sums are unsecured, interest-free and payable upon the expiry of the defect liability periods of 12 to 30 months.

(d) Except for the amounts due to certain subsidiaries totalling RM26,193,000 (2019: RM19,453,000) that bear interest ranging from 5.00% to 6.00% (2019: 6.00%) per annum, the amounts due to other subsidiaries are non-interest bearing, unsecured and are payable within the next twelve (12) months in cash and cash equivalents.

(e) Non-trade balances due to related parties represent advances and payments on behalf, which are unsecured, interest-free and payable within next twelve months in cash and cash equivalents. Non-trade balances due to related parties bear interest rate at 8.00% (2019: 8.00%) per annum.

(f) In the previous financial year, included in the amounts due to third parties was a balance of RM4,857,000 due to MJC Development Sdn. Bhd. ('MJC'), which represented the remaining outstanding balance due for the acquisitions of equity in MVSB, which were previously held by MJC as detailed in the settlement agreement dated 2 December 2016, which was unsecured, bear interest rate at 6.00% per annum and payable within next twelve months in cash and cash equivalents.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

18. TRADE AND OTHER PAYABLES (continued)

(g) Included in the accruals is an amount of RM12,074,000 (2019: RM24,288,000), which mainly represents project cost accruals of the Group.

(h) Trade and other payables are denominated in RM.

(i) Maturity profile of trade and other payables of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is payable on demand or within one (1) year.

(j) Sensitivity analysis for fixed rate profile of other payables at the end of the reporting period is not presented as fixed rate instruments are not affected by change in interest rates.

19. REDEEMABLE PREFERENCE SHARES

	Group			
	2020		2019	
	Number of shares '000	RM'000	Number of shares '000	RM'000
Issued and fully paid				
As at 1 January/31 December	2	2,493	2	2,493

Redeemable preference shares represent preference shares issued by a subsidiary of the Company, Bakat Stabil Sdn. Bhd., to its non-controlling interests.

The salient features of the redeemable preference shares are as follows:

(a) The redeemable preference shares, are to be redeemed in whole or in part, at any time by the subsidiary on or before 31 December 2022 and the redemption price shall be paid together with any accrued dividend.

(b) The redeemable preference shares carry a cumulative dividend of 8% per annum, such dividend shall accrue at 8% per annum and compounded on the anniversary dates of its issuance unless paid by the subsidiary.

(c) The right, on winding up or on repayment of capital, to repayment of the capital paid-up or credited as paid-up on those redeemable preference shares in priority or in preference to any repayment to any holders of ordinary shares.

(d) Holders of redeemable preference shares shall not be entitled to surplus assets and profits of the subsidiary.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

20. LEASE LIABILITIES

The Group and Company as lessee

	Buildings RM'000	Apartments RM'000	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
Group					
2020					
Carrying amount					
As at 1 January 2020	1,671	–	–	894	2,565
Additions	88	11,074	101	–	11,263
Modifications	(415)	–	–	–	(415)
Lease payments	(862)	(1,910)	(9)	(278)	(3,059)
Lease concessions	(52)	–	–	–	(52)
Interest expense	48	196	2	38	284
As at 31 December 2020	478	9,360	94	654	10,586
2019					
Carrying amount					
As at 1 January 2019	2,740	–	–	1,123	3,863
Lease payments	(1,198)	–	–	(279)	(1,477)
Interest expense	129	–	–	50	179
As at 31 December 2019	1,671	–	–	894	2,565

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

20. LEASE LIABILITIES (continued)

The Group and Company as lessee (continued)

	Buildings RM'000	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
Company				
2020				
Carrying amount				
As at 1 January 2020	**1,540**	**–**	**894**	**2,434**
Additions	**–**	**101**	**–**	**101**
Modifications	**(415)**	**–**	**–**	**(415)**
Lease payments	**(746)**	**(9)**	**(278)**	**(1,033)**
Lease concessions	**(39)**	**–**	**–**	**(39)**
Interest expense	**44**	**2**	**38**	**84**
As at 31 December 2020	**384**	**94**	**654**	**1,132**
2019				
Carrying amount				
As at 1 January 2019	2,493	–	1,123	3,616
Lease payments	(1,071)	–	(279)	(1,350)
Interest expense	118	–	50	168
As at 31 December 2019	1,540	–	894	2,434

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Represented by:				
Current liabilities	**6,166**	1,368	**654**	1,251
Non-current liabilities	**4,420**	1,197	**478**	1,183
	10,586	2,565	**1,132**	2,434

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Lease liabilities owing to financial institutions	**654**	894	**654**	894
Lease liabilities owing to non-financial institutions	**9,932**	1,671	**478**	1,540
	10,586	2,565	**1,132**	2,434

20. LEASE LIABILITIES (continued)

(a) The following are the amounts recognised in profit or loss:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Depreciation charge of right-of-use assets (included in other expenses)	**1,267**	1,506	**1,146**	1,385
Interest expense on lease liabilities (included in finance costs)	**284**	179	**84**	168
Expense relating to short-term leases (included in other expenses)	**33**	9	**30**	9
Expense relating to leases of low-value assets (included in other expenses)	**1**	–	**1**	–
Gain on modifications of leases (included in other income)	**(44)**	–	**(44)**	–
Variable lease payments arising from COVID-19 related rent concessions (included in other expenses)	**(52)**	–	**(39)**	–
	1,489	1,694	**1,178**	1,562

(b) At the end of the financial year, the Group and the Company had total cash outflow for leases of RM3,059,000 and RM1,033,000 (2019: RM1,477,000 and RM1,350,000) respectively.

(c) The Group and the Company have certain leases of buildings with lease term of 12 months or less, and low value leases of office equipment of RM5,000 and below. The Group applies the "short-term lease" and "low-value assets" exemptions for these leases.

(d) The Group and the Company determine the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group and the Company are reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group and the Company to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group and of the Company. The lease payments are discounted using the annual incremental borrowing rates of the Group ranging from 5.00% to 6.00% (2019: 5.00% to 6.00%). At the end of the financial year, the undiscounted potential future rental payments arising from unexercised extension options that are not included in the lease term amounted to RM2,326,000 (2019: RM3,213,000), which is within five (5) years.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

20. LEASE LIABILITIES (continued)

(e) The following table sets out the carrying amounts, the weighted average incremental borrowing rates and the remaining maturities for the lease liabilities of the Group and the Company:

	Weighted average incremental borrowing rate per annum %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000	Total RM'000
Group						
31 December 2020						
Lease liabilities						
Fixed rates	**5.00 - 6.00**	**6,166**	**4,283**	**137**	**–**	**10,586**
31 December 2019						
Lease liabilities						
Fixed rates	5.00 - 6.00	1,368	795	402	–	2,565
Company						
31 December 2020						
Lease liabilities						
Fixed rates	**5.00 - 6.00**	**654**	**341**	**137**	**–**	**1,132**
31 December 2019						
Lease liabilities						
Fixed rates	5.00 - 6.00	1,251	781	402	–	2,434

(f) The table below summarises the maturity profile of the lease liabilities of the Group and the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
31 December 2020				
Lease liabilities	**6,593**	**4,506**	**–**	**11,099**
31 December 2019				
Lease liabilities	1,469	1,243	–	2,712

20. LEASE LIABILITIES (continued)

(f) The table below summarises the maturity profile of the lease liabilities of the Group and the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows: (continued)

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Company				
31 December 2020				
Lease liabilities	**689**	**500**	**–**	**1,189**
31 December 2019				
Lease liabilities	1,349	1,230	–	2,579

21. REVENUE

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue from contracts with customers:				
Property development:				
- Sales of completed properties	**496**	5,061	**–**	–
- Sales of properties under construction	**145,770**	231,039	**–**	–
	146,266	236,100	**–**	–
Property management	**729**	289	**–**	–
Management fee	**–**	–	**5,640**	5,640
	146,995	236,389	**5,640**	5,640
Other revenue:				
Rental of investment properties	**41**	19	**–**	19
	147,036	236,408	**5,640**	5,659

Revenue is measured by reference to each distinct performance obligation promised in the contract with customer or as the Group and the Company transfer the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

21. REVENUE (continued)

At the inception of each contract with customer, the Group and the Company determine whether control of the goods or services for each performance obligation is transferred over time or at a point in time. Revenue is recognised over time if:

(i) the customer simultaneously receives and consumes all of the benefits provided by the Group and the Company;

(ii) the performance of the Group and of the Company creates or enhances a customer-controlled asset; or

(iii) the Group or the Company does not have an alternative use of the asset that it creates or enhances and has an enforceable rights to payment for performance completed to date.

Significant judgement is required in determining performance obligations, transaction price allocation and costs in applying the input method to recognise revenue over time.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations.

The Group and the Company recognise revenue when they transfer control over a product or service to a customer.

(a) Property development

The property development segment of the Group generates revenue from the sale of properties to customers. The sale of properties can be disaggregated into two main types as follows:

(i) Revenue from sale of completed properties

Revenue from sale of completed properties to customer is recognised at a point in time when the Group satisfies the performance obligation by transferring a promised asset to a customer, i.e. upon such customer taking legal possession of the property. This occurs when persuasive evidence exists, usually in the form of an executed sale agreement or evidence of purchase price settlement, or when the customer takes vacant possession of the properties.

There is no significant financing component in the revenue arising from the sale of completed properties as the sales are made on the normal credit terms not exceeding twelve (12) months.

(ii) Revenue from sale of properties under construction

Revenue from sale of properties under construction is recognised over time, commencing upon the Group entities entering into agreements with its customers. Revenue is recognised over time using input method based on the percentage of completion measured by reference to the property development costs incurred for work performed to date against the estimated property development costs to completion.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

21. REVENUE (continued)

(b) Property management

Revenue of property management is derived from providing maintenance and facilities management services. The revenue from services rendered is recognised at a point in time when the services has been rendered to the customer and coincides with the delivery of services and acceptance by customers.

There is no right of return and warranty provided to the customers on the services rendered.

(c) Management fees

Management fees from the provision of the management services to the subsidiaries are recognised when subsidiaries simultaneously receive and consume the benefits.

(d) Rental of investment properties

Revenue of the rental of investment properties is derived from the rental of investment properties of the Group and of the Company. The revenue is recognised when service is rendered to the customer in relation to their stay at the investment properties.

A. Disaggregation of revenue

In the following table, revenue is disaggregated by the type of services and the timing of transfer of revenue recognition.

	Timing revenue recognition					
	Product transferred at a point in time		Product transferred over time		Total	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Group						
Property development	**496**	5,061	**145,770**	231,039	**146,266**	236,100
Property management	**1,170**	729	**–**	–	**1,170**	729
Management fee	**–**	–	**5,640**	5,640	**5,640**	5,640
Total reportable segment	**1,666**	5,790	**151,410**	236,679	**153,076**	242,469
Adjustments and eliminations	**(441)**	(440)	**(5,640)**	(5,640)	**(6,081)**	(6,080)
Total	**1,225**	5,350	**145,770**	231,039	**146,995**	236,389

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

21. REVENUE (continued)

A. Disaggregation of revenue (continued)

In the following table, revenue is disaggregated by the type of services and the timing of transfer of revenue recognition. (continued)

	Timing revenue recognition					
	Product transferred at a point in time		Product transferred over time		Total	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Company						
Management fee	**–**	–	**5,640**	5,640	**5,640**	5,640

No disaggregation of revenue from contracts with customers by geographical basis has been presented as the Group's and the Company's activities are carried out predominantly in Malaysia.

B. Contract balances

The following table provides information about receivables and contract balances with contract customers:

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Contract receivables, included in 'Trade and other receivables'	11	**26,640**	13,688	**–**	–
Contract balances:					
- Net contract assets in relation to property development activities	12	**65,445**	121,003	**–**	–
- Deposits received	18	**(4,750)**	(3,877)	**–**	(11)
		60,695	117,126	**–**	(11)

The receivables primarily relate to the rights to consideration for work completed of the Group and are billed during the financial year.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

21. REVENUE (continued)

B. Contract balances (continued)

Reconciliation of movements in contract assets/(liabilities) during the financial year are as follows:

	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
As at 1 January	**117,126**	48,786	**(11)**	(39)
Performance obligations satisfied in previous financial year	**(121,186)**	(56,578)	**–**	–
Revenue recognised during financial year, included in contract liabilities at the beginning of the reporting period	**184**	3,566	**–**	–
	(3,876)	(4,226)	**(11)**	(39)
Deposits (received)/paid during financial year	**(873)**	(2,149)	**11**	28
Progress billings issued during financial year	**(80,638)**	(109,033)	**–**	–
Revenue recognised during financial year	**146,082**	232,534	**–**	–
As at 31 December	**60,695**	117,126	**–**	(11)

C. Transaction prices allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting date.

	Group 2020 RM'000	Group 2019 RM'000
Sales of properties under construction expected to be recognised in financial year:		
2020	**–**	145,259
2021	**67,632**	43,005
	67,632	188,264

All consideration from contracts with customers is included in the amounts presented above.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

22. COST OF SALES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Property development:				
- Cost of completed properties	309	987	–	–
- Cost of properties under construction	114,466	183,078	–	–
	114,775	184,065	–	–
Construction contract costs	1,112	–	–	–
Investment properties	17	7	–	7
Property management	607	338	–	–
	116,511	184,410	–	7

23. OTHER INCOME

Other income comprises of the following:

		Group		Company	
	Note	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Interest income on:					
- fixed deposits with licensed banks		131	24	6	6
- housing development accounts		85	126	–	–
- others		26	30	–	–
- subsidiaries		–	–	9,826	9,182
- trade receivables		399	10	–	–
		641	190	9,832	9,188
Reversal of impairment losses on:					
- amounts due from subsidiaries	11(h)	–	–	–	3,021
- trade and other receivables	11(h)	98	37	–	–
- contract assets	12(d)	–	250	–	–
Gain on disposal of investment properties		–	1,214	–	1,214
Gain on disposal of property, plant and equipment		3	–	3	–
Gain on modifications of leases		44	–	44	–
Miscellaneous		770	754	71	1
		1,556	2,445	9,950	13,424

Interest income is recognised as it accrues using the effective interest method in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

24. OTHER EXPENSES

Included in other expenses are the following:

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Auditors' remuneration:					
- statutory audits:					
- current year		**173**	173	**51**	51
- over provision in prior years		**(31)**	(9)	**–**	(1)
- other services:					
- current year		**12**	12	**8**	8
Depreciation of:					
- investment properties	7	**1,859**	4	**–**	4
- property, plant and equipment	6	**3,015**	3,555	**1,444**	1,746
Employee benefits	26	**9,519**	11,113	**5,218**	6,660
Impairment losses on:					
- amounts due from subsidiaries	11(h)	**–**	–	**2,258**	–
- trade and other receivables	11(h)	**866**	739	**–**	–
- contract assets	12(d)	**386**	–	**–**	–
- investment properties	7(a)(i)	**5,290**	–	**–**	–
Property, plant and equipment written off	6	**219**	283	**1**	283

25. FINANCE COSTS

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Interest expense on:					
- amounts due to subsidiaries		**–**	–	**1,280**	872
- bank overdrafts		**237**	252	**237**	238
- revolving credits		**1,973**	1,530	**1,973**	1,530
- term loans		**354**	700	**354**	381
- lease liabilities	20	**284**	179	**84**	168
- redeemable preference shares		**492**	–	**–**	–
- other borrowings		**2,430**	810	**–**	–
- others		**158**	146	**–**	–
		5,928	3,617	**3,928**	3,189

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

26. EMPLOYEE BENEFITS

	Group 2020 RM'000	2019 RM'000	Company 2020 RM'000	2019 RM'000
Salaries, wages, bonuses and allowances	7,212	9,498	3,584	5,684
Defined contribution plans	874	1,133	415	656
Social security contributions	66	67	22	31
Other staff-related expenses	1,367	415	1,197	289
	9,519	11,113	5,218	6,660

Included in employee benefits of the Group and of the Company are Directors' remuneration amounting to RM3,322,000 (2019: RM2,309,000).

27. TAX EXPENSE

	Note	Group 2020 RM'000	2019 RM'000	Company 2020 RM'000	2019 RM'000
Current tax expense based on profit for the financial year		4,989	7,373	863	1,028
(Over)/Under provision in prior years		(81)	1,307	(194)	(4)
		4,908	8,680	669	1,024
Deferred tax					
- Relating to origination and reversal of temporary differences		(13)	304	–	–
- Under/(Over) provision in prior years		469	(601)	–	–
	16	456	(297)	–	–
Real property gains tax		–	70	–	70
		5,364	8,453	669	1,094

(a) Malaysian income tax is calculated at the statutory tax rate of 24% (2019: 24%) of the estimated taxable profit for the fiscal year.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

27. TAX EXPENSE (continued)

(b) Numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group 2020 RM'000	2019 RM'000	Company 2020 RM'000	2019 RM'000
Profit before tax	**794**	29,255	**637**	5,201
Tax at Malaysian statutory tax rate of 24% (2019: 24%)	**191**	7,021	**153**	1,248
Tax effects in respect of:				
Non-allowable expenses	**4,577**	1,436	**828**	449
Non-taxable income	**(299)**	(123)	**(156)**	–
Real property gain tax imposed on disposal of investment properties	**–**	70	**–**	70
Difference in tax rates	**–**	(291)	**–**	(291)
Deferred tax assets not recognised	**515**	13	**38**	–
Utilisation of previously unrecognised deferred tax assets	**(8)**	(379)	**–**	(378)
	4,976	7,747	**863**	1,098
(Over)/Under provision in prior years				
- current tax expense	**(81)**	1,307	**(194)**	(4)
- deferred tax expense	**469**	(601)	**–**	–
	5,364	8,453	**669**	1,094

28. (LOSS)/EARNINGS PER ORDINARY SHARE

(a) Basic

Basic (loss)/earnings per ordinary share for the financial year is calculated by dividing the (loss)/profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

28. (LOSS)/EARNINGS PER ORDINARY SHARE (continued)

(a) Basic (continued)

	Group 2020 RM'000	2019 RM'000
(Loss)/Profit attributable to equity holders of the parent	**(6,288)**	16,938
Weighted average number of ordinary shares in issue (unit)	**546,943**	539,285
Adjusted weighted average number of ordinary shares applicable to basic earnings per ordinary share (unit)	**546,943**	539,285
Basic (loss)/earnings per ordinary share (sen)	**(1.15)**	3.14

(b) Diluted

The diluted earnings per ordinary share for the current and previous financial year is equal to the basic (loss)/earnings per ordinary share for the respective financial year as there are no dilutive potential ordinary shares as at 31 December 2020 and no dilution effects of the warrants that were previously issued on the ordinary shares as at 31 December 2019.

29. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include:

(i) Direct and indirect subsidiaries as disclosed in Note 8 to the financial statements; and

(ii) Key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Executive Directors of the Group and certain members of senior management of the Group.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

29. RELATED PARTY DISCLOSURES (continued)

(b) The Group and the Company had the following transactions with related parties during the financial year:

	Group 2020 RM'000	Group 2019 RM'000
Directors of the Company, close members of their families and companies in which they have interests		
Revenue recognised from the sale of properties under construction	**1,199**	138
Other key management personnel		
Revenue recognised from the sale of properties under construction	**–**	145

	Company 2020 RM'000	Company 2019 RM'000
Subsidiaries of the Company		
Interest expense	**(1,280)**	(872)
Interest income	**9,826**	9,182
Management fee income	**5,640**	5,640
Maintenance fee expense	**(58)**	(96)

The related party transactions described above were carried out on agreed contractual terms and conditions and in the ordinary course of business between the related parties of the Group and the Company.

Information regarding outstanding balances with related parties at the end of the financial year are disclosed in Notes 11 and 18 to the financial statements.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

29. RELATED PARTY DISCLOSURES (continued)

(c) Compensation of key management personnel

The remunerations of Directors and other key management personnel during the financial year were as follows:

	Note	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Directors' remuneration					
Salaries, bonuses and allowances		1,973	1,980	1,973	1,980
Defined contribution plans		235	235	235	235
		2,208	2,215	2,208	2,215
Estimated money value of benefits-in-kind		1,114	94	1,114	94
	26	3,322	2,309	3,322	2,309
Directors' fees		154	154	154	154
Other key management personnel					
Salaries, bonuses and allowances		657	985	371	985
Defined contribution plans		81	117	46	117
		738	1,102	417	1,102
Estimated money value of benefits-in-kind		18	7	16	7
		4,232	3,572	3,909	3,572

(d) Material contracts

There were no material contracts, which have been entered into by the Company or its subsidiaries, which involved Directors' and major shareholders' interests subsisting at the end of the financial year ended 31 December 2020 or entered into since the end of the previous financial year except as disclosed elsewhere in the financial statements.

30. CONTINGENT LIABILITIES

	Company 2020 RM'000	2019 RM'000
Corporate guarantees given to financial institutions for credit facility granted to subsidiaries		
- Limit of guarantee	**49,600**	61,000
- Amount utilised	**32,981**	48,124

The Company designates corporate guarantees given to financial institutions for credit facilities granted to subsidiaries as financial liabilities at the time the guarantee is issued.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected loss model under MFRS 9 and the amount initially recognised less amortisation.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

The Company monitors on an ongoing basis the results of the subsidiaries and repayment made by the subsidiaries. As at the end of the reporting period, there was no indication that the subsidiary would default on repayment and no values are ascribed on corporate guarantees provided by the Company to secure bank loans and other banking facilities granted to its subsidiary where such loans and bank facilities are fully collateralised by charges over properties under constructions of the subsidiary and where the Directors regard the value of the credit enhancement provided by the corporate guarantees as minimal. The Directors are of the view that the likelihood of the financial institutions calling upon the corporate guarantees is remote.

The fair values of the above corporate guarantees given to the subsidiaries for banking facilities are negligible.

No expected credit loss is recognised arising from financial guarantee as it is negligible.

The table below summarises the maturity profile of the liabilities of the Company at the end of each reporting period based on contractual undiscounted repayment obligations as follows:

	On demand or within one (1) year RM'000	One (1) to five (5) years RM'000	Over five (5) years RM'000	Total RM'000
Corporate guarantees				
Company				
2020	**20,940**	**12,041**	**–**	**32,981**
2019	33,070	15,054	–	48,124

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2020

31. COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary to conform with the current year presentation.

	As previously stated RM'000	Reclassification RM'000	As restated RM'000
2019			
Company			
Statements of financial position			
Non-current assets			
Investments in subsidiaries	84,346	1,024	85,370
Current assets			
Trade and other receivables	128,504	(1,024)	127,480

32. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

32.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ('MASB') during the financial year:

Title	Effective Date
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 *Definition of a Business*	1 January 2020
Amendments to MFRS 101 and MFRS 108 *Definition of Material*	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 *Interest Rate Benchmark Reform*	1 January 2020
Amendment to MFRS 16 *Covid-19-Related Rent Concessions*	1 June 2020 (early adopted)
Amendments to MFRS 4 *Insurance Contract - Extension of the Temporary Exemption from Applying MFRS 9*	17 August 2020 (effective immediately)

Adoption of the above Amendments did not have any material effect on the financial performance or position of the Group and of the Company except for the adoption of Amendment to MFRS 16 as described in the following section.

32. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

32.1 New MFRSs adopted during the financial year (continued)

Amendment to MFRS 16 *Covid-19-Related Rent Concessions*

MFRS 16 has been amended to:

(a) Provide lessees with an exemption from the requirement to determine whether a COVID-19-related rent concession is a lease modification; and

(b) Require lessees that apply the exemption to account for COVID-19-related rent concessions as if they were not lease modifications.

The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

(i) Changes in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(ii) Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and

(iii) There is no substantive change to other terms and conditions of the lease.

The Group and the Company have early adopted Amendment to MFRS 16 during the financial year ended 31 December 2020 and elected to apply the practical expedient to all rent concessions relating to leases with similar characteristics and in similar circumstances. Consequently, the Group and the Company did not recognise changes in these lease payments as lease modifications and instead, recognised these as variable lease payments in profit or loss. The effects of early adoption are disclosed in Note 20(a) to the financial statements.

NOTES TO
THE FINANCIAL STATEMENTS (cont'd)
31 December 2020

32. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

32.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2021

The following are Standard and Amendments of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ('MASB') but have not been early adopted by the Group and the Company:

Title	Effective Date
Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 *Reference to the Conceptual Framework*	1 January 2022
Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*	1 January 2022
Amendments to MFRS 137 *Onerous Contracts - Cost of Fulfilling a Contract*	1 January 2022
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*	1 January 2023
MFRS 17 *Insurance Contracts*	1 January 2023
Amendments to MFRS 17 *Insurance Contracts*	1 January 2023
Amendments to MFRS 101 *Disclosure of Accounting Policies*	1 January 2023
Amendments to MFRS 108 *Definition of Accounting Estimates*	1 January 2023
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standard and Amendments, since the effects would only be observable for future financial years.

33. FINANCIAL REPORTING UPDATES

33.1 IFRIC Agenda Decision - Over time transfer of constructed good (IAS 23)

The IFRS Interpretations Committee ('IFRIC') received a submission about the capitalisation of borrowing costs in relation to the construction of a residential multi-unit real estate development.

Based on the fact pattern described in the submission, the request asked whether the entity has a qualifying asset as defined in IAS 23 *Borrowing Costs* and, therefore, capitalises any directly attributable costs.

The IFRIC concluded in March 2019 that, in the fact pattern described in the request:

i. Any receivable and contract asset that the entity recognises is not a qualifying asset.
ii. Any inventory (work-in-progress) for unsold units under construction that the entity recognises is also not a qualifying asset because the unsold units are ready for its intended use or sale.

The MASB announced on 20 March 2019 that an entity shall apply the change in accounting policy as a result of this Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

33. FINANCIAL REPORTING UPDATES (continued)

33.1 IFRIC Agenda Decision - Over time transfer of constructed good (IAS 23) (continued)

The Group is in the process of assessing the impact of implementing this change in accounting policy and the impact will be reported during the financial year ending 31 December 2021.

33.2 IFRIC Agenda Decision - An assessment of the lease term (IFRS 16)

The IFRS Interpretations Committee ('IFRIC') issued a final agenda decision on 26 November 2019 regarding 'Lease term and useful life of leasehold improvements (IFRS 16 and IAS 16)'.

The submission to the IFRIC raised a question pertaining the determination of the lease term of a cancellable lease or a renewable lease based on the requirements of IFRS 16.B34.

Based on the final agenda decision, the IFRIC concluded that the determination of the enforceable period of a lease and the lease term itself shall include broad economic circumstances beyond purely commercial terms.

The Group has implemented the requirements of this final agenda decision during the financial year ended 31 December 2020. There is no material impact on the financial statements of the Group and of the Company as at the end of reporting period.

34. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

The World Health Organisation declared the 2019 Novel Coronavirus infection ('COVID-19') a pandemic on 11 March 2020. The Government of Malaysia imposed the Movement Control Order ('MCO') on 18 March 2020 and has subsequently entered into various phases of the MCO until 31 March 2021.

Since then, the Group and the Company have experienced disruption to its operations in the following respects:

(i) Lower sales and slower construction progress of the Group's projects;

(ii) Decreased demand for certain products and services as a consequence of the various phases of MCO; and

(iii) Uncertainty concerning when the restrictions imposed by the various phases of MCO will be lifted and the long-term effects of the pandemic on the demand for certain products and services of the Group.

Based on the assessment and information available at the date of authorisation of the financial statements, there is no significant impact arising from the COVID-19 pandemic in respect of the judgements and assumptions used in the preparation of the financial statements for the financial year ended 31 December 2020 to the financial statements, other than the impairment losses recognised on the carrying amount of investment properties amounting to RM5,290,000 as disclosed in Note 7 to the financial statements.

The Group has taken steps to alleviate and minimise the impact of the pandemic on its operations, which involve prudent financial management and adapting its business plans to the prevailing market. Based on the assessment and information available at the date of authorisation of the financial statements, the Group has sufficient cash flows and undrawn facilities to meet its liquidity needs in the next twelve (12) months after the end of the reporting period. The Group does not anticipate significant supply disruptions and would continuing monitor its funding and operational needs.

LIST OF PROPERTIES OF THE GROUP

as at 31 December 2020

No.	Location/Address	Year of Acquisition/ Completion	Tenure	Date of Expiry of Lease	Age of Building (Years)	Land area/ Built up area as at 31/12/2020	Description/ Existing Use	Carrying Amounts as at 31/12/2020 RM'000
1	PN 30649 & PN30650 Lot 212 & 213 Mukim Bandar Damansara Daerah Petaling, Selangor	2013	Leasehold	30/12/2114	N/A	6.41 acres	Land being used for residential and commercial development	**151,252**
2	Lot 1524 HS(D) 3059/95 Padang Meha Kulim, Kedah	2002	Freehold	N/A	N/A	91.87 acres	Land being used for residential and commercial development	**31,968**
3	PN 3697, Lot 53 Seksyen 13, Bandar Petaling Jaya Daerah Petaling, Selangor	2013	Leasehold	20/11/2066	N/A	1.99 acres	Land being used for residential and commercial development	**44,309**
4	Mukim 7 Daerah Seberang Perai Selatan Nibong Tebal, Pulau Pinang	2006	Freehold	N/A	N/A	2.16 acres	Land to be used for residential, commercial and industrial development	**3,393**
5	Lot 58453 Hak Milik 46467 Mukim Batu Kepong, Kuala Lumpur	2015	Leasehold	16/03/2116	N/A	2.09 acres	Land being used for residential and commercial development	**16,950**
6	PN3697, Lot 53 Seksyen 13 Bandar Petaling Jaya, Daerah Petaling, Selangor	2015	Leasehold	20/11/2066	6	761.81 sq.metres	Sales Gallery	**624**
7	Lot 4183 Padang Meha Kulim, Kedah	2014	Freehold	N/A	7	130 sq.metres	Sales Gallery	**291**
	TOTAL							**248,787**

ANALYSIS OF SHAREHOLDINGS

as at 2 April 2021

(A) ANALYSIS OF SHAREHOLDINGS as at 8 May 2020

Issued and Paid-up Share Capital	:	546,944,126 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	1) One vote per shareholder on a show of hands
		2) One vote per ordinary share on a poll

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholdings
Less than 100	418	13.24	16,080	0.00
100 - 1,000	199	6.31	88,374	0.02
1,001 - 10,000	1,375	43.57	8,600,473	1.57
10,001 - 100,000	997	31.59	32,906,857	6.02
100,001 – 27,347,206 (less than 5% of issued shares)	163	5.16	143,472,070	26.23
27,347,206 (5% of issued shares) and above	4	0.13	361,860,272	66.16
TOTAL	3,156	100.00	546,944,126	100.00

THIRTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1.	Teladan Kuasa Sdn. Bhd.	148,524,802	27.16
2.	Mulpha International Bhd.	121,298,860	22.18
3.	Dato' Lim Chee Meng	47,872,000	8.75
4.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Dato' Low Keng Siong (8125104)	44,164,610	8.07
5.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ghazie Yeoh Bin Abdullah	23,939,619	4.38
6.	Redtone International Berhad	19,500,000	3.57
7.	Tee Tiam Lee	11,449,000	2.09
8.	Luis Chi Leung Tong	7,058,800	1.29
9.	RHB Capital Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Dato' Low Keng Siong	6,100,000	1.12
10.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lau Lian Huat	5,841,000	1.07

ANALYSIS OF SHAREHOLDINGS (cont'd)
as at 2 April 2021

No.	Name of Shareholders	No. of Shares	%
11.	Lim Chee Khang	5,598,900	1.02
12.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Yau Kok Seng (001)	5,012,498	0.92
13.	Goh Kian Sin	3,968,800	0.73
14.	Puncak Kuasa Sdn. Bhd.	2,722,276	0.50
15.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tommy Bin Bugo @ Hamid Bin Bugo	2,400,000	0.44
16.	Maybank Nominees (Tempatan) Sdn. Bhd. - Low Wui Li	1,637,600	0.30
17.	Chan Ha	1,500,000	0.27
18.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Exempt An For OCBC Securities Private Limited (Client A/C-R ES)	1,425,600	0.26
19.	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tang Kie Ung (E-BTL)	1,280,400	0.23
20.	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Rewi Hamid Bugo (E-PDG)	1,188,000	0.22
21.	Rewi Hamid Bugo	1,161,700	0.21
22.	Cheam Ai Na	1,000,000	0.18
23.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ng Soon Teong (Solaris-CL)	908,400	0.17
24.	Lye Foong Thye	897,600	0.16
25.	Yeoh Kian Chin	867,200	0.16
26.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Chuan Dyi (6000364)	850,000	0.16
27.	Siew Mon Chun	833,320	0.15
28.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teh Siew Wah (021)	800,000	0.15
29.	Clarence Gerard Boudville	792,000	0.14
30.	Tan Chin Seng	790,000	0.14

ANALYSIS OF SHAREHOLDINGS (cont'd)
as at 2 April 2021

	Direct		Indirect	
Name of Shareholders	No. of Shares	%	No. of Shares	%
Teladan Kuasa Sdn. Bhd.	148,524,802	27.16	–	–
Ketapang Capital Sdn. Bhd.	–	–	148,524,802[a]	27.16
Datuk Fakhri Yassin bin Mahiaddin	–	–	148,524,802[b]	27.16
Mulpha International Bhd.	121,298,860	22.18	–	–
Nautical Investments Limited	–	–	121,298,860[c]	22.18
Mountbatten Corporation	–	–	121,298,860[d]	22.18
Mount Glory Investments Limited	–	–	121,298,860[e]	22.18
Lee Ming Tee	–	–	121,298,860[f]	22.18
Lee Seng Huang	–	–	121,298,860[g]	22.18
Dato' Low Keng Siong	50,264,610	9.19	–	–
Dato' Lim Chee Meng	47,872,000	8.75	–	–

DIRECTORS' SHAREHOLDINGS IN THRIVEN GLOBAL BERHAD

	Direct		Indirect	
Name of Directors	No. of Shares	%	No. of Shares	%
Datuk Fakhri Yassin bin Mahiaddin	–	–	148,524,802[b]	27.16
Ghazie Yeoh bin Abdullah	23,939,619	4.38	–	–
Dato' Low Keng Siong	50,264,610	9.19	–	–
Lim Kok Beng	100,000	0.02	–	–
Henry Choo Hon Fai	–	–	–	–
Rewi Hamid Bugo	2,349,700	0.43	2,888,400[h]	0.53
Lee Eng Leong	–	–	–	–

ANALYSIS OF SHAREHOLDINGS (cont'd)
as at 2 April 2021

Notes:

a Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of its shareholding in Teladan Kuasa Sdn. Bhd.

b Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his shareholding in Ketapang Capital Sdn. Bhd.

c Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of its shareholding in Mulpha International Bhd.

d Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of its shareholding in Nautical Investments Limited.

e Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of its shareholding in Mountbatten Corporation.

f Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his shareholding in Mount Glory Investments Limited.

g Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his family relationship with Lee Ming Tee.

h Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his shareholding in Santubong Properties Sdn. Bhd. and indirect interest through shareholding by his father in the Company.

NOTICE OF 32ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 32nd Annual General Meeting ("**AGM**") of Thriven Global Berhad will be held at Bilik Seminar, Rumah Kelab Persatuan Alumni Universiti Malaya, Lot 10476, Jalan Susur Damansara, Off Jalan Gegambir, 50480 Kuala Lumpur on Thursday, 17 June 2021 at 2.00 p.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the Financial Statements for the financial year end 31 December 2020 together with the Directors' and Auditors' Reports thereon. *(Please refer to Explanatory Note to the Agenda)*
2. To re-elect Encik Ghazie Yeoh Bin Abdullah who retires by rotation pursuant to Clause 88 of the Constitution of the Company and being eligible, has offered himself for re-election. *(Ordinary Resolution 1)*
3. To re-elect Mr. Henry Choo Hon Fai who retires by rotation pursuant to Clause 88 of the Constitution of the Company and being eligible, has offered himself for re-election. *(Ordinary Resolution 2)*
4. To approve the payment of Non-Executive Directors' fees and benefits up to an amount of RM195,300.00 for the period from 1 July 2021 until the 33rd AGM of the Company to be held in 2022, to be paid monthly. *(Ordinary Resolution 3)*
5. To re-appoint BDO PLT (LLP0018825-LCA & AF0206) as the Company's auditors and to authorise the Board of Directors to determine their remuneration. *(Ordinary Resolution 4)*

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Resolutions:-

6. **Authority for Directors to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016** *(Ordinary Resolution 5)*

   "THAT subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being.

   AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

NOTICE OF
32^{ND} ANNUAL GENERAL MEETING (cont'd)

7. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature** *(Ordinary Resolution 6)*

"THAT approval be and is hereby given to the Company and its subsidiaries ("Thriven Group") to enter into recurrent related party transactions from time to time with Thriven Group's related parties, which are necessary for the day-to-day operations as set out in Section 2.3.1 of the Circular to Shareholders dated 30 April 2021 subject to the following:-

(i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and

(ii) the aggregate value of such transactions conducted pursuant to the Shareholders' Mandate during the financial year will be disclosed in the Annual Report for the said financial year;

AND THAT such approval shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the Meeting the authority is renewed; or

(b) the expiration of the period within which the next AGM of the Company subsequent to the date it is required to be held pursuant to Section 340(2) of Companies Act 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earliest.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

8. **Retention of Independent Non-Executive Director of the Company** *(Ordinary Resolution 7)*

"THAT approval be and is hereby given to Mr. Lim Kok Beng, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2017."

9. **Retention of Independent Non-Executive Director of the Company** *(Ordinary Resolution 8)*

"THAT subject to passing of Ordinary Resolution 2, approval be and is hereby given to Mr. Henry Choo Hon Fai, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2017."

NOTICE OF
32ND ANNUAL GENERAL MEETING (cont'd)

10. To transact any other business of which due notice shall have been given.

By Order of the Board
SEET WAN SING (BC/S/1491/PC No. 202008000746)
TAN LAI HONG (MAICSA 7057707/PC No. 202008002309)
Company Secretaries

Kuala Lumpur
30 April 2021

NOTES:

1. The Securities Commission Malaysia had issued a Guidance and FAQs on the Conduct of General Meetings for Listed Issuers ("SC Guidance"). The Malaysian National Security Council had issued a Standard Operation Procedures ("SOP") for government and private events, including meetings. Please refer to our Administrative Guide for details, which has incorporated the provisions of the SC Guidance and the SOP.
2. Pursuant to the SOP, a health screening counter will be set up for the purpose of health screening at the venue. *Patient under Investigation* (PUI) and *Person under Surveillance* (PUS) are not allowed to enter the venue.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company, may appoint more than 1 proxy (pursuant to clause 82 of the Constitution) to attend and vote at the same meeting.
4. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the proxy shall have the same rights as the member to speak at the meeting.
5. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.
7. Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or under the hand of its officer duly authorised.
9. The instrument appointing a proxy must be deposited with Boardroom Share Registrar Sdn. Bhd. at Ground Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. Please refer to our Administrative Guide if you wish to lodge the instrument of proxy via e-mail and if you do so, kindly remind your proxy to bring with him/her the original form of proxy and his/her identity card for registration.
10. Only members whose names appear in the Record of Depositors as at 11 June 2021 shall be entitled to attend, speak and vote at this meeting.
11. Registration will commence at 12:30 p.m. and close at 3:00 p.m. or upon commencement of poll, whichever is earlier on the day of the meeting. Members and proxies are advised to be punctual. For verification purposes, members and proxies are required to produce their original identification card at the registration counter.

NOTICE OF
32^{ND} ANNUAL GENERAL MEETING (cont'd)

12. No door gift nor food/refreshments will be provided by the Company. Please refer to our Administrative Guide for details.
13. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements, all resolutions set out in the Notice of 32^{nd} AGM will be put to vote by poll. Independent Scrutineers will be appointed to observe the polling and verify the poll results.

Explanatory Notes to the Agenda:

Item 1 of the Agenda

This item of the Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require formal approval of the shareholders. Hence, this item is not put forth for voting.

Items 2 and 3 of the Agenda

Clause 88 of the Constitution provides that at the first AGM of the Company all the Directors shall retire from office, and at the AGM in subsequent year one-third of the Directors for the time being, or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office and an election of directors shall take place each year. All Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

With the current Board size of seven (7) directors, two (2) Directors namely Encik Ghazie Yeoh Bin Abdullah and Mr. Henry Choo Hon Fai, being the longest in office since their last election are to retire in accordance with Clause 88 of the Constitution.

Item 4 of the Agenda

Section 230(1) of the Companies Act 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to directors of a listed company and its subsidiaries shall be approved at a general meeting.

In this respect, the Company is seeking shareholders' approval for the payment of Directors' fees and benefits of RM195,300.00 for the period from 1 July 2021 until the 33rd AGM of the Company to be held in 2022, to be paid monthly.

The estimated amount payable is based on the assumption that the Company maintain its existing Board composition. In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional benefits to meet the shortfall.

The proposed payment of benefits comprises meeting and training allowances payable to the Chairman and members of the Board and Board Committees.

Item 6 of the Agenda

Authority for Directors to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 5 is to empower the Directors to issue and allot shares in the Company up to an aggregate amount not exceeding 10% of the total issued share capital of the Company for such purposes as they consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Item 7 of the Agenda

Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Please refer to the Circular to Shareholders dated 30 April 2021.

NOTICE OF
32ND ANNUAL GENERAL MEETING (cont'd)

Item 8 of this Agenda

Retention of Independent Non-Executive Director of the Company

The Nomination Committee has assessed the independence of Mr. Lim Kok Beng ("Mr. Lim") who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and arising therefrom, the Board agree with the recommendation of the Nomination Committee that he would continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

i) Mr. Lim fulfilled the criteria under the definition of "Independent Director" as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and thus, he would be able to function as a check and balance, and bring an element of objectivity and independent judgment to the Board.

ii) Mr. Lim has performed his duties diligently and in the best interest of the Company without being subject to influence of the management.

iii) Mr. Lim has devoted sufficient time in attending Board meetings and has participated in board discussions.

iv) Mr. Lim, who is Chairman of the Audit And Risk Management Committee, has vast experience in the accounting and audit industry, which enabled him to provide constructive advice, expertise and independent judgment.

v) Mr. Lim is a fellow of the Institute of Chartered Accountants in England & Wales and a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Accordingly, the Company complies with paragraph 15.09(1)(c)(i) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

Pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance published in April 2017, the tenure of an independent director should not exceed a cumulative term limit of 9 years. Upon completion of the 9 years, an independent director may continue to serve on the Board but will be redesignated as a non-independent director.

In order for an independent director to continue to serve on the Board as an independent director after the 12th year, shareholders' approval must be sought through a two-tier process and the Board must provide justifications for the retention.

Under the two-tier voting process, shareholders' votes will be cast in the following manner at the same shareholders meeting:

- Tier 1: Only the ***Large Shareholder(s)** of the Company votes; and
- Tier 2: Shareholders **other than *Large Shareholders** votes

***Large Shareholder** means a person who –

- is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company;
- is the largest shareholder of voting shares in the Company;
- has the power to appoint or cause to be appointed a majority of the directors of the Company; or
- has the power to make or cause to be made, decisions in respect of the business or administration of the Company, and to give effect to such decisions or cause them to be given effect to.

The decision for the resolution is determined based on the vote of Tier 1 and a **simple majority** of Tier 2. If there is more than one Large Shareholder, a **simple majority** of votes determine the outcome of Tier 1 vote. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. However, the resolution is deemed to be defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

NOTICE OF
32ND ANNUAL GENERAL MEETING (cont'd)

Item 9 of this Agenda

Retention of Independent Non-Executive Director of the Company

The Nomination Committee has assessed the independence of Mr. Henry Choo Hon Fai ("Mr. Choo"), who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and arising therefrom, the Board agreed with the recommendation of the Nomination Committee that he would continue to act as Independent Non-Executive Director based on the following justifications:-

i) Mr. Choo fulfilled the criteria under the definition of "Independent Director" as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and thus, he would be able to function as a check and balance, and bring an element of objectivity and independent judgment to the Board.

ii) Mr. Choo has performed his duties diligently and in the best interest of the Company without being subject to influence of the management.

iii) Mr. Choo has devoted sufficient time in attending Board meetings and has participated in board discussions.

Pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance published in April 2017, the tenure of an independent director should not exceed a cumulative term limit of 9 years. Upon completion of the 9 years, an independent director may continue to serve on the Board but will be redesignated as a non-independent director.

In order for an independent director to continue to serve on the Board as an independent director after the 12th year, shareholders' approval must be sought through a two-tier process and the Board must provide justifications for the retention.

Under the two-tier voting process, shareholders' votes will be cast in the following manner at the same shareholders meeting:

- Tier 1: Only the ***Large Shareholder(s)** of the Company votes; and
- Tier 2: Shareholders **other than *Large Shareholders** votes

***Large Shareholder** means a person who –

- is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company;
- is the largest shareholder of voting shares in the Company;
- has the power to appoint or cause to be appointed a majority of the directors of the Company; or
- has the power to make or cause to be made, decisions in respect of the business or administration of the Company, and to give effect to such decisions or cause them to be given effect to.

The decision for the resolution is determined based on the vote of Tier 1 and a **simple majority** of Tier 2. If there is more than one Large Shareholder, a **simple majority** of votes determine the outcome of Tier 1 vote. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. However, the resolution is deemed to be defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

NOTICE OF
32ND ANNUAL GENERAL MEETING (cont'd)

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

No notice in writing has been received by the Company nominating any candidate for election as Director at the 32nd AGM of the Company. The Directors who are due for retirement and seeking for re-election pursuant to the Company's Constitution are as set out in the Notice of 32nd AGM and their profile are set out in the Directors' Profile in the Annual Report 2020.

Authority for Directors to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016

This is a mandate to be obtained from the shareholders of the Company to empower the Directors of the Company to issue and allot shares up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company.

This authority unless revoked or varied by the Company at a general meeting will expire at the next AGM.

The Board is of the view that this mandate is in the best interest of the Company as it would provide flexibility to the Company for any possible fund raising exercise, including but not limited for further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions. This authority is to avoid any delay and cost involved in convening a general meeting to approve such issuance of shares.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 31st AGM held on 28 July 2020 and which will lapse at the conclusion of the 32nd AGM to be held on 17 June 2021.

THRIVEN GLOBAL BERHAD
[Registration No. 198901005042 (182350-H)]
Incorporated in Malaysia under the Companies Act, 1965

CDS Account No.	
No. of Shares Held	

PROXY FORM

I/We ____

(NRIC/Passport/Company No. ____________________________________) of

____

being a member/members of the Comapny, hereby appoint ____________________________

____________________________ NRIC/Passport No. ____________________________

of ____

and/or____________________________ NRIC/Passport No. ____________________________

of ____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty-Second Annual General Meeting of the Company to be held at Bilik Seminar, Rumah Kelab Persatuan Alumni Universiti Malaya, Lot 10476, Jalan Susur Damansara, Off Jalan Gegambir, 50480 Kuala Lumpur on **Thursday, 17 June 2021 at 2.00 p.m.** and at any adjournment thereof.

Please indicate with 'X' in the space below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion.

ORDINARY RESOLUTIONS		FOR	AGAINST
Resolution 1	Re-election of Encik Ghazie Yeoh Bin Abdullah who retires by rotation pursuant to Clause 88 of the Constitution of the Company and being eligible, has offered himself for re-election		
Resolution 2	Re-election of Mr. Henry Choo Hon Fai who retires by rotation pursuant to Clause 88 of the Constitution of the Company and being eligible, has offered himself for re-election		
Resolution 3	Approval of the payment of Non-Executive Directors' fees and benefits up to an amount of RM195,300.00 for the period from 1 July 2021 until the 33rd Annual General Meeting of the Company to be held in 2022, to be paid monthly		
Resolution 4	Re-appointment of BDO PLT as Auditors and to authorise the Board of Directors to determine their remuneration		
Resolution 5	Authority to issue shares and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
Resolution 6	Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
Resolution 7	Retention of Mr. Lim Kok Beng as Independent Non-Executive Director of the Company		
Resolution 8	Retention of Mr. Henry Choo Hon Fai as Independent Non-Executive Director of the Company		

Dated this _______ day of __________________ 2021

____
Signature of Member

If shareholder is a corporation, this part should be executed under seal or under the hand of its officer or attorney duly authorised.

For appointment of 2 proxies, the percentage of shareholdings to be represented by the proxies:-

	No. of Shares	Percentage
1st Proxy		%
2nd Proxy		%
Total:		100 %

NOTES:

1. The Securities Commission Malaysia had issued a Guidance and FAQs on the Conduct of General Meetings for Listed Issuers ("SC Guidance"). The Malaysian National Security Council had issued a Standard Operation Procedures ("SOP") for government and private events, including meetings. Please refer to our Administrative Guide for details, which has incorporated the provisions of the SC Guidance and the SOP.
2. Pursuant to the SOP, a health screening counter will be set up for the purpose of health screening at the venue. Patient under Investigation (PUI) and Person under Surveillance (PUS) are not allowed to enter the venue.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company, may appoint more than 1 proxy (pursuant to clause 82 of Constitution) to attend and vote at the same meeting.
4. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the proxy shall have the same rights as the member to speak at the meeting.
5. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.
7. Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or under the hand of its officer duly authorised.
9. The instrument appointing a proxy must be deposited with Boardroom Share Registrar Sdn. Bhd. at Ground Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. Please refer to our Administrative Guide if you wish to lodge the instrument of proxy via e-mail and if you do so, kindly remind your proxy to bring with him/her the original form of proxy and his/her identity card for registration.
10. Only members whose names appear in the Record of Depositors as at 11 June 2021 shall be entitled to attend, speak and vote at this meeting.
11. Registration will commence at 12:30 p.m. and close at 3:00 p.m. or upon commencement of poll, whichever is earlier on the day of the meeting. Members and proxies are advised to be punctual. For verification purposes, members and proxies are required to produce their original identification card at the registration counter.
12. No door gift nor food/refreshments will be provided by the Company. Please refer to our Administrative Guide for details.
13. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements, all resolutions set out in the Notice of 32nd AGM will be put to vote by poll. Independent Scrutineers will be appointed to observe the polling and verify the poll results.

FOLD THIS FLAP TO SEAL

2ND FOLD HERE

AFFIX
STAMP
HERE

THRIVEN GLOBAL BERHAD
[Registration No. 198901005042 (182350-H)]

Boardroom Share Registrar Sdn. Bhd.
Ground Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan

1ST FOLD HERE

Lift Lobby of Play Tower, Lumi Tropicana

THRIVEN

Thriven Global Berhad
[Registration No. 198901005042 (182350-H)]

Level 23A, Menara LGB
1, Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur

Main Line : +603 7688 1266
Sales Line : 1700 81 8981
Fax Line : +603 7688 1277

thriven.com.my