

TRIVE PROPERTY GROUP BERHAD

Registration No. 200401029337 (667845-M)

(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE FULLY VIRTUAL EXTRAORDINARY GENERAL MEETING OF TRIVE PROPERTY GROUP BERHAD (“TRIVE” OR “THE COMPANY”) HELD AT THE BROADCAST VENUE AT LEVEL 4, MENARA LIEN HOE, NO. 8, PERSIARAN TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON WEDNESDAY, 9 DECEMBER 2020 AT 11.00 A.M.

SUMMARY OF KEY MATTERS DISCUSSED

| Queries from MSWG | Replies |
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| <p>1. Persoft Tower’s occupancy rate was 38% as at September 2020. Gross annual rental income of Persoft Tower has declined since FYE2018 to RM1.9 million (FYE2019: RM2.2 million) (Section 2.2, page 4 of the Circular dated 24 November 2020 (“Circular”). Trive acquired 60% equity interest of Avenue Escape Sdn Bhd (“AESB”) on 12 March 2019 when the market value of Persoft Tower was RM85 million (circular dated 22 April 2019). In relation to the proposed acquisition of the remaining 40% of equity interest in AESB (“Proposed Acquisition”), Persoft Tower’s market value is RM83.4 million (Section 2.2, page 4 of Circular).</p> <p>(a) AESB is a 60% subsidiary of Trive, its financial results are consolidated by the Group and Trive has control over AESB. Given the low occupancy rate, the declining rental income of Persoft Tower and its market value, what is the urgency to acquire the remaining 40% equity interest in AESB with cash?</p> <p>(b) Many businesses have been impacted by Covid-19 pandemic, is it viable to spend RM9.9 million cash for the 40% equity interest in AESB when the return on investment of the earlier acquisition of 60% equity interest in AESB has yet to be seen?</p> | <p>Notwithstanding the current low occupancy rate and rental income as well as the current COVID-19 pandemic, the Group is optimistic over the future prospects of Persoft Tower given its strategic location, good accessibility and MSC status as further elaborated in Section 6.1 of the Circular. To this end, the Group is in the midst of formulating a plan for asset enhancement initiatives to be undertaken on Persoft Tower, including the possibility of renovating and converting Persoft Tower into a boutique hotel. In view thereof, the Proposed Acquisition would allow the Group to obtain full control over the future plans on Persoft Tower and fully derive all the future benefits that may be accrued arising from asset enhancement initiatives to be invested by Trive on Persoft Tower.</p> <p>The Group is also optimistic that the COVID-19 pandemic will be contained eventually and that economic recovery will be seen in due course. Hence, the enhancement of Persoft Tower would prepare it to capitalise on the anticipated rebound in economic activities and consumer spending once the COVID-19 pandemic is gradually contained in the future.</p> |

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| <p>2. Currently, the Group is in the midst of formulating a plan for asset enhancement initiatives to be undertaken on Persoft Tower and this may include, amongst others, renovating and converting Persoft Tower into a boutique hotel or for other mixed use, subject to the relevant commercial viability and feasibility studies (Section 6.1, page 24 of Circular).</p> <p>When Trive acquired AESB on 12 March 2019, the Company made a similar statement that it intends to embark on asset enhancement initiatives to improve the condition of Persoft Tower upon full review of the condition of Persoft Tower (circular dated 22 April 2019).</p> <p>(a) It has been more than a year since Trive first acquire AESB, please elaborate further on the reasons for approving the Proposed Acquisition when it appears that there were no concrete plans on Persoft Tower's enhancement initiatives?</p> <p>(b) Does Trive have the competitive edge to venture into the boutique hotel business given that the hotel industry is badly impacted by the Covid-19 pandemic?</p> <p>3. The full repayment of the Term Loan may be subjected to an early settlement fee (Section 5 (ii), page 22 of Circular).</p> <p>What is the estimated amount of the early settlement fee which the Group may need to incur?</p> | <p>The plans for asset enhancement are still in the midst of being formulated and continuously refined given the recent outbreak of COVID-19. As the COVID-19 situation currently remains fluid and uncertain, the Group is unable to finalise its plans at this juncture. Notwithstanding that, the Group is confident of formulating a viable plan to enhance the condition of Persoft Tower. Coupled with its strategic location and good accessibility, the enhanced version of Persoft Tower is expected to generate a better return on investment for the Group. To this end, the Proposed Acquisition will allow the Group to obtain full control over the future plans of Persoft Tower, thus allowing for a smoother and easier undertaking of any asset enhancement initiatives as the Group may desire moving forward.</p> <p>Notwithstanding the current impact of the COVID-19 pandemic to the hotel industry, the Group is also optimistic that the hotel industry will gradually recover in line with the anticipated rebound in economic activities and consumer spending once the COVID-19 pandemic is gradually contained. To this end, the refurbishment of Persoft Tower into a boutique hotel, coupled with its strategic location and good accessibility, would allow the Group to capitalise on the potential rebound in the hotel industry in the future.</p> <p>The estimated early settlement fee to be incurred is approximately RM1.0 million.</p> |