

MILUX CORPORATION BERHAD (313619-W)
 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE PERIOD ENDED 31 MARCH 2015

	Individual Quarter		Cumulative Period	
	Current year	Preceding year	Current year	Preceding year
	quarter	quarter	to date	to date
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
	RM'000	RM'000	RM'000	RM'000
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
Revenue	18,041	12,878	18,041	12,878
Cost of Sales	<u>(15,017)</u>	<u>(10,270)</u>	<u>(15,017)</u>	<u>(10,270)</u>
Gross Profit	3,024	2,608	3,024	2,608
Administration and general expenses	(2,375)	(2,412)	(2,375)	(2,412)
Selling and distribution expenses	(1,135)	(1,010)	(1,135)	(1,010)
Other income	<u>631</u>	<u>227</u>	<u>631</u>	<u>227</u>
Profit/(Loss) from Operations	145	(587)	145	(587)
Finance costs	<u>(55)</u>	<u>(58)</u>	<u>(55)</u>	<u>(58)</u>
Profit/(Loss) before tax	90	(645)	90	(645)
Taxation	<u>(429)</u>	<u>(108)</u>	<u>(429)</u>	<u>(108)</u>
Loss for the period	(339)	(753)	(339)	(753)
Other Comprehensive Income	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Total Comprehensive loss for the period	<u>(338)</u>	<u>(753)</u>	<u>(338)</u>	<u>(753)</u>
Loss attributable to:				
Owners of the parent	(339)	(753)	(339)	(753)
Non-controlling Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(339)</u>	<u>(753)</u>	<u>(339)</u>	<u>(753)</u>
Total Comprehensive loss attributable to:				
Owners of the parent	(338)	(753)	(338)	(753)
Non-controlling Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(338)</u>	<u>(753)</u>	<u>(338)</u>	<u>(753)</u>
Earnings / (Loss) per share attributable to owners of the parent				
- Basic (sen)	(0.62)	(1.49)	(0.62)	(1.49)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes.

MILUX CORPORATION BERHAD (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015

	UNAUDITED	AUDITED
	AS AT	AS AT
	31 Mar 2015	31 Dec 2014
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, Plant & Equipment	9,056	9,319
Other Investments	62	61
Intangible Assets	37	76
Goodwill on consolidation	782	782
	<u>9,937</u>	<u>10,238</u>
Current Assets		
Inventories	16,832	20,216
Trade and Other Receivables	15,319	13,839
Deposits With Licensed Banks	5,632	5,563
Cash & Cash Equivalents	6,843	6,560
	<u>44,626</u>	<u>46,178</u>
Assets held for Sale	487	487
	<u>487</u>	<u>487</u>
TOTAL ASSETS	<u>55,050</u>	<u>56,903</u>
EQUITY AND LIABILITIES		
Share Capital	54,411	54,411
Reserves	(7,023)	(6,685)
Total equity attributable to the owners of the parent	<u>47,388</u>	<u>47,726</u>
Non-controlling Interest	-	-
Total Equity	<u>47,388</u>	<u>47,726</u>
Non Current Liabilities		
Deferred tax liabilities	335	248
Government grant	100	106
Long-term borrowings	212	317
	<u>647</u>	<u>671</u>
Current Liabilities		
Trade and Other Payables	3,965	3,612
Bank Borrowings	2,653	4,767
Taxation	397	127
	<u>7,015</u>	<u>8,506</u>
Total Liabilities	<u>7,662</u>	<u>9,177</u>
TOTAL EQUITY AND LIABILITIES	<u>55,050</u>	<u>56,903</u>
Net Assets Per Share attributable to owners of the parent (RM)	0.87	0.88

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and Annual Financial Report for year ended 31 December 2014.

MILUX CORPORATION BERHAD (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2015

	<-----Attributable to owners of the parent----->							
	<----- Non-Distributable ----->			Distributable				
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling RM'000	Total RM'000
Unaudited								
<u>3-months ended 31 March 2014</u>								
At 31 December 2013/								
1 January 2014	49,465	1,024	-	1	(3,808)	46,682	-	46,682
Total comprehensive loss for the period	-	-	-	-	(753)	(753)	-	(753)
Transaction with owners:								
Issue of shares	4,946	149	-	-	-	5,095	-	5,095
As at 31 March 2014	<u>54,411</u>	<u>1,173</u>	<u>-</u>	<u>1</u>	<u>(4,561)</u>	<u>51,024</u>	<u>-</u>	<u>51,024</u>
Unaudited								
<u>3-months ended 31 March 2015</u>								
At 31 December 2014/								
1 January 2015	54,411	1,173	-	1	(7,859)	47,726	-	47,726
Total comprehensive loss for the period	-	-	-	1	(339)	(338)	-	(338)
Transaction with owners:								
Issue of shares	-	-	-	-	-	-	-	-
As at 31 March 2015	<u>54,411</u>	<u>1,173</u>	<u>-</u>	<u>2</u>	<u>(8,198)</u>	<u>47,388</u>	<u>-</u>	<u>47,388</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

MILUX CORPORATION BERHAD (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2015

	3 months ended 31/03/2015 RM'000	3 months ended 31/03/2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before income tax	90	(645)
Adjustments for :-		
Amortisation of research and development expenditure	39	47
Amortisation of government grant	(5)	(5)
Depreciation	360	346
Property, plant and equipments written off	-	34
(Gain)/Loss on disposal of property, plant and equipments	-	(38)
Interest expenses	55	58
Interest income	(49)	(39)
Operating Profit Before Working Capital Changes	490	(242)
Changes in working capital		
Decrease in Inventories	3,385	1,323
Increase in Receivables	(1,460)	(1,316)
Increase in Payables	353	(1,182)
Cash Generated From Operations	2,768	(1,417)
Income tax refunded	10	-
Income tax paid	(102)	(51)
Net cash from operating activities	2,676	(1,468)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	49	39
Proceeds from disposal of property, plant & equipment	-	38
Proceeds from issuance of ordinary shares	-	5,095
Net (placement)/withdrawal of Fixed Deposits	(69)	(100)
Purchase of property, plant and equipment	(98)	(134)
Net cash (used in)/from investing activities	(118)	4,938
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(55)	(58)
Banker Acceptance	(2,114)	(1,612)
Payment of hire purchase payable	(105)	(99)
Net cash used in financing activities	(2,274)	(1,769)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	284	1,701
CASH AND CASH EQUIVALENT AT BEGINNING	6,559	6,217
CASH AND CASH EQUIVALENTS AT END	6,843	7,918
Represented by		
Cash and bank balances	6,843	7,918
	6,843	7,918

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

Notes to interim financial report

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and the applicable disclosure provisions laid down in Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014 and the accompanying notes attached to these interim financial statements. Within the context of these condensed consolidated financial statements, the Group comprises the Company and its subsidiaries.

The significant accounting policies adopted by the Group in this Report are consistent with those adopted in the Audited Financial Statements of the Group for the financial period ended 31 December 2014 except for the adoption of the following new/revised MFRSs and Amendments to MFRSs that are effective for financial periods as follows:

Effective for annual financial periods beginning on or after 1 July 2014:

Amendments to MFRS 119 *Defined Benefit Plans: Employee Contributions*

Annual improvements to MFRSs 2010-2012 Cycle

Annual improvements to MFRSs 2011-2013 Cycle

The adoption of the above new and revised MFRSs have no material effects on the financial statements.

The Group has not adopted the following Standards and Amendments issued by the Malaysian Accounting Standards Board [“MASB”] which are not yet effective.

A1. Basis of preparation (cont'd)

Effective for annual financial periods beginning on or after 1 January 2016:

MFRS 14	<i>Regulatory Deferred Accounts</i>
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>
Amendments to MFRS 10, MFRS 12 and MFRS 128	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to MFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
Amendments to MFRS 101	<i>Disclosure Initiative</i>
Amendments to MFRS 116 and MFRS 138	<i>Clarification of Acceptable Methods of Depreciation and amortisation</i>
Amendments to MFRS 116 and MFRS 141	<i>Agriculture: Bearer Plants</i>
Amendments to MFRS 127	<i>Equity Method in Separate Financial Statements</i>
Annual improvements to MFRSs 2012-2014 Cycle	

Effective for annual financial periods beginning on or after 1 January 2017:

MFRS 15	<i>Revenue from Contracts with Customers</i>
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Effective for annual financial periods beginning on or after 1 January 2018:

MFRS 9	<i>Financial Instruments</i>
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MFRS 14, Amendments to MFRS 11, 128 and 141 will not have any financial impact to the Group and the Company as it is not relevant to the Group's and the Company's operations.

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material impact to the financial statements of the Group and the Company upon their initial application except MFRS 9.

A2. Audit qualification

The preceding year annual financial statements of the Group were not subject to any qualification by its Auditors.

A3. Seasonal or cyclical factors

The Group's sales are generally dependent on the Malaysian economy and consumer confidence and are normally enhanced prior to festive seasons.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flow

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group in the quarterly financial statements under review.

A5. Material changes in estimates

There were no material changes in estimates in the quarterly financial statements under review.

A6. Issuances, cancellation, repurchase, resale and repayment of debts and equity securities

There were no issuances, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter under review.

A7. Dividends paid

No dividends were paid during the current quarter under review.

A8. Segmental information

The main business segments of the Group comprise the following :

Home appliances -Manufacturer and dealer in household appliances and their related products.

Others -Investment holding and provision of management services and rental income

Segment information in respect of the Group's business segments for the period under review is presented in Page 8 of this Interim Financial Report.

A8. Segmental information (cont'd)

	Quarter ended 31/03/2015 RM '000	Quarter ended 31/03/2014 RM '000	YTD ended 31/03/2015 RM '000	YTD ended 31/03/2014 RM '000
<u>External Revenue</u>				
Home appliances	18,041	12,878	18,041	12,878
Others	-	-	-	-
	18,041	12,878	18,041	12,878
<u>Inter-segment</u>				
Home appliances	5,741	5,446	5,741	5,446
Others	143	104	143	104
Elimination	(5,884)	(5,550)	(5,884)	(5,550)
	-	-	-	-
Total Revenue	18,041	12,878	18,041	12,878
<u>Segment Results</u>				
Home appliances	(279)	(673)	(279)	(673)
Others	(207)	(181)	(207)	(181)
Elimination	-	1	-	1
	(486)	(853)	(486)	(853)
<u>Other Income</u>				
Home appliances	576	222	576	222
Others	6	5	6	5
	582	227	582	227
<u>Interest expense</u>				
Home appliances	(55)	(58)	(55)	(58)
Others	-	-	-	-
	(55)	(58)	(55)	(58)
<u>Interest income</u>				
Home appliances	49	39	49	39
Others	-	-	-	-
	49	39	49	39
<u>Profit/(Loss) before taxation</u>				
Home appliances	291	(470)	291	(470)
Others	(201)	(175)	(201)	(175)
	90	(645)	90	(645)
<u>Tax expense</u>				
Home appliances	(428)	(108)	(428)	(108)
Others	(1)	-	(1)	-
	(429)	(108)	(429)	(108)
Loss for the period				
Home appliances	(137)	(578)	(137)	(578)
Others	(202)	(175)	(202)	(175)
	(339)	(753)	(339)	(753)
Fair Value gain on Available for sale financial asset	1	-	1	-
Total Comprehensive loss for the period	(338)	(753)	(338)	(753)

A9. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A10. Material subsequent events

There were no material events subsequent to the current financial quarter ended 31 March 2015 up to the date of this interim financial report which is likely to substantially affect the results of the operations of the Group.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review. Milux Agro Resources Sdn. Bhd., a subsidiary of the Company changed its name to Milux GreenTech Resources Sdn. Bhd. on 31 March 2015.

A12. Contingent liabilities

The Company has given corporate guarantees to financial institution for banking and hire purchase facilities extended by them to certain subsidiaries which amounted to RM 15.14 million as at 31 March 2015. The contingent liabilities of its subsidiaries pertaining to the facilities utilised as at 31 March 2015 amounted to RM2.37 million.

A13. Capital commitments

There was no capital commitment as at 31 March 2015.

A14. Related party disclosures

Transactions with related parties during the period ended 31 March 2015 :

	Quarter ended 31/03/2015 RM '000	Quarter ended 31/03/2014 RM '000	YTD ended 31/03/2015 RM '000	YTD ended 31/03/2014 RM '000
Staff remuneration paid to persons connected to certain directors	25	41	25	41

Save as disclosed above, there were no recurrent related party transactions of revenue or trading nature during the current financial period under review.

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITY BERHAD LISTING REQUIREMENTS

B1. Review of Performance

During the quarter under review, the Group posted a net revenue of RM 18.04 million, an increase of 40.0% over the preceding year corresponding quarter's revenue of RM 12.88 million. This was due to increases in both export and domestic sales. Export sales increased by 57.9% to RM 6.68 from RM 4.23 million while domestic sales increased 31.5% to RM 11.36 million from RM 8.65 million.

The Group recorded a pre-tax profit of RM 0.09 million and a loss after tax of RM 0.34 million during the quarter under review compared to a pre-tax loss and loss after tax of RM 0.65 million and RM 0.75 million respectively in the preceding year corresponding quarter. Higher sales revenue and other income arising from the gain in foreign exchange during the quarter under review contributed to the turnaround to profit on a pre-taxation basis compared to a loss in the preceding year corresponding quarter.

The Home appliances segment recorded a profit before tax of RM 0.29 million while the Investment Holding and dormant companies segment (classified under "Others" in Note A8) recorded a loss before tax of RM 0.20 million in the current quarter under review. For the preceding year corresponding quarter the Home appliances and Investment Holding and dormant companies segment recorded loss before tax of RM 0.47 million and RM 0.18 million respectively. However, both the segments recorded after tax losses during the quarter under review.

B2. Comparison with immediate preceding quarter's results

For the current quarter under review, the Group posted a profit before tax of RM 0.09 million compared to a loss before tax of RM 2.29 million in the immediate preceding quarter ended 31 December 2014. The profit was due to higher revenue and lower operating expenses during the quarter under review. Loss after tax for the current quarter amounted to RM 0.34 million compared to RM 2.39 million in the immediate preceding quarter.

The Group's revenue for the current quarter at RM 18.04 million was 38.6% higher than that of the immediate preceding quarter's revenue of RM 13.02 million. The higher revenue was due to higher export and domestic sales. Export sales increased to RM 6.68 million from RM 4.46 million (49.8%) while domestic sales increased to RM 11.36 million from RM 8.56 million (32.7%).

B3. Commentary on current year prospect

With the emergence of a new consumer landscape due to lower oil prices and a weaker ringgit and the implementation of goods and service tax (GST), domestic consumption is expected to slow down in the remaining quarters of the year. However, the Group is fairly optimistic for its export market sales and will concentrate on increasing its sales to more emerging markets.

Barring any unforeseen circumstances, with various actions taken and a lower cost structure in place, the Group hopes to see further improvement in its financial performance for the remaining quarters of the current financial year.

B4. Variance of actual and revenue or profit estimate

The Company has not announced or disclosed any revenue or profit estimate, forecast, projection or internal targets for the Group for the quarter under review.

B5. Taxation

	Quarter ended 31/03/2015 RM '000	Quarter ended 31/03/2014 RM '000	YTD ended 31/03/2015 RM '000	YTD ended 31/03/2014 RM '000
Current year tax expense	343	107	343	107
Under provision for prior year	(1)	1	(1)	1
Deferred taxation	87	-	87	-
	<u>429</u>	<u>108</u>	<u>429</u>	<u>108</u>

B6. Status of corporate proposals announced by the Company

The Company did not announced any Corporate proposal during the quarter under review.

B7. Group borrowings and debt securities

Secured bank borrowings are secured by fixed charges over the land and building and Fixed Deposits owned by certain subsidiary companies and are guaranteed by the Company. Unsecured bankers' acceptances and hire purchase facilities are guaranteed by the Company. The Group did not issue any debt securities.

The total Group borrowings as at the 31 March 2015 are as follows:

B7. Group borrowings and debt securities (cont'd)

	As at 31 March 2015		As at 31 December 2014	
	Short term Borrowing RM '000	Long term Borrowing RM '000	Short term Borrowing RM '000	Long term Borrowing RM '000
<u>Secured</u>				
Bank overdrafts	-	-	-	-
Bankers' acceptance	2,325	-	4,439	-
Total	2,325	-	4,439	-
<u>Unsecured</u>				
Hire-Purchase	328	212	328	317
Total	328	212	328	317
Total	2,653	212	4,767	317

B8. Material litigation

The Group has no material litigation as at the date of this quarterly report.

B9. Dividends

No interim dividend has been declared for the current quarter under review.

B10. Earnings/(loss) per share

The basic loss per share has been calculated by dividing the Group's loss for the period by the weighted average number of ordinary shares in issue during the period.

B10. Earnings/(loss) per share (cont'd)

i) Profit/(loss) for the period (basic)

	Quarter ended 31/03/2015 RM '000	Quarter ended 31/03/2014 RM '000	YTD ended 31/03/2015 RM '000	YTD ended 31/03/2014 RM '000
Profit/(loss) attributable to owners of the parent	<u>(339)</u>	<u>(753)</u>	<u>(339)</u>	<u>(753)</u>

ii) Number of ordinary shares (basic)

	Quarter ended 31/03/2015	Quarter ended 31/03/2014	YTD ended 31/03/2015	YTD ended 31/03/2014
Weighted average number of ordinary shares ('000)	<u>54,411</u>	<u>50,674</u>	<u>54,411</u>	<u>50,674</u>
Basic loss per share (sen)	<u>(0.62)</u>	<u>(1.49)</u>	<u>(0.62)</u>	<u>(1.49)</u>

There is no dilutive effect on loss per share as the Company has no potential issues of ordinary shares.

B11. Disclosure of realised and unrealised retained profits

The breakdown of retained earnings as at reporting date is as follows:

	As at 31 March 2015 RM '000	As at 31 December 2014 RM '000
Total (accumulated losses)/retained profits of the Company and its subsidiaries		
- Realised	(19,028)	(19,366)
- Unrealised	(194)	483
	<u>(19,222)</u>	<u>(18,883)</u>
Less: Consolidated adjustments	11,024	11,024
Total (accumulated losses)/retained profits as at 31 March / 31 December	<u>(8,198)</u>	<u>(7,859)</u>

B12. Profit/(loss) for the period

	Quarter ended 31/03/2015 RM '000	Quarter ended 31/03/2014 RM '000	YTD ended 31/03/2015 RM '000	YTD ended 31/03/2014 RM '000
Loss before taxation is arrived at after charging / (crediting) :				
Interest expense	55	58	55	58
Interest income	(49)	(39)	(49)	(39)
Unrealised foreign exchange gain	(140)	(18)	(140)	(18)
Realised foreign exchange gain	(345)	(64)	(345)	(64)
Depreciation	360	346	360	346
Amortisation	34	42	34	42
Gain on disposal property, plant & machinery	-	(38)	-	(38)
Property, plant & equipment written off	-	34	-	34

Dated: 22 May 2015