

# MILUX CORPORATION BERHAD (313619-W)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2018

		Individual Quarter		Cumulative Period	
		Current year	Preceding year	Current year	Preceding year
		quarter	quarter	to date	to date
		31/12/2018	31/12/2017	31/12/2018	31/12/2017
		RM'000	RM'000	RM'000	RM'000
		Unaudited	Unaudited	Unaudited	Audited
Revenue	A8	17,711	20,265	77,644	79,694
Cost of Sales		(14,370)	(16,125)	(61,838)	(63,448)
Gross Profit		3,341	4,140	15,806	16,246
Other income		(317)	16	411	853
Administration and general expenses		(3,557)	(2,692)	(11,855)	(11,212)
Selling and distribution expenses		(1,452)	(1,574)	(6,066)	(5,993)
Finance expenses		(96)	(128)	(441)	(504)
Share of loss of a joint venture (net of tax)		(1)	-	(4)	(5)
<b>Profit/(Loss) before tax</b>	A8	(2,082)	(238)	(2,149)	(615)
Tax Expenses	B5	(28)	(210)	74	(224)
<b>Profit/(Loss) for the period</b>	B11	(2,110)	(448)	(2,075)	(839)
Other Comprehensive Income/(expense)		(3)	-	(5)	4
<b>Total Comprehensive income/(expense) for the period</b>		(2,113)	(448)	(2,080)	(835)
Profit/(Loss) attributable to:					
Owners of the parent		(2,110)	(448)	(2,075)	(839)
Non-controlling Interest		-	-	-	-
		(2,110)	(448)	(2,075)	(839)
Total Comprehensive income/(expense) attributable to:					
Owners of the parent		(2,113)	(448)	(2,080)	(835)
Non-controlling Interest		-	-	-	-
		(2,113)	(448)	(2,080)	(835)
Earnings/(Loss) per share attributable to owners of the parent					
- Basic (sen)	B10	(3.88)	(0.82)	(3.81)	(1.54)
- Diluted (sen)	B10	N/A	N/A	N/A	N/A

The unaudited Condensed Consolidated Statement of Comprehensive Income 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 2017.

**MILUX CORPORATION BERHAD (313619-W)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2018**

	<b>UNAUDITED AS AT 31 Dec 2018 RM'000</b>	<b>AUDITED AS AT 31 Dec 2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	6,931	7,564
Investment Properties	335	348
Investment in a joint venture	239	243
Other Investments	45	49
Goodwill on consolidation	222	222
	<u>7,772</u>	<u>8,426</u>
<b>Current Assets</b>		
Inventories	20,813	22,912
Trade and Other Receivables	B12 18,457	22,225
Fixed deposits with licensed banks	3,632	3,288
Cash & Bank Balances	5,292	3,914
	<u>48,194</u>	<u>52,339</u>
<b>TOTAL ASSETS</b>	<b>55,966</b>	<b>60,765</b>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	54,411	54,411
Reserves	(11,940)	(9,860)
Total equity attributable to the owners of the parent	<u>42,471</u>	<u>44,551</u>
Non-controlling Interest	-	-
Total Equity	<u>42,471</u>	<u>44,551</u>
<b>Non Current Liabilities</b>		
Deferred tax liabilities	263	122
Long-term borrowings	B7 651	978
	<u>914</u>	<u>1,100</u>
<b>Current Liabilities</b>		
Trade and Other Payables	7,589	8,828
Bank Borrowings	B7 4,967	6,172
Taxation	25	114
	<u>12,581</u>	<u>15,114</u>
Total Liabilities	<u>13,495</u>	<u>16,214</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>55,966</b>	<b>60,765</b>
<b>Net Assets Per Share attributable to owners of the parent (RM)</b>	<b>0.78</b>	<b>0.82</b>

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 the year ended 31 December 2017.

MILUX CORPORATION BERHAD (313619-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2018

	<-----Attributable to owners of the parent----->							
	<----- Non-Distributable ----->							
	Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Accumulated Losses	Total	Non-Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Unaudited</b>								
<b><u>12-months ended 31 December 2017</u></b>								
At 31 December 2016/								
1 January 2017	54,411	1,173	-	2	(10,200)	45,386	-	45,386
Loss after taxation	-	-	-	-	(839)	(839)	-	(839)
Other comprehensive income	-	-	-	4	-	4	-	4
Total comprehensive income/ (expense)	-	-	-	4	(839)	(835)	-	(835)
As at 31 December 2017	54,411	1,173	-	6	(11,039)	44,551	-	44,551
<b>Unaudited</b>								
<b><u>12-months ended 31 December 2018</u></b>								
At 31 December 2017/								
1 January 2018	54,411	1,173	-	6	(11,039)	44,551	-	44,551
Loss after taxation	-	-	-	-	(2,075)	(2,075)	-	(2,075)
Other comprehensive expense	-	-	-	(5)	-	(5)	-	(5)
Total comprehensive expense	-	-	-	(5)	(2,075)	(2,080)	-	(2,080)
As at 31 December 2018	54,411	1,173	-	1	(13,114)	42,471	-	42,471

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 and Annual Financial Report for year ended 31 December 2017.

## MILUX CORPORATION BERHAD (313619-W)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2018

	12 months ended 31-12-2018	12 months ended 31-12-2017
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Loss before income tax	(2,149)	(616)
Adjustments for :-		
Depreciation	1,293	1,257
Property, plant & equipment written off	50	2
(Gain)/loss on disposal of property, plant and equipment	-	(209)
Impairment loss on property, plant and equipment	129	-
Impairment loss on receivables	1,306	464
Slow moving inventories written down	756	454
Provision for warranty cost	209	80
Share of loss in joint venture	4	5
Unrealised loss/(gain) on forex	(157)	233
Reversal of Impairment loss on trade receivables no longer required	(47)	(241)
Write back of allowance for slow moving inventories no longer required	(303)	(272)
Interest expenses	441	504
Interest income	(116)	(149)
Operating Profit Before Working Capital Changes	1,416	1,512
Changes in working capital		
Inventories	1,645	(1,418)
Receivables	2,957	(1,452)
Payables	(1,111)	(85)
Cash Generated From Operations	4,907	(1,443)
Interest paid	(154)	(224)
Tax refunded	7	266
Tax paid	(329)	(694)
Warranty paid	(180)	(44)
<b>Net cash from operating activities</b>	<b>4,251</b>	<b>(2,139)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	116	149
Net (placement)/withdrawal of Fixed Deposits	(60)	880
Proceeds from disposal of property, plant & equipment	-	237
Purchase of unit trust	(1)	(1)
Purchase of property, plant and equipment	(825)	(307)
<b>Net cash (used in)/from investing activities</b>	<b>(770)</b>	<b>958</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Interest paid	(287)	(280)
Net proceeds/(repayment) of Bank borrowings	344	33
Payment of hire purchase payable	(329)	(289)
<b>Net cash from/(used in) financing activities</b>	<b>(272)</b>	<b>(536)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>3,209</b>	<b>(1,717)</b>
Effect of exchange rate fluctuations on cash held	-	(58)
CASH AND CASH EQUIVALENT AT BEGINNING	2,326	4,100
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b>5,535</b>	<b>2,325</b>
<b>Represented by</b>		
Fixed Deposits with licensed banks	3,632	3,288
Cash and bank balances	5,292	3,913
Bank overdraft	(1,134)	(2,681)
Fixed Deposits with maturity of more than 3 months	(2,255)	(2,195)
	<b>5,535</b>	<b>2,325</b>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the the accompanying explanatory notes attached to the interim Financial Statements and Annual Financial Report for year ended 31 December 2017.

# MILUX CORPORATION BERHAD (313619-W)

## 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 2017 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 2017 except for the adoption of the following New/Revised MFRSs and Amendments to MFRSs that became effective for annual period beginning on or after 1 January 2018 as follows:

Effective for annual financial periods beginning on or after 1 January 2018:

MFRS 7, *Financial Instruments: Disclosures*

MFRS 9, *Financial Instruments*;

MFRS 15, *Revenue from Contracts with Customers and Clarifications to MFRS 15*;

Amendments to MFRS 2, *Classification and Measurement of Share-based Payment Transactions*;

Amendments to MFRS 140, *Transfers of Investment Property*;

IC Interpretations 22, *Foreign Currency Transactions and Advance Consideration*.

Annual Improvements to MFRS Standards 2014-2016 Cycle

#### **(a) MFRS 9: Financial Instruments**

MFRS 9 Financial Instruments replaces MFRS 139 Financial Instruments: *Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for classification and measurement; impairment and hedge accounting.

Based on the assessment subsequently carried out with the external auditor during the current quarter, the Group has deemed that on the application of this new standard, there is no significant impact arising from the adoption of this new standard.

## MILUX CORPORATION BERHAD (313619-W)

### A1. Basis of preparation (cont'd)

#### **(b) MFRS 15: Revenue from Contracts with Customers**

MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations.

Upon adoption of MFRS 15, the Group recognizes the revenue from contracts with customers when or as the Group transfers goods or services to a customer, measured at the amount to which the Group expects to be entitled, according to the terms and condition stipulated in the contracts. Revenue is recognized either over time, in a manner that depicts the Group's performance; or at a point in time, when control of the goods or services is transferred to the customers depending on whether certain criteria are met. The adoption of this new MFRS 15 have not resulted in any material impact on the Group's financial statements.

The following are accounting standards, amendments and interpretations that have been issued but not yet effective and have not been applied by the Group:

#### Effective for annual financial periods beginning on or after 1 January 2019:

MFRS 16, *Leases*.

IC Interpretation 23, *Uncertainty over Income Tax Treatments*

Amendments to MFRS 9, *Prepayment Features with Negative Compensations*;

Amendments to MFRS 119, *Plan Amendment, Curtailment or Settlement*;

Amendments to MFRS 128, *Long-term interests in Associates and Joint Ventures*.

Annual Improvements to MFRSs 2015-2017 Cycle

#### Effective for annual financial periods beginning on or after 1 January 2021:

MFRS 17, *Insurance Contracts*

#### Effective for a date yet to be confirmed:

Amendments to MFRS 10 and MFRS 128, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company will adopt the above pronouncements when they become effective in the respective financial periods.

## MILUX CORPORATION BERHAD (313619-W)

### **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 as follows:

## MILUX CORPORATION BERHAD (313619-W)

### Information on reportable segments

#### Segment Assets and Liabilities as at 31 December 2018

	<b>Home appliances</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<u>Assets</u>				
Segment assets	57,738	12,084	(23,360)	46,462
Tax recoverable	568	12	-	580
Deposits, cash and bank balances	8,305	619	-	8,924
<b>Total Assets</b>	<b>66,611</b>	<b>12,715</b>	<b>(23,360)</b>	<b>55,966</b>
<u>Liabilities</u>				
Segment Liabilities	85,894	6,367	(84,672)	7,589
Taxation	25	-	-	25
Deferred tax liabilities	263	-	-	263
Loan and borrowings	5,618	-	-	5,618
<b>Total Liabilities</b>	<b>91,800</b>	<b>6,367</b>	<b>(84,672)</b>	<b>13,495</b>



## MILUX CORPORATION BERHAD (313619-W)

### A8. Segmental information (cont'd)

	Quarter ended 31-Dec-18 RM '000	Quarter ended 31-Dec-17 RM '000	YTD ended 31-Dec-18 RM '000	YTD ended 31-Dec-17 RM '000
<u>External Revenue</u>				
Home appliances	17,711	20,265	77,644	79,694
Others	-	-	-	-
	17,711	20,265	77,644	79,694
<u>Inter-segment</u>				
Home appliances	662	801	3,374	3,955
Others	157	256	628	707
Elimination	(819)	(1,057)	(4,002)	(4,662)
	-	-	-	-
<b>Total Revenue</b>	17,711	20,265	77,644	79,694
<u>Segment Results</u>				
Home appliances	(1,579)	526	(1,571)	175
Others	(90)	(679)	(548)	(1,166)
	(1,669)	(153)	(2,119)	(991)
<u>Other Income</u>				
Home appliances	(366)	(10)	271	704
Others	6	6	24	27
	(360)	(4)	295	731
<u>Interest expense</u>				
Home appliances	(96)	(128)	(441)	(504)
Others	-	-	-	-
	(96)	(128)	(441)	(504)
<u>Interest income</u>				
Home appliances	37	39	101	133
Others	6	8	15	16
	43	47	116	149
<u>Profit/(Loss) before taxation</u>				
Home appliances	(2,004)	427	(1,640)	508
Others	(78)	(665)	(509)	(1,123)
	(2,082)	(238)	(2,149)	(615)

## MILUX CORPORATION BERHAD (313619-W)

### A8. Segmental information (cont'd)

	Quarter ended 31-Dec-18 RM '000	Quarter ended 31-Dec-17 RM '000	YTD ended 31-Dec-18 RM '000	YTD ended 31-Dec-17 RM '000
<u>Tax expense</u>				
Home appliances	(27)	(209)	77	(221)
Others	(1)	(1)	(3)	(3)
	(28)	(210)	74	(224)
<b>Profit/(Loss) for the period</b>				
Home appliances	(2,031)	217	(1,563)	286
Others	(79)	(665)	(512)	(1,125)
	(2,110)	(448)	(2,075)	(839)
Fair Value gain/(loss) on Available for sale financial asset	(3)	-	(5)	4
<b>Total Comprehensive income/ (expense) for the period</b>	<b>(2,113)</b>	<b>(448)</b>	<b>(2,080)</b>	<b>(835)</b>

### 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 December 2018 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

The Company had on 1<sup>st</sup> July 2018 subscribed for 3,500,000 new ordinary shares at an issue price of RM1.00 per share in the capital of Milux Sales & Service Sdn Bhd ("MSS"), a wholly-owned subsidiary of the Company for a total consideration of RM 3,500,000/- satisfied by way of capitalizing the amount due and owing by MSS to the Company.

### A12. Contingent liabilities

The Company has extended its corporate guarantees to financial institutions for banking facilities granted by them to certain subsidiaries which amounted to RM11.99 million as at 31 December 2018. The contingent liabilities of the company pertaining to the facilities utilized by its subsidiaries as at 31 December 2018 amounted to RM4.73 million.

## MILUX CORPORATION BERHAD (313619-W)

### A13. Capital commitments

Material commitments not provided for in the financial statements as at 31 December 2018 were as follow:

	<b>As at 31 Dec 2018</b> <b>RM'000</b>
Advance for working capital to Phoenix Pentagon Sdn. Bhd. - a joint-venture Company	<u>60</u>

### A14. Related party disclosures

Save as disclosed below, there is no significant transaction entered into between the Group and other related parties during the Quarter under review.

Transactions with related parties during the Quarter ended 31 December 2018 were as follow:

	<b>Quarter ended 31-Dec-18 RM '000</b>	<b>Quarter ended 31-Dec-17 RM '000</b>	<b>YTD ended 31-Dec-18 RM '000</b>	<b>YTD ended 31-Dec-17 RM '000</b>
Salaries paid to persons connected to certain directors	<u>26</u>	<u>25</u>	<u>128</u>	<u>108</u>

# MILUX CORPORATION BERHAD (313619-W)

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

### B1. Review of Performance

	Individual Quarter			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year To-date	Preceding Year To-date	Changes
	31-12-18	31-12-17		31-12-18	31-12-17	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	17,711	20,265	-12.6%	77,644	79,694	-2.6%
Profit/(loss) before interest and tax	(1,986)	(110)	-1705.5%	(1,708)	(111)	-1438.7%
Profit/(loss) before tax	(2,082)	(238)	-774.8%	(2,149)	(615)	-249.4%
Profit/(loss) after tax	(2,110)	(448)	-371.0%	(2,075)	(839)	-147.3%

Group revenue was 12.6% lower than that of the preceding year corresponding quarter, mainly attributed to lower contribution from the manufacturing operation. The manufacturing operation's revenue decreased by 25.0% to RM 7.72 million from RM 10.30 million due to substantially lower export revenue which decreased by 35.3% to RM 4.31 million from RM 6.66 million. Meanwhile its local OEM sales decreased by 6.3%.

However, the trading operation revenue recorded a marginal increase of 0.3% to RM 9.99 million from RM 9.97 million in the preceding year corresponding quarter.

Year-to-date, Group revenue at RM 77.64 million was 2.6% lower compared to RM 79.69 million in the preceding year corresponding period. The manufacturing operation's revenue decreased by 20.1% to RM 30.41 million from RM 38.07 million. Meanwhile, the trading operation's revenue increased by 13.5% to RM 47.23 million from RM 41.63 million.

For the quarter under review, the Group registered a loss before tax ("LBT") of RM 2.08 million compared to a LBT of RM 0.24 million in the preceding year corresponding quarter. The increase in LBT was due to lower revenue and impairment loss on trade receivables, slow moving inventories and property, plant and equipment.

Loss after tax ("LAT") stood at RM 2.11 million compared to a LAT of RM 0.45 million in the preceding year corresponding quarter.

For the year ended 2018, the Group registered a LBT and LAT of RM 2.15 million and RM 2.08 million respectively compared to RM0.62 million and RM0.84 million respectively in the preceding year.

## MILUX CORPORATION BERHAD (313619-W)

### B2. Comparison with immediate preceding quarter's results

	Current Quarter	Immediate Preceding Quarter	Changes
	31-12-18	30-09-18	
	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	17,711	21,177	-16.4%
Profit/(loss) before interest and tax	(1,986)	200	-1093.0%
Profit/(loss) before tax	(2,082)	90	-2413.3%
Profit/(loss) after tax	(2,110)	71	-3071.8%

Group revenue for the current quarter was 16.4% lower at RM 17.71 million compared to RM 21.18 million recorded in the immediate preceding quarter. The decrease was due to lower sales from both the manufacturing and trading operation. The manufacturing and trading operations revenue decreased by 3.9% and 24.0% to RM 7.72 million and RM 9.99 million from RM 8.04 million and RM 13.14 million respectively. The drop in the trading operation's revenue for the quarter under review was due to softer consumer sentiment with the end of the GST free period and imposition of Sales and Service Tax during the quarter under review.

The Group recorded a LBT of RM 2.08 million for the quarter under review compared to a PBT of RM 0.09 million in the immediate preceding quarter. This was due to lower revenue and impairment allowances made for trade receivables, slow moving inventories and property, plant and equipment. For the quarter under review, the Group registered a LAT of RM 2.11 million compared to PAT of RM 0.07 million in the immediate preceding quarter.

### B3. Commentary on prospect for financial year 2019

The Group foresees a difficult year ahead as the Malaysian economy is expected to face a challenging 2019. The Group's revenue is very much dependent on consumer sentiment and spending power. Consumer sentiment has been affected due to the government's on-going fiscal reforms, which has put several mega infrastructure projects on hold or deferred and the lower prices of palm oil and palm oil related products due to weaker demand from major importers in China and India. This will result in consumer spending continuing to moderate.

Notwithstanding this, the Board and Management will continue to work on improving efficiency all round so as to manage its cost while carrying out more promotional activities to enhance sales to counter the current poor consumer sentiment.

## MILUX CORPORATION BERHAD (313619-W)

### B4. Variance of 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 31-12-18 RM '000	Quarter ended 31-12-17 RM '000	YTD ended 31-12-18 RM '000	YTD ended 31-12-17 RM '000
Current year tax expense	(66)	246	12	527
RPGT	-	-	-	(161)
Prior year	(1)	9	(228)	13
Deferred taxation	95	(45)	142	(155)
	<u>28</u>	<u>210</u>	<u>(74)</u>	<u>224</u>

The effective current year tax expense of the Group for the current quarter under review was higher than the Malaysian tax rate due to losses incurred by certain subsidiaries of the Group.

### B6. Status of corporate proposals announced by the Company

There were no corporate proposals announced that remained uncompleted as at the date of this announcement.

### B7. Group borrowings and debt securities

Secured bank borrowings are secured by fixed charges over the land and building owned by certain subsidiary companies and are guaranteed by the Company. The Group have not issued any debt securities.

The total Group borrowings and the weighted average effective interest rate as at the 31 December 2018 are as follows:

## MILUX CORPORATION BERHAD (313619-W)

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

	As at 31 Dec 2018			As at 31 Dec 2017		
		Short term	Long term		Short term	Long term
	WAEIR	Borrowing	Borrowing	WAEIR	Borrowing	Borrowing
	%	RM '000	RM '000	%	RM '000	RM '000
<u>Secured</u>						
Hire-Purchase	4.90	326	651	4.84	328	978
Bank overdraft	9.07	1,135	-	8.71	2,960	-
Bankers' acceptance	6.76	3,506	-	6.46	2,681	-
Multi Currency Trade Loan	-	-	-	3.64	203	-
Total		<u>4,967</u>	<u>651</u>		<u>6,172</u>	<u>978</u>

Breakdown by currencies:

Denominated in

Ringgit Malaysia (RM)	4,967	651	5,969	978
United States Dollar (USD)	-	-	203	-
	<u>4,967</u>	<u>651</u>	<u>6,172</u>	<u>978</u>

### B8. Material litigation

There were no material litigation involving the Group as at 31 December 2018.

### B9. Dividends

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

### B10. Earnings/(loss) per share

The basic earnings/(loss) per share has been calculated by dividing the Group's earnings/(loss) for the period by the weighted average number of ordinary shares in issue during the period. There is no dilutive effect on earnings/(loss) per share as the Company has no potential issues of ordinary shares.

## MILUX CORPORATION BERHAD (313619-W)

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

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

	Quarter ended 31-Dec-18 RM '000	Quarter ended 31-Dec-17 RM '000	YTD ended 31-Dec-18 RM '000	YTD ended 31-Dec-17 RM '000
Profit/(Loss) attributable to owners of the parent	<u>(2,110)</u>	<u>(448)</u>	<u>(2,075)</u>	<u>(839)</u>

ii) Number of ordinary shares (basic)

	Quarter ended 31-Dec-18 RM '000	Quarter ended 31-Dec-17 RM '000	YTD ended 31-Dec-18 RM '000	YTD ended 31-Dec-17 RM '000
Weighted average number of ordinary shares ('000)	<u>54,411</u>	<u>54,411</u>	<u>54,411</u>	<u>54,411</u>
<b>Basic earnings/(loss) per share (sen)</b>	<u>(3.88)</u>	<u>(0.82)</u>	<u>(3.81)</u>	<u>(1.54)</u>



## MILUX CORPORATION BERHAD (313619-W)

### B11. Profit/(loss) for the period

	Quarter ended 31-Dec-18 RM '000	Quarter ended 31-Dec-17 RM '000	YTD ended 31-Dec-18 RM '000	YTD ended 31-Dec-17 RM '000
Loss before taxation is arrived at after charging/(crediting)				
Allowance for slow moving inventories	467	385	756	454
Allowance for slow moving inventories no longer required	(303)	(256)	(303)	(272)
Depreciation	322	315	1,293	1,257
(Gain)/Loss on disposal of property, plant & machinery (net)	-	(10)	-	(209)
Interest expense	96	128	441	504
Interest income	(43)	(47)	(116)	(149)
Impairment loss on trade receivables	855	159	1,306	464
Impairment loss on trade receivables no longer required	246	(43)	(47)	(242)
Impairment loss on property, plant & equipment	129	-	129	-
Provision for warranty	36	52	209	211
Property, plant & equipment written-off	31	1	50	2
Realised foreign exchange (gain)/loss	(23)	478	334	328
Unrealised foreign exchange (gain)/loss	66	(242)	(157)	233

### B12. Trade Receivables

The Group's trade receivables as at 31 December 2018 are as follow:

	As at	
	31-Dec-18 RM'000	31-Dec-17 RM'000
<b>Trade Receivables:</b>		
Third parties	18,078	20,760
Allowance for impairment loss	(1,972)	(1,107)
	<u>16,106</u>	<u>19,653</u>

## MILUX CORPORATION BERHAD (313619-W)

### B12. Trade Receivables (cont'd)

The Group typically provides customers with credit terms that range from 30 to 120 days.

The Group's trade receivables ageing as at 31 December 2018 are as follows:

	<b>As at 31-Dec-18</b>
<b>Classification</b>	
1 - 30 days	5,920
31- 60 days	5,410
61 - 90 days	2,941
91 - 120 days	1,810
121 - 150 days	201
Over 150 days	<u>1,796</u>
	18,078
Less: Allowance for Impairment loss	<u>(1,972)</u>
	<u><u>16,106</u></u>

**Dated: 27 February 2019**