

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31 DECEMBER 2020

	Notes	Individual Quarter		Cumulative Quarter	
		Current year	Preceding year	Current year	Preceding year
		quarter	corresponding	ended	ended
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		RM'000	RM'000	RM'000	RM'000
		<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>
Revenue	A8	21,659	15,974	72,995	62,533
Cost of sales		<u>(19,589)</u>	<u>(13,105)</u>	<u>(58,439)</u>	<u>(50,325)</u>
Gross Profit		2,070	2,869	14,556	12,208
Other operating income		147	126	657	508
Administrative expenses		(3,594)	(3,284)	(11,259)	(11,077)
Other operating expenses		(1,100)	(52)	(1,502)	(529)
Selling and distribution expenses		(2,137)	(1,032)	(7,237)	(5,350)
Finance costs		(70)	(184)	(223)	(526)
Share of loss of a joint venture		<u>(1)</u>	<u>-</u>	<u>(2)</u>	<u>(1)</u>
Loss before taxation	A8, B11	(4,685)	(1,557)	(5,010)	(4,767)
Taxation	B5	<u>(14)</u>	<u>210</u>	<u>(16)</u>	<u>337</u>
Loss after taxation		(4,699)	(1,347)	(5,026)	(4,430)
Other Comprehensive Income/(expense)		<u>350</u>	<u>(1)</u>	<u>232</u>	<u>-</u>
Total Comprehensive expense		<u>(4,349)</u>	<u>(1,348)</u>	<u>(4,794)</u>	<u>(4,430)</u>
Loss after taxation attributable to:					
Owners of the Company		(4,699)	(1,347)	(4,994)	(4,430)
Non-controlling Interest		<u>-</u>	<u>-</u>	<u>(32)</u>	<u>-</u>
		<u>(4,699)</u>	<u>(1,347)</u>	<u>(5,026)</u>	<u>(4,430)</u>
Total Comprehensive expense attributable to:					
Owners of the Company		(4,349)	(1,348)	(4,762)	(4,430)
Non-controlling Interest		<u>-</u>	<u>-</u>	<u>(32)</u>	<u>-</u>
		<u>(4,349)</u>	<u>(1,348)</u>	<u>(4,794)</u>	<u>(4,430)</u>
Basic and diluted loss per share attributable to owners of the Company (sen)	B10	(8.00)	(2.46)	(8.50)	(8.13)

The unaudited Condensed Consolidated Statements 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 2019.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		UNAUDITED	AUDITED
		AS AT	AS AT
		31 Dec 2020	31 Dec 2019
	Notes	RM'000	RM'000
ASSETS			
Non-Current Assets			
Property, plant & equipment		3,729	4,898
Right-of-use assets		1,894	2,861
Investment properties		309	322
Investment in a joint venture		228	238
Other investments		1,263	46
Intangible assets		222	222
Other receivables		-	125
		<u>7,645</u>	<u>8,712</u>
Current Assets			
Inventories		18,020	18,681
Trade receivables	B12	19,703	14,485
Other receivables		595	928
Tax recoverable		470	440
Fixed deposits with licensed banks		2,160	3,004
Cash and bank balances		3,964	8,446
Asset classified as held for sale		780	-
		<u>45,692</u>	<u>45,984</u>
TOTAL ASSETS		<u>53,337</u>	<u>54,696</u>
EQUITY AND LIABILITIES			
Share capital		59,067	59,067
Reserves		(22,281)	(17,519)
Total equity attributable to owners of the Company		36,786	41,548
Non-controlling Interest		(32)	-
Total Equity		<u>36,754</u>	<u>41,548</u>
Non-Current Liabilities			
Lease liabilities	B7	458	798
		<u>458</u>	<u>798</u>
Current Liabilities			
Trade payables		6,707	5,107
Other payables		3,634	1,614
Provision		1,118	403
Loans and borrowings	B7	3,861	4,235
Lease liabilities	B7	788	990
Provision for taxation		17	1
		<u>16,125</u>	<u>12,350</u>
Total Liabilities		<u>16,583</u>	<u>13,148</u>
TOTAL EQUITY AND LIABILITIES		<u>53,337</u>	<u>54,696</u>
Net Assets per share attributable to owners of the Company (RM)		0.63	0.71

The unaudited Condensed Consolidated Statements 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 2019.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

<----- Attributable to owners of the Company ----->
 <----- Non-Distributable ----->

	Share Capital	Fair Value Reserve	Accumulated Losses	Total	Non- Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Audited						
<u>12-months ended 31 December 2019</u>						
At 31 December 2018/ 1 January 2019	55,585	-	(13,089)	42,496	-	42,496
Issue of ordinary shares	3,482	-	-	3,482	-	3,482
Loss for the financial year	-	-	(4,430)	(4,430)	-	(4,430)
Other comprehensive income/(expense)	-	-	-	-	-	-
Total comprehensive expense for the financial year	3,482	-	(4,430)	(948)	-	(948)
As at 31 December 2019	59,067	-	(17,519)	41,548	-	41,548
Unaudited						
<u>12-months ended 31 December 2020</u>						
At 31 December 2019/ 1 January 2020	59,067	-	(17,519)	41,548	-	41,548
Loss for the financial year	-	-	(4,994)	(4,994)	(32)	(5,026)
Other comprehensive income	-	232	-	232	-	232
Total comprehensive income/(expense) for the financial year	-	232	(4,994)	(4,762)	(32)	(4,794)
As at 31 December 2020	59,067	232	(22,513)	36,786	(32)	36,754

The unaudited Condensed Consolidated Statements 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 2019.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	12 months ended 31 Dec 2020 RM'000	12 months ended 31 Dec 2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Loss before taxation	(5,010)	(4,767)
Adjustments for :-		
<u>Depreciation</u>		
Property, plant & equipment	765	729
Right-of-use asset	980	1,101
Investment property	13	13
Bad Debt written off	11	4
Bad Debt recovered	(22)	-
Gain on disposal of right-of-use asset	(65)	(71)
Impairment loss on trade receivables	661	371
Impairment loss on non-trade receivables	-	12
Impairment loss on property, plant & equipment	531	146
Impairment loss on investment in Joint Venture	9	-
Slow moving inventories written down	3,584	820
Provision for warranty	175	103
Provision for incentive	834	189
Share of loss from joint venture	2	1
Unrealised loss/(gain) on forex	(4)	(47)
Reversal of impairment loss on trade receivables	(205)	(99)
Slow moving inventories written back	(303)	(367)
Interest expenses	223	526
Interest income	(81)	(95)
Dividend Income	(18)	-
Operating profit/(loss) before working capital changes	2,080	(1,431)
Changes in working capital		
Inventories	(2,621)	1,680
Receivables	(5,196)	1,959
Payables	3,436	(981)
Cash generated from/(used in) operations	(2,301)	1,227
Interest paid	(3)	(140)
Income tax refunded	-	367
Income tax paid	(29)	(161)
Warranty paid	(105)	(128)
Net cash generated from/(used in) operations	(2,438)	1,165
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	81	95
Net (placement)/withdrawal of fixed deposits	272	315
Proceeds from disposal of property, plant & equipment	115	230
Dividends received	18	-
Purchase of financial assets	(984)	-
Purchase of unit trust	(1)	(1)
Purchase of property, plant and equipment	(825)	(976)
Net cash generated from/(used in) investing activities	(1,324)	(337)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(220)	(368)
Net changes in bankers' acceptance	153	202
Proceeds from issuance of share capital	-	3,482
Net changes in lease liabilities	(698)	(1,177)
Net cash from/(used in) financing activities	(765)	2,139

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020**

	12 months ended 31 Dec 2020 RM'000	12 months ended 31 Dec 2019 RM'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(4,527)	2,967
Effect of exchange rate fluctuations on cash held	-	32
CASH AND CASH EQUIVALENT AT BEGINNING	8,983	5,984
CASH AND CASH EQUIVALENTS AT END	4,456	8,983
Represented by		
Fixed deposits with licensed banks	2,160	3,004
Cash and bank balances	3,964	8,446
Bank overdraft	-	(527)
Fixed deposits with maturity of more than 3 months	(1,668)	(1,940)
	4,456	8,983

The unaudited Condensed Consolidated Statements 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 2019.

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 2019 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 2019 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 2020 as follows:

Effective for financial periods beginning on or after 1 January 2020:

Amendments to MFRS 2, *Share-Based Payments*

Amendments to MFRS 3, *Business Combinations*

Amendments to MFRS 6, *Exploration for and Evaluation of Mineral Resources*

Amendments to MFRS 7, *Financial Instruments: Disclosure*

Amendments to MFRS 9, *Financial Instruments*

Amendments to MFRS 14, *Regulatory Deferral Accounts*

Amendments to MFRS 101, *Presentation of Financial Statements*

Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*

Amendments to MFRS 134, *Interim Financial Reporting*

Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets*

Amendments to MFRS 138, *Intangible Assets*

Amendments to Interpretation 12, *Service Concession Arrangements*

Amendments to Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments*

Amendments to Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine*

Amendments to Interpretation 22, *Foreign Currency Transactions and Advance Consideration*

Amendments to Interpretation 132, *Intangible Assets - Web Site Cost*

Annual Improvements to MFRS Standards 2015-2017 Cycle

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group.

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

A1. Basis of preparation (cont'd)

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

MFRS 17, *Insurance Contracts*

Effective date to be determined by Malaysian Accounting Standards Board

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.

A2. Auditors' Report on Preceding Annual Financial Statements

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 consumer confidence which is influenced by the state of the Malaysian and Global economies. For the domestic market, sales 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.

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Notes to interim financial report

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:

Information on reportable segmentsSegment Assets and Liabilities as at 31 December 2020

	Home appliances RM '000	Others RM '000	Elimination RM '000	Total RM '000
<u>Assets</u>				
Segment assets	58,110	11,799	(23,166)	46,743
Tax recoverable	456	14	-	470
Deposits, cash and bank balances	6,098	26	-	6,124
Total Assets	64,664	11,839	(23,166)	53,337
<u>Liabilities</u>				
Segment Liabilities	87,448	4,167	(80,156)	11,459
Taxation	13	4	-	17
Loans and borrowings	3,861	-	-	3,861
Lease liabilities	1,246	-	-	1,246
Total Liabilities	92,568	4,171	(80,156)	16,583

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Notes to interim financial report

A8. Segmental information (cont'd)

	Quarter ended 31-Dec-20 RM '000	Quarter ended 31-Dec-19 RM '000	Period ended 31-Dec-20 RM '000	Period ended 31-Dec-19 RM '000
<u>External Revenue</u>				
Home appliances	21,659	15,974	72,995	62,533
Others	-	-	-	-
	21,659	15,974	72,995	62,533
<u>Inter-segment</u>				
Home appliances	346	1,409	1,565	2,562
Others	110	132	527	527
Elimination	(456)	(1,541)	(2,092)	(3,089)
	-	-	-	-
Total Revenue	21,659	15,974	72,995	62,533
<u>Segment Results</u>				
Home appliances	(3,798)	(1,152)	(3,700)	(3,613)
Others	(964)	(347)	(1,744)	(1,136)
	(4,762)	(1,499)	(5,444)	(4,749)
<u>Other Income</u>				
Home appliances	113	85	552	389
Others	6	6	24	24
	119	91	576	413
<u>Interest expense</u>				
Home appliances	(70)	(184)	(223)	(526)
Others	-	-	-	-
	(70)	(184)	(223)	(526)
<u>Interest income</u>				
Home appliances	28	31	73	87
Others	-	4	8	8
	28	35	81	95
<u>Loss before taxation</u>				
Home appliances	(3,727)	(1,220)	(3,298)	(3,663)
Others	(958)	(337)	(1,712)	(1,104)
	(4,685)	(1,557)	(5,010)	(4,767)

A8. Segmental information (cont'd)

	Quarter ended 31-Dec-20 RM '000	Quarter ended 31-Dec-19 RM '000	Period ended 31-Dec-20 RM '000	Period ended 31-Dec-19 RM '000
<u>Tax expense</u>				
Home appliances	(13)	211	(13)	340
Others	(1)	(1)	(3)	(3)
	(14)	210	(16)	337
<u>Loss for the period</u>				
Home appliances	(3,740)	(1,009)	(3,311)	(3,323)
Others	(959)	(338)	(1,715)	(1,107)
	(4,699)	(1,347)	(5,026)	(4,430)
Fair Value gain/(loss) on Available for sale financial asset	350	(1)	232	-
Total Comprehensive expense for the period	(4,349)	(1,348)	(4,794)	(4,430)

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 is no material event subsequent to the current financial quarter ended 31 December 2020 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 to the composition of the Group during the Quarter under review.

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 RM9.04 million as at 31 December 2020. The contingent liabilities of the company pertaining to the facilities utilized by its subsidiaries as at 31 December 2020 amounted to RM4.00 million.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
Notes to interim financial report

A13. Capital commitments

There were no material capital commitments during the quarter under review.

A14. Significant related party transactions

There are no significant related party transactions as at the date of this announcement.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)**Notes to interim financial report****PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITY BERHAD LISTING REQUIREMENTS****B1. Review of Performance**

Comparison of current quarter and preceding year corresponding quarter results

	Individual Quarter			Cumulative Period		
	Current Year	Preceding Year	Changes	Current Year	Preceding	Changes
	Quarter	Corresponding		to	Year to	
	31-Dec-20	31-Dec-19	%	31-Dec-20	31-Dec-19	%
	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	21,659	15,974	35.6%	72,995	62,533	16.7%
Loss before interest						
and tax	(4,615)	(1,373)	-236.1%	(4,787)	(4,241)	-12.9%
Loss before tax	(4,685)	(1,557)	-200.9%	(5,010)	(4,767)	-5.1%
Loss after tax	(4,699)	(1,347)	-248.8%	(5,026)	(4,430)	-13.5%

The Group generated revenue of RM21.659 million which was 35.6% higher than that of the preceding year corresponding quarter while it recorded a loss before taxation (“LBT”) and loss after tax (“LAT”) of RM4.685 million and RM4.699 million compared to a LBT and LAT of RM1.557 million and RM1.347 million respectively in the preceding year corresponding quarter. The higher loss was due to impairments made during the quarter due to the downsizing of its manufacturing operation.

For the year, Group revenue was 16.7% higher at RM72.995 million compared to RM62.533 million in the preceding year. It recorded a LBT and LAT of RM5.010 million and RM5.026 million compared to RM4.767 million and RM4.43 million respectively in the preceding year.

Trading operation

Revenue increased by 36.1% to RM14.961 million from RM10.995 million in the preceding year corresponding quarter. For the year, revenue increased by 34.8% to RM56.351 million

The increase was due better geographical coverage by its sales force and increase in product range. The trading operation continued to remain profitable during the quarter. For the year, it returned to profitability from a loss in the preceding year.

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Notes to interim financial report

B1. Review of Performance (cont'd)

Manufacturing operation

Manufacturing operation revenue increased by 34.5% to RM6.698 million from RM4.979 million in the preceding year corresponding quarter. This was due to 69.0% increase in local OEM sales to RM4.211 million from RM2.491 million while export sales remained flat at RM2.487 million compared to RM2.488 million in the preceding year corresponding quarter. For the year, revenue decreased by 15.9% due to lower export sales which declined by 36.33% while local OEM sales increased by 4.75%.

The increase in local OEM sales during the quarter was due to a local OEM buyer placing advance orders for stockpiling purpose as the Group has decided to downsize the manufacturing operation going into year 2021.

As a result of the downsizing, the operation incurred impairment losses for property, plant and equipment and inventories. It also incurred layoff expenses paid out to affected employees during the quarter under review giving rise to a substantially higher LBT during the quarter and for the year just ended.

B2. Comparison of current quarter with the immediate preceding quarter results

	Current Quarter	Immediate Preceding Quarter	Changes
	31-Dec-20	30-Sep-20	
	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	21,659	23,575	-8.1%
Profit/loss before interest and tax	(4,615)	921	-601.1%
Profit/(loss) before tax	(4,685)	856	-647.3%
Profit/(loss) after tax	(4,699)	855	-649.6%

Group revenue at RM21.659 million was 8.1% lower than that of the immediate preceding quarter revenue of RM23.575 million. The lower revenue for the quarter under review compared to the immediate preceding quarter was due to lower sales achieved by the trading operation.

The Group recorded LBT and LAT of RM4.685 million and RM4.699 million respectively for the quarter under review compared to a profit before tax ("PBT") and profit after tax ("PAT") of RM0.856 million and RM0.855 million respectively in the immediate preceding quarter due to impairments made for its manufacturing operation.

B2. Comparison of current quarter with the immediate preceding quarter results (cont'd)

Trading operation

Revenue decreased by 17.5% to RM14.961 million during the quarter from RM18.135 million in the immediate preceding quarter due to pent up demand experienced in the preceding quarter.

Manufacturing operation

Revenue increased by 23.1% to RM6.698 million from RM5.440 million in the immediate preceding quarter due to a local OEM buyer placing advance orders for stockpiling purpose which was delivered during the quarter as the Group has decided to downsize the operation going into year 2021.

B3. Commentary on prospect

The Group expects to chart a better performance in the current financial year ending 31 December 2021. The trading operations which returned to profitability in year 2020 is expected to continue to remain profitable while the manufacturing operation losses will be curtailed with the downsizing of its operation in the year just ended. However, the impact of the Covid-19 pandemic continues to present challenges on the business environment and the Group will continue to undertake operational and financial measures to ensure resilience whilst ensuring the health and safety of employees.

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-Dec-20 RM '000	Quarter ended 31-Dec-19 RM '000	Period ended 31-Dec-20 RM '000	Period ended 31-Dec-19 RM '000
Current year tax expense	14	1	16	3
Previous year	-	(10)	-	(77)
Deferred taxation	-	(201)	-	(263)
Tax (credit)/expense	<u>14</u>	<u>(210)</u>	<u>16</u>	<u>(337)</u>

B6. Status of corporate proposal announced by the Company

On 10 September 2020, the Board of Directors announced to Bursa Malaysia that Enamel Products Sdn. Bhd. (“Enamel”), a wholly owned subsidiary of the Company had entered into a Sale and Purchase Agreement (“SPA”) with Euro Chemo Pharma Sdn. Bhd. for the disposal of leasehold land held under Hakmilik Sementara No. H.S.(D) 42102, No. PT 1457, Mukim 01, Daerah Seberang Perai Tengah, Pulau Pinang measuring 4046.724 square metres together with industrial building erected thereon for a total sale consideration of RM3,850,000.00.

This disposal is still pending completion.

On 13 October 2020 and 14 October 2020, the Board of Directors announced to Bursa Malaysia the issue of the Notice of EGM and Circular to Shareholders on the Proposed Diversification and Proposed New Shareholders Mandate respectively.

On 4 November 2020, the Board of Directors announced to Bursa Malaysia that all resolutions as set out in the Notice of EGM of the Company dated 14 October 2020 were duly passed by the shareholders of the Company at the EGM held on the same day.

On 31 December 2020, the Board of Directors announce to Bursa Malaysia that the MOU entered into between the Company and PetroFac EPS Sdn. Bhd. have lapsed on the same date and shall be of no further force and effect.

On 18 January 2021, AmInvestment Bank Berhad (“AmInvestment”) had on behalf of the Board of Directors, announced to Bursa Malaysia that the Company is proposing to undertake a bonus issue of up to 176,292,591 new Bonus Shares on the basis of 3 Bonus Shares for every 1 Milux Share (“Proposed Bonus Issue”) held on an entitlement date to be determined and announced later (“Entitlement Date”).

On 26 January 2021, AmInvestment had on behalf of the Board of Directors announced to Bursa Malaysia that the additional listing application in respect of the Proposed Bonus issue had been submitted on even date.

On 9 February 2021, AmInvestment on behalf of the Board of Directors announced that Bursa Securities had vide its letter dated 8 February 2021, approved the listing and quotation of up to 176,292,591 new ordinary shares to be issued pursuant to the Proposed Bonus Issue subject to the conditions therein.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)**Notes to interim financial report****B6. Status of corporate proposal announced by the Company(cont'd)**

On 18 February 2021 and 19 February 2021, AmInvestment had on behalf of the Board of Directors announced to Bursa Malaysia the issue of the Notice of Extraordinary General Meeting (“EGM”) and Circular to Shareholders on the Proposed Bonus Issue respectively.

B7. Group borrowings and debt securities

Secured bank borrowings are secured by fixed charges over the land and building owned by a subsidiary company and is guaranteed by the Company. The Group has not issued any debt securities.

The total Group borrowings as at the 31 December 2020 and the rates of interest charged are as follows:

	As at 31 Dec 2020		As at 31 Dec 2019	
	Short term	Long term	Short term	Long term
	borrowing	borrowing	borrowing	borrowing
	RM '000	RM '000	RM '000	RM '000
<u>Secured</u>				
Lease liabilities	240	458	253	250
Lease liabilities-Right-of-use asset	548	-	737	548
Bank overdraft	-	-	527	-
Bankers' acceptance	3,861	-	3,708	-
Total	<u>4,649</u>	<u>458</u>	<u>5,225</u>	<u>798</u>

Rates of interest charged:

	<u>Year ended 31 December 2020</u>	<u>Year ended 31 Dec 2019</u>
	%	%
Bank overdraft	BLR + 2.00	BLR + 2.00
Bankers' acceptance	4.099 - 5.85	6.38 - 6.49

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)**Notes to interim financial report****B8. Material litigation**

There is no material litigation involving the Group as at 31 December 2020.

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 profit/loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding. There is no dilutive effect on earnings/loss per share as the Company does not have outstanding warrant and option which may dilute its basic earnings/loss per ordinary share.

	Quarter ended	Quarter ended	Period ended	Period ended
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	RM '000	RM '000	RM '000	RM '000
Profit/(loss) attributable to owners of the Company	<u>(4,699)</u>	<u>(1,347)</u>	<u>(4,994)</u>	<u>(4,430)</u>
Weighted average number of ordinary shares outstanding ('000)	<u>58,764</u>	<u>54,695</u>	<u>58,764</u>	<u>54,483</u>
Basic earnings/(loss) per share (sen)	<u>(8.00)</u>	<u>(2.46)</u>	<u>(8.50)</u>	<u>(8.13)</u>

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)

Notes to interim financial report

B11. Profit/(loss) for the period

	Quarter ended 31-Dec-20 RM '000	Quarter ended 31-Dec-19 RM '000	Period ended 31-Dec-20 RM '000	Period ended 31-Dec-19 RM '000
Profit/(loss) before taxation is arrived at after charging/(crediting)				
Slow moving inventories written down	3,570	820	3,584	820
Slow moving inventories written back	(65)	(366)	(303)	(366)
<u>Depreciation</u>				
-Property, plant and equipment	193	186	778	743
-Right-Of-Use asset	268	275	980	1,101
Bad debt written off	5	4	11	4
Bad debt recovered	(4)	-	(22)	-
(Gain)/Loss on disposal of property, plant & machinery	(65)	(71)	(65)	(71)
Interest expense	70	184	223	526
Interest income	(28)	(35)	(81)	(95)
Impairment loss on trade receivables	555	149	661	371
Reversal of Impairment loss on trade receivables	-	(21)	(205)	(99)
Impairment loss on Property, plant & equipment	531	146	531	146
Impairment loss on investment in Joint Venture	9	-	9	-
Provision for warranty	(33)	64	175	216
Realised foreign exchange (gain)/loss	24	(12)	(44)	28
Unrealised foreign exchange (gain)/loss (net)	15	35	(4)	(47)

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)**Notes to interim financial report****B12. Trade Receivables**

The ageing of the receivables and allowance for impairment losses provided as at 31 December 2020 are as follows:

	As at 31-Dec-20 RM'000
Neither past due	18,986
Past due 1 - 30 days	1,101
Past due 31 - 60 days	232
Past due 61 - 90 days	23
More than 90 days past due	<u>935</u>
	21,277
Credit impaired	
Past due	<u>(1,574)</u>
Trade receivables (net)	<u><u>19,703</u></u>

Dated: 24 February 2021