

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

	Note	Individual		Cumulative	
		Quarter ended 30 Sep 2021 RM'000	Quarter ended 30 Sep 2020 RM'000	Period ended 30 Sep 2021 RM'000	Period ended 30 Sep 2020 RM'000
		<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
Revenue	A8	13,903	23,575	46,526	51,336
Cost of sales		(9,639)	(17,718)	(32,593)	(38,850)
Gross Profit		4,264	5,857	13,933	12,486
Other operating income		130	282	4,473	510
Administrative expenses		(2,589)	(2,854)	(8,016)	(7,665)
Other operating expenses		(125)	(72)	(1,061)	(402)
Selling and distribution expenses		(894)	(2,291)	(4,403)	(5,100)
Finance costs		(97)	(65)	(217)	(153)
Share of profit/(loss) of a joint venture		-	(1)	-	(1)
Profit/(Loss) before taxation	A8, B11	689	856	4,709	(325)
Taxation	B5	(80)	(1)	(200)	(2)
Profit/(Loss) after taxation		609	855	4,509	(327)
Other Comprehensive income/(expense)		39	(116)	(95)	(118)
Total Comprehensive income/(expense)		648	739	4,414	(445)
Profit/(Loss) after taxation attributable to:					
Owners of the Company		609	887	4,512	(295)
Non-controlling Interest		-	(32)	(3)	(32)
		609	855	4,509	(327)
Total Comprehensive income/(expense) attributable to:					
Owners of the Company		648	771	4,417	(413)
Non-controlling Interest		-	(32)	(3)	(32)
		648	739	4,414	(445)
Basic and diluted earnings/(loss) per share attributable to owners of the Company (sen)	B10	0.26	1.51	2.48	(0.50)

The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for year ended 31 December 2020.

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

		UNAUDITED	AUDITED
		AS AT	AS AT
		30 Sep 2021	31 Dec 2020
	Note	RM'000	RM'000
ASSETS			
Non-Current Assets			
Property, plant & equipment		3,580	3,751
Right-of-use assets		2,813	1,865
Investment properties		300	309
Investment in a joint venture		-	227
Other investments		1,678	1,264
Intangible assets		-	222
		<u>8,371</u>	<u>7,638</u>
Current Assets			
Inventories		17,028	18,020
Trade receivables	B12	15,782	19,821
Other receivables		1,367	1,568
Tax recoverable		458	467
Fixed deposits with licensed banks		6,346	2,160
Cash and bank balances		6,719	3,964
		<u>47,700</u>	<u>46,000</u>
Non-current assets held for sale		-	780
		<u>47,700</u>	<u>46,780</u>
TOTAL ASSETS		56,071	54,418
EQUITY AND LIABILITIES			
Share capital		59,067	59,067
Reserves		(17,883)	(22,300)
Total equity attributable to owners of the Company		<u>41,184</u>	<u>36,767</u>
Non-controlling Interest			(33)
Total Equity		<u>41,184</u>	<u>36,734</u>
Non-Current Liabilities			
Lease liabilities	B7	1,448	458
		<u>1,448</u>	<u>458</u>
Current Liabilities			
Trade payables		5,337	7,674
Other payables		1,330	2,653
Provision		2,081	2,236
Loans and borrowings	B7	3,915	3,861
Lease liabilities	B7	763	788
Provision for taxation		13	14
		<u>13,439</u>	<u>17,226</u>
Total Liabilities		<u>14,887</u>	<u>17,684</u>
TOTAL EQUITY AND LIABILITIES		56,071	54,418
Net Assets per share attributable to owners of the Company (RM)		0.18	0.63

Note: Net assets per share as at 30 September 2021 and 31 December 2020 are based on 235,056,788 shares and 58,764,197 shares outstanding respectively.

The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the year ended 31 December 2020.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

<----- 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
Unaudited						
<u>9-months ended 30 September 2020</u>						
At 31 December 2019/ 1 January 2020	59,067	-	(17,519)	41,548	-	41,548
Loss after taxation	-	-	(295)	(295)	(32)	(327)
Other comprehensive expense	-	(118)	-	(118)	-	(118)
Total comprehensive expense	-	(118)	(295)	(413)	(32)	(445)
As at 30 September 2020	59,067	(118)	(17,814)	41,135	(32)	41,103
Unaudited						
<u>9-months ended 30 September 2021</u>						
At 31 December 2020/ 1 January 2021	59,067	233	(22,533)	36,767	(33)	36,734
Profit after taxation	-	-	4,512	4,512	(3)	4,509
Other comprehensive expense	-	(95)	-	(95)	-	(95)
Total comprehensive income	-	(95)	4,512	4,417	(3)	4,414
Transaction with owners	-	-	-	-	36	36
As at 30 September 2021	59,067	138	(18,021)	41,184	-	41,184

The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for year ended 31 December 2020.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative	
	Period ended 30 Sep 2021	Period ended 30 Sep 2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) before taxation	4,709	(325)
Adjustments for :-		
<u>Depreciation</u>		
Property, plant & equipment	395	586
Right-of-use assets	758	726
Investment property	10	10
Bad Debt	65	6
Bad Debt recovered	-	(18)
Gain on disposal of Property, plant and equipment	(110)	-
Gain on disposal of asset held for sale	(3,070)	-
Gain on sale of investments	(354)	-
Goodwill written off	266	-
Impairment loss on trade receivables	38	106
Slow moving inventories written down	-	14
Provision for warranty	193	208
Provision for incentive	1,736	-
Share of loss from joint venture	-	1
Unrealised loss/(gain) on forex	(85)	(19)
Reversal of impairment loss on trade receivables	(637)	(205)
Slow moving inventories written back	(139)	(238)
Interest expenses	217	153
Interest income	(64)	(53)
Operating profit/(loss) before working capital changes	3,928	952
Changes in working capital		
Inventories	1,131	(2,416)
Receivables	4,777	(3,803)
Payables	(3,561)	3,864
Cash generated from/(used in) operations	6,275	(1,403)
Interest paid	(5)	(1)
Income tax refunded	15	-
Tax paid	(207)	(28)
Incentives paid	(1,952)	-
Warranty paid	(147)	(73)
Net cash generated from/(used in) operations	3,979	(1,505)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	64	53
Net (placement)/withdrawal of fixed deposits	(1,412)	272
Investment in joint venture	(2)	-
Acquisition of subsidiary	(12)	-
Proceeds from disposal of investment in joint venture	230	-
Proceeds from disposal of investments	1,338	-
Proceeds from disposal of property, plant & equipment	161	-
Proceeds from disposal of asset held for sale	3,850	-
Purchase of quoted shares	(1,493)	(984)
Purchase of unit trust	(1)	(1)
Purchase of property, plant and equipment	(218)	(185)
Net cash generated from/(used in) investing activities	2,505	(845)

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative	
	Period ended 30 Sep 2021	Period ended 30 Sep 2020
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(212)	(152)
Net changes in bankers' acceptance	54	(28)
Repayment of finance lease liabilities	(228)	(71)
Repayment of lease liabilities	(569)	(695)
Net cash from/(used in) financing activities	(955)	(946)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,529	(3,296)
CASH AND CASH EQUIVALENT AT BEGINNING	4,456	8,983
CASH AND CASH EQUIVALENTS AT END	9,985	5,687
Represented by		
Fixed deposits with licensed banks	6,346	2,150
Cash and bank balances	6,719	5,205
Bank overdraft	-	-
Fixed deposits with maturity of more than 3 months	(3,080)	(1,668)
	9,985	5,687

The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the the accompanying explanatory notes attached to the interim financial report and the audited financial statements for year ended 31 December 2020.

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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 2020 and the accompanying notes attached to this interim financial report. 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 year ended 31 December 2020 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 2021 as follows:

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

Amendments to MFRS 9, *Financial Instruments*

Amendments to MFRS 139, *Financial Instruments: Recognition and Measurement*

Amendments to MFRS 7, *Financial Instruments: Disclosure*

Amendments to MFRS 4, *Insurance Contracts*

Amendments to MFRS 16, *Leases*

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:

Effective for financial periods beginning on or after 1 January 2022:

Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*

Amendments to MFRS 3, *Business Combinations*

Amendments to MFRS 9, *Financial Instruments*

Amendments to MFRS 116, *Property, Plant and Equipment*

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

Amendments to MFRS 141, *Agriculture*

Amendments to Annual Improvements to MFRS Standards 2018-2020

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Notes to interim financial report

A1. Basis of preparation (cont'd)

Effective for financial periods beginning on or after 1 January 2023:

MFRS 17, *Insurance Contracts*

Amendment to MFRS 101, Presentation of Financial Statements

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. 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 for the period to 30 September 2021.

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: 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 quarter under review is as follows:

Segment Assets and Liabilities as at 30 September 2021

	Home appliances RM '000	Others RM '000	Elimination RM '000	Total RM '000
<u>Assets</u>				
Segment assets	55,630	10,917	(23,999)	42,548
Tax recoverable	456	2	-	458
Deposits, cash and bank balances	12,422	643	-	13,065
Total Assets	68,508	11,562	(23,999)	56,071
<u>Liabilities</u>				
Segment Liabilities	85,284	5,141	(81,677)	8,748
Taxation	10	3	-	13
Loans and borrowings	3,915	-	-	3,915
Lease liabilities	2,211	-	-	2,211
Total Liabilities	91,420	5,144	(81,677)	14,887

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Notes to interim financial report

A8. Segmental information (cont'd)

Results of operating segments

	Individual		Cumulative	
	Quarter ended 30-Sep-21 RM '000	Quarter ended 30-Sep-20 RM '000	Period ended 30-Sep-21 RM '000	Period ended 30-Sep-20 RM '000
<u>External Revenue</u>				
Home appliances	13,903	23,575	46,526	51,336
Others	-	-	-	-
	13,903	23,575	46,526	51,336
<u>Inter-segment</u>				
Home appliances	82	432	824	1,153
Others	114	132	342	395
Elimination	(196)	(564)	(1,166)	(1,548)
	-	-	-	-
Total Revenue	13,903	23,575	46,526	51,336
<u>Segment Results</u>				
Home appliances	910	1,032	1,436	98
Others	(254)	(393)	(983)	(780)
	656	639	453	(682)
<u>Other Income</u>				
Home appliances	93	260	4,389	439
Others	8	6	20	18
	101	266	4,409	457
<u>Interest expense</u>				
Home appliances	(97)	(65)	(217)	(153)
Others	-	-	-	-
	(97)	(65)	(217)	(153)
<u>Interest income</u>				
Home appliances	29	15	64	45
Others	-	1	-	8
	29	16	64	53
<u>Profit/(Loss) before taxation</u>				
Home appliances	935	1,242	5,672	429
Others	(246)	(386)	(963)	(754)
	689	856	4,709	(325)

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Notes to interim financial report

A8. Segmental information (cont'd)

	Individual		Cumulative	
	Quarter ended	Quarter ended	Period ended	Period ended
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
	RM '000	RM '000	RM '000	RM '000
<u>Tax expense</u>				
Home appliances	(79)	-	(187)	-
Others	(1)	(1)	(13)	(2)
	(80)	(1)	(200)	(2)
<u>Profit/(Loss) for the period</u>				
Home appliances	856	1,242	5,485	429
Others	(247)	(387)	(976)	(756)
	609	855	4,509	(327)
Fair Value gain/(loss) on Available for sale financial asset	39	(116)	(95)	(118)
Total Comprehensive income/ (expense) for the period	648	739	4,414	(445)

A9. Valuation of property, plant and equipment

The valuation 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 30 September 2021 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

During the quarter under review, the Company acquired a 100% equity interest in T5 Digital Sdn. Bhd. ("T5 Digital"), a dormant entity with a paid-up capital of RM1,000.00. T5 Digital will be involved in the business of marketing and selling products under the brand "Euro Uno".

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Notes to interim financial

A12. Contingent liabilities

The Company has extended corporate guarantees to financial institutions for banking facilities granted by them to certain of its subsidiaries which amounted to RM9.00 million as at 30 September 2021. The contingent liability of the Company for the facilities utilized by its subsidiaries as at 30 September 2021 amounted to RM4.02 million.

A13. Capital commitments

There was no material capital commitment during the quarter under review.

A14. Significant related party transactions

Save as disclosed below, there are no other significant related party transactions as at the date of this announcement.

	Quarter ended 30/9/2021	Period from 1/10/2020- 30/9/2021
<u>Related party transaction disclosure</u>	RM	RM
Transaction with companies in which directors have interest		
Pest React Sdn Bhd	5,700.00	22,650.00
VAMC group	9,566.15	31,937.35
Chin Huat Trading	-	1,937.50
Transaction with a connected person	18,710.85	46,204.13

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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			Cumulative		
	Quarter	Quarter	% change	Period	Period	% change
	ended	ended		ended	ended	
	30 Sep 2021	30 Sep 2020		30 Sep 2021	30 Sep 2020	
	RM'000	RM'000		RM'000	RM'000	
Revenue	13,903	23,575	-41.0%	46,526	51,336	-9.4%
Gross profit	4,264	5,857	-27.2%	13,933	12,486	11.6%
Profit/(loss) before interest and tax	786	921	-14.7%	4,926	(172)	2964.0%
Profit/(loss) before tax	689	856	-19.5%	4,709	(325)	1548.9%
Profit/(loss) after tax	609	855	-28.8%	4,509	(327)	1478.9%

The implementation of a nationwide Full Movement Control Order (“FMCO”) on 1 June 2021 due to rising Covid-19 cases then has led to a sharp drop in sales for our trading operation. This operation was not allowed to operate as it does not fall under the essential economic and service sectors listed by the National Security Council (“NSC”).

Under this challenging operating environment, Group revenue contracted by 41.0% to RM13.90 million from RM23.58 million in the same quarter last year due to lower sales from both the trading and OEM operations. The trading operation received permission to operate under the FMCO only on 2 August 2021, one (1) month into the current quarter under review which resulted in revenue contracting by 25.8% compared to the same quarter last year. Meanwhile revenue for the OEM operation contracted significantly by 91.7% compared to the same quarter last year due to the stoppage of manufacturing activity as part of the Group’s restructuring plan.

Gross profit contracted by 27.2% to RM4.26 million from RM5.86 million in the same quarter last year due to a 41.0% contraction in revenue. However, gross profit margin improved by 5.9 percentage point to 30.7% compared to 24.8% for the same quarter last year as both the trading and OEM operations reported improved gross profit margin.

The Group reported other operating income of RM0.13 million compared to RM0.28 million in the same quarter last year due to lower write back of impairment of trade receivables no longer required.

B1. Review of Performance (cont'd)

Comparison of current quarter and preceding year corresponding quarter results (cont'd)

The Group's administrative expenses at RM2.59 million was 9.3% lower than that of the same quarter last year mainly due to lower professional fees paid. Meanwhile, other operating expenses at RM0.125 million was 73.6% higher due to goodwill written off. Selling and distribution expenses declined by 61.0% compared to the same quarter last year due to lower advertising and promotion expenses and provision of sales incentive in line with the lower revenue for the quarter under review.

Finance costs increased to RM0.10 million from RM0.07 million due to higher lease liabilities.

The higher tax expense for the quarter was due to Real property gains tax arising from the disposal of a factory owned by a subsidiary of the Company.

Net profit fell 28.8% to RM0.61 million from RM0.86 million in the same quarter last year on the back of a 41.0% contraction in revenue.

Comparison of cumulative quarter and preceding year corresponding cumulative quarter results

Cumulative revenue for the nine (9) months period to 30 September 2021 contracted by 9.4% to RM46.53 million from RM51.34 million in the same period last year. This was mainly attributed to the OEM operation's 44.2% revenue contraction due to the stoppage of manufacturing activity. The trading operation's revenue was marginally lower by 1.0%.

Gross profit for the period to 30 September 2021 expanded by 11.6% to RM13.93 million from RM12.49 million in the same period last year despite a 9.4% contraction in revenue as a result of higher gross profit margin. Gross profit margin increased by 5.6 percentage points to 29.9% due to higher gross profit margin achieved by both operations

Other operating income increased to RM4.47 million from RM0.51 million. This was mainly due to recognition of gain on disposal of assets, gain on sale of investment and write back of impairment of trade receivables no longer required.

Administrative and other operating expenses for the period increased by 12.5%. The increase was due to higher staff costs, write-off of goodwill and professional fees incurred arising from the disposal of asset held for sale.

Selling and distribution expenses at RM4.40 million was 13.7% lower than the same period last year due to lower advertising & promotion costs and provision for sales incentive.

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B1. Review of Performance (cont'd)

Comparison of cumulative quarter and preceding year corresponding cumulative quarter results (cont'd)

Finance costs increased to RM0.22 million from RM0.15 million due to increase in lease liabilities arising from a renewal of a Right-of-use asset and higher utilisation of banker acceptance facilities.

The higher tax expense for the period was due to Real property gains tax incurred for the disposal of a factory owned by a subsidiary of the Company.

For the cumulative nine months period, net profit was up 1478.9% to RM4.51 million from a loss of RM0.33 million for the same period last year despite a 9.4% contraction in revenue. This was due to higher gross profit from sales and higher other operating income arising from gain on disposal of assets and other investment.

B2. Comparison of current quarter with immediate preceding quarter results

	Current Quarter	Immediate Preceding Quarter	Changes
	30 Sep 2021	30 Jun 2021	
	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	13,903	11,821	17.6%
Gross profit	4,264	3,725	14.5%
Profit/(loss) before interest and tax	786	2,485	-68.4%
Profit/(loss) before tax	689	2,433	-71.7%
Profit/(loss) after tax	609	2,312	-73.7%

Group revenue for the current quarter was up by 17.6% to RM13.90 million from RM11.82 million in the preceding quarter due to higher sales for both the trading and OEM operation. Compared to the preceding quarter, revenue for the trading operation rose by 16.2% to RM13.45 million while revenue for the OEM operation rose by 85.6% to RM0.45 million due to higher offtake by its OEM customers.

Gross profit increased by 14.5% quarter-on-quarter due to a 17.6% increase in revenue. However, gross profit margin decreased marginally by 0.8 percentage point to 30.7% from 31.5% in the preceding quarter due to the trading operation's lower gross profit margin.

Net profit fell 73.7% to RM0.61 million from RM2.31 million in the preceding quarter as the preceding quarter net profit includes other operating income derived from disposal of assets.

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Notes to interim financial report

B3. Commentary on prospect

Despite challenges ahead, we are hopeful that the country's economic recovery will continue in the coming months with the easing of restrictions as the national vaccination rate grows.

Against this backdrop, the Group will continue to manage its product range and realign marketing strategies to drive revenue for long term sustainable growth. Efforts to improve operational efficiency and managing our cost base will be a priority in view of the new landscape post pandemic.

Barring unforeseen circumstances, the Group expects to perform satisfactorily in the current last quarter of the financial year.

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

	Individual		Cumulative	
	Quarter ended	Quarter ended	Period ended	Period ended
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
	RM '000	RM '000	RM '000	RM '000
Current year tax expense	5	1	13	2
Prior year tax expense	-	-	(4)	-
Real Property Gains Tax	75	-	191	-
Tax (credit)/expense	80	1	200	2

The effective tax rate of the Group was lower than the statutory tax rate due to unabsorbed business loss brought forward available for offsetting for certain of its subsidiaries.

B6. Status of corporate proposal announced by the Company

On 30 March 2021, the Board of Directors announced to Bursa Malaysia that the Company is seeking shareholders' approval for the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading nature ("Proposed Renewal of Shareholders' Mandate") at the Twenty-Sixth Annual General Meeting ("AGM") of the Company to be convened at a date to be notified later.

The Proposed Renewal of Shareholders' Mandate was approved by the Shareholders at the Company's Postponed 26th AGM held on 22 September 2021.

MILUX CORPORATION BERHAD Registration No. 199401027937 (313619-W)**Notes to interim financial report****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 30 September 2021 and the rates of interest charged are as follows:

	As at 30 Sep 2021		As at 31 Dec 2020	
	Short term borrowing	Long term borrowing	Short term borrowing	Long term borrowing
	RM '000	RM '000	RM '000	RM '000
<u>Secured</u>				
Lease liabilities	147	460	240	458
Lease liabilities: Right-of-use asset	616	988	548	-
Bank overdraft	-	-	-	-
Bankers' acceptance	3,915	-	3,861	-
Total	<u>4,678</u>	<u>1,448</u>	<u>4,649</u>	<u>458</u>
		<u>Current Quarter</u>		<u>Cumulative Quarter</u>
		%		%
Bank overdraft		BLR + 2.00		BLR + 2.00
Bankers' acceptance		4.58 - 4.97		4.10 - 5.85

B8. Material litigation

There is no material litigation involving the Group as at 30 September 2021.

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.

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

Notes to interim financial report

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

	Individual		Cumulative	
	Quarter ended	Quarter ended	Period ended	Period ended
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
	RM '000	RM '000	RM '000	RM '000
Profit/(loss) attributable to owners of the Company	609	887	4,512	(295)
Weighted average number of ordinary shares outstanding ('000)	235,057	58,764	182,104	58,764
Basic earnings/(loss) per share (sen)	0.26	1.51	2.48	(0.50)

B11. Profit/(loss) for the period

	Individual		Cumulative	
	Quarter ended	Quarter ended	Period ended	Period ended
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
	RM '000	RM '000	RM '000	RM '000
<i>Profit/(loss) before taxation is arrived at after charging/(crediting)</i>				
Slow moving inventories written down	-	-	-	14
Slow moving inventories written back	(139)	(46)	(139)	(238)
<u>Depreciation</u>				
-Property, plant and equipment	137	199	405	596
-Right-of-use asset	254	239	758	726
Bad debt	-	-	65	6
Bad debt recovered	-	(8)	-	(18)
(Gain)/Loss on disposal of property, plant & machinery	(5)	-	(110)	-
(Gain)/Loss on Assets Held for Sale	-	-	(3,070)	-
(Gain)/Loss on disposal of Investment	-	-	(354)	-
Goodwill written off	44	-	266	-
Interest expense	97	65	217	153
Interest income	(29)	(16)	(64)	(53)
Impairment loss on trade receivables	-	-	38	106
Reversal of Impairment loss on trade receivables	(63)	(201)	(637)	(205)
Provision for warranty	56	97	193	208
Realised foreign exchange (gain)/loss	78	(62)	79	(68)
Unrealised foreign exchange (gain)/loss (net)	(73)	20	(85)	(19)

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 30 Sept 2021 are as follows:

	As at 30-Sep-21 RM'000
Neither past due	11,686
Past due 1 - 30 days	882
Past due 31 - 60 days	94
Past due 61 - 90 days	2
More than 90 days past due	<u>4,091</u>
	16,755
Credit impaired	
Past due	<u>(973)</u>
Trade receivables (net)	<u><u>15,782</u></u>

Dated: 25 November 2021