



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")
(Company No. 636939-W)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	3RD QUARTER ENDED		9 MONTHS ENDED	
	30-Sep-15 RM'000	30-Sep-14 RM'000	30-Sep-15 RM'000	30-Sep-14 RM'000
Revenue	105,225	91,860	300,539	281,498
Operating profit	8,153	13,472	27,132	40,352
Interest expense	(1,760)	(754)	(3,442)	(2,370)
Interest income	20	52	143	174
Share of profit/(loss) of associate companies	(32)	4	(71)	10
Profit before tax	6,381	12,774	23,762	38,166
Income tax expense	(6,144)	(4,081)	(10,387)	(10,276)
Net profit for the period	237	8,693	13,375	27,890
Other comprehensive income				
Currency translation differences for foreign operations	2,937	932	2,407	(233)
Total comprehensive income for the period	3,174	9,625	15,782	27,657
Net profit attributable to:				
Owners of the parent	3,481	7,528	18,181	24,229
Non-controlling interest	(3,244)	1,165	(4,806)	3,661
	237	8,693	13,375	27,890
Total comprehensive income attributable to:				
Owners of the parent	7,916	8,191	21,789	24,153
Non-controlling interest	(4,742)	1,434	(6,007)	3,504
	3,174	9,625	15,782	27,657
Earnings per share (in sen) for net profit attributable to owners of the parents :				
Basic earnings per share	3.00	6.45	15.67	20.77

The Condensed Interim Financial Statements should be read in conjunction with STC's Audited Consolidated Financial Statements for the financial year ended 31 December 2014 with the accompanying explanatory notes attached to the financial statements.



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")
(Company No. 636939-W)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015

	30-Sep-15 RM'000	Audited 31-Dec-14 RM'000
Assets		
Non-current Assets		
Property, plant and equipment	145,208	138,853
Investment properties	19,105	12,763
Investment in associate company	8,998	9,069
Other receivables	660	767
Goodwill on consolidation	7,763	7,763
Deferred Tax Assets	822	433
	182,556	169,648
Current Assets		
Inventories	115,338	121,415
Trade and other receivables	126,421	101,383
Amount due from contract customer	18,210	29,491
Total Prepayment and Other Assets	2,645	4,029
Tax Recoverable	5,459	2,888
Cash and bank Balances	29,400	43,924
	297,473	303,130
TOTAL Assets	480,029	472,778
EQUITY AND Liabilities		
Equity		
Share capital	60,000	60,000
Treasury Shares	(5,750)	(4,293)
Reserve	199,832	185,100
Equity attributable to owners of the parent	254,082	240,807
Non-Controlling Interests	33,765	37,370
Total equity	287,847	278,177
Non-current Liabilities		
Long term Borrowings	31,873	25,947
Deferred Tax Liabilities	3,287	3,243
	35,160	29,190
Current Liabilities		
Trade and other payables	74,988	84,914
Short term Borrowings	74,569	78,569
Current tax payable	7,465	1,928
	157,022	165,411
TOTAL Liabilities	192,182	194,601
TOTAL EQUITY AND Liabilities	480,029	472,778
Net Assets per share attributable to owners of the parent holders of the parent (RM)*	2.19	2.06

* Non-Controlling Interests are excluded from the computation of the net Assets per STC Share.

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SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")
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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	30-Sep-15 RM'000	30-Sep-14 RM'000
Cash flows from operating activities		
Profit before tax	23,762	38,166
Adjustments for:		
Non-cash items	8,037	5,673
Non-operating items	3,396	2,196
Operating profit before changes in working capital	<u>35,195</u>	<u>46,035</u>
Changes in working capital:		
Inventories	6,078	(16,359)
Trade and other receivables	(12,268)	(11,717)
Trade and other payables	(9,925)	(11,221)
Cash generated from operating activities	<u>19,080</u>	<u>6,738</u>
Tax (paid) / refund	(7,986)	(7,663)
Interest (paid) / received	(3,396)	(2,196)
Net cash from / (used) in operating activities	<u>7,698</u>	<u>(3,121)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment (PPE)	(11,156)	(8,928)
Purchase of investment property	(6,342)	-
Proceeds from disposal of PPE	85	1,101
Net cash from / (used) in investing activities	<u>(17,413)</u>	<u>(7,827)</u>
Cash flows from financing activities		
Net movement in fixed deposit pledged	(25)	170
Repayment of bank borrowings and hire purchase payables	(16,725)	(12,225)
Net movement in trade bills	(9,633)	240
Drawdown from bank borrowings	26,090	14,212
Purchase of treasury shares	(1,457)	(84)
Dividend paid	(4,652)	(5,220)
Net cash from / (used) in financing activities	<u>(6,402)</u>	<u>(2,907)</u>
Net increase / (decrease) in cash and cash equivalents	(16,116)	(13,855)
Effects of exchange rate changes	650	(274)
Cash and cash equivalents at beginning of Financial period	41,213	36,475
Cash and cash equivalents at end of Financial period	<u>25,747</u>	<u>22,346</u>
Cash and cash equivalents at end of period comprise:		
Cash & bank Balances	28,153	24,571
Deposits with licensed banks	1,248	1,494
	<u>29,401</u>	<u>26,065</u>
Less: Bank Overdraft	(2,456)	(2,558)
	<u>26,945</u>	<u>23,507</u>
Less : Non-cash & cash equivalent		
-Fixed deposit pledge for banking facilities	(1,198)	(1,161)
	<u>25,747</u>	<u>22,346</u>

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SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	Attributable to Owners of the Parent					Retained Profit	Total	Non Controlling Interest	Total Equity	
	Share Capital	Share Premium	Non-distributable							Distributable
			Treasury shares	Foreign currency translation reserve	Capital Reserve					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2014	60,000	1,268	(3,800)	1,783	3,544	157,753	220,548	36,270	256,817	
Net profit for the period	-	-	-	-	-	24,229	24,229	3,661	27,890	
Other comprehensive income	-	-	-	(82)	-	-	(82)	(151)	(233)	
Total comprehensive income	-	-	-	(82)	-	24,229	24,147	3,510	27,657	
Share buy back	-	-	(82)	-	-	-	(82)	(2)	(84)	
Disposal of Treasury Shares	-	-	-	-	-	-	-	-	-	
Dividend	-	-	-	-	-	(4,666)	(4,666)	(554)	(5,220)	
Bonus issue of subsidiary	-	-	-	-	-	(240)	(240)	240	-	
Changes in ownership interest in subsidiary that do not result in a loss of control	-	-	-	-	-	103	103	(3)	100	
At 30 September 2014	60,000	1,268	(3,882)	1,701	3,544	177,179	239,810	39,461	279,270	
At 1 January 2015	60,000	1,268	(4,293)	2,434	3,544	177,855	240,807	37,370	278,177	
Net profit for the period	-	-	-	-	-	18,181	18,181	(4,806)	13,375	
Other comprehensive income	-	-	-	1,206	-	-	1,206	1,201	2,407	
Total comprehensive income	-	-	-	1,206	-	18,178	19,384	(3,605)	15,779.19	
Share buy back	-	-	(1,457)	-	-	-	(1,457)	-	(1,457)	
Disposal of Treasury Shares	-	-	-	-	-	-	-	-	-	
Dividend	-	-	-	-	-	(4,652)	(4,652)	-	(4,652)	
Bonus issue of subsidiary	-	-	-	-	-	-	-	-	-	
Changes in ownership interest in subsidiary that do not result in a loss of control	-	-	-	-	-	-	-	-	-	
At 30 September 2015	60,000	1,268	(5,750)	3,640	3,544	191,381	254,082	33,765	287,847	

The Condensed Interim Financial Statements should be read in conjunction with STC's Audited Consolidated Financial Statements for the financial year ended 31 December 2014 with the accompanying explanatory notes attached to the financial statements.



Notes on the quarterly report – 30 September 2015

PART A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 (“FRS 134”)

A1. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 30 September 2015, have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s Audited Financial Statements for the year ended 31 December 2014. These condensed interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

A2. Changes in Accounting Policies

The Significant accounting policies and the methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statement for the financial year ended 31 December 2014.

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on 1 January 2015 did not have significant impact on the unaudited condensed consolidated financial statements upon their initial application.

MFRSs, Amendments to MFRSs and IC Interpretation

MFRS 10	Consolidated Financial Statement : Investment Entities
MFRS 12	Disclosure of Interest in Other Entities : Investment Entities
MFRS 127	Consolidated and Separate Financial Statements : Investments Entities (as amended by IASB in May 2011)
Amendments to MFRS132	Offsetting Financial Assets and Financial
Amendments to MFRS139	Liabilities
IC Interpretation 21	Recoverable Amount Disclosure for Non- financial Asset Novation of Derivatives and Continuation of Hedge Accounting Levies

The Group did not early adopt the following standards that have been issued by the Malaysian Accounting Standards Board as these are not yet effective for the current financial period: -



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MFRSs, Amendments to MFRSs and IC Interpretation	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The above mentioned accounting standards and interpretations (including the consequential amendments) do not have any financial impact on the Group’s financial statements upon their initial application.

A3. Qualification of Annual Financial Statements

The latest audited consolidated financial statements of STC for the financial year ended 31 December 2014 were not qualified.

A4. Seasonal and Cyclical Factors

The Group’s business operation results were not materially affected by any major seasonal or cyclical factors during the financial period ended 30 September 2015. However, the process equipment’s business operation result is very much dependent on the timing of completion of each project.

A5. Unusual Nature and Amounts of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items of unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 September 2015.

A6. Changes in Accounting Estimates

There were no changes in accounting estimates that have a material effect in the current quarter results.



**SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
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Notes on the quarterly report – 30 September 2015

A7. Debt and Equity Securities

Saved as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review:

(a) Share Buy-Back

During the nine months ended 30 September 2015, the Company repurchased 1,002,600 of its issued share capital from the open market at an average cost of RM 1.45 per share. The total consideration paid for the share buy-back of STC shares during the nine months ended 30 September 2015, including transaction costs was RM 1,457,583.93 and was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A Subsection 3(A) (b) of the Companies Act, 1965.

As at 30 September 2015, the number of treasury shares held was 4,639,377 STC shares at an average cost of RM 1.24 per share.

A8. Dividend Paid

In respect of financial year ending 2015, the Board of Directors had declared a single-tier dividend of RM0.04 per share (Previous corresponding period: RM 0.04 per share) on 116,285,223 ordinary shares amounting to RM 4,651,409 on 24 April 2015.

The entitlement to the interim dividend was determined based on the shareholders registered in the record of depositors as at 18 May 2015 and the dividend has been paid on 15 June 2015.



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Notes on the quarterly report – 30 September 2015

A9. Segment Information

Business Segments Revenue & Results

	Transformer, Industrial lighting & related products	Process equipment	Eliminations	Consolidated
Nine Months Ended 30 Sep 2015	RM'000	RM'000	RM'000	RM'000
REVENUE				
External Sales	208,135	92,404	-	300,539
Inter-segment sales	1	-	(1)	-
Total Revenue	208,136	92,404	(1)	300,539
RESULTS				
Segment results				28,009
Share of profit in associate companies				(71)
Unallocated corporate expenses				(414)
Finance cost				(3,807)
Interest income				45
Profit before taxation				23,762
Taxation				(10,387)
Net profit for the period				13,375
Other comprehensive income				2,407
Total comprehensive income for the period				15,782



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Notes on the quarterly report – 30 September 2015

A9. Segment Information - (Cont’d)

	Transformer, Industrial lighting & related products	Process equipment	Eliminations	Consolidated
Nine Months Ended 30 Sep 2014	RM’000	RM’000	RM’000	RM’000
REVENUE				
External Sales	185,787	95,711	-	281,498
Inter-segment sales	1,047	-	(1,047)	-
Total Revenue	<u>186,834</u>	<u>95,711</u>	<u>(1,047)</u>	<u>281,498</u>
RESULTS				
Segment results				41,265
Share of profit from associate companies				10
Unallocated corporate expenses				(490)
Finance cost				(2,793)
Interest income				<u>174</u>
Profit before taxation				38,166
Taxation				<u>(10,276)</u>
Net profit for the period				27,890
Other comprehensive income				<u>(233)</u>
Total comprehensive income for the period				<u>27,657</u>



SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
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Notes on the quarterly report – 30 September 2015

A9. Segment Information - (Cont’d)

Geographical Segments Revenue & Results

Nine Months Ended 30 Sep 2015	Malaysia RM’000	Overseas RM’000	Eliminations RM’000	Consolidated RM’000
REVENUE				
External Sales	234,330	66,209	-	300,539
Inter-segment sales	15,884	27,074	(42,959)	-
Total Revenue	<u>250,214</u>	<u>93,283</u>	<u>(42,959)</u>	<u>300,539</u>
RESULTS				
Segment results				28,009
Share of profit from associate companies				(71)
Unallocated corporate expenses				(414)
Finance cost				(3,807)
Interest income				45
Profit before taxation				<u>23,762</u>
Taxation				(10,387)
Net profit for the period				<u>13,375</u>
Other comprehensive income				<u>2,407</u>
Total comprehensive income for the period				<u>15,782</u>



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Nine Months Ended 30 Sep 2014	Malaysia RM’000	Overseas RM’000	Eliminations RM’000	Consolidated RM’000
REVENUE				
External Sales	222,930	58,569	-	281,498
Inter-segment sales	11,633	25,502	(37,136)	-
Total Revenue	<u>234,563</u>	<u>84,071</u>	<u>(37,136)</u>	<u>281,498</u>
RESULTS				
Segment results				41,265
Share of loss from associate companies				10
Unallocated corporate expenses				(490)
Finance cost				(2,793)
Interest income				174
Profit before taxation				<u>38,166</u>
Taxation				<u>(10,276)</u>
Net profit for the period				<u>27,890</u>
Other comprehensive income				<u>(233)</u>
Total comprehensive income for the period				<u>27,657</u>



**SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
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Notes on the quarterly report – 30 September 2015

A10. Valuation of Property, Plant & Equipment

There were no revaluations of property plant and equipment. All property, plant and equipment were stated at cost less accumulated depreciation.

A11. Capital Commitments

There were no capital commitment approved and contracted for during the current period ended 30th September 2015.

A12. Material Events Subsequent to The End of The Interim Period

There was no material event subsequent to the end of the current quarter under review.

A13. Changes in the composition of the Group

The Board of Directors of STC (“the Board”) wishes to announce that STC had on 01 October 2015 acquired additional 12,600 shares of RM 1.00 each in Omega Metal Industries Sdn. Bhd. (“OMI”) , representing an additional equity interest of 5% share in the issued and paid up capital of OMI. Following the Additional Equity Investment, STC holds a total of 70% equity interest in OMI.

Within the same date, STC had acquired additional 5,000 shares of RM 1.00 each in Daiichi Steel Sdn. Bhd.(“DS”), representing an additional equity interest of 5% share in the issued and paid up capital of DS. Following the Additional Equity Investment, STC shall hold a total of 80% equity interest in DS.

Save for disclosed above, there was no change in the composition of the Group as at the date of this announcement.

A14. Changes in contingent liabilities and contingent assets

As at the date of this announcement, there were no material contingent liabilities and contingent assets incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.



**SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
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Notes on the quarterly report – 30 September 2015

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA SECURITIES**

B1. Review of performance

The Group recorded a revenue of RM 105.23 million for the current quarter ended 30 September 2015 as compared to RM 91.86 million in the previous year corresponding quarter, showing an increase of 14.6% or RM13.37 million were mainly due to increase in sales from transformer and lighting segment.

Net profit attributable to owners of the parent (PAT after NCI) of RM 3.48 million for the current quarter ended 30 September 2015 representing a decrease of 53.8% or RM 4.05 million as compared to previous year’s corresponding quarter ended of RM 7.53 million. While the transformer and lighting segment is continue to yield positive results, nevertheless its process equipment segment suffered losses due to cost overrun in Sabah Ammonia Urea (“SAMUR”) Project despite process equipment segment’s core business still contribute positively to its results.

The Group recorded a revenue of RM 300.54 million for the nine months ended 30 September 2015 as compared to RM 281.50 million in the previous year corresponding period, showing an increase of 6.8% or RM 19.04 million due to increase in sales from transformer and lighting segment despite decrease in sales from process equipment segment.

PAT after NCI was approximately RM 18.18 million for the nine months ended 30 September 2015, showing a decrease of 25.0% or RM 6.05 million compared to previous year corresponding period of RM 24.23 million. While the transformer and lighting segment is continue to yield positive results, nevertheless its process equipment segment suffered losses due to cost overrun in SAMUR Project despite process equipment segment’s core business still contribute positively to its results.

B2. Variation of results against preceding quarter

The Group recorded a profit before tax (PBT) of RM 6.38 million for the current quarter ended 30 September 2015, representing a decrease of 59.5 % or RM 9.37 million as compared to preceding quarter ended 30 June 2015 profit before tax of RM 15.75 million. While the transformer and lighting segment is continue to yield positive results, nevertheless its process equipment segment’s suffered losses due to cost overrun in SAMUR Project despite process equipment segment’s core business still contribute positively to its results.

B3. Prospects

The Group expects competition in the domestic and regional market in respect of the transformer and industrial lighting segment. Nevertheless, the Group is leveraging on its strong track record, extensive customer networking and wider range of products in expanding and penetrating both existing and new markets. The Group also steps up its effort to enhance its competitiveness and productivity in its operations.

In respect of the process equipment segment, the market outlook to remain challenging. Nevertheless, the group still remain focus on its core business in fabrication of pressure vessels and equipment for oil and fats industries, chemical, downstream petrochemical, water treatment and power plants. Therefore, despite the group’s core business continue to contribute positive results, it expects to record losses for the year due to cost overrun in SAMUR project.

Barring any unforeseen circumstances, the Group expects to achieve satisfactory financial performance in 2015



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B4. Profit Forecast or Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee issued by the Group.

B5. Tax Expense

	3rd Quarter Ended		9 Months Ended	
	30-Sep-2015	30-Sep-2014	30-Sep-2015	30-Sep-2014
	RM'000	RM'000	RM'000	RM'000
Income tax	4,443	4,244	10,592	10,543
Deferred tax	1,701	(163)	(205)	(267)
Total	<u>6,144</u>	<u>4,081</u>	<u>10,387</u>	<u>10,276</u>

The effective tax rate for the current quarter and financial year under review was higher than the statutory tax rate of 25% is mainly due to loss incurred in a major subsidiary which is not entitlement for group relief.

B6. Status of Corporate Proposals

There was no corporate proposal announced but not completed in the interval from the date of the last report and the date of this announcement.

B7. Group Borrowings

The Group’s borrowings as at 30 September 2015 were as follows:

	Payable within 12 months RM'000	Payable after 12 Months RM'000
<u>Secured</u>		
Bank Borrowings	70,954	29,500
Hire Purchase Payables	1,159	2,373
Bank Overdraft	2,456	-
Total Borrowings	<u>74,569</u>	<u>31,873</u>

Details of the borrowings denominated in each currency are as follows.

	Amount RM'000
Malaysian Ringgit	88,169
United States Dollar	13,363
Singaporean Dollar	4,809
Indonesian Rupiah	101
Total Borrowings	<u>106,442</u>



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Notes on the quarterly report – 30 September 2015

B8. Changes in material litigation

The Group is not engaged in any material litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Group, save as disclosed below.

It’s 65% owned subsidiary, Seremban Engineering Berhad (SEB) was served with a notice pursuant to Section 218 of the Companies Act 1965 (“218 Notice”) by a vendor to demand repayment of a purported debt. In response, SEB has filed an Originating Summons together with a Notice of Application seeking an injunction to restrain the said vendor from taking any further action in relation to the 218 Notice and an ad interim injunction has been obtained for the same, pending the hearing of the injunction proper in the Kuala Lumpur High Court scheduled for 14.12.2015.

B9. Proposed Dividends

There were no dividends proposed during the quarter under review save as disclosed in Note A8.

B10. Earnings per share

(a) Basic

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity owners of the parent by the weighted average number of ordinary shares in issue during the nine months ended 30 September 2015 are computed as follow:-

	3rd Quarter Ended		9 Months Ended	
	30-Sep	30-Sep	30-Sep	30-Sep
	2015	2014	2015	2014
Profit attributable to owners of the parent (RM’000)	3,481	7,528	18,181	24,229
Weighted average number of ordinary shares RM0.50 each in STC in issue (‘000)	116,059	116,613	116,059	116,613
Basic earning per share (sen)	3.00	6.45	15.67	20.77

(b) Diluted

No diluted earnings per share is calculated as there are no potential dilutive ordinary shares.



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Notes on the quarterly report – 30 September 2015

B11. Notes to the Statement of Comprehensive Income

	3rd Quarter ended		9 Months Ended	
	30-Sep 2015	30-Sep 2014	30-Sep 2015	30-Sep 2014
	RM'000	RM'000	RM'000	RM'000
Other income	(40)	(228)	(1,049)	(749)
Depreciation	2,280	2,043	6,840	5,994
(Gain)/loss on disposal of properties, plant & equipment	(17)	(4)	(44)	(41)
(Gain)/loss on foreign exchange	(1,036)	608	(1,998)	60



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Notes on the quarterly report – 30 September 2015

B12. Realised and unrealised profit / losses disclosure

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Securities”) had issued directives to all listed issuers pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose a breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the prescribed format of presentation.

Pursuant to the directive, the breakdown of the retained profits of the Group as at 30 September 2015, into realised and unrealised profits is as follows:

	As at End of Current Quarter 30-Sep-2015	As at End of Preceding Quarter 30-Jun-2015
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries :		
- Realised	241,099	235,952
- Unrealised	<u>309</u>	<u>3,297</u>
	241,408	239,249
Total share of accumulated profit/(loss) from jointly controlled entities :		
- Realised	<u>(402)</u>	<u>(370)</u>
	241,006	238,879
Less : Consolidation adjustments	(49,956)	(50,978)
Total group retained profits	<u>191,381</u>	<u>187,901</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1 “Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements”, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

By order of the Board

Tan Ah Bah @ Tan Ah Ping
Managing Director
30 November 2015