



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 JUNE 2016

	Current Quarter 30-Jun-16	Comparative Quarter 30-Jun-15	Cummulative 18 Months 30-Jun-16	30-Jun-16
	RM'000	RM'000	RM'000	RM'000
Revenue	79,089	93,477	571,939	N/A
Operating profit	(2,138)	16,432	53,446	N/A
Interest expense	(1,222)	(748)	(7,402)	N/A
Interest income	145	79	464	N/A
Share of profit/(loss) of associate companies	52	(10)	(336)	N/A
Profit before tax	(3,163)	15,753	46,172	N/A
Income tax expense	(2,788)	(3,105)	(20,533)	N/A
Net profit for the period	(5,951)	12,648	25,639	N/A
Other comprehensive income				
Currency translation differences for foreign operations	(29)	(2,719)	2,885	N/A
Total comprehensive income for the period	(5,980)	9,929	28,524	N/A
Net profit attributable to:				
Owners of the parent	(381)	11,815	34,775	N/A
Non-controlling interest	(5,570)	833	(9,136)	N/A
	(5,951)	12,648	25,639	N/A
Total comprehensive income attributable to:				
Owners of the parent	(489)	8,075	37,990	N/A
Non-controlling interest	(5,491)	1,854	(9,466)	N/A
	(5,980)	9,929	28,524	N/A
Earnings per share (in sen) for net profit attributable to owners of the parents :				
Basic earnings per share	(0.33)	10.16	30.06	N/A

In view of the change in the current financial year end from 31 December 2015 to 30 June 2016 to improve the overall operational and administrative efficiency having considered the size and diversity of the Group's operations, both local and abroad, there were no comparative financial information available for the 18-month financial period ended 30 June 2016.

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 JUNE 2016

	30-Jun-16 RM'000
Assets	
Non-current Assets	
Property, plant and equipment	131,672
Investment properties	29,902
Investment in associate company	-
Other receivables	435
Goodwill on consolidation	7,616
Deferred Tax Assets	1,116
	<u>170,741</u>
Current Assets	
Inventories	126,232
Trade and other receivables	120,874
Amount due from contract customer	584
Total Prepayment and Other Assets	5,552
Tax Recoverable	3,748
Cash and bank Balances	41,874
	<u>298,864</u>
TOTAL Assets	<u>469,605</u>
EQUITY AND Liabilities	
Equity	
Share capital	60,000
Treasury Shares	(6,462)
Reserve	211,215
Equity attributable to owners of the parent	<u>264,753</u>
Non-Controlling Interests	28,281
Total equity	<u>293,034</u>
Non-current Liabilities	
Long term Borrowings	26,993
Deferred Tax Liabilities	2,301
	<u>29,294</u>
Current Liabilities	
Trade and other payables	73,311
Short term Borrowings	67,373
Current tax payable	6,593
	<u>147,277</u>
TOTAL Liabilities	176,571
TOTAL EQUITY AND Liabilities	<u>469,605</u>
 Net Assets per share attributable to owners of the parent holders of the parent (RM)*	 <u>2.29</u>

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

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SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")
(Company No. 636939-W)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	30-Jun-16 RM'000
Cash flows from operating activities	
Profit before tax	46,172
Adjustments for:	
Non-cash items	20,533
Non-operating items	6,938
Operating profit before changes in working capital	<u>73,643</u>
Changes in working capital:	
Inventories	(11,088)
Trade and other receivables	6,923
Trade and other payables	(11,602)
Cash generated from operating activities	<u>57,876</u>
Tax paid	(17,456)
Interest paid	(6,938)
Net cash from in operating activities	<u><u>33,482</u></u>
Cash flows from investing activities	
Purchase of property, plant and equipment ("PPE")	(18,570)
Proceeds from disposal of PPE	2,747
Purchase of investment property	(6,294)
Proceeds from disposal of association	10,000
Increase of investment in subsidiary	(188)
Net cash used in investing activities	<u><u>(12,305)</u></u>
Cash flows from financing activities	
Net movement in fixed deposit pledged	(57)
Repayment of bank borrowings and hire purchase payables	(33,151)
Net movement in trade bills	(18,478)
Drawdown from bank borrowings	40,650
Purchase of treasury shares	(2,169)
Dividend paid	(9,581)
Net cash used in financing activities	<u><u>(22,786)</u></u>
Net decrease in cash and cash equivalents	(1,609)
Effects of exchange rate changes	303
Cash and cash equivalents at beginning of Financial period	41,213
Cash and cash equivalents at end of Financial period	<u><u>39,907</u></u>
Cash and cash equivalents at end of period comprise:	
Cash & bank Balances	40,544
Deposits with licensed banks	1,330
	<u>41,874</u>
Less: Bank Overdraft	(737)
	<u>41,137</u>
Less : Non-cash & cash equivalent	
-Fixed deposit pledge for banking facilities	(1,230)
	<u><u>39,907</u></u>

In view of the change in the current financial year end from 31 December 2015 to 30 June 2016 to improve the overall operational and administrative efficiency having considered the size and diversity of the Group's operations, both local and abroad, there were no comparative financial information available for the 18-month financial period ended 30 June 2016.

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 CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	Attributable to Owners of the Parent						Total	Non Controlling Interest	Total Equity	
	Share Capital	Share Premium	Non-distributable			Distributable				
			Treasury shares	Foreign currency translation reserve	Capital Reserve	Retained Profit				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2015	60,000	1,268	(4,293)	2,433	3,544	177,855	240,807	37,370	278,177	
Net profit for the period	-	-	-	-	-	34,775	34,775	(9,136)	25,639	
Other comprehensive income	-	-	-	437	-	-	437	566	1,005	
Total comprehensive income	-	-	-	437	-	34,775	35,212	(8,570)	26,644	
Share buy back	-	-	(2,169)	-	-	-	(2,169)	-	(2,169)	
Dividend	-	-	-	-	-	(9,266)	(9,266)	(314)	(9,580)	
Bonus issue of subsidiary	-	-	-	-	4,246	(4,246)	-	-	-	
Changes in ownership interest in subsidiary that do not result in a loss of control	-	-	-	-	-	169	169	(205)	(37)	
At 30 June 2016	The	60,000	1,268	(6,462)	2,870	7,790	199,287	264,753	28,281	293,034

In view of the change in the current financial year end from 31 December 2015 to 30 June 2016 to improve the overall operational and administrative efficiency having considered the size and diversity of the Group's operations, both local and abroad, there were no comparative financial information available for the 18-month financial period ended 30 June 2016.

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Notes on the quarterly report – 30 June 2016

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 June 2016, 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 statements for the financial year ended (“FYE”) 31 December 2014.

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on or after 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 Liabilities
Amendments to MFRS139	Recoverable Amount Disclosure for Non-financial Asset
IC Interpretation 21	Novation of Derivatives and Continuation of Hedge Accounting Levies
Amendments to MFRS 10 and MFRS 128 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011)	Investment Entities – Applying the Consolidation Exception
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure Initiative
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture – Bearer Plants
Amendments to MFRS 127 (2011)	Equity Method in Separate Financial Statements
	Annual Improvements to MFRSs 2012 – 2014 Cycle



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

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 2018
MFRS 16 Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128(2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

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.



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A3. Qualification of Annual Financial Statements

The latest audited consolidated financial statements of STC for the FYE 31 December 2014 was not subject to any qualification.

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 (“FPE”) 30 June 2016. 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 FPE 30 June 2016.

A6. Changes in Accounting Estimates

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

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 FPE 30 June 2016, the Company repurchased 1,318,700 of its issued share capital from the open market at an average cost of RM1.64 per ordinary share of RM0.50 in STC (“STC Share(s)”). The total consideration paid for the share buy-back of STC Shares during the eighteen months ended 30 June 2016, including transaction costs was RM2,169,812.74 and was financed by internally generated funds. The STC 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 June 2016, the number of treasury shares held was 4,955,477 STC Shares at an average cost of RM1.30 per STC Share.



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A8. Dividend Paid

The dividend paid during the cumulative financial period-to-date is as follows:

	Company			
	2016		2015	
	Gross dividend per share sen	Amount of dividend RM	Gross dividend per share sen	Amount of dividend RM
In respect of the financial period ending 30 June 2016 Interim single tier dividend paid on 15 June 2016	4.00	4,651,409		
In respect of the financial year ended 31 December 2015 (prior to the announcement of the change in financial year end) Interim single tier dividend, paid on 15 June 2015	-	-	4.00	4,614,425



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A9. Segment Information

Business Segments Revenue & Results

	Transformer, industrial lighting and related products RM'000	Process equipment RM'000	Eliminations RM'000	Consolidated RM'000
Quarter Ended 30 June 2016				
REVENUE				
External Sales	67,344	11,745	-	79,089
Inter-segment sales	-	-	-	-
Total Revenue	<u>67,344</u>	<u>11,745</u>	<u>-</u>	<u>79,089</u>
RESULTS				
Segment results				(1,940)
Share of loss from associate companies				52
Unallocated corporate expenses				(198)
Finance cost				(1,222)
Interest income				145
Profit before taxation				<u>(3,163)</u>
Taxation				<u>(2,788)</u>
Net profit for the period				(5,951)
Other comprehensive income				<u>(29)</u>
Total comprehensive income for the period				<u>(5,980)</u>
Eighteen Months Ended 30 June 2016				
REVENUE				
External Sales	425,256	146,683	-	571,939
Inter-segment sales	73	-	(73)	-
Total Revenue	<u>425,329</u>	<u>146,683</u>	<u>(73)</u>	<u>571,939</u>
RESULTS				
Segment results				54,425
Share of loss from associate companies				(336)
Unallocated corporate expenses				(979)
Finance cost				(7,402)
Interest income				464
Profit before taxation				<u>46,172</u>
Taxation				<u>(20,533)</u>
Net profit for the period				25,639
Other comprehensive income				<u>2,885</u>
Total comprehensive income for the period				<u>28,524</u>



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Notes on the quarterly report – 30 June 2016

Quarter Ended 30 June 2015	Transformer, Industrial lighting & related products RM’000	Process equipment RM’000	Eliminations RM’000	Consolidated RM’000
REVENUE				
External Sales	70,409	23,068	-	93,477
Inter-segment sales	(69)	-	69	-
Total Revenue	70,340	23,068	69	93,477
RESULTS				
Segment results				16,678
Share of loss in associate companies				(10)
Unallocated corporate expenses				(246)
Finance cost				(748)
Interest income				79
Profit before taxation				15,753
Taxation				(3,105)
Net profit for the period				12,648
Other comprehensive income				(2,719)
Total comprehensive income for the period				9,929



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Notes on the quarterly report – 30 June 2016

A9. Segment Information - (Cont’d)

Geographical Segments Revenue & Results

Quarter Ended 30 June 2016	Malaysia RM’000	Overseas RM’000	Eliminations RM’000	Consolidated RM’000
REVENUE				
External Sales	53,905	25,185	-	79,090
Inter-segment sales	7,000	12,259	(19,260)	(1)
Total Revenue	60,905	37,444	(19,260)	79,089
RESULTS				
Segment results				(1,940)
Share of loss from associate companies				52
Unallocated corporate expenses				(198)
Finance cost				(1,222)
Interest income				145
Profit before taxation				(3,163)
Taxation				(2,788)
Net profit for the period				(5,951)
Other comprehensive income				(29)
Total comprehensive income for the period				(5,980)
Eighteen Months Ended 30 June 2016				
REVENUE				
External Sales	420,865	151,074	-	571,939
Inter-segment sales	30,619	52,376	(82,995)	-
Total Revenue	451,484	203,450	(82,995)	571,939
RESULTS				
Segment results				54,425
Share of loss from associate companies				(336)
Unallocated corporate expenses				(979)
Finance cost				(7,402)
Interest income				464
Profit before taxation				46,172
Taxation				(20,533)
Net profit for the period				25,639
Other comprehensive income				2,885
Total comprehensive income for the period				28,524



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Notes on the quarterly report – 30 June 2016

Quarter Ended 30 June 2015	Malaysia RM’000	Overseas RM’000	Eliminations RM’000	Consolidated RM’000
REVENUE				
External Sales	69,248	24,229	-	93,477
Inter-segment sales	6,980	9,502	(16,482)	-
Total Revenue	<u>76,228</u>	<u>33,731</u>	<u>(16,482)</u>	<u>93,477</u>
RESULTS				
Segment results				16,678
Share of loss from associate companies				(10)
Unallocated corporate expenses				(246)
Finance cost				(748)
Interest income				<u>79</u>
Profit before taxation				15,753
Taxation				<u>(3,105)</u>
Net profit for the period				12,648
Other comprehensive income				<u>(2,719)</u>
Total comprehensive income for the period				<u>9,929</u>



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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 June 2016.

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

There were no material events subsequent to the end of the interim reporting period other than the corporate exercise as disclosed in Note B5.

A13. Changes in the composition of the Group

There was no changes in the composition of the Group during the current quarter under review.

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.

A15. Change of Financial Year End

The Group had changed the financial year end from 31 December to 30 June.



**SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
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Notes on the quarterly report – 30 June 2016

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

B1. Review of performance

The Group recorded a revenue of RM79.09 million for the current quarter ended 30 June 2016 as compared to RM93.48 million in the previous year corresponding quarter, showing a decrease of 15.39% or RM14.39 million due to decrease in sales from both segments especially from process equipment segment.

Net loss attributable to owners of the parent loss after tax and non-controlling interest (“LATNCI”) of RM0.38 million for the current quarter ended 30 June 2016 representing a decrease of 103.2% or RM12.20 million as compared to previous year’s corresponding quarter ended 30 June 2015 profit after tax and non-controlling interest (“PATNCI”) of RM11.82 million due to loss incurred in process equipment segment despite profit making from transformer and lighting segment.

The loss incurred in process equipment segment mainly due to impairment of SAMUR project trade receivables, further provision for Kencana projects cost and lower sales achieved due to lower order books obtained in second half of 2015.

The Group recorded a revenue of RM571.94 million and PATNCI of RM34.78 million for the eighteen months period ended 30 June 2016. The results were mainly due to contribution from transformer and lighting segment despite loss making from process equipment segment.

The loss making from process equipment segment were mainly due to cost overrun on SAMUR project, impairment of SAMUR project trade receivables and further provision for Kencana projects cost recognised during the financial period ended 30th June 2016.

Pursuant to the change of financial year end from 31 December 2015 to 30 June 2016, no comparative figures are presented.

B2. Variation of results against preceding quarter

The Group recorded a loss before tax (“LBT”) of RM3.16 million for the current quarter ended 30 June 2016, representing a decrease of 127.2% or RM14.78 million as compared to the preceding quarter ended 31 March 2016 profit before tax of RM11.62 million mainly due to contribution from transformer and lighting segment despite loss making from process equipment segment.

The loss incurred in process equipment segment mainly due to impairment of SAMUR project trade receivables, further provision for Kencana projects cost and lower sales achieved due to lower order books obtained in second half of 2015.

B3. Prospects

The Group expects stiff 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 the process equipment segment, despite the economic outlook remains challenging, the company is stepping its effort to focus on its core business in fabrication of pressure vessels and process equipment for oil and fats industries, chemical, downstream petrochemical, water treatment and



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power plants. In addition, with the Company marketing strategy in broadening the customer base and products especially in steel structure and piping works and with encouraging order book obtained thus far, the group aim to streamline the operations and to generate positive results for process equipment segment.

Barring any unforeseen circumstances, the Group expects to achieve satisfactory financial performance in 2017.

Profit Forecast or Profit Guarantee

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

B4. Tax Expense

	3 Months Ended		18 Months Ended	
	30-Jun-2016	30-Jun-2015	30-Jun-2016	30-Jun-2015
	RM'000	RM'000	RM'000	RM'000
Income tax	3,583	3,205	21,438	N/A
Deferred tax	(795)	(100)	(905)	N/A
Total	<u>2,788</u>	<u>3,105</u>	<u>20,533</u>	<u>N/A</u>

The effective tax rate for the current quarter and cumulative quarter are higher than the statutory tax rate and are mainly due to loss incurred in a major subsidiary which is not entitle for group relief.

B5. Status of Corporate Proposals

The company's 65% owned subsidiary, Seremban Engineering Berhad (“SEB”) had on 5 August 2016, announced that it had entered into a Sale and Purchase Agreement with Sepen Engineering Sdn Bhd (831242-H) a 60% owned subsidiary of SEB (“SEPEN”) for the acquisition of a piece of land measuring in area approximately 73,205 square feet held under the Title Geran 85454, Lot 19731, Bandar Kundang, Daerah Gombak, Selangor Darul Ehsan, together with a single storey factory erected thereon bearing postal address No. 17, Jalan KPK 4/5, Kawasan Perindustrian Kundang, Kundang Jaya, 48020 Rawang, Selangor Darul Ehsan by SEB from SEPEN, a 60%-owned subsidiary of SEB for a cash consideration of RM8,550,000 (Ringgit Malaysia Eight Million Five Hundred Fifty Thousand).

The proposed acquisition is expected to be completed by fourth quarter of year 2016.

Also, SEB had on 12 August 2016, announced that it had entered into a Share Sale Agreement with Wong Kah Poh and Wong Kee Pen for the disposal of 600,000 ordinary shares of RM1.00 each in SEPEN, representing 60% equity interest of SEPEN for a cash consideration of RM2,537,000 (Ringgit Malaysia Two Million Five Hundred Thirty Seven Thousand).

The proposed disposal is expected to be completed by fourth quarter of year 2016.



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B6. Group Borrowings

The Group’s borrowings as at 30 June 2016 were as follows:

	Payable within 12 months RM'000	Payable after 12 Months RM'000
<u>Secured</u>		
Bank Borrowings	65,429	24,791
Hire Purchase Payables	1,207	2,202
Bank Overdraft	737	-
Total Borrowings	<u>67,373</u>	<u>26,993</u>

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

	Amount RM'000
Malaysian Ringgit	90,069
Singaporean Dollar	4,225
Indonesian Rupiah	72
Total Borrowings	<u>94,366</u>



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B7. 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.

B8. Proposed Dividends

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

B9. 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 six months and eighteen months period ended 30 June 2016 are computed as follow:-

	3 Months Ended		18 Months Ended	
	30-Jun	30-Jun	30-Jun	30-Jun
	2016	2015	2016	2015
Profit attributable to owners of the parent (RM'000)	(381)	11,815	34,775	N/A
Weighted average number of STC Shares in issue ('000)	115,703	116,279	115,703	N/A
Basic earning per STC Share (sen)	(0.33)	10.16	30.06	N/A

(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 June 2016

B10. Notes to the Statement of Comprehensive Income

	3 Months ended		18 Months Ended	
	30-Jun 2016 RM'000	30-Jun 2015 RM'000	30-Jun 2016 RM'000	30-Jun 2015 RM'000
Other income	(4,007)	(1,614)	(2,904)	N/A
Loss/(gain) on disposal of properties, plant & equipment	(846)	(26)	(852)	N/A
Loss/(gain) on foreign exchange	(2,124)	(2,109)	(5,446)	N/A
Bad debts written off / (recover)	(34)	-	(1,324)	N/A
Gain of Disposal of Associate	-	-	(930)	N/A
Depreciation	2,120	2,283	13,866	N/A
Impairment of Stock	(376)	-	6,271	N/A
Impairment of Trade Receivables	8,019	-	11,323	N/A



**SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
(Company No: 636939-W)**

Notes on the quarterly report – 30 June 2016

B11. 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 Securities 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 June 2016, into realised and unrealised profits is as follows:

	30-Jun-2016	31-Mar-2016
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries :		
- Realised	229,518	250,803
- Unrealised	<u>3,472</u>	<u>811</u>
	232,990	251,614
Total share of accumulated loss from jointly controlled entities :		
- Realised	<u>50</u>	<u>(718)</u>
	233,040	250,896
Less : Consolidation adjustments	31,713	(46,995)
Total group retained profits	<u><u>264,753</u></u>	<u><u>203,901</u></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
26 August 2016