



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Current Quarter 30-Sep-18 RM'000	Comparative Quarter 30-Sep-17 RM'000	Cumulative 3 months	
			30-Sep-18 RM'000	30-Sep-17 RM'000
Revenue	81,193	82,002	81,193	82,002
Operating profit	10,265	10,851	10,265	10,851
Interest expense	(896)	(996)	(896)	(996)
Interest income	236	149	236	149
Profit before taxation	9,605	10,004	9,605	10,004
Taxation	(3,488)	(2,209)	(3,488)	(2,209)
Profit for the period	6,117	7,795	6,117	7,795
Profit attributable to :				
Owners of the Company	5,617	6,634	5,617	6,634
Non-controlling interests	500	1,161	500	1,161
	<u>6,117</u>	<u>7,795</u>	<u>6,117</u>	<u>7,795</u>
Earnings per share (sen) :				
Basic	<u>2.37</u>	<u>2.84</u>	<u>2.37</u>	<u>2.84</u>
Profit for the period	6,117	7,795	6,117	7,795
Other comprehensive (expense)/income				
Currency translation differences for foreign operations	(624)	767	(624)	767
Total comprehensive income for the period	<u>5,493</u>	<u>8,562</u>	<u>5,493</u>	<u>8,562</u>
Total comprehensive income attributable to :				
Owners of the Company	5,227	7,054	5,227	7,054
Non-controlling interests	266	1,508	266	1,508
Total comprehensive income for the period	<u>5,493</u>	<u>8,562</u>	<u>5,493</u>	<u>8,562</u>

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2018 with the accompanying explanatory notes attached to the financial statements.



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018

	As at 30.09.2018 Unaudited RM'000	As at 30.06.2018 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	119,170	120,283
Investment properties	41,682	41,724
Investment in associate company	584	593
Goodwill on consolidation	6,921	6,921
Deferred tax assets	319	323
TOTAL NON-CURRENT ASSETS	168,676	169,844
Current assets		
Inventories	109,497	107,359
Trade and other receivables	94,225	97,964
Amount due from contract customer	736	4,114
Prepayment and other assets	4,026	3,083
Amount due from associate company	1,680	1,454
Amount due from joint controlled entity	82	82
Tax recoverable	11,215	10,725
Short term investment	19,548	17,257
Cash and bank balances	33,208	36,354
TOTAL CURRENT ASSETS	274,217	278,392
TOTAL ASSETS	442,893	448,236
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	69,966	69,966
Treasury shares	(8,941)	(8,198)
Reserve	253,856	248,628
	314,881	310,396
NON-CONTROLLING INTERESTS	28,967	28,702
TOTAL EQUITY	343,848	339,098
LIABILITIES		
Non-Current liabilities		
Long term borrowings	16,776	15,218
Deferred tax liabilities	1,407	942
TOTAL NON-CURRENT LIABILITIES	18,183	16,160
Current liabilities		
Trade and other payables	41,348	56,861
Short term borrowings	39,485	35,919
Current tax payable	29	198
TOTAL CURRENT LIABILITIES	80,862	92,978
TOTAL LIABILITIES	99,045	109,138
TOTAL EQUITY AND LIABILITIES	442,893	448,236
Net assets per share attributable to owners of the parent (RM)*	1.46	1.43

* Non-controlling interests are excluded from the computation of the net assets per shares

The Condensed Consolidation Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2018 with the accompanying explanatory notes attached to the financial statements.



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Current Year - To - date 30-Sep-18 RM'000	Preceding Year Corresponding Year 30-Sep-17 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	9,605	10,004
Adjustments for:		
Non-cash items	1,898	(1,305)
Non-operating items	620	693
Operating profit before changes in working capital	12,123	9,392
Changes in working capital:		
Inventories	(2,138)	(5,515)
Trade and other receivables	6,858	17,149
Trade and other payables	(15,756)	(15,266)
Cash generated from operating activities	1,087	5,760
Tax paid	(3,682)	(4,288)
Tax refund	-	867
Interest paid	(896)	(800)
Interest received	236	149
Net cash generated from operating activities	(3,255)	1,688
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,107)	(3,107)
Proceeds from disposal of PPE	30	122
Net cash used in investing activities	(1,077)	(2,985)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in fixed deposit pledged	(1)	131
Repayment of bank borrowings and hire purchase payables	(701)	(3,147)
Net movement in trade bills	3,007	(1,347)
Drawdown from bank borrowings	2,000	-
Purchase of treasury shares	(743)	-
Net cash used in financing activities	3,562	(4,363)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(770)	(5,660)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE YEAR	47,162	(367)
EFFECTS ON EXCHANGE RATES FLUCTUATIONS ON CASH HELD	(453)	52,991
CASH & CASH EQUIVALENTS AT END OF THE YEAR	45,939	46,964
Cash and cash equivalents at end of the year comprise:		
Cash & bank Balances	33,080	37,711
Deposits with licensed banks	128	1,133
	33,208	38,844
Less: Bank Overdraft	(6,694)	-
	26,514	38,844
Add : Short term investment	19,548	9,253
Less : Non-cash & cash equivalent		
-Fixed deposit pledge for banking facilities	(123)	(1,133)
	45,939	46,964

The Condensed Consolidation Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2018 with the accompanying explanatory notes attached to the financial statements.



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	← Attributable to Owners of the Parent →									
	Non-distributable					Distributable		Non - controlling interests		Total equity
	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Retained earnings	Total			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Current year-to-date ended 30 September 2018										
At 30 June 2018	69,966	1,268	(8,198)	3,176	7,790	236,395	310,397	28,701	339,098	
Effects of adoption of MFRS 15	-	-	-	-	-	(808)	(808)	-	(808)	
As at 1 July 2018	69,966	1,268	(8,198)	3,176	7,790	235,587	309,589	28,701	338,290	
Profit for the year	-	-	-	-	-	5,617	5,617	500	6,117	
Other comprehensive income - Foreign currency translation differences	-	-	-	(390)	-	-	(390)	(234)	(624)	
Total comprehensive income / (expense) for the year	-	-	-	(390)	-	5,617	5,227	266	5,493	
Effects of adoption of MFRS 15	-	-	-	-	-	808	808	-	808	
Purchase of treasury shares	-	-	(743)	-	-	-	(743)	-	(743)	
Total transactions with owners of the Company	-	-	(743)	-	-	808	65	-	65	
At 30 September 2018	69,966	1,268	(8,941)	2,786	7,790	242,012	314,881	28,967	343,848	



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	← Attributable to Owners of the Parent →								Total equity RM'000
	Non-distributable					Distributable		Non - controlling interests RM'000	
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Total RM'000		
Preceding year corresponding period ended 30 September 2017									
At 1 July 2017	65,145	1,268	(8,196)	2,939	7,790	238,733	307,679	30,990	338,669
Profit for the year	-	-	-	-	-	6,634	6,634	1,161	7,795
Other comprehensive income - Foreign currency translation differences	-	-	-	420	-	-	420	347	767
Total comprehensive income for the year	-	-	-	420	-	6,634	7,054	1,508	8,562
At 30 September 2017	65,145	1,268	(8,196)	3,359	7,790	245,367	314,733	32,498	347,231

The Condensed Consolidation Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2018 with the accompanying explanatory notes attached to the financial statements.



Notes on the quarterly report – 30 September 2018

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

A1. Basis of Preparation

These condensed consolidated financial statements, for the period ended 30 September 2018, 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 (“**Bursa Securities**”) and should be read in conjunction with the Group’s audited financial statements for the year ended 30 June 2018.

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”) 30 June 2018.

During the financial period, the Group had adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-

MFRSs, Amendments to MFRSs and IC Interpretation

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share- Based Payment Transactions
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 15	Effective Date of MFRS 15
Amendments to MFRS 15	Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’
Amendments to MFRS 140	Transfer of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Annual Improvement to MFRS Standards 2014 – 2016 Cycles:	
• Amendments to MFRS 1:	Deletion of Short-term Exemptions for First-time Adopter
• Amendments to MFRS 128	: Measuring an Associate or Joint Venture at Fair Value

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) did not have any material impacts on the Group’s financial statements except as follows:



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Notes on the quarterly report – 30 September 2018

MERS 15 — Revenue from Contracts with Customers

MFRS 15 requires an entity to recognise revenue to depict the transfer of promised goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognised when a customer obtains control of goods or services, i.e. when the customer has the ability to direct the use of and obtain the benefits from the goods or services.

The Group apply MFRS 15 using the modified retrospective approach by recognising its cumulative effect of the adoption to the retained profits as at 1 July 2018 on contracts which were on-going before 1 July 2018, and that the comparatives will not be restated. The impacts from the adoption of MFRS 15 in the current financial period has been demonstrated in the Condensed Interim Statement of Changes in Equity.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and IC Interpretations

(including the Consequential Amendments)		Effective date
MFRS 16	: Leases	1 January 2019
MFRS 17	: Insurance Contracts	1 January 2021
IC Interpretation 23 Uncertainty over Income Tax Treatments		1 January 2019
Amendments to MFRS 9	: Prepayment Features with Negative Compensation	1 January 2018
Amendments to MFRS 10 and MFRS 128	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 119	: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards		1 January 2020
Annual Improvements to MFRS Standards 2015- 2017 Cycles		1 January 2019

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.



Notes on the quarterly report – 30 September 2018

A3. Qualification of Annual Financial Statements

The latest audited consolidated financial statements of STC for the FYE 30 June 2018 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 September 2018. However, the process equipment’s business operation result is very much dependent on the status of the work in progress and 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 September 2018.

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

Save 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 September 2018, the Company repurchased 1,057,900 units of its issued share capital from the open market at cost of RM0.70 per ordinary share in STC (“STC Share(s)”). The total consideration paid for the share buy-back of STC Shares during the three months’ period ended 30 September 2018 including transaction costs was RM742,821.24 and was financed by internally generated funds. The STC Shares repurchased are being held as treasury shares in accordance with Section 127 Subsection 4(b) of the Companies Act 2016.

As at 30 September 2018, the number of treasury shares held was 12,813,054 STC Shares at an average cost of RM0.698 per STC Share out of its 248,498,200 STC shares.

A8. Dividend Paid

No dividend has been paid, proposed or declared during the period under review.



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Notes on the quarterly report – 30 September 2018

A9. Segment Information

Business Segments Revenue & Results

Quarter Ended 30 September 2018	Transformer, industrial lighting and related products RM'000	Process equipment RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE				
External Sales	64,734	16,459	-	81,193
Inter-segment sales	2	-	(2)	-
Total Revenue	64,736	16,459	(2)	81,193

RESULTS

Segment results				10,448
Share of loss from associate companies				-
Unallocated corporate expenses				(183)
Finance cost				(896)
Interest income				236
Profit before taxation				9,605
Taxation				(3,488)
Net profit for the period				6,117
Other comprehensive expense				(624)
Total comprehensive income for the period				5,493

Quarter Ended 30 September 2017	Transformer, industrial lighting and related products RM'000	Process equipment RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE				
External Sales	62,547	19,455	-	82,002
Inter-segment sales	-	-	-	-
Total Revenue	62,547	19,455	-	82,002

RESULTS

Segment results				11,162
Share of loss from associates companies				-
Unallocated corporate expenses				(311)
Finance cost				(996)
Interest income				149
Profit before taxation				10,004
Taxation				(2,209)
Net profit for the period				7,795
Other comprehensive expense				767
Total comprehensive income for the period				8,562



SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
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Notes on the quarterly report – 30 September 2018

A9. Segment Information - (Cont’d)

Geographical Segments Revenue & Results

Quarter Ended 30 September 2018	Malaysia RM’000	Overseas RM’000	Eliminations RM’000	Consolidated RM’000
REVENUE				
External Sales	57,892	23,301	-	81,193
Inter-segment sales	2	-	(2)	-
Total Revenue	57,894	23,301	(2)	81,193

RESULTS

Segment results				10,448
Share of loss of associate companies				-
Unallocated corporate expenses				(183)
Finance cost				(896)
Interest income				236
Profit before taxation				9,605
Taxation				(3,488)
Net profit for the period				6,117
Other comprehensive expense				(624)
Total comprehensive income for the period				5,493

Quarter Ended 30 September 2017	Malaysia RM’000	Overseas RM’000	Eliminations RM’000	Consolidated RM’000
REVENUE				
External Sales	57,748	24,254	-	82,002
Inter-segment sales	4,973	5,300	(10,273)	-
Total Revenue	62,721	29,554	(10,273)	82,002

RESULTS

Segment results				11,162
Share of loss from associate companies				-
Unallocated corporate expenses				(311)
Finance cost				(996)
Interest income				149
Profit before taxation				10,004
Taxation				(2,209)
Net profit for the period				7,795
Other comprehensive expense				767
Total comprehensive income for the period				8,562



Notes on the quarterly report – 30 September 2018

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 was no capital commitment approved and contracted for during the period under review.

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 B6.

A13. Changes in the composition of the Group

On 6 August 2018, STC acquired an additional 20% equity interest in PT Boxon Nikkon (“BNJ”) from its non-controlling interests for a total cash consideration of USD100,000 (equivalent to RM398,449). Following the completion of the acquisition on 8 October 2018, BNJ became 50% direct owned and 30% indirect owned subsidiary.

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.



Notes on the quarterly report – 30 September 2018

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

B1. Review of performance

The Group recorded a revenue of RM81.19 million for the current quarter ended 30 September 2018 as compared to RM82 million in the previous year corresponding quarter, showing a decrease of RM0.81 million or 0.99%. These was mainly due to decrease in sales from process equipment segment despite an increase in sales from transformer and lighting segment.

The lower sales recorded in process equipment segment in the current quarter as compared to previous year corresponding quarter mainly due to lower order book secured and the adoption of the new accounting standard issued by Malaysian Accounting Standard Board (“MFRS”), i.e. *MFRS 15 – Revenue from Contracts with Customers*. The revenue recognised was mainly based on delivered basis.

Profit after tax (“PAT”) attributable to owners of the Company of RM5.62 million for the current quarter ended 30 September 2018 as compared to RM6.63 million in the previous year corresponding quarter, showing a decrease of RM1.01 million or -15.23%.

The higher PAT attributable to owners of the Company in previous year was mainly due to reversal of allowance for impairment loss of trade receivables amounting to RM2.44 million under process equipment segment. However, for transformer and lighting segment, the PAT attributable to owners of the Company had improved as compared to previous year corresponding quarter due to improvement of sales.

Save as disclosed as above, there were no material factors affecting the earnings and/or revenue of the Group and the Company for the current quarter under review.

B2. Variation of results against preceding quarter

The Group recorded a profit before tax (“PBT”) of RM9.61 million for the current quarter ended 30 September 2018 as compared to a loss before tax (“LBT”) of RM7.94 million in the preceding quarter ended 30 June 2018, showing an increase of RM17.55 million or 221.03%. This was mainly due to improvement of performance in both transformer and lighting segment and process equipment segment.

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 will also step up on its effort to enhance its competitiveness and productivity in its operations.

In the process equipment segment, the Group is anticipated that the prospects for the current financial year ending 2019 will continue to be challenging and in view of the losses suffered last financial year, the management has recalibrated certain cost control measures to further boost project efficiency and financial condition such as streamline factory overhead, frequent project cost review & monitoring, stringent credit control and enforce on time collection from customer. On the other hand, the Group



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also aim to broaden its products and market and explore turnkey project. The on-going effort will enable the Group to remain resilient in the increasingly challenging business environment.

Barring any unforeseen circumstances, the Group expects to achieve satisfactory financial performance in 2019.

B4. Profit Forecast or Profit Guarantee

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

B5. Tax Expense

	1st Quarter Ended	
	30-Sep-2018	30-Sep-2017
	RM'000	RM'000
Income tax	3,023	1,727
Deferred tax	465	482
Total	<u>3,488</u>	<u>2,209</u>

The effective tax rate for the cumulative quarter is higher than the statutory tax rate mainly due to loss incurred in subsidiaries and adding back of non-allowable expenses.

B6. Status of Corporate Proposals

Employees’ share option scheme

On 21 May 2018, the Company proposes to establish an employees’ share option scheme (“**ESOS**”) of up to 15% of the total number of issued shares of STC (excluding treasury shares) at any point in time during the duration of the ESOS for the eligible employees and executive directors of the Group (excluding dormant subsidiary companies) (“**Proposed ESOS**”).

The listing application in relation to the Proposed ESOS has been submitted to Bursa Securities on 22 May 2018 and approved on 28 May 2018.

The approval for the Proposed ESOS from the shareholders of the Company was obtained at the extraordinary general meeting on 2 July 2018.

On 16 November 2018, total of 7,102,200 ESOS options were offered to the eligible employees and an executive director of the Group at RM0.54 (after discounted of 9.85% on five (5) day volume weighted average market price of STC’s shares of RM0.599 immediately preceding the date of the offer. The Options accept will be closed on 15 December 2018.

Details of the ESOS options granted to eligible director are disclosed as below:

Director	ESOS Options Offered (Unit)
Tan Wei Neng	232,700



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B7. Group Borrowings

The Group’s borrowings as at 30 September 2018 were as follows:

	Payable within 12 months	Payable after 12 Months
<u>Secured</u>	RM'000	RM'000
Bank Borrowings	31,971	14,897
Hire Purchase Payables	820	1,879
Bank Overdraft	6,683	-
Total Borrowings	<u>39,474</u>	<u>16,776</u>

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

	Amount RM'000
Malaysian Ringgit	52,824
United States Dollar	1,034
Singaporean Dollar	2,350
Indonesian Rupiah	42
Total Borrowings	<u>56,250</u>

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.

B9. Proposed Dividends

In respect of financial year ending 30 June 2019, the Board of directors had on 26 November 2018 declared an interim dividend of RM 0.01. The entitlement to this interim dividend was determined based on the shareholders registered in the record of depositors as at 20 December 2018 and will be payable on 16 January 2019.

For the financial year ending 30 June 2018, a first interim tax-exempt single-tier dividend of RM0.05 per ordinary share on 116,817,323 ordinary shares for the financial year ending 30 June 2018 was declared on 12 September 2017 and was paid on 29 November 2017 to the shareholders whose names appeared in the Company’s Record of Depositors on 1 November 2017, amounting to RM5,840,866.15. The shareholders were given an option to elect to reinvest the whole or part of the interim dividend into new ordinary shares of the Company in accordance with the dividend reinvestment scheme with the issue price fixed at RM 3.10 per new ordinary share.



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B10. Earnings per share

Following the subdivision of shares had completed on 21 December 2017, the earnings per share has to be accounted for retrospectively. The comparative amount has then been restated and being showed accordingly.

(a) Basic

Basic earnings per share of the Group is 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 three months’ period ended 30 September 2018 are computed as follow: -

	1st Quarter Ended		
		<u>Restated</u>	<u>Previously</u>
	30-Sep	30-Sep	30-Sep
	2018	2017	2017
Profit attributable to owners of the parent (RM'000)	5,617	6,634	6,634
Weighted average number of STC Shares in issue ('000)	236,712	233,634	116,817
Basic earning per STC Share (sen)	2.37	2.84	5.68

(b) Diluted

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



SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)
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Notes on the quarterly report – 30 September 2018

B11. Notes to the Statement of Comprehensive Income / (Loss)

	1st Quarter Ended	
	30-Sep	30-Sep
	2018	2017
	RM'000	RM'000
Gain on disposal of property, plant and equipment	40	31
Interest income	236	149
Other income	485	657
Reversal of impairment losses on trade receivables	8	2,475
Reversal of inventories written down	-	1,508
Gain / (Loss) on foreign currency exchange	1,044	(158)
Impairment loss of trade receivables	-	(43)
Interest expense	(896)	(996)
Depreciation	(2,645)	(2,370)

The Group does not have the following items for the respective period:

- a) Gain or loss on derivatives

By order of the Board

Tan Ah Bah @ Tan Ah Ping
Managing Director
26 November 2018