



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
(200301034518) (636939-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF  
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2020

|  | Current                        | Comparative                    | Cumulative 9 months |                     |
|--|--------------------------------|--------------------------------|---------------------|---------------------|
|  | Quarter<br>31-Mar-20<br>RM'000 | Quarter<br>31-Mar-19<br>RM'000 | 31-Mar-20<br>RM'000 | 31-Mar-19<br>RM'000 |
| Revenue                                    | 47,537                         | 79,816                         | 185,903             | 249,766             |
| Operating (loss) / profit                  | (2,210)                        | 2,409                          | 16,702              | 23,007              |
| Interest expense                           | (113)                          | (726)                          | (807)               | (2,442)             |
| Interest income                            | 203                            | 289                            | 799                 | 700                 |
| <b>(Loss) / Profit before taxation</b>     | <b>(2,120)</b>                 | <b>1,972</b>                   | <b>16,694</b>       | <b>21,265</b>       |
| Taxation                                   | (292)                          | (1,111)                        | (4,313)             | (7,110)             |
| <b>Net (Loss) / Profit after taxation</b>  |                                |                                |                     |                     |
| - From continuing operations               | (2,412)                        | 3,069                          | 12,773              | 16,410              |
| - From discontinued operations             | -                              | (2,208)                        | (392)               | (2,255)             |
| <b>(Loss) / Profit for the period</b>      | <b>(2,412)</b>                 | <b>861</b>                     | <b>12,381</b>       | <b>14,155</b>       |
| <b>(Loss) / Profit attributable to :</b>   |                                |                                |                     |                     |
| Owners of the Company                      |                                |                                |                     |                     |
| - From continuing operations               | (3,240)                        | 2,136                          | 9,973               | 13,743              |
| - From discontinued operations             | -                              | (1,420)                        | (229)               | (1,428)             |
|  | <b>(3,240)</b>                 | <b>716</b>                     | <b>9,744</b>        | <b>12,315</b>       |
| Non-controlling interests                  |                                |                                |                     |                     |
| - From continuing operations               | 828                            | 933                            | 2,800               | 2,667               |
| - From discontinued operations             | -                              | (788)                          | (163)               | (827)               |
|  | <b>828</b>                     | <b>145</b>                     | <b>2,637</b>        | <b>1,840</b>        |
|  | <b>(2,412)</b>                 | <b>861</b>                     | <b>12,381</b>       | <b>14,155</b>       |
| <b>(Loss) / Earnings per share (sen) :</b> |                                |                                |                     |                     |
| Basic                                      | (1.38)                         | 0.31                           | 4.15                | 5.24                |
| - From continuing operations               | (1.38)                         | 0.91                           | 4.25                | 5.85                |
| - From discontinued operations             | -                              | (0.60)                         | (0.10)              | (0.61)              |
| Diluted                                    | (1.37)                         | 0.30                           | 4.11                | 5.23                |
| - From continuing operations               | (1.37)                         | 0.90                           | 4.21                | 5.84                |
| - From discontinued operations             | -                              | (0.60)                         | (0.10)              | (0.61)              |

The unaudited 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 2019 with the accompanying explanatory notes attached to these interim financial statements.



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
(200301034518) (636939-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF  
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2020

|  | Current<br>Quarter<br>31-Mar-20<br>RM'000 | Comparative<br>Quarter<br>31-Mar-19<br>RM'000 | Cumulative 9 months |                     |
|--|---|---|---------------------|---------------------|
|  |   |   | 31-Mar-20<br>RM'000 | 31-Mar-19<br>RM'000 |
| <b>(Loss) / Profit for the period</b>                        | (2,412)                                   | 861   | 12,381              | 14,155              |
| <b>Other comprehensive income / (loss)</b>                   |   |   |                     |                     |
| Currency translation differences for foreign operations      | 2,137                                     | 556   | 938                 | (355)               |
| <b>Total comprehensive (loss) / income for the period</b>    | <u>(275)</u>                              | <u>1,417</u>                                  | <u>13,319</u>       | <u>13,800</u>       |
| <b>Total comprehensive (loss) / income attributable to :</b> |   |   |                     |                     |
| Owners of the Company  |   |   |                     |                     |
| - From continuing operations                                 | (1,365)                                   | 2,464   | 11,116              | 13,650              |
| - From discontinued operations                               | -   | (1,420)                                       | (229)               | (1,428)             |
|  | <u>(1,365)</u>                            | <u>1,044</u>                                  | <u>10,887</u>       | <u>12,222</u>       |
| Non-controlling interests                                    |   |   |                     |                     |
| - From continuing operations                                 | 1,090                                     | 1,239   | 2,595               | 2,405               |
| - From discontinued operations                               | -   | (866)   | (163)               | (827)               |
|  | <u>1,090</u>                              | <u>373</u>                                    | <u>2,432</u>        | <u>1,578</u>        |
| <b>Total comprehensive (loss) / income for the period</b>    | <u>(275)</u>                              | <u>1,417</u>                                  | <u>13,319</u>       | <u>13,800</u>       |

The unaudited 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 2019 with the accompanying explanatory notes attached to these interim financial statements.



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
(200301034518) (636939-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020

|   | As at<br>31.03.2020<br>Unaudited<br>RM'000 | As at<br>30.06.2019<br>Audited<br>RM'000 |
|---|--|--|
| <b>ASSETS</b>   |  |  |
| <b>Non-current assets</b>   |  |  |
| Property, plant and equipment   | 76,671                                     | 111,928                                  |
| Investment properties   | 30,063                                     | 46,422                                   |
| Right-of-use assets   | 341  | -  |
| Investment in associate company   | 407  | 403                                      |
| Goodwill on consolidation   | -  | 6,921                                    |
| Amount due from a related party   | 2,696                                      | 2,693                                    |
| Deferred tax assets   | 325  | 348                                      |
| <b>TOTAL NON-CURRENT ASSETS</b>   | <b>110,503</b>                             | <b>168,715</b>                           |
| <b>Current assets</b>   |  |  |
| Inventories   | 92,892                                     | 116,713                                  |
| Trade receivables   | 61,625                                     | 72,001                                   |
| Other receivables, deposits and prepayments                             | 9,885                                      | 12,772                                   |
| Contract assets   | -  | 9,725                                    |
| Amount due from associates  | 776  | 1,330                                    |
| Tax recoverable   | 8,779                                      | 12,696                                   |
| Short term investment   | 41,635                                     | 15,224                                   |
| Cash and bank balances  | 43,193                                     | 39,147                                   |
| <b>TOTAL CURRENT ASSETS</b>   | <b>258,785</b>                             | <b>279,608</b>                           |
| <b>TOTAL ASSETS</b>   | <b>369,288</b>                             | <b>448,323</b>                           |
| <b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>                     |  |  |
| Share capital   | 71,988                                     | 71,515                                   |
| Treasury shares   | (13,535)                                   | (9,880)                                  |
| Reserves  | 256,394                                    | 259,141                                  |
|   | 314,847                                    | 320,776                                  |
| <b>NON-CONTROLLING INTERESTS</b>  | 24,185                                     | 28,227                                   |
| <b>TOTAL EQUITY</b>   | <b>339,032</b>                             | <b>349,003</b>                           |
| <b>LIABILITIES</b>  |  |  |
| <b>Non-Current liabilities</b>  |  |  |
| Lease liabilities   | 283  | -  |
| Long term borrowings  | 1,580                                      | 14,810                                   |
| Deferred tax liabilities  | 1,517                                      | 1,281                                    |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                                    | <b>3,380</b>                               | <b>16,091</b>                            |
| <b>Current liabilities</b>  |  |  |
| Trade payables  | 15,501                                     | 33,969                                   |
| Other payables and accruals   | 10,623                                     | 21,529                                   |
| Lease liabilities   | 65   | -  |
| Short term borrowings   | 610  | 27,129                                   |
| Current tax payable   | 77   | 602                                      |
| <b>TOTAL CURRENT LIABILITIES</b>  | <b>26,876</b>                              | <b>83,229</b>                            |
| <b>TOTAL LIABILITIES</b>  | <b>30,256</b>                              | <b>99,320</b>                            |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                     | <b>369,288</b>                             | <b>448,323</b>                           |
| <b>Net assets per share attributable to owners of the parent (RM) *</b> | <b>1.369</b>                               | <b>1.367</b>                             |

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

The unaudited Condensed Consolidation Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2019 with the accompanying explanatory notes attached to these interim financial statements.



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
(200301034518) (636939-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2020

|   | Current Year -<br>To - date<br>31-Mar-20<br>RM'000 | Preceding Year<br>Corresponding Year<br>31-Mar-19<br>RM'000 |
|---|--|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |  |   |
| Profit / (Loss) before taxation                                 |  |   |
| From continuing operations                                      | 17,086   | 23,497  |
| From discontinued operations                                    | (392)  | (2,232)   |
|   | <u>16,694</u>                                      | <u>21,265</u>   |
| Adjustments for:  |  |   |
| Non-cash items  | 9,926  | 9,593   |
| Non-operating items   | (6,125)  | 1,301   |
|   | <u>20,495</u>                                      | <u>32,159</u>   |
| Operating profit before changes in working capital              |  |   |
| Changes in working capital:                                     |  |   |
| Inventories   | 11,479   | 2,175   |
| Trade and other receivables                                     | 5,773  | 5,310   |
| Trade and other payables  | (10,208)   | (17,535)  |
|   | <u>27,539</u>                                      | <u>22,109</u>   |
| Cash generated from operating activities                        |  |   |
| Tax paid  | (8,628)  | (10,907)  |
| Tax refund  | 7,962  | 3,260   |
| Interest paid   | (807)  | (2,442)   |
| Interest received   | 799  | 700   |
|   | <u>26,865</u>                                      | <u>12,720</u>   |
| <b>Net cash generated from operating activities</b>             |  |   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |  |   |
| Purchase of investment property                                 | -  | (1,518)   |
| Purchase of property, plant and equipment                       | (4,154)  | (3,922)   |
| Proceeds from disposal of property, plant and equipment         | 243  | 1,254   |
| Payment for capital reduction                                   | (280)  | -   |
| Increase of investment in subsidiary                            | (388)  | (392)   |
| Net cash inflow from disposal of subsidiary company             | 27,090   | -   |
|   | <u>22,511</u>                                      | <u>(4,578)</u>  |
| <b>Net cash generated from / (used in) investing activities</b> |  |   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                     |  |   |
| Net movement in fixed deposit pledged                           | 109  | (3)   |
| Repayment of lease liabilities                                  | (150)  | -   |
| Repayment of bank borrowings and hire purchase payables         | (6,410)  | (3,628)   |
| Net movement in trade bills                                     | (1,568)  | (2,601)   |
| Drawdown from bank borrowings                                   | 4,000  | 6,662   |
| Proceeds from issuance of new shares                            | 403  | 5   |
| Purchase of treasury shares                                     | (3,655)  | (1,682)   |
| Dividend paid by the Company                                    | (13,390)   | (2,352)   |
| Dividend paid by subsidiary to non-controlling interests        | -  | (1,443)   |
|   | <u>(20,661)</u>                                    | <u>(5,042)</u>  |
| <b>Net cash used in financing activities</b>                    |  |   |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>                  | <u>28,715</u>                                      | <u>3,100</u>  |
| <b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>     | <u>54,246</u>                                      | <u>47,162</u>   |
| <b>EFFECTS ON EXCHANGE RATES FLUCTUATIONS ON CASH HELD</b>      | <u>1,850</u>                                       | <u>55</u>   |
| <b>CASH &amp; CASH EQUIVALENTS AT END OF THE PERIOD</b>         | <u><u>84,811</u></u>                               | <u><u>50,317</u></u>  |

The unaudited Condensed Consolidation Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2019 with the accompanying explanatory notes attached to these interim financial statements.



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2020

|  | Current Year -<br>To - date<br>2020-03-31<br>RM'000 | Preceding Year<br>Corresponding Year<br>31-Mar-19<br>RM'000 |
|--|---|---|
| <b>Cash and cash equivalents at end of the period comprises:</b> |   |   |
| Cash & bank Balances   | 43,026  | 23,984  |
| Deposits with licensed banks                                     | 167   | 2,630   |
|  | <hr/>   | <hr/>   |
|  | 43,193  | 26,614  |
| Less: Bank Overdraft   | -   | (2,007)   |
|  | <hr/>   | <hr/>   |
|  | 43,193  | 24,607  |
| Add : Short term investment                                      | 41,635  | 25,834  |
| Less : Non-cash & cash equivalent                                |   |   |
| -Fixed deposit pledge for banking facilities                     | (17)  | (124)   |
|  | <hr/>   | <hr/>   |
|  | <b>84,811</b>                                       | <b>50,317</b>   |
|  | <hr/> <hr/>   | <hr/> <hr/>   |

**Disposal of subsidiary company**

The disposal had the following effect on the financial position of the Group:

|   | RM'000             |
|---|--------------------|
| Property, Plant and Equipment                 | 32,489             |
| Investment in property                        | 16,163             |
| Inventories                                   | 10,901             |
| Receivables                                   | 18,227             |
| Cash & bank balances                          | 557                |
| Bank overdraft                                | (1,877)            |
| Loans and borrowings                          | (35,909)           |
| Payables                                      | (21,050)           |
| Net assets                                    | <hr/> 19,501       |
| Non-Controlling Interest                      | (6,742)            |
| Share of net assets disposed as at 31/08/2019 | <hr/> 12,759       |
| Goodwill                                      | 6,921              |
| Carrying amount of net assets/(liab) disposed | <hr/> 19,680       |
| Gain on disposal                              | 6,090              |
| Disposal proceed                              | <hr/> 25,770       |
| Less : Cash and bank balances                 | (557)              |
| Less : Bank overdraft                         | 1,877              |
| Net cash inflow from disposal of subsidiary   | <hr/> <hr/> 27,090 |

The unaudited Condensed Consolidation Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2019 with the accompanying explanatory notes attached to these interim financial statements.



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
(200301034518) (636939-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2020

|   | Attributable to Owners of the Parent |                  |                    |   |   |                    | Distributable<br>Retained<br>earnings | Total    | Non -<br>controlling<br>interests | Total<br>equity |
|---|--------------------------------------|------------------|--------------------|---|---|--------------------|---------------------------------------|----------|-----------------------------------|-----------------|
|   | Non-distributable                    |                  |                    |   |   |                    |                                       |          |                                   |                 |
|   | Share<br>capital                     | Share<br>premium | Treasury<br>shares | Employees<br>Share<br>option<br>reserve | Foreign<br>currency<br>translation<br>reserve | Capital<br>reserve |                                       |          |                                   |                 |
| RM'000  | RM'000                               | RM'000           | RM'000             | RM'000                                  | RM'000  | RM'000             | RM'000                                | RM'000   | RM'000                            |                 |
| <b>Current period-to-date ended<br/>31 March 2020</b>                                     |                                      |                  |                    |   |   |                    |                                       |          |                                   |                 |
| <b>As at 1 July 2019</b>  | 71,515                               | -                | (9,880)            | 457                                     | 2,926   | 7,790              | 247,968                               | 320,776  | 28,227                            | 349,003         |
| Profit for the period   | -                                    | -                | -                  | -                                       | -   | -                  | 9,744                                 | 9,744    | 2,637                             | 12,381          |
| Other comprehensive income<br>- Foreign currency translation differences                  | -                                    | -                | -                  | -                                       | 1,143   | -                  | -                                     | 1,143    | (205)                             | 938             |
| <b>Total comprehensive income for the period</b>  | -                                    | -                | -                  | -                                       | 1,143   | -                  | 9,744                                 | 10,887   | 2,432                             | 13,319          |
| <b>Contributions by and distributions to owners of the<br/>Company :</b>                  |                                      |                  |                    |   |   |                    |                                       |          |                                   |                 |
| Disposal of a subsidiary  | -                                    | -                | -                  | -                                       | -   | -                  | -                                     | -        | (6,742)                           | (6,742)         |
| Employees' share option granted   | -                                    | -                | -                  | 343                                     | -   | -                  | -                                     | 343      | -                                 | 343             |
| Employees' share option exercised   | 473                                  | -                | -                  | (71)                                    | -   | -                  | -                                     | 402      | -                                 | 402             |
| Dividend paid by the Company<br>- by subsidiary to non-controlling interests              | -                                    | -                | -                  | -                                       | -   | -                  | (13,390)                              | (13,390) | -                                 | (13,390)        |
| Capital reduction by a subsidiary   | -                                    | -                | -                  | -                                       | -   | -                  | -                                     | -        | (280)                             | (280)           |
| Purchase of treasury shares   | -                                    | -                | (3,655)            | -                                       | -   | -                  | -                                     | (3,655)  | -                                 | (3,655)         |
| Changes in ownership interest in<br>subsidiary that do not result<br>in a loss of control | -                                    | -                | -                  | -                                       | -   | -                  | (516)                                 | (516)    | 548                               | 32              |
| <b>Total transactions with owners of the Company</b>                                      | 473                                  | -                | (3,655)            | 272                                     | -   | -                  | (13,906)                              | (16,816) | (6,474)                           | (23,290)        |
| <b>At 31 March 2020</b>   | 71,988                               | -                | (13,535)           | 729                                     | 4,069   | 7,790              | 243,806                               | 314,847  | 24,185                            | 339,032         |



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2019

|   | Attributable to Owners of the Parent |                    |                            |   |                    |                      |                |                                   |                 |                |
|---|--------------------------------------|--------------------|----------------------------|---|--------------------|----------------------|----------------|-----------------------------------|-----------------|----------------|
|   | Non-distributable                    |                    |                            | Distributable                                 |                    |                      | Total          | Non -<br>controlling<br>interests | Total<br>equity |                |
| Share<br>capital  | Share<br>premium                     | Treasury<br>shares | Share<br>option<br>reserve | Foreign<br>currency<br>translation<br>reserve | Capital<br>reserve | Retained<br>earnings |                |                                   |                 | RM'000         |
| <b>Preceding year corresponding period ended<br/>31 March 2019</b>                                      | <b>RM'000</b>                        | <b>RM'000</b>      | <b>RM'000</b>              | <b>RM'001</b>                                 | <b>RM'000</b>      | <b>RM'000</b>        | <b>RM'000</b>  | <b>RM'000</b>                     | <b>RM'000</b>   | <b>RM'000</b>  |
| <b>At 1 July 2018</b>   | 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 period   | -                                    | -                  | -                          | -   | -                  | -                    | 12,315         | 12,315                            | 1,840           | 14,155         |
| Other comprehensive income<br>- Foreign currency translation differences                                | -                                    | -                  | -                          | -   | (93)               | -                    | -              | (93)                              | (262)           | (355)          |
| <b>Total comprehensive income for the period</b>  | -                                    | -                  | -                          | -   | (93)               | -                    | 12,315         | 12,222                            | 1,578           | 13,800         |
| <b>Contributions by and distributions to owners of the<br/>Company :</b>                                |                                      |                    |                            |   |                    |                      |                |                                   |                 |                |
| Dividend paid   |                                      |                    |                            |   |                    |                      |                |                                   |                 |                |
| - by the Company  | -                                    | -                  | -                          | -   | -                  | -                    | (2,352)        | (2,352)                           | -               | (2,352)        |
| - by subsidiary to non-controlling interests  | -                                    | -                  | -                          | -   | -                  | -                    | -              | -                                 | (1,443)         | (1,443)        |
| Effects of adoption of MFRS 15  | -                                    | -                  | -                          | -   | -                  | -                    | 808            | 808                               | -               | 808            |
| Purchase of treasury shares   | -                                    | -                  | (1,682)                    | -   | -                  | -                    | -              | (1,682)                           | -               | (1,682)        |
| Changes in ownership interest in subsidiary that<br>do not result in a loss of control                  | -                                    | -                  | -                          | -   | -                  | -                    | (809)          | (809)                             | 417             | (392)          |
| Employees' share option exercised   | 1                                    | -                  | -                          | -   | -                  | -                    | -              | 1                                 | -               | 1              |
| Employees' share option granted   | -                                    | -                  | -                          | 353   | -                  | -                    | -              | 353                               | -               | 353            |
| Transfer of share premium to share capital<br>(Pursuant to Section 618(8) and (9)<br>Companies Act 2016 | 1,268                                | (1,268)            | -                          | -   | -                  | -                    | -              | -                                 | -               | -              |
| <b>Total transactions with owners of the Company</b>  | <b>1,269</b>                         | <b>(1,268)</b>     | <b>(1,682)</b>             | <b>353</b>                                    | <b>-</b>           | <b>-</b>             | <b>(2,353)</b> | <b>(3,681)</b>                    | <b>(1,026)</b>  | <b>(4,707)</b> |
| <b>At 31 March 2019</b>   | <b>71,235</b>                        | <b>-</b>           | <b>(9,880)</b>             | <b>353</b>                                    | <b>3,083</b>       | <b>7,790</b>         | <b>245,549</b> | <b>318,130</b>                    | <b>29,253</b>   | <b>347,383</b> |

The unaudited Condensed Consolidation Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2019 with the accompanying explanatory notes attached to these interim financial statements.



**SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)  
(200301034518) (636939-W)**

**Notes on the quarterly report – 31 March 2020**

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134**

**A1. Basis of Preparation**

These condensed consolidated financial statements, for the period ended 31 March 2020, 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 STC and its subsidiaries (“Group”) audited financial statements for the year ended 30 June 2019.

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 2019, except for the adoption of the following new MFRS, amendments to MFRSs and IC interpretation that are effective for annual period beginning on or after 1 January 2019 as follow:

**MFRSs, Amendments to MFRSs and Interpretations Committee (“IC”) Interpretation**

|   |  |
|---|--|
| MFRS 16   | Lease  |
| Amendments to MFRS 9                                    | Prepayment Features with Negative Compensation       |
| Amendments to MFRS 119                                  | Plan Amendment, Curtailment or Settlement            |
| Amendments to MFRS 128                                  | Long-term Interests in Associates and Joint Ventures |
| IC Interpretation 23                                    | Uncertainty over Income Tax Treatments               |
| Annual Improvements to MFRS Standards 2015- 2017 Cycles |  |

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.

**MFRS 16**

MFRS 16 requires a lessee to recognise a “right-of-use” of the underlying asset and a lease liability reflecting future lease payments for leases. The right-of-use asset is depreciated in accordance with the principle in MFRS 116 ‘Property, Plant and Equipment’ and the lease liability is accreted over time with interest expense recognised in profit or loss.

The Group has adopted MFRS 16 using the modified retrospective approach which measured the right-of-use assets equals to the lease liabilities at 1 July 2019 with no restatement of comparative information.





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The Group has not applied in advance the following accounting standards (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)**

| <u>Standard issued but not effective</u>   | <b>Effective date</b> |
|--|-----------------------|
| MFRS 17 : Insurance Contracts  | 1 January 2021        |
| Amendments to MFRS 3 : Definition of a Business  | 1 January 2020        |
| 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 101 and MFRS 108 : Definition of Material   | 1 January 2020        |
| Amendments to References to the Conceptual Framework in MFRS Standards   | 1 January 2020        |

The above-mentioned accounting standards and interpretations (including the consequential amendments) is expected to have no material 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 30 June 2019 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”) 31 March 2020.

**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 31 March 2020, save as disclosed in Note A15.

**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 other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

a) Share Buy Back

During the FPE 31 March 2020, the Company repurchased 5,278,500 units of its issued share capital from the open market at average cost of RM0.6924 per ordinary share in STC (“STC Share(s)”). The total consideration paid for the share buy-back of STC Shares during the nine months’ period ended 31 March 2020 including transaction costs was RM3,654,672.45 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 31 March 2020, the number of treasury shares held was 19,649,954 STC Shares at an average cost of RM0.6888 per STC Share out of its 249,700,400 STC shares.

b) Employees’ Share Option Scheme (“ESOS”)

During the FPE 31 March 2020, a total number of 745,400 ordinary shares were issued under the Company’s ESOS, increasing the issued ordinary shares of the Company to 249,700,400 ordinary shares as at 31 March 2020.



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**A8. Dividend Paid**

During the FPE 31 March 2020, a special tax-exempt single-tier dividend of RM0.035 per ordinary share on 234,904,146 ordinary shares for the financial year ending 30 June 2020 amounting to RM8,221,645 was declared on 12 September 2019 and paid on 7 October 2019 to the shareholders whose name appeared in Company’s record of depository on 30 September 2019.

On 13 September 2019, the Company declared an interim tax-exempt single-tier dividend of RM0.022 per ordinary shares on 234,904,146 ordinary shares in respect of the financial year ending 30 June 2020 amounting to RM5,167,890 and paid on 7 October 2019 to shareholders whose names appeared in Company’s record of depositors on 30 September 2019.

The total dividend declared and paid during the financial year ending 30 June 2020 is RM13,389,535.

In the previous year corresponding FPE 31 March 2019, a first interim tax-exempt single-tier dividend of RM0.01 per ordinary share on 235,467,146 ordinary shares for the financial year ending 30 June 2019 amounting to RM2,351,671.46 was declared on 27 November 2018 and paid on 16 January 2019 to the shareholders whose name appeared in Company’s record of depository on 20 December 2018.



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**Notes on the quarterly report – 31 March 2020**

**A9. Segment Information**

**Business Segments Revenue & Results**

| <b>Quarter Ended 31 March 2020</b>                           | <b>Transformer,<br/>lighting and<br/>related<br/>RM’000</b> | <b>Process<br/>equipment<br/>RM’000</b> | <b>Eliminations<br/>RM’000</b> | <b>Consolidated<br/>RM’000</b> |
|--|---|---|--------------------------------|--------------------------------|
| <b>REVENUE</b>   |   |   |                                |                                |
| External Sales   | 47,537  | -                                       | -                              | 47,537                         |
| Inter-segment sales  | -   | -                                       | -                              | -                              |
| <b>Total Revenue</b>   | <u>47,537</u>   | <u>-</u>                                | <u>-</u>                       | <u>47,537</u>                  |
| <b>RESULTS</b>   |   |   |                                |                                |
| Segment results  |   |   |                                | (1,353)                        |
| Unallocated corporate expenses                               |   |   |                                | (857)                          |
| Finance cost   |   |   |                                | (113)                          |
| Interest income  |   |   |                                | 203                            |
| Loss before taxation   |   |   |                                | <u>(2,120)</u>                 |
| Taxation   |   |   |                                | (292)                          |
| <b>Net loss for the period</b>                               |   |   |                                | <u>(2,412)</u>                 |
| - From continuing operations                                 |   |   |                                | (2,412)                        |
| - From discontinued operations                               |   |   |                                | -                              |
| <b>Profit for the period</b>                                 |   |   |                                | <u>(2,412)</u>                 |
| <b>(Loss) / Profit attributable to :</b>                     |   |   |                                |                                |
| Owners of the Company  |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | (3,240)                        |
| - From discontinued operations                               |   |   |                                | -                              |
|  |   |   |                                | <u>(3,240)</u>                 |
| Non-controlling interests                                    |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | 828                            |
| - From discontinued operations                               |   |   |                                | -                              |
|  |   |   |                                | <u>828</u>                     |
|  |   |   |                                | <u>(2,412)</u>                 |
| <b>Comprehensive (loss) / income for the period :</b>        |   |   |                                |                                |
| Loss for the period  |   |   |                                | (2,412)                        |
| Other comprehensive income                                   |   |   |                                | 2,137                          |
| <b>Total comprehensive loss for the period</b>               |   |   |                                | <u>(275)</u>                   |
| <b>Total comprehensive (loss) / income attributable to :</b> |   |   |                                |                                |
| Owners of the Company  |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | (1,365)                        |
| - From discontinued operations                               |   |   |                                | -                              |
|  |   |   |                                | <u>(1,365)</u>                 |
| Non-controlling interests                                    |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | 1,090                          |
| - From discontinued operations                               |   |   |                                | -                              |
|  |   |   |                                | <u>1,090</u>                   |
| <b>Total comprehensive loss for the period</b>               |   |   |                                | <u>(275)</u>                   |



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| <b>Nine Months Ended 31 March 2020</b>                       | <b>Transformer,<br/>lighting and<br/>related<br/>RM’000</b> | <b>Process<br/>equipment<br/>RM’000</b> | <b>Eliminations<br/>RM’000</b> | <b>Consolidated<br/>RM’000</b> |
|--|---|---|--------------------------------|--------------------------------|
| <b>REVENUE</b>   |   |   |                                |                                |
| External Sales   | 178,845   | 7,058                                   | -                              | 185,903                        |
| Inter-segment sales  | -   | -                                       | -                              | -                              |
| <b>Total Revenue</b>   | <u>178,845</u>  | <u>7,058</u>                            | <u>-</u>                       | <u>185,903</u>                 |
| <b>RESULTS</b>   |   |   |                                |                                |
| Segment results  |   |   |                                | 18,697                         |
| Unallocated corporate expenses                               |   |   |                                | (1,995)                        |
| Finance cost   |   |   |                                | (807)                          |
| Interest income  |   |   |                                | 799                            |
| Profit before taxation                                       |   |   |                                | <u>16,694</u>                  |
| Taxation   |   |   |                                | <u>(4,313)</u>                 |
| <b>Net profit/(loss) for the period</b>                      |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | 12,773                         |
| - From discontinued operations                               |   |   |                                | <u>(392)</u>                   |
| <b>Profit for the period</b>                                 |   |   |                                | <u><u>12,381</u></u>           |
| <b>Profit / (Loss) attributable to :</b>                     |   |   |                                |                                |
| Owners of the Company  |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | 9,973                          |
| - From discontinued operations                               |   |   |                                | <u>(229)</u>                   |
|  |   |   |                                | 9,744                          |
| Non-controlling interests                                    |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | 2,800                          |
| - From discontinued operations                               |   |   |                                | <u>(163)</u>                   |
|  |   |   |                                | <u>2,637</u>                   |
|  |   |   |                                | <u><u>12,381</u></u>           |
| <b>Comprehensive income for the period :</b>                 |   |   |                                |                                |
| Profit for the period  |   |   |                                | 12,381                         |
| Other comprehensive income                                   |   |   |                                | 938                            |
| <b>Total comprehensive income for the period</b>             |   |   |                                | <u><u>13,319</u></u>           |
| <b>Total comprehensive income / (loss) attributable to :</b> |   |   |                                |                                |
| Owners of the Company  |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | 11,116                         |
| - From discontinued operations                               |   |   |                                | <u>(229)</u>                   |
|  |   |   |                                | 10,887                         |
| Non-controlling interests                                    |   |   |                                |                                |
| - From continuing operations                                 |   |   |                                | 2,595                          |
| - From discontinued operations                               |   |   |                                | <u>(163)</u>                   |
|  |   |   |                                | <u>2,432</u>                   |
| <b>Total comprehensive income for the period</b>             |   |   |                                | <u><u>13,319</u></u>           |



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**Notes on the quarterly report – 31 March 2020**

| <b>Quarter Ended 31 March 2019</b>                           | <b>Transformer,<br/>lighting and related<br/>products<br/>RM’000</b> | <b>Process<br/>equipment<br/>RM’000</b> | <b>Eliminations<br/>RM’000</b> | <b>Consolidated<br/>RM’000</b> |
|--|--|---|--------------------------------|--------------------------------|
| <b>REVENUE</b>   |  |   |                                |                                |
| External Sales   | 65,057   | 14,759                                  | -                              | 79,816                         |
| Inter-segment sales  | 28   | -                                       | (28)                           | -                              |
| <b>Total Revenue</b>   | <b>65,085</b>  | <b>14,759</b>                           | <b>(28)</b>                    | <b>79,816</b>                  |
| <b>RESULTS</b>   |  |   |                                |                                |
| Segment results  |  |   |                                | 2,640                          |
| Unallocated corporate expenses                               |  |   |                                | (231)                          |
| Finance cost   |  |   |                                | (726)                          |
| Interest income  |  |   |                                | 289                            |
| Profit before taxation                                       |  |   |                                | 1,972                          |
| Taxation   |  |   |                                | (1,111)                        |
| <b>Net profit / (loss) for the period</b>                    |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 3,069                          |
| - From discontinued operations                               |  |   |                                | (2,208)                        |
| <b>Profit for the period</b>                                 |  |   |                                | <b>861</b>                     |
| <b>Profit / (Loss) attributable to :</b>                     |  |   |                                |                                |
| Owners of the Company  |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 2,136                          |
| - From discontinued operations                               |  |   |                                | (1,420)                        |
|  |  |   |                                | 716                            |
| Non-controlling interests                                    |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 933                            |
| - From discontinued operations                               |  |   |                                | (788)                          |
|  |  |   |                                | 145                            |
|  |  |   |                                | 861                            |
| <b>Comprehensive income for the period :</b>                 |  |   |                                |                                |
| Profit for the period  |  |   |                                | 861                            |
| Other comprehensive income                                   |  |   |                                | 556                            |
| <b>Total comprehensive income for the period</b>             |  |   |                                | <b>1,417</b>                   |
| <b>Total comprehensive income / (loss) attributable to :</b> |  |   |                                |                                |
| Owners of the Company  |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 2,464                          |
| - From discontinued operations                               |  |   |                                | (1,420)                        |
|  |  |   |                                | 1,044                          |
| Non-controlling interests                                    |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 1,239                          |
| - From discontinued operations                               |  |   |                                | (866)                          |
|  |  |   |                                | 373                            |
| <b>Total comprehensive income for the period</b>             |  |   |                                | <b>1,417</b>                   |



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**Notes on the quarterly report – 31 March 2020**

| <b>Nine Months Ended 31 March 2019</b>                       | <b>Transformer,<br/>lighting and related<br/>products<br/>RM’000</b> | <b>Process<br/>equipment<br/>RM’000</b> | <b>Eliminations<br/>RM’000</b> | <b>Consolidated<br/>RM’000</b> |
|--|--|---|--------------------------------|--------------------------------|
| <b>REVENUE</b>   |  |   |                                |                                |
| External Sales   | 202,340  | 47,426                                  | -                              | 249,766                        |
| Inter-segment sales  | 316  | -                                       | (316)                          | -                              |
| <b>Total Revenue</b>   | <b>202,656</b>   | <b>47,426</b>                           | <b>(316)</b>                   | <b>249,766</b>                 |
| <b>RESULTS</b>   |  |   |                                |                                |
| Segment results  |  |   |                                | 23,617                         |
| Unallocated corporate expenses                               |  |   |                                | (610)                          |
| Finance cost   |  |   |                                | (2,442)                        |
| Interest income  |  |   |                                | 700                            |
| Profit before taxation                                       |  |   |                                | <u>21,265</u>                  |
| Taxation   |  |   |                                | <u>(7,110)</u>                 |
| <b>Net profit / (loss) for the period</b>                    |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 16,410                         |
| - From discontinued operations                               |  |   |                                | <u>(2,255)</u>                 |
| <b>Profit for the period</b>                                 |  |   |                                | <u><u>14,155</u></u>           |
| <b>Profit / (Loss) attributable to :</b>                     |  |   |                                |                                |
| Owners of the Company  |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 13,743                         |
| - From discontinued operations                               |  |   |                                | <u>(1,428)</u>                 |
|  |  |   |                                | 12,315                         |
| Non-controlling interests                                    |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 2,667                          |
| - From discontinued operations                               |  |   |                                | <u>(827)</u>                   |
|  |  |   |                                | 1,840                          |
|  |  |   |                                | <u><u>14,155</u></u>           |
| <b>Comprehensive income / (loss) for the period :</b>        |  |   |                                |                                |
| Profit for the period  |  |   |                                | 14,155                         |
| Other comprehensive expense                                  |  |   |                                | <u>(355)</u>                   |
| <b>Total comprehensive income for the period</b>             |  |   |                                | <u><u>13,800</u></u>           |
| <b>Total comprehensive income / (loss) attributable to :</b> |  |   |                                |                                |
| Owners of the Company  |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 13,650                         |
| - From discontinued operations                               |  |   |                                | <u>(1,428)</u>                 |
|  |  |   |                                | 12,222                         |
| Non-controlling interests                                    |  |   |                                |                                |
| - From continuing operations                                 |  |   |                                | 2,405                          |
| - From discontinued operations                               |  |   |                                | <u>(827)</u>                   |
|  |  |   |                                | 1,578                          |
| <b>Total comprehensive income for the period</b>             |  |   |                                | <u><u>13,800</u></u>           |



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**Notes on the quarterly report – 31 March 2020**

**A9. Segment Information - (Cont’d)**

**Geographical Segments Revenue & Results**

| <b>Quarter Ended 31 March 2020</b>                           | <b>Malaysia<br/>RM’000</b> | <b>Overseas<br/>RM’000</b> | <b>Eliminations<br/>RM’000</b> | <b>Consolidated<br/>RM’000</b> |
|--|----------------------------|----------------------------|--------------------------------|--------------------------------|
| <b>REVENUE</b>   |                            |                            |                                |                                |
| External Sales   | 21,360                     | 26,177                     | -                              | 47,537                         |
| Inter-segment sales  | -                          | 5,546                      | (5,546)                        | -                              |
| <b>Total Revenue</b>   | <b>21,360</b>              | <b>31,723</b>              | <b>(5,546)</b>                 | <b>47,537</b>                  |
| <b>RESULTS</b>   |                            |                            |                                |                                |
| Segment results  |                            |                            |                                | (1,353)                        |
| Unallocated corporate expenses                               |                            |                            |                                | (857)                          |
| Finance cost   |                            |                            |                                | (113)                          |
| Interest income  |                            |                            |                                | 203                            |
| Loss before taxation   |                            |                            |                                | (2,120)                        |
| Taxation   |                            |                            |                                | (292)                          |
| <b>Net loss for the period</b>                               |                            |                            |                                | <b>(2,412)</b>                 |
| - From continuing operations                                 |                            |                            |                                | (2,412)                        |
| - From discontinued operations                               |                            |                            |                                | -                              |
| <b>Loss for the period</b>                                   |                            |                            |                                | <b>(2,412)</b>                 |
| <b>(Loss) / Profit attributable to :</b>                     |                            |                            |                                |                                |
| Owners of the Company  |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | (3,240)                        |
| - From discontinued operations                               |                            |                            |                                | -                              |
|  |                            |                            |                                | (3,240)                        |
| Non-controlling interests                                    |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | 828                            |
| - From discontinued operations                               |                            |                            |                                | -                              |
|  |                            |                            |                                | 828                            |
|  |                            |                            |                                | (2,412)                        |
| <b>Comprehensive (loss) / income for the period :</b>        |                            |                            |                                |                                |
| Loss for the period  |                            |                            |                                | (2,412)                        |
| Other comprehensive income                                   |                            |                            |                                | 2,137                          |
| <b>Total comprehensive loss for the period</b>               |                            |                            |                                | <b>(275)</b>                   |
| <b>Total comprehensive (loss) / income attributable to :</b> |                            |                            |                                |                                |
| Owners of the Company  |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | (1,365)                        |
| - From discontinued operations                               |                            |                            |                                | -                              |
|  |                            |                            |                                | (1,365)                        |
| Non-controlling interests                                    |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | 1,090                          |
| - From discontinued operations                               |                            |                            |                                | -                              |
|  |                            |                            |                                | 1,090                          |
| <b>Total comprehensive loss for the period</b>               |                            |                            |                                | <b>(275)</b>                   |





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**Notes on the quarterly report – 31 March 2020**

| Nine Months Ended 31 March 2020                              | Malaysia<br>RM’000 | Overseas<br>RM’000 | Eliminations<br>RM’000 | Consolidated<br>RM’000 |
|--|--------------------|--------------------|------------------------|------------------------|
| <b>REVENUE</b>   |                    |                    |                        |                        |
| External Sales   | 95,297             | 90,606             | -                      | 185,903                |
| Inter-segment sales  | -                  | 13,796             | (13,796)               | -                      |
| <b>Total Revenue</b>   | <b>95,297</b>      | <b>104,402</b>     | <b>(13,796)</b>        | <b>185,903</b>         |
| <b>RESULTS</b>   |                    |                    |                        |                        |
| Segment results  |                    |                    |                        | 18,697                 |
| Unallocated corporate expenses                               |                    |                    |                        | (1,995)                |
| Finance cost   |                    |                    |                        | (807)                  |
| Interest income  |                    |                    |                        | 799                    |
| Profit before taxation                                       |                    |                    |                        | 16,694                 |
| Taxation   |                    |                    |                        | (4,313)                |
| <b>Net profit /(loss) for the period</b>                     |                    |                    |                        | <b>12,773</b>          |
| - From continuing operations                                 |                    |                    |                        | 12,773                 |
| - From discontinued operations                               |                    |                    |                        | (392)                  |
| <b>Profit for the period</b>                                 |                    |                    |                        | <b>12,381</b>          |
| <b>Profit / (Loss) attributable to :</b>                     |                    |                    |                        |                        |
| Owners of the Company  |                    |                    |                        |                        |
| - From continuing operations                                 |                    |                    |                        | 9,973                  |
| - From discontinued operations                               |                    |                    |                        | (229)                  |
|  |                    |                    |                        | 9,744                  |
| Non-controlling interests                                    |                    |                    |                        |                        |
| - From continuing operations                                 |                    |                    |                        | 2,800                  |
| - From discontinued operations                               |                    |                    |                        | (163)                  |
|  |                    |                    |                        | 2,637                  |
|  |                    |                    |                        | 12,381                 |
| <b>Comprehensive income for the period :</b>                 |                    |                    |                        |                        |
| Profit for the period  |                    |                    |                        | 12,381                 |
| Other comprehensive income                                   |                    |                    |                        | 938                    |
| <b>Total comprehensive income for the period</b>             |                    |                    |                        | <b>13,319</b>          |
| <b>Total comprehensive income / (loss) attributable to :</b> |                    |                    |                        |                        |
| Owners of the Company  |                    |                    |                        |                        |
| - From continuing operations                                 |                    |                    |                        | 11,116                 |
| - From discontinued operations                               |                    |                    |                        | (229)                  |
|  |                    |                    |                        | 10,887                 |
| Non-controlling interests                                    |                    |                    |                        |                        |
| - From continuing operations                                 |                    |                    |                        | 2,595                  |
| - From discontinued operations                               |                    |                    |                        | (163)                  |
|  |                    |                    |                        | 2,432                  |
| <b>Total comprehensive income for the period</b>             |                    |                    |                        | <b>13,319</b>          |



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| Quarter Ended 31 March 2019                                  | Malaysia<br>RM'000 | Overseas<br>RM'000 | Eliminations<br>RM'000 | Consolidated<br>RM'000 |
|--|--------------------|--------------------|------------------------|------------------------|
| <b>REVENUE</b>   |                    |                    |                        |                        |
| External Sales   | 53,037             | 26,779             | -                      | 79,816                 |
| Inter-segment sales  | 6,207              | 7,823              | (14,030)               | -                      |
| Total Revenue  | 59,244             | 34,602             | (14,030)               | 79,816                 |
| <b>RESULTS</b>   |                    |                    |                        |                        |
| Segment results  |                    |                    |                        | 2,640                  |
| Unallocated corporate expenses                               |                    |                    |                        | (231)                  |
| Finance cost   |                    |                    |                        | (726)                  |
| Interest income  |                    |                    |                        | 289                    |
| Profit before taxation                                       |                    |                    |                        | 1,972                  |
| Taxation   |                    |                    |                        | (1,111)                |
| <b>Net profit / (loss) for the period</b>                    |                    |                    |                        |                        |
| - From continuing operations                                 |                    |                    |                        | 3,069                  |
| - From discontinued operations                               |                    |                    |                        | (2,208)                |
| <b>Profit for the period</b>                                 |                    |                    |                        | 861                    |
| <b>Profit / (Loss) attributable to :</b>                     |                    |                    |                        |                        |
| Owners of the Company  |                    |                    |                        |                        |
| - From continuing operations                                 |                    |                    |                        | 2,136                  |
| - From discontinued operations                               |                    |                    |                        | (1,420)                |
| Non-controlling interests                                    |                    |                    |                        | 716                    |
| - From continuing operations                                 |                    |                    |                        | 933                    |
| - From discontinued operations                               |                    |                    |                        | (788)                  |
|  |                    |                    |                        | 145                    |
|  |                    |                    |                        | 861                    |
| <b>Comprehensive income for the period :</b>                 |                    |                    |                        |                        |
| Profit for the period  |                    |                    |                        | 861                    |
| Other comprehensive income                                   |                    |                    |                        | 556                    |
| <b>Total comprehensive income for the period</b>             |                    |                    |                        | 1,417                  |
| <b>Total comprehensive income / (loss) attributable to :</b> |                    |                    |                        |                        |
| Owners of the Company  |                    |                    |                        |                        |
| - From continuing operations                                 |                    |                    |                        | 2,464                  |
| - From discontinued operations                               |                    |                    |                        | (1,420)                |
| Non-controlling interests                                    |                    |                    |                        | 1,044                  |
| - From continuing operations                                 |                    |                    |                        | 1,239                  |
| - From discontinued operations                               |                    |                    |                        | (866)                  |
|  |                    |                    |                        | 373                    |
| <b>Total comprehensive income for the period</b>             |                    |                    |                        | 1,417                  |



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| <b>Nine Months Ended 31 March 2019</b>                       | <b>Malaysia<br/>RM'000</b> | <b>Overseas<br/>RM'000</b> | <b>Eliminations<br/>RM'000</b> | <b>Consolidated<br/>RM'000</b> |
|--|----------------------------|----------------------------|--------------------------------|--------------------------------|
| <b>REVENUE</b>   |                            |                            |                                |                                |
| External Sales   | 168,661                    | 81,105                     | -                              | 249,766                        |
| Inter-segment sales  | 18,180                     | 24,186                     | (42,366)                       | -                              |
| <b>Total Revenue</b>   | <b>186,841</b>             | <b>105,291</b>             | <b>(42,366)</b>                | <b>249,766</b>                 |
| <b>RESULTS</b>   |                            |                            |                                |                                |
| Segment results  |                            |                            |                                | 23,617                         |
| Unallocated corporate expenses                               |                            |                            |                                | (610)                          |
| Finance cost   |                            |                            |                                | (2,442)                        |
| Interest income  |                            |                            |                                | 700                            |
| Profit before taxation                                       |                            |                            |                                | <u>21,265</u>                  |
| Taxation   |                            |                            |                                | <u>(7,110)</u>                 |
| <b>Net profit / (loss) for the period</b>                    |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | 16,410                         |
| - From discontinued operations                               |                            |                            |                                | <u>(2,255)</u>                 |
| <b>Profit for the period</b>                                 |                            |                            |                                | <u><u>14,155</u></u>           |
| <b>Profit / (Loss) attributable to :</b>                     |                            |                            |                                |                                |
| Owners of the Company  |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | 13,743                         |
| - From discontinued operations                               |                            |                            |                                | <u>(1,428)</u>                 |
|  |                            |                            |                                | 12,315                         |
| Non-controlling interests                                    |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | 2,667                          |
| - From discontinued operations                               |                            |                            |                                | <u>(827)</u>                   |
|  |                            |                            |                                | 1,840                          |
|  |                            |                            |                                | <u><u>14,155</u></u>           |
| <b>Comprehensive profit / (loss) for the period :</b>        |                            |                            |                                |                                |
| Profit for the period  |                            |                            |                                | 14,155                         |
| Other comprehensive expense                                  |                            |                            |                                | <u>(355)</u>                   |
| <b>Total comprehensive income for the period</b>             |                            |                            |                                | <u><u>13,800</u></u>           |
| <b>Total comprehensive income / (loss) attributable to :</b> |                            |                            |                                |                                |
| Owners of the Company  |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | 13,650                         |
| - From discontinued operations                               |                            |                            |                                | <u>(1,428)</u>                 |
|  |                            |                            |                                | 12,222                         |
| Non-controlling interests                                    |                            |                            |                                |                                |
| - From continuing operations                                 |                            |                            |                                | 2,405                          |
| - From discontinued operations                               |                            |                            |                                | <u>(827)</u>                   |
|  |                            |                            |                                | 1,578                          |
| <b>Total comprehensive income for the period</b>             |                            |                            |                                | <u><u>13,800</u></u>           |



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**A10. Valuation of Property, Plant & Equipment**

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

**A11. Capital Commitments**

There was no capital commitment approved and contracted for as at 31 March 2020.

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

There were no material events subsequent to the FPE 31 March 2020.

**A13. Changes in the composition of the Group**

Save as disclosed below, there were no material changes in the composition of the Group during the FPE 31 March 2020.

- a) On 31 July 2019, STC acquired an additional 46% equity interest in PT Boxon Nikkon from its subsidiary, Boxon Industries Hardware (M) Sdn. Bhd. for a total cash consideration of RM387,777. Following the completion of the acquisition on 31 July 2019, BNJ became 96% direct owned subsidiary.
- b) On 3 September 2019, STC had entered into a sale and purchase agreement with MIE Industrial Sdn Bhd (“**Purchaser**”) in relation to the disposal of 52,000,000 ordinary shares in Seremban Engineering Berhad (“**SEB**”), representing approximately 65% of the entire equity interest in SEB, a subsidiary company of STC for a total cash consideration of RM26 million. This transaction was completed on 3 September 2019 and SEB has ceased to be a subsidiary company of STC with effect from 3 September 2019 (“**Disposal**”).

**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.



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**A15. Discontinued operation**

As mentioned in Note A13(b) above, SEB has ceased to be a subsidiary company of STC with effect from 3 September 2019 and hence, it had been classified as “Discontinued operations” in the Statement of Profit or Loss and Other Comprehensive Income.

The revenue and results of the Discontinued operations during current quarter and FPE 31 March 2020 under review are as follow:

|  | <b>3 months ended</b> |                  | <b>9 months period ended</b> |                  |
|--|-----------------------|------------------|------------------------------|------------------|
|  | <b>31-Mar-20</b>      | <b>31-Mar-19</b> | <b>31-Mar-20</b>             | <b>31-Mar-19</b> |
|  | <b>RM'000</b>         | <b>RM'000</b>    | <b>RM'000</b>                | <b>RM'000</b>    |
| Revenue  | -                     | 14,759           | 7,058                        | 47,426           |
| Other income   | -                     | 246              | 94                           | 971              |
| Operating expenses                                   | -                     | (2,525)          | (1,465)                      | (7,765)          |
| Operating (loss) before tax                          | -                     | (2,229)          | (392)                        | (2,359)          |
| Taxation   | -                     | -                | -                            | (23)             |
| Net (loss) after tax                                 | -                     | (2,229)          | (392)                        | (2,382)          |
| Cash flow ( used in ) / from discontinued operations |                       |                  |                              |                  |
| Operating activities                                 | -                     | 82               | (4,251)                      | 2,688            |
| Investing activities                                 | -                     | (38)             | -                            | (405)            |
| Financing activities                                 | -                     | 905              | 1,091                        | 2,358            |
| Net cash flows                                       | -                     | 949              | (3,160)                      | 4,641            |



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

**B1. Review of performance**

|  | <u>3 Months Period Ended</u> |                  | <u>Changes</u> | <u>9 Months Period Ended</u> |                  | <u>Changes</u> |
|--|------------------------------|------------------|----------------|------------------------------|------------------|----------------|
|  | <u>31-Mar-20</u>             | <u>31-Mar-19</u> | <u>(%)</u>     | <u>31-Mar-20</u>             | <u>31-Mar-19</u> | <u>(%)</u>     |
|  | <u>RM'000</u>                | <u>RM'000</u>    |                | <u>RM'000</u>                | <u>RM'000</u>    |                |
| Revenue  | 47,537                       | 79,816           | -40%           | 185,903                      | 249,766          | -26%           |
| (Loss) / Profit before tax                                     | (2,120)                      | 1,972            | -208%          | 16,694                       | 21,265           | -21%           |
| Taxation   | (292)                        | (1,111)          | -74%           | (4,313)                      | (7,110)          | -39%           |
| Net profit / (loss) after tax                                  | <b>(2,412)</b>               | <b>861</b>       | -380%          | <b>12,381</b>                | <b>14,155</b>    | -13%           |
| - From continuing operations                                   | (2,412)                      | 3,069            | -179%          | 12,773                       | 16,410           | -22%           |
| - From discontinued operations                                 | -                            | (2,208)          | -100%          | (392)                        | (2,255)          | -83%           |
| <b>(Loss) / Profit attributable to Owners of the Company :</b> | <b>(3,240)</b>               | <b>716</b>       | -553%          | <b>9,744</b>                 | <b>12,315</b>    | -21%           |
| - From continuing operations                                   | (3,240)                      | 2,136            | -252%          | 9,973                        | 13,743           | -27%           |
| - From discontinued operations                                 | -                            | (1,420)          | -100%          | (229)                        | (1,428)          | -84%           |

**Current quarter review**

The Group recorded a revenue of RM47.54 million for the current quarter ended 31 March 2020 as compared to RM79.82 million in the previous year corresponding quarter, showing a decrease of RM32.28 million or approximately -40%. The decrease of revenue was mainly due to lower sales recorded in the transformer and lighting segment due to slower market demand in both local and overseas market and Government Movement Control Order (“MCO”) which started from 18 March 2020 as well as the Discontinued operation of the process equipment segment as a result of the Disposal.

Loss after tax (“LAT”) attributable to owners of the Company from continuing operations of RM3.24 million for the current quarter ended 31 March 2020 as compared to Profit after tax (“PAT”) attributable to owners of the Company of RM2.14 million in the previous year corresponding quarter, showing a decrease of RM5.38 million or approximately -252%, was mainly due to lower sales in transformer and lighting segment, written down of inventories and loss on foreign exchange.

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.

**Nine months’ financial period review**

The Group recorded a revenue of RM185.90 million for the FPE 31 March 2020 as compared to RM249.77 million in the previous year corresponding financial period, showing a decrease of RM63.87 million or approximately -26%. These was mainly due to the Discontinued operation of the process equipment segment as a result of the Disposal and lower sales recorded in transformer and lighting segment.

The lower sales recorded in transformer and lighting segment was mainly due to slower market demand in both local and overseas market and MCO which started from 18 March 2020.



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PAT attributable to owners of the Company from continuing operations of RM9.97 million for the FPE 31 March 2020 as compared to RM13.74 million in the previous year corresponding financial period, showing a decrease of RM3.77 million or approximately -27%. This was mainly due to lower sales recorded in the transformer and lighting segment and loss on foreign exchange but partially offset by one-off gain on the Disposal amounting to RM6.09 million.

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

**B2. Variation of results against preceding quarter**

|  | <b>Current<br/>Quarter<br/>31-Mar-20<br/>RM'000</b> | <b>Preceding<br/>Quarter<br/>31-Dec-19<br/>RM'000</b> | <b>Changes<br/>(%)</b> |
|--|---|---|------------------------|
| Revenue  | 47,537  | 64,714  | (27)                   |
| (Loss) / Profit before tax                                     | (2,120)   | 3,677   | (158)                  |
| Taxation   | (292)   | (1,389)   | (79)                   |
| Net (loss) / profit after tax                                  | <b>(2,412)</b>                                      | <b>2,288</b>  | (205)                  |
| - From continuing operations                                   | (2,412)   | 2,288   | (205)                  |
| - From discontinued operations                                 | -   | -   |                        |
| <b>(Loss) / Profit attributable to Owners of the Company :</b> |   |   |                        |
|  | <b>(3,240)</b>                                      | <b>1,673</b>  | (294)                  |
| - From continuing operations                                   | (3,240)   | 1,673   | (294)                  |
| - From discontinued operations                                 | -   | -   |                        |

The Group recorded a revenue of RM47.54 million for the current quarter ended 31 March 2020 as compared to RM64.71 million in the preceding quarter, showing a decrease of RM17.17 million or approximately -27%. The decrease of revenue was mainly due to lower sales recorded in the transformer and lighting segment due to slower market demand in both local and overseas market and MCO which started from 18 March 2020.

LAT attributable to owners of the Company from continuing operations of RM3.24 million for the current quarter ended 31 March 2020 as compared to PAT of RM1.67 million in the preceding quarter, showing a decrease of RM4.91 million or approximately -294%. This was mainly due to lower sales recorded in transformer and lighting segment, written down of inventories and loss on foreign exchange.



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**B3. Prospects**

The Covid-19 pandemic has resulted in high uncertainties in the global and domestic economic. The Group faces significant risk, both financially and operationally. At this juncture, the Group is unable to fully assess the impact and quantify the potential damages to be suffered within and outside the Country.

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, locally and overseas. The Group will also step up on its effort to enhance its competitiveness and productivity in its operations.

Barring any unforeseen circumstances, the Group expects the performance for the financial year ending 30 June 2020 to be satisfactory, given uncertainties we are currently facing.

**B4. Profit Forecast or Profit Guarantee**

Not applicable as there was no profit forecast or profit guarantee issued by the Group as at 31 March 2020.

**B5. Tax Expense**

|              | 3 Months Ended |              | 9 Months Ended |              |
|--------------|----------------|--------------|----------------|--------------|
|              | 31-Mar-2020    | 31-Mar-2019  | 31-Mar-2020    | 31-Mar-2019  |
|              | RM'000         | RM'000       | RM'000         | RM'000       |
| Income tax   | 361            | 1,350        | 4,077          | 6,802        |
| Deferred tax | (69)           | (239)        | 236            | 308          |
| Total        | <u>292</u>     | <u>1,111</u> | <u>4,313</u>   | <u>7,110</u> |

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





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**B6. Status of Corporate Proposals**

Save as disclosed below, 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.

a) Utilisation of Proceeds from Corporate Proposals

(i) The status of utilisation of proceeds arising from the Disposal as disclosed in Note A13(b) as at 16 June 2020 is set out below:

|   | <b>Proposed<br/>utilisation<br/>(RM'000)</b> | <b>Actual<br/>utilisation<br/>(RM'000)</b> | <b>Variation<br/>for<br/>utilisation<br/>of<br/>proceeds<br/>(RM'000)</b> | <b>Balance<br/>(RM'000)</b> | <b>Expected<br/>timeframe for<br/>the utilisation<br/>from the date<br/>of receipt</b> |
|---|--|--|---|-----------------------------|--|
| <b>Working capital</b>                                    |  |  |   |                             |  |
| Purchase of raw materials                                 | 8,000  | (8,000)                                    | -   | -                           | Within 12 months   |
| Payment of payroll  | 1,000  | (1,000)                                    | -   | -                           |  |
| Selling and distribution expenses                         | 1,000  | (1,000)                                    | -   | -                           |  |
| Other administrative expenses                             | 1,000  | (991)                                      | *(9)  | -                           |  |
| <b>Future potential investment(s) / acquisition(s)</b>    | 14,800                                       | -  | -   | 14,800                      | Within 12 months   |
| <b>Defray estimated expenses relating to the Disposal</b> | 200  | (209)                                      | 9   | -                           | Within 6 months  |
| <b>Total</b>  | <b>26,000</b>                                | <b>11,200</b>                              | <b>-</b>  | <b>14,800</b>               |  |

Note:

\* The actual amount of the expenses relating to the Disposal were higher than the estimated expenses. Hence, the variation in the amount of estimated expenses had been adjusted against the amount proposed for other administrative expenses under the working capital.



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b) Employees' share option scheme

The Company's employees share option scheme ("ESOS") of up to 15% of the total number of issued shares of STC (excluding treasury shares) for the eligible employees and executive directors of the Group (excluding dormant subsidiary companies) was approved by the shareholders of STC at the extraordinary general meeting convened on 2 July 2018. The effective date for the implementation of the ESOS was 3 July 2018 and the ESOS shall be for a duration of 5 years commencing from the effective date.

A total of 7,102,200 ESOS options were offered to the eligible employees and an executive director of the Group at RM0.54 on 16 November 2018 and a total number of 6,771,200 ESOS options were accepted by the eligible employees and executive director on 15 December 2018.

The fair value of the share options granted to eligible employees and directors was determined using Black-Scholes Option Pricing model, after taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at the grant date and the input assumed by the Company in arising the fair value are as follows:

|                                      |       |
|--------------------------------------|-------|
| Weighted average share price (RM)    | 0.59  |
| Weighted average exercise price (RM) | 0.54  |
| Expected volatility (%)              | 58.00 |
| Expected life (years)                | 1.11  |
| Risk-free Interest rate (%)          | 3.77  |
| Expected dividend yield (%)          | 2.60  |

As at 16 June 2020, a total number of 1,202,200 ESOS options were exercised.

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

| <b>Director</b> | <b>ESOS Options Offered (Units)</b> | <b>Exercised during the period (Units)</b> | <b>Outstanding (Units) As at 16 June 2020</b> |
|-----------------|-------------------------------------|--|---|
| Tan Wei Neng    | 232,700                             | 69,800                                     | 162,900                                       |



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**B7. Group Borrowings**

The Group’s borrowings as at 31 March 2020 were as follows:

|                        | <b>Payable within<br/>12 months<br/>RM'000</b> | <b>Payable after<br/>12 Months<br/>RM'000</b> |
|------------------------|--|---|
| <u>Secured</u>         |  |   |
| Bank Borrowings        | 338  | 1,377   |
| Hire Purchase Payables | 272  | 203   |
| Total Borrowings       | <u>610</u>                                     | <u>1,580</u>                                  |

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

|                    | <b>Amount<br/>RM'000</b> |
|--------------------|--------------------------|
| Malaysian Ringgit  | 389                      |
| Singaporean Dollar | <u>1,801</u>             |
| Total Borrowings   | <u>2,190</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 Dividend**

There was no dividend proposed or declared during the current quarter under review.



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**B10. Earnings per share**

**(a) Basic**

Basic earnings per share of the Group is calculated by dividing profit / (loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter and FPE 31 March 2020 are computed as follow: -

|  | <b>3 Months Ended</b>  |                        | <b>9 Months Ended</b>  |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | <b>31-Mar<br/>2020</b> | <b>31-Mar<br/>2019</b> | <b>31-Mar<br/>2020</b> | <b>31-Mar<br/>2019</b> |
| Profit / (Loss) attributable to Owners of the Company (RM'000) |                        |                        |                        |                        |
| - From continuing operations                                   | (3,240)                | 2,136                  | 9,973                  | 13,743                 |
| - From discontinued operations                                 | -                      | (1,420)                | (229)                  | (1,428)                |
|  | <u>(3,240)</u>         | <u>716</u>             | <u>9,744</u>           | <u>12,315</u>          |
| Weighted average number of STC Shares in issue ('000)          | 235,292                | 234,128                | 235,025                | 234,985                |
| Basic earning per STC Share (sen)                              |                        |                        |                        |                        |
| - From continuing operations                                   | (1.38)                 | 0.91                   | 4.25                   | 5.85                   |
| - From discontinued operations                                 | -                      | (0.60)                 | (0.10)                 | (0.61)                 |
|  | <u>(1.38)</u>          | <u>0.31</u>            | <u>4.15</u>            | <u>5.24</u>            |



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**(b) Diluted**

Pursuant to the requirements of MFRS 133 Earnings per Share, the weighted average number of ordinary shares used in the calculation of basic and diluted EPS for the current quarters and FPE 31 March 2020 have been retrospectively adjusted to reflect the unexercised ESOS as disclosed in Note B6(b).

|  | <b>3 Months Ended</b>  |                        | <b>9 Months Ended</b>  |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | <b>31-Mar<br/>2020</b> | <b>31-Mar<br/>2019</b> | <b>31-Mar<br/>2020</b> | <b>31-Mar<br/>2019</b> |
| Profit / (Loss) attributable to Owners of the Company (RM'000) |                        |                        |                        |                        |
| - From continuing operations                                   | (3,240)                | 2,136                  | 9,973                  | 13,743                 |
| - From discontinued operations                                 | -                      | (1,420)                | (229)                  | (1,428)                |
|  | <u>(3,240)</u>         | <u>716</u>             | <u>9,744</u>           | <u>12,315</u>          |
| Weighted average number of STC Shares in issue ('000)          | 235,292                | 234,128                | 235,025                | 234,985                |
| Adjusted for unexercised Employee's Share Option Scheme ('000) | 236,846                | 234,974                | 237,239                | 235,265                |
| Diluted earnings per STC Share (sen)                           |                        |                        |                        |                        |
| - From continuing operations                                   | (1.37)                 | 0.91                   | 4.21                   | 5.84                   |
| - From discontinued operations                                 | -                      | (0.60)                 | (0.10)                 | (0.61)                 |
|  | <u>(1.37)</u>          | <u>0.31</u>            | <u>4.11</u>            | <u>5.23</u>            |



SUCCESS TRANSFORMER CORPORATION BERHAD (“STC”)  
(200301034518) (636939-W)

Notes on the quarterly report – 31 March 2020

**B11. Notes to the Statement of Profit or Loss and Other Comprehensive Income / (Loss)**

|  | 3 Months Ended           |                          | 9 Months Ended           |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | 31-Mar<br>2020<br>RM'000 | 31-Mar<br>2019<br>RM'000 | 31-Mar<br>2020<br>RM'000 | 31-Mar<br>2019<br>RM'000 |
| <b>Other income / (loss)</b>                                     |                          |                          |                          |                          |
| (Loss) / Gain on disposal of property, plant and equipment       | (41)                     | (9)                      | 43                       | 684                      |
| Gain on disposal of subsidiary company                           | -                        | -                        | 6,090                    | -                        |
| Interest income  | 203                      | 289                      | 799                      | 700                      |
| Other income   | 101                      | 171                      | 638                      | 1,300                    |
| (Allowance) / Reversal of impairment losses on trade receivables | 14                       | (25)                     | 28                       | 24                       |
| Bad debts (written off) / recover                                | (195)                    | (115)                    | (195)                    | (86)                     |
| Fair value adjustment - trade receivable                         | -                        | (454)                    | -                        | (454)                    |
| Fair value of ESOS option  | (65)                     | (353)                    | (343)                    | (353)                    |
| (Loss) / Gain on foreign currency exchange                       | (1,159)                  | (971)                    | (2,161)                  | 250                      |
| Loss on disposal of associate company                            | -                        | (243)                    | -                        | (243)                    |
| Impairment loss of trade receivables                             | (210)                    | -                        | (405)                    | -                        |
| Interest expense   | (113)                    | (726)                    | (807)                    | (2,442)                  |
| Property, plant and equipment written off                        | (3)                      | (26)                     | (4)                      | (51)                     |
| Provision for warranty cost                                      | -                        | (416)                    | -                        | (416)                    |
| Waiver of debt   | (7)                      | -                        | (7)                      | -                        |
| Write down of inventories  | (3,021)                  | (1,063)                  | (1,439)                  | (1,063)                  |
| Depreciation   | (2,312)                  | (2,184)                  | (7,104)                  | (8,214)                  |

Save as disclosed above, the other items required under Paragraph 16, Part A of the Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

By order of the Board

Tan Ah Bah @ Tan Ah Ping  
Managing Director  
16 June 2020