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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Current Quarter 30-Sep-25 RM'000	Comparative Quarter 30-Sep-24 RM'000	Cumulative 3 Months 30-Sep-25 RM'000	Cumulative 3 Months 30-Sep-24 RM'000
Revenue	51,814	53,627	51,814	53,627
Operating profit	4,106	2,792	4,106	2,792
Interest expense	(192)	(199)	(192)	(199)
Interest income	21	26	21	26
Profit before taxation	3,935	2,619	3,935	2,619
Taxation	(734)	(672)	(734)	(672)
Profit for the period	3,201	1,947	3,201	1,947
Profit attributable to :				
Owners of the Company	3,386	2,098	3,386	2,098
Non-controlling interests	(185)	(151)	(185)	(151)
	3,201	1,947	3,201	1,947
Earnings per share (sen) :				
Basic	1.44	0.89	1.44	0.89
Diluted	1.43	0.89	1.43	0.89
Profit for the period	3,201	1,947	3,201	1,947
Other comprehensive (loss) / income				
Currency translation differences for foreign operations	180	(1,510)	180	(1,510)
Total comprehensive income for the period	3,381	437	3,381	437
Total comprehensive income / (loss) attributable to :				
Owners of the Company	3,493	1,075	3,493	1,075
Non-controlling interests	(112)	(638)	(112)	(638)
Total comprehensive income for the period	3,381	437	3,381	437

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 2025 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 30 SEPTEMBER 2025

	As at 30-Sep-25 Unaudited RM'000	As at 30-Jun-25 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	87,640	88,158
Investment properties	38,668	38,815
Right-of-use assets	5,602	5,714
Trade Receivables	443	633
Amount due from a related party	1,441	1,629
Other Investments	10,329	10,532
Deferred tax assets	176	181
TOTAL NON-CURRENT ASSETS	144,299	145,662
Current assets		
Inventories	85,455	85,310
Trade receivables	61,028	62,588
Other receivables, deposits and prepayments	9,635	9,448
Contract assets	226	35
Amount due from a related party	482	276
Tax recoverable	4,055	3,666
Other investment	126,946	116,939
Fixed deposits with licensed bank	18	18
Cash and bank balances	26,239	30,570
TOTAL CURRENT ASSETS	314,084	308,850
TOTAL ASSETS	**458,383**	**454,512**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	74,575	74,549
Treasury shares	(11,678)	(11,678)
Reserves	322,684	319,199
	385,581	382,070
NON-CONTROLLING INTERESTS	24,696	24,808
TOTAL EQUITY	410,277	406,878
LIABILITIES		
Non-Current liabilities		
Lease liabilities	-	317
Long term borrowings	5,974	6,474
Other payable	814	805
Deferred tax liabilities	1,741	1,742
TOTAL NON-CURRENT LIABILITIES	8,529	9,338
Current liabilities		
Trade payables	10,183	9,625
Other payables and accruals	19,658	20,081
Contract liability	60	-
Amount due to related parties	752	123
Lease liabilities	430	164
Short term borrowings	8,399	8,202
Current tax payable	95	101
TOTAL CURRENT LIABILITIES	39,577	38,296
TOTAL LIABILITIES	48,106	47,634
TOTAL EQUITY AND LIABILITIES	**458,383**	**454,512**
Net assets per share attributable to owners of the parent (RM) *	1.63	1.61

* 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 2025 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 30 SEPTEMBER 2025

	Current Period - To - date 30-Sep-25 RM'000	Preceding Year Corresponding Period 30-Sep-24 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,935	2,619
Adjustments for:		
Non-cash items	1,894	2,562
Non-operating items	(1,510)	(757)
Operating profit before changes in working capital	4,319	4,424
Changes in working capital:		
Inventories	(153)	2,670
Trade and other receivables	1,028	2,433
Trade and other payables	1,101	(201)
Cash from operation	6,295	9,326
Tax paid	(1,159)	(960)
Tax refund	44	-
Interest paid	(9)	(12)
Interest received	21	26
Dividend received from trust fund	575	-
Net cash from operating activities	5,767	8,380
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment ("**PPE**")	(1,284)	(1,404)
Purchase of other investment	(26,300)	(52,515)
Proceeds from disposal of PPE	-	120
Proceeds from disposal of other investment	17,600	46,015
Net cash for investing activities	(9,984)	(7,784)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of lease liabilities	(40)	(52)
Repayment of bank borrowings	(803)	(1,360)
Drawdown of revolving credit	500	1,000
Proceeds from issuance of new shares	18	135
Interest paid	(178)	(172)
Dividend paid by the Company	-	(3,539)
Net cash for financing activities	(503)	(3,988)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(4,720)	(3,392)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	30,570	27,201
EFFECTS ON EXCHANGE RATES FLUCTUATIONS ON CASH HELD	389	(1,374)
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	**26,239**	**22,435**
The cash and cash equivalents comprise the following:-		
Cash & bank balances	26,239	22,435
Deposits with licensed banks	18	18
	26,257	22,453
Less : Deposits pledged to licensed banks	(18)	(18)
	26,239	**22,435**

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 2025 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 30 SEPTEMBER 2025

	← Non-distributable				→	Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Employees Share Option Reserve RM'000	Translation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
Current period-to-date ended 30 September, 2025									
As at 1 July 2025	74,550	(11,678)	230	(20)	14,288	304,700	382,070	24,808	406,878
Profit for the period	-	-	-	-	-	3,386	3,386	(185)	3,201
Other comprehensive (loss)/income									
- Foreign currency translation differences	-	-	-	107	-	-	107	73	180
Total comprehensive (loss) / income for the period	-	-	-	107	-	3,386	3,493	(112)	3,381
Contributions by and distributions to owners of the Company :									
Dividends paid to owners of the company									
- by Cash Dividend	-	-	-	-	-	-	-	-	-
- by subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	-
Employees' share option exercised	25	-	(7)	-	-	-	18	-	18
Total transactions with owners of the Company	25	-	(7)	-	-	-	18	-	18
As at 30 September, 2025	74,575	(11,678)	223	87	14,288	308,086	385,581	24,696	410,277
							-	-	

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	←		Non-distributable		→	Distributable			
Preceding year corresponding period ended September 30, 2024	**Share Capital RM'000**	**Treasury Shares RM'000**	**Employees Share Option Reserve RM'001**	**Translation Reserve RM'000**	**Capital Reserve RM'000**	**Retained Profits RM'000**	**Attributable to Owners of the Company RM'000**	**Non - Controlling Interests RM'000**	**Total Equity RM'000**
As at 1 July 2024	74,364	(11,678)	281	2,897	14,288	301,394	381,546	28,125	409,671
Profit for the period	-	-	-	-	-	2,098	2,098	(151)	1,947
Other comprehensive (loss)/income									
- Foreign currency translation differences	-	-	-	(1,023)	-	-	(1,023)	(487)	(1,510)
Total comprehensive (loss)/income for the period	-	-	-	(1,023)	-	2,098	1,075	(638)	437
Contributions by and distributions to owners of the Company :									
Dividends paid to owners of the company									-
- Cash dividend	-	-	-	-	-	(3,539)	(3,539)	-	(3,539)
- Share dividend	-	-	-	-	-	-	-	-	-
- by subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	-
Employees' share option exercised	185	-	(50)	-	-	-	135	-	135
Total transactions with owners of the Company	185	-	(50)	-	-	(3,539)	(3,404)	-	(3,404)
As at 30 September, 2024	74,549	(11,678)	231	1,874	14,288	299,953	379,217	27,487	406,704

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 2025 with the accompanying explanatory notes attached to these interim financial statements.

Notes on the quarterly report – 30 September 2025

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134

A1. Basis of Preparation

These condensed consolidated financial statements for the financial period ended ("**FPE**") 30 September 2025 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 audited financial statements of STC and its subsidiaries ("**Group**") for the financial year ended (**"FYE")** 30 June 2025.

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 FYE 30 June 2025.

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

MFRSs (including the Consequential Amendments)

Standard issued but not effective			**Effective date**
Amendments to MFRS 9 and MFRS 7	: :	Amendments to the Classification and Measurement of Financial Instruments Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 1, MFRS7, MFRS9, MFRS10 and MFRS 107	:	Annual Improvements to MFRS Accounting Standard – Volume 11	1 January 2026
Amendments to MFRS 18	:	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 19	:	Subsidiaries without Public Accountability : Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	:	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

A2. Changes in Accounting Policies (Cont'd)

MFRSs (including the Consequential Amendments) (Cont'd)

The Group has applied the following accounting standard that has been issued by the MASB and effective during the financial period which has no material impact on the Group's financial statements: -

Standard issued			**Effective date**
Amendments to MFRS 121	:	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025

The adoption of the above-mentioned accounting standards (including the consequential amendments) is expected to have no material impact on the Group's financial statements upon their initial application except the below :-

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

A3. Qualification of Annual Financial Statements

The latest audited consolidated financial statements of STC for the FYE 30 June 2025 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 FPE 30 September 2025.

Notes on the quarterly report – 30 September 2025

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

There were no items of unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows during the FPE 30 September 2025.

A6. Changes in Accounting Estimates

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

A7. Debt and Equity Securities

Saved as disclosed below, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

(a) Share Buy Back

As at the end of financial period, the number of treasury shares held was 17,212,605 shares at an average cost of RM0.6785 per share.

(b) Employees' Share Option Scheme ("**ESOS**")

During the FPE 30 September 2025, a total number of 33,700 STC Shares were issued under the Company's ESOS, increasing the issued ordinary shares of the Company to 253,192,300 STC Shares as at 30 September 2025.

A8. Dividend Paid

There was no dividend paid during the current quarter under review.

A9. Segment Information

The Group operates predominantly within the business of design, manufacturing and distribution of electrical apparatus and industrial lighting. Accordingly, the information by business segments is not presented.

For geographical information, revenue is based on the country in which the customers are located. The revenue based on geographical information are as follows:

	3 Months Period Ended	
	30-Sep-25	30-Sep-24
	RM'000	RM'000
Revenue		
Malaysia	27,177	27,229
Overseas	24,637	26,398
	51,814	53,627

A10. Valuation of Property, Plant & Equipment

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

A11. Capital Commitments

The amount of capital commitments of the Group as at 30 September 2025 is as follows:

	RM'000
Approved and contracted for	
Property, plant and equipment	1,600

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

There were no material events subsequent to the FPE 30 September 2025.

A13. Changes in the composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the FPE 30 September 2025.

On 12 September 2025, the Company had acquired the remaining 40% equity interest in Cerdasnet Sdn. Bhd. (formerly known as Kare For U Sdn. Bhd.) ("CSB") from the non-controlling shareholders for a total cash consideration of RM 3. Following the completion of the acquisition, CSB became a wholly-owned subsidiary of the Company.

A14. Changes in contingent liabilities and contingent assets

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

Notes on the quarterly report – 30 September 2025

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

B1. Review of Performance

	3 Months Period Ended		Changes
	30-Sep-25	30-Sep-24	(%)
	RM'000	RM'000	
Revenue	**51,814**	**53,627**	-3%
Profit before tax	3,935	2,619	50%
Taxation	(734)	(672)	9%
Net profit after tax	**3,201**	**1,947**	64%
Profit attributable to Owners of the Company	**3,386**	**2,098**	61%

Current quarter review

The Group recorded a revenue of RM51.81 million for the current quarter ended 30 September 2025 as compared to RM53.63 million in the previous year corresponding quarter, showing a decrease of RM1.82 million or approximately 3%. The decrease of revenue was mainly due to lower sales recorded in oversea market.

Profit after tax attributable to owners of the Company ("**PAT**") of RM3.39 million for the current quarter ended 30 September 2025 as compared to RM2.10 million in the previous year corresponding quarter, showing an increase of RM1.29 million or approximately 61%. The increase of PAT was mainly due to lower operation cost incurred and higher gain on other investment.

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 under review.

B2. Variation of Results against Preceding Quarter

	Current Quarter 30-Sep-25 RM'000	Preceding Quarter 30-Jun-25 RM'000	Changes (%)
Revenue	51,814	50,757	2%
Profit before tax	3,935	1,604	145%
Taxation	(734)	(391)	88%
Net profit after tax	**3,201**	**1,213**	164%
Profit attributable to Owners of the Company	**3,386**	**1,725**	96%

The Group recorded a profit before tax ("**PBT**") of RM3.94 million for the current quarter ended 30 September 2025 as compared to RM1.60 million in the preceding quarter ended 30 June 2025, showing an increase of RM2.34 million or 145%. The increase of PBT was mainly due to higher sales recorded and improved profit margin as well as higher gain on other investment.

B3. Prospects

The outlook is expected to remain challenging, given the prevailing uncertainties in both domestic and international markets. The Group will maintain its strategic focus on its core business segments, namely transformers, lighting, and related products to strengthen its market position and operational efficiency.

The rising demand for transformers, particularly driven by the rapid growth of the data center industry, is expected to provide new avenues for expansion. Leveraging its established industry expertise and manufacturing capabilities, the Group is well positioned to capitalize on these emerging opportunities.

Barring any unforeseen circumstances, the Group remains optimistic and positive in achieving satisfactory results for the financial year ending 30 June 2026.

B4. Profit Forecast, Profit Estimate or Profit Guarantee

The Group has not issued any profit forecast, profit estimate or profit guarantee in any public documents.

B5. Tax Expense

	3 Months Period Ended	
	30-Sep-25	30-Sep-24
	RM'000	RM'000
Income tax	735	666
Deferred tax	(1)	6
Total	734	672

The effective tax rate for current quarter is lower than statutory tax rate was mainly due to higher non-taxable income recognized in current quarter.

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.

<u>ESOS</u>

The effective date for the implementation of the ESOS was 3 July 2018 for a duration of 5 years and was subsequently extended to 2 July 2028.

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.

B6. Status of Corporate Proposals (Cont'd)

The total number of ESOS options granted, exercised or vested and outstanding since its commencement up to 14 November 2025 are set out in the table below:

Descriptions	Number of ESOS options
Total number of options granted and accepted as at 15 December 2018	6,771,200
Unexercised options lapse due to staff resigned during FYE 30 June 2022	(1,030,500)
Options re-offered and accepted during FYE 30 June 2022*	1,143,200
Total number of options granted and accepted after re-offered	6,883,900
Total number of options exercised since commencement up to 30 June 2025	(4,660,400)
Total number of options outstanding as at 30 June 2025	**2,223,500**
Total number of options exercised during FPE 30 September 2025	**(33,700)**
Total number of options outstanding as at 30 September 2025	**2,189,800**
Total number of options exercised from 1 October 2025 to 14 November 2025	-
Total number of options outstanding as at 14 November 2025	**2,189,800**

Note:

* *A total of 1,143,200 ESOS options were re-offered to other eligible employees at an exercise price of RM0.54 on 20 December 2021 at the discretion of the ESOS Committee in accordance with the ESOS By-Laws. The 1,143,200 ESOS options comprised of 1,030,500 unexercised options lapsed due to staff resignations during FYE 30 June 2022 and 112,700 excess ESOS options arising from the non-acceptance of ESOS options by the eligible employees on 15 December 2018.*

B7. Group Borrowings

The Group's borrowings as at 30 September 2025 were as follows:

	Payable within 12 months RM'000	Payable after 12 months RM'000
<u>Secured</u>		
Bank borrowings	8,399	5,974

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

	Amount RM'000
Malaysian Ringgit	14,373

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

On 9 October 2025, the Company declared a tax-exempt single-tier interim dividend of RM0.018 per ordinary shares on 235,979,695 STC Shares in respect of the financial year ending 30 June 2026 amounting to RM 4,247,628 and will be paid on 20 November 2025 to shareholders whose names appeared in Company's record of depositors on 31 October 2025.

B10. Earnings per share

(a) Basic

Basic earnings per share of the Group is calculated based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during current quarter ended 30 September 2025.

	3 Months Period Ended	
	30-Sep-25	30-Sep-24
Profit attributable to Owners of the Company (RM'000)	3,386	2,098
Weighted average number of STC Shares in issue ('000)	235,957	235,871
Basic earnings per STC Share (sen)	1.44	0.89

(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 earnings per share for the current quarter ended 30 September 2025 have been retrospectively adjusted to reflect the unexercised ESOS as disclosed in Note B6.

	3 Months Period Ended	
	30-Sep-25	30-Sep-24
Profit attributable to Owners of the Company (RM'000)	3,386	2,098
Weighted average number of STC Shares in issue ('000)	235,957	235,871
Adjusted for unexercised Employees Share Option Scheme ('000)	236,303	236,798
Diluted earnings per STC Share (sen)	1.43	0.89

Notes on the quarterly report – 30 September 2025

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

	3 Months Period Ended	
Other income / (loss)	**30-Sep-25 RM'000**	**30-Sep-24 RM'000**
Gain on disposal of other investment	301	266
Gain on disposal of property, plant and equipment	2	26
Distribution from trust funds (other investment)	2,127	1,520
Government grant	31	62
Rental income	376	315
Reversal of write down of inventories	-	64
Fair value gain / (loss) on other investment	(746)	(897)
Gain / (Loss) on foreign currency exchange	(350)	(483)
Bad debt written off	-	(18)
Allowance for impairment losses on trade receivables	(232)	-
Depreciation	(1,831)	(2,121)
Property, plant and equipment written off	(14)	(1)
Written down of inventories	(7)	(3)

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
14 November 2025