

Company Name : Frontken Corporation Berhad
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Frontken's FY2023 Net Profit Down 9% To RM111.9 Mil, Declares 2.20 Sen Dividend



KUALA LUMPUR (Feb 22): Frontken Corp Bhd's net profit for the financial year ended Dec 31, 2023 (FY2023) dipped 9% to RM111.95 million from RM123.29 million a year earlier, against the backdrop of slower demand from the semiconductor industry.

In a bourse filing on Thursday, Frontken said its net profit for the fourth quarter ended Dec 31, 2023 (4QFY2023) was flat at RM29.71 million versus RM29.84 million previously, on the back of a lower revenue of RM131.49 million against RM135.27 million in 4QFY2022.

Earnings per share dipped to 1.89 sen, from 1.90 sen.

Frontken declared a dividend of 2.20 sen per share, taking the full year dividend to 4.20 sen, and said that the payment date will be determined later.

Revenue for the full year (FY2023) fell to RM500.15 million, from RM517.18 million in FY2022.

Reviewing its performance, Frontken said the full year net profit decline was due to lower revenue and higher withholding tax on its Taiwan subsidiary.

On its prospects, Frontken said that looking ahead, the global semiconductor market is projected to experience a double-digit growth in 2024.

“To that end, we are cautiously optimistic of much better utilisation of our new second facility in Taiwan.

“As for the oil and gas industry, we are hopeful that our business will continue to grow in 2024, due to increased orders from various contracts,” it said.

At midday break on Thursday, Frontken’s share price was up 0.84% or three sen to RM3.59, with 3.12 million shares traded.