Company Name : Frontken Corporation Berhad

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Frontken Reports Flat 2Q As Currency Loss Bites, Still Optimistic On Outlook



KUALA LUMPUR (Aug 5): Frontken Corp Bhd (KL:FRONTKN) reported flat secondquarter earnings as currency loss offset a sharp rise in revenue, though the semiconductor services firm is staying optimistic. The company booked foreign exchange loss totalling RM19 million from revaluation of foreign currency bank balances, which were earmarked for a proposed acquisition in the US that did not materialise as a result of a last-minute change of mind by the vendor.

Profit after tax, without the paper loss, would have improved 55% to RM55.91 million, its strongest quarterly results to date, the company's bourse filing showed on Tuesday.

Net profit for the three months ended June 30, 2025 (2QFY2025) came in at RM33.49 million, compared with RM33.33 million a year earlier. Revenue for the quarter rose 15% year-on-year to RM156.43 million due to higher contributions from its subsidiaries in Taiwan and Malaysia.

Frontken said it remains encouraged about the positive prospects shared by its key customers while actively exploring how to better support customers, including increasing its capacities.

"Volume in the semiconductor space increased due to strong demand and good product mix from our customers in Taiwan," the company noted. "The oil and gas business had also picked up after the Lunar New Year and Hari Raya Holidays."

The company declared a higher dividend of two sen per share, compared with 1.7 sen a year ago. The entitlement and payment dates will be announced at a later date.

Frontken's net profit for the first half inched up 1.84% to RM64.56 million when compared to the same period last year, as revenue expanded 4.92% year-on-year to RM288.99 million.

"While geopolitical tensions, ongoing trade disputes and new tariff rates continue to pose macroeconomic uncertainties, the group is confident in its resilience and ability to navigate," the company added.

Frontken's share price has rebounded more than 56% from its lows in April during the global tariff turmoil. The stock rose eight sen or 1.9% to RM4.22 on Tuesday before the results were announced, valuing the company at RM6.73 billion.