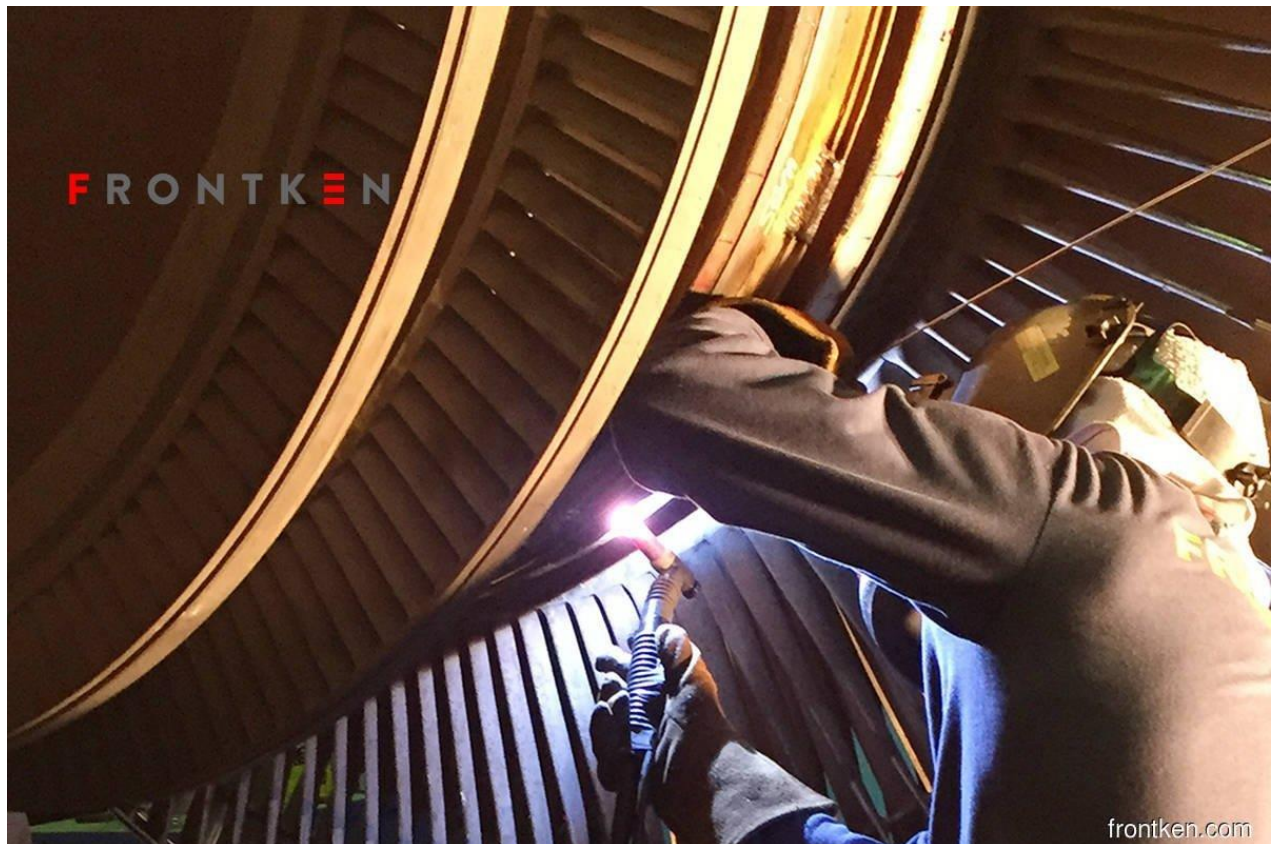


Company Name : Frontken Corporation Berhad
Date : 27 April 2021
Source : The Edge Markets

Frontken 1Q Net Profit Grows 35% On Improved Revenue, Better Profit Margin



KUALA LUMPUR (April 27): Frontken Corp Bhd's net profit for the first quarter ended March 31, 2021 (1QFY21) climbed 34.68% to RM22.91 million, from RM17.01 million a year earlier, on an improved revenue and better profit margin.

Earnings per share (EPS) rose 2.19 sen from 1.62 sen previously, according to its filing with Bursa Malaysia.

Quarterly revenue grew 21.97% to RM103.52 million, from RM84.87 million for the previous year, mainly due to bigger contributions from the group's subsidiaries in Taiwan and Malaysia.

Frontken did not declare any dividend for the quarter.

“Volume in the semiconductor space picked up significantly due to higher demand and strong orders from one of our customers’ advanced nodes chips, which benefited our Taiwan subsidiary.

“At the same time, we also experienced higher orders from various contracts for provision of manpower supply and also mechanical rotating equipment services that our Malaysian unit has with the Petronas group of companies,” said Frontken.

“The group is seeing advancement and deployment of new innovative technologies following the gradual roll-out of 5G networks globally and more widely adopted artificial intelligence (AI) applications, coupled with strong demand for our customer’s industry-leading advanced and special technology.

“If the projected multi-year megatrend continues, it will be positive for our business for the remaining months and years to come,” the group commented on its prospects.

As for the oil and gas industry, it said it will remain vigilant in 2021 in view of the strong Brent crude oil price recovery.

“Hence, we are cautiously optimistic that our oil and gas division will perform better than last year. We are standing ready to embrace new opportunities for profitable growth in an evolving market landscape,” the group added.

At the noon break today, Frontken settled two sen or 0.67% lower at RM3.39, with some 4.93 million shares done. This gave the group a market capitalisation of RM5.33 billion.