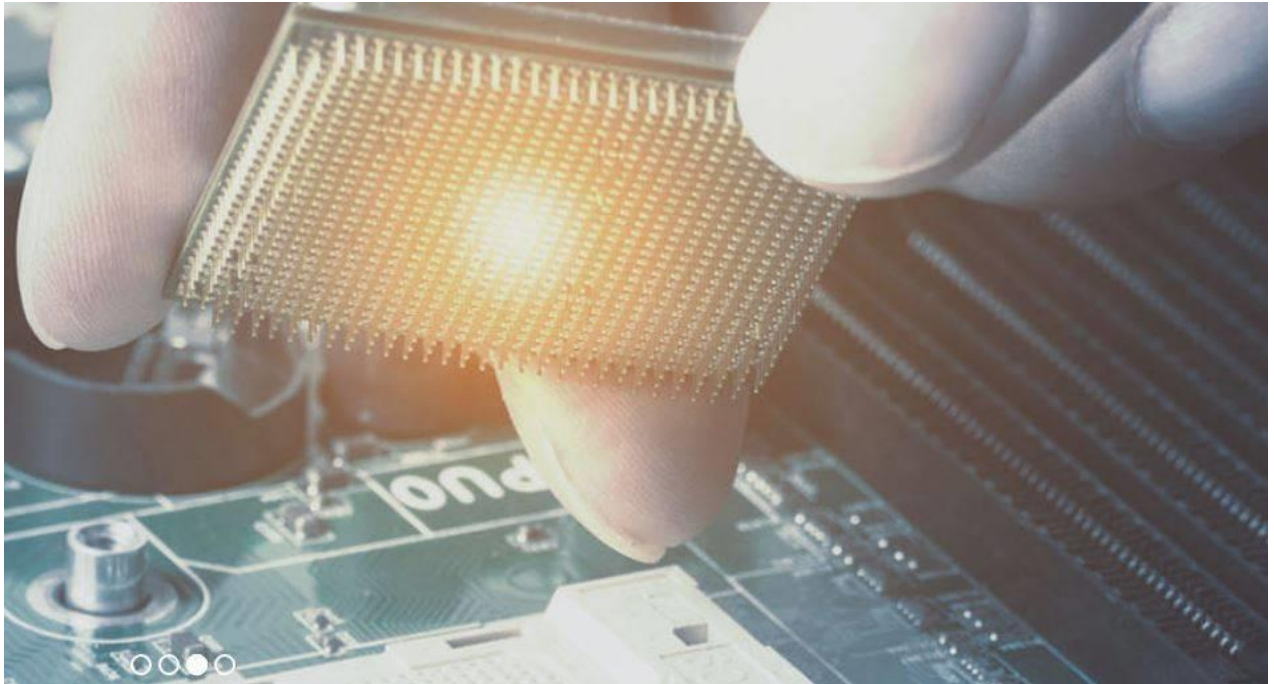


**Company Name** : Frontken Corporation Berhad  
**Date** : 03 November 2020  
**Source** : The Star

## **Frontken 3Q Net Profit Rises To RM21.34mil**



KUALA LUMPUR: Frontken Corp Bhd recorded a net profit of RM21.34mil in the third quarter ended Sept 30, 2020, which was 12.03% higher than RM19.05mil in the previous corresponding quarter as revenue grew on improved contribution from its subsidiaries.

The group said revenue increased 8.9% to RM94.79mil in the quarter under review versus RM87.05mil in the previous comparative quarter on the back of higher revenue and profit margin at its subsidiaries in Taiwan and the Philippines.

In Taiwan, the business experienced a pick-up in volume in the semiconductor space owing to higher demand and strong orders from on of its customers' advanced nodes' chips.

The group's improved performance was however partially offset by a decline in the oil and gas divisions in Malaysia and Singapore.

Pre-tax profit for the quarter was the highest in the group's history at RM30.3mil, which 16.1% higher than in the year-ago quarter.

For the nine months to Sept 30, the group's net profit came to RM58.68mil, 15.12% higher than RM50.97mil in the 2019 period.

Revenue for the three quarters was also 6.5% higher at RM267.28mil versus RM251.02mil previously.

"The performance would have been better but for the indirect impact from the Covid-19 pandemic that hit our oil and gas division particularly hard," said the group.

Frontken anticipates that overall business conditions will remain uncertain, especially in the oil and gas segment, due to the global uncertainties and Covid-19 pandemic.

"As for the oil and gas industry, we noticed that new orders are trickling in from the various umbrella contracts for provision of manpower supply and also mechanical rotating equipment services and parts that we have with the Petronas Group of Companies.

"We hope this momentum will pick up further in the fourth quarter of this year and hopefully throughout 2021," it said.

The group said it is cautiously optimistic that its performance in the remaining months of 2020 will be satisfactory.