

Company Name : Frontken Corporation Berhad
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Frontken, Set For Record Profits, In Talks For Three Acquisitions, Analysts Flag



KUALA LUMPUR (Nov 3): Frontken Corporation Bhd (KL:FRONTKN) is in talks for three potential acquisitions as the semiconductor support services firm heads for record profits, analysts flagged on Monday.

One of the deals involve a US-based company that supplies a product needed for dry clean processes in the semiconductor sector, with estimated acquisition value in “hundreds of millions of ringgit,” NewParadigm Securities said and kept its “buy” call on Frontken following a post-earnings briefing.

“The acquisition target has a margin similar to Frontken, and would offer a potential base in the US,” NewParadigm said. “This is the most advanced deal, we infer, with potential to close in 2026 and contribute to earnings.”

Shares of Frontken have risen 66% from its April lows during the global market turmoil, and the consensus are still unanimously bullish on the company that reported a new record high earnings in the third quarter.

There are 12 “buy” and no “hold” or “sell” calls on Frontken. The average target price is RM5.29, based on the analysts tracked by Bloomberg, implying another 18% upside in the next 12 months from current prices. The consensus points to the company making a net profit of RM175 million in 2025.

Frontken serves Taiwan Semiconductor Manufacturing Co — Asia’s biggest technology company that also saw record profits from producing advanced chips for clients such as Nvidia, amid a boom in artificial intelligence (AI).

“We expect the group’s revenue and earnings to hit yet another record high in 2026,” driven by higher capacity and average selling prices from handling more complex and critical components, said Phillip Capital.

The company would have “ample financial headroom” to pursue acquisitions, given its strong net cash position of RM567 million and the upcoming warrant conversions that could provide around RM2 billion, the house noted.