

FRONTKEN CORPORATION BERHAD

(Co. No. 651020-T)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019
(The figures have not been audited)

	Individual Quarter				Cumulative Quarter			
	Current Year Quarter 30 Sept 2019 RM '000	Preceding Year Corresponding Quarter 30 Sept 2018 RM '000	Changes RM'000 (%)		Current Year To-date 30 Sept 2019 RM '000	Preceding Year Corresponding Period 30 Sept 2018 RM '000	Changes RM'000 (%)	
Revenue	87,049	85,857	1,192	1	251,023	238,553	12,470	5
Operating expenses	(57,653)	(62,320)	4,667	(7)	(167,861)	(177,985)	10,124	(6)
Profit before depreciation and finance costs	29,396	23,537	5,859	25	83,162	60,568	22,594	37
Depreciation	(4,596)	(4,210)			(14,058)	(13,033)		
Finance costs	(185)	(98)			(616)	(476)		
Other operating income	1,504	1,380			3,283	4,053		
Share of results of associated companies	-	36			-	78		
Profit before tax	26,119	20,645	5,474	27	71,771	51,190	20,581	40
Taxation	(5,642)	(4,113)	(1,529)	37	(17,128)	(14,198)	(2,930)	21
Profit after tax	20,477	16,532	3,945	24	54,643	36,992	17,651	48
Profit after tax attributable to :								
Owners of the Company	19,049	15,187	3,862	25	50,971	33,574	17,397	52
Non-controlling interests	1,428	1,345			3,672	3,418		
Profit for the period	20,477	16,532			54,643	36,992		
Profit for the period	20,477	16,532			54,643	36,992		
Other comprehensive expenses:								
Foreign currency translation	426	5,797			9	(1,643)		
Total comprehensive income for the period	20,903	22,329			54,652	35,349		
Total comprehensive income attributable to:								
Owners of the Company	19,305	20,599			51,014	32,145		
Non-controlling interests	1,598	1,730			3,638	3,204		
Total comprehensive income for the period	20,903	22,329			54,652	35,349		
Earnings per share attributable to equity holders of the company :								
Basic (sen)	1.82	1.45			4.86	3.20		

The condensed consolidated income statement is to be read in conjunction with the accompanying notes to the interim financial report.

The comparative figures are based on unaudited financial statements of the Company for the financial period ended 30 September 2018.

FRONTKEN CORPORATION BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019

(The figures have not been audited)

	Unaudited 30 Sept 2019 RM'000	Audited 31 Dec 2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	141,515	140,400
Goodwill on consolidation	33,761	33,761
Deferred tax assets	2,148	2,155
Fixed deposits with licensed banks	1,240	1,177
Total non-current assets	178,664	177,493
Current assets		
Inventories	13,058	13,711
Trade receivables	122,702	106,846
Other receivables, deposits and prepaid expenses	7,703	6,727
Current tax assets	46	376
Short-term investments	12,877	13,288
Fixed deposits with licensed banks	29,721	3,627
Cash and bank balances	120,910	132,992
Total current assets	307,017	277,567
Total assets	485,681	455,060
EQUITY AND LIABILITIES		
Capital and reserve		
Issued capital	118,925	118,925
Reserves	40,040	36,120
Retained earnings	197,664	169,995
Equity attributable to owners of the Company	356,629	325,040
Non-controlling interests	20,409	19,604
Total equity	377,038	344,644
Non-current liabilities		
Bank borrowings	-	7,533
Lease liabilities	9,960	1,341
Other payables	2,819	2,793
Deferred tax liabilities	537	681
Total non-current liabilities	13,316	12,348
Current liabilities		
Trade payables	18,530	18,118
Other payables and accrued expenses	62,158	63,467
Bank borrowings	1,263	3,915
Lease liabilities	1,932	862
Current tax liabilities	11,444	11,706
Total current liabilities	95,327	98,068
Total liabilities	108,643	110,416
Total equity and liabilities	485,681	455,060
Net assets per share attributable to owners of the parents (RM)	0.34	0.31

The condensed consolidated balance sheet is to be read in conjunction with the accompanying notes to the interim financial report.
The comparative figures are based on audited financial statements of the Company for the financial year ended 31 December 2018.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019

(The figures have not been audited)

	<--- Non-distributable --->				Distributable		Non-controlling interests	Total
	Share capital	Treasury shares	Foreign currency translation reserve	Statutory reserve	Retained earnings	Attributable to owners of the Company		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 January 2019	118,925	(663)	27,672	9,111	169,995	325,040	19,604	344,644
- as previously stated								
- effect of adopting MFRS 16	-	-	-	-	(119)	(119)	-	(119)
Balance at 1 January 2019, as restated	118,925	(663)	27,672	9,111	169,876	324,921	19,604	344,525
Other comprehensive income recognised for the period:								
Foreign currency translation	-	-	43	-	-	43	(34)	9
Profit for the period	-	-	-	-	50,971	50,971	3,672	54,643
Total comprehensive income for the period	-	-	43	-	50,971	51,014	3,638	54,652
Dividends:								
- by the Company	-	-	-	-	(18,863)	(18,863)	-	(18,863)
- by a subsidiary to non-controlling interests	-	-	-	-	-	-	(639)	(639)
Transfer to statutory reserve	-	-	-	3,877	(3,877)	-	-	-
Changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	(443)	(443)	(2,194)	(2,637)
Balance at 30 September 2019	118,925	(663)	27,715	12,988	197,664	356,629	20,409	377,038

CORRESPONDING PERIOD CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

	<--- Non-distributable --->				Distributable		Non-controlling interests	Total
	Share capital	Treasury shares	Foreign currency translation reserve	Statutory reserve	Retained earnings	Attributable to owners of the Company		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 January 2018	118,925	(663)	28,983	6,047	128,308	281,600	24,373	305,973
Other comprehensive income recognised for the period:								
Foreign currency translation	-	-	(1,429)	-	-	(1,429)	(214)	(1,643)
Profit for the period	-	-	-	-	33,574	33,574	3,418	36,992
Total comprehensive income for the period	-	-	(1,429)	-	33,574	32,145	3,204	35,349
Dividend payable by a subsidiary to non-controlling interests	-	-	-	-	-	-	(2,470)	(2,470)
Transfer to statutory reserve	-	-	-	3,055	(3,055)	-	-	-
Changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	(461)	(461)	(5,402)	(5,863)
Balance at 30 September 2018	118,925	(663)	27,554	9,102	158,366	313,284	19,705	332,989

The condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the interim financial report.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019

(The figures have not been audited)

	CUMULATIVE QUARTER	
	Current Period To Date	Preceding Corresponding Period
	30 Sept 2019 RM'000	30 Sept 2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	71,771	51,190
Adjustments for:		
Depreciation of property, plant and equipment	14,058	13,033
Interest expense	616	476
Unrealised gain on foreign exchange	(1,210)	(390)
Interest income	(800)	(605)
Gain on disposal of property, plant and equipment	(5)	(150)
Writeback of allowance for impairment losses on trade receivables	(2)	(7)
Allowance for impairment losses on receivables	-	182
Gain on disposal of an associate	-	(647)
Share of results of associates	-	(78)
Operating profit before working capital changes	84,428	63,004
Inventories	674	(1,579)
Trade receivables	(15,901)	(20,452)
Other receivables, deposits and prepaid expenses	(905)	(5,116)
Amount owing by an associate	-	(1)
Trade payables	437	1
Other payables and accrued expenses	(918)	(894)
Cash generated from operations	67,815	34,963
Taxes paid	(17,147)	(12,796)
Net cash from operating activities	50,668	22,167
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	800	605
Additional investment in a subsidiary	(2,637)	(5,863)
Purchase of property, plant and equipment	(3,337)	(3,744)
Placement of short-term investments	(4,210)	-
Proceeds from disposal of property, plant and equipment	6	735
Proceeds from disposal of an associate	-	2,497
Net (placement)/withdrawal of fixed deposits with licensed banks	(17,028)	1,426
Net cash for investing activities	(26,406)	(4,344)

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	CUMULATIVE QUARTER	
	Current Period To Date	Preceding Corresponding Period
	30 Sept 2019 RM'000	30 Sept 2018 RM'000
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(616)	(476)
Dividend paid by the Company	(18,863)	-
Dividend paid by a subsidiary to non-controlling interests	(850)	(2,619)
Repayment of term loans	(10,152)	(15,338)
Payment of lease liabilities	(2,505)	(311)
Net cash for financing activities	(32,986)	(18,744)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(8,724)	(921)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	148,940	120,253
EFFECT OF EXCHANGE DIFFERENCES	1,150	222
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	141,366	119,554
THE CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	120,910	96,425
Fixed deposits with licensed banks	30,961	6,354
Short-term investments	12,877	20,485
	164,748	123,264
Less: Fixed deposits pledged with banks	(2,037)	(3,210)
Less: Fixed deposits with maturity more than 3 months	(17,135)	(500)
Less: Short-term investments - money market fund	(4,210)	-
Cash and cash equivalents	141,366	119,554

The condensed consolidated cash flow statement is to be read in conjunction with the accompanying notes to the interim financial report.

The comparative figures are based on unaudited financial statements of the Company for the financial period ended 30 September 2018.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**A NOTES TO THE INTERIM FINANCIAL REPORT****A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standards ("MFRS") No.134 : Interim Financial Reporting, and Paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and should be read in conjunction with the Company's audited financial statements for the financial year ended 31 December 2018.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Frontken Corporation Berhad ("FCB" or "the Company"), its subsidiaries since the financial year ended 31 December 2018.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2018 except for those standards, amendments and interpretations which are effective from the annual period beginning 1 January 2019. The adoption of the MFRSs and Amendments do not have significant impact on the financial statements of the Group.

A2. Audit qualification

The auditors' report in respect of the audited consolidated financial statements of FCB for the financial year ended 31 December 2018 was not subjected to any qualification.

A3. Seasonality or cyclicity of interim operations

The Group's business operations were not materially affected by any seasonal or cyclical factors during the quarter under review.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows, of the Group that are unusual by reason of their nature, size or incidence during the current quarter.

A5. Material changes in estimates

There were no changes in estimates that had a material effect on the current quarter's results.

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A6. Issuance, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations or resale of treasury shares during the current quarter.

As at 30 September 2019, the Company held 5,466,600 repurchased shares as treasury shares out of its total issued and paid-up share capital of 1,053,435,130 ordinary shares. Such treasury shares are held at a carrying amount of RM663,237.

A7. Dividends

During the financial period ended 30 September 2019, the Company paid the following dividend:

Second interim single-tier dividend on 28 March 2019, in respect of the financial year ended 31 December 2018, of 0.8 sen per ordinary share on 1,047,968,530 ordinary shares amounting to RM8,383,748.

First single tier dividend on 27 September 2019, in respect of the financial year ending 31 December 2019, of 1 sen per ordinary share on 1,047,968,530 ordinary shares amounting to RM10,479,685.



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A8. Segmental information

The breakdown of the Group's revenue and results by geographical regions for the quarter ended 30 September 2019 are set out below. Revenue and results by geographical sales were based on the location of the Group's subsidiaries.

**Current Quarter
30 September 2019**

	<u>Singapore</u>	<u>Malaysia</u>	<u>Philippines</u>	<u>Indonesia</u>	<u>Taiwan</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>						
External sales	18,968	15,286	3,938	145	48,712	87,049
Inter-segment sales	93	1,721	29	-	64	1,907
Total revenue	<u>19,061</u>	<u>17,007</u>	<u>3,967</u>	<u>145</u>	<u>48,776</u>	<u>88,956</u>
<u>Segment Results</u>						
Operating profit/(loss)	7,395	3,186	553	(70)	14,965	26,029
Interest income						275
Finance cost						(185)
Profit before taxation						<u>26,119</u>

**Current Year-to-date
30 September 2019**

<u>Segment Revenue</u>						
External sales	52,139	48,437	12,250	592	137,605	251,023
Inter-segment sales	796	5,374	89	-	210	6,469
Total revenue	<u>52,935</u>	<u>53,811</u>	<u>12,339</u>	<u>592</u>	<u>137,815</u>	<u>257,492</u>



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**Current Year-to-date
30 September 2019**

	<u>Singapore</u>	<u>Malaysia</u>	<u>Philippines</u>	<u>Indonesia</u>	<u>Taiwan</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segment Results</u>							
Operating profit/(loss)	18,283	11,131	2,024	(199)	40,348	-	71,587
Interest income							800
Finance cost							(616)
Profit before taxation							<u>71,771</u>
<u>Assets</u>							
Non-current assets							
- Property, plant and equipment	32,233	21,974	1,905	2,157	83,246	-	141,515
- Deferred tax assets	-	-	-		2,148	-	2,148
- Goodwill	-	33,761	-	-	-	-	33,761
- Others	-	1,240	-	-	-	-	1,240
Current assets	92,033	16,775	19,564	909	161,062	16,674	<u>307,017</u>
Consolidated total assets							<u>485,681</u>
<u>Liabilities</u>							
Tax liabilities	4,239	2,117	214	-	5,411	-	11,981
Segment liabilities	17,468	25,658	3,726	9,786	66,924	(26,900)	<u>96,662</u>
Consolidated total liabilities							<u>108,643</u>

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in only one business segment which is the provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes, including mechanical and chemical engineering works.

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A9. Profit before tax

Profit before tax is arrived at after crediting/(charging) the following:

	Current Quarter 30 Sept 2019 RM'000	Current Year-to-date 30 Sept 2019 RM'000
Interest income	275	800
Gain on disposal of property, plant and equipment	5	5
Writeback of allowance for impairment losses on receivables	-	2
Foreign exchange gain	1,033	780
Interest expense	(185)	(616)
Depreciation of property, plant and equipment	(4,596)	(14,058)

A10. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment during the quarter under review.

A11. Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current quarter under review up to the date of this report.

A12. Changes in the composition of the Group

Save as disclosed below, there were no changes in the composition of the Group for the current quarter under review.

In the month of September 2019, the Company acquired 431,534 ordinary shares of NT\$10 each representing 1.26% of the issued and paid-up share capital of Ares Green Technology Corporation ("AGTC") for a total cash consideration of NT\$19,355,830 (equivalent to RM2,636,981). Following the acquisition, the Group's interest in AGTC increased to 90.85%.

A13. Contingent liabilities

As at 30 September 2019, the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position of the Group.

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A14. Cash and cash equivalents

	As at 30 Sept 2019
	RM'000
Cash at bank	120,819
Cash on hand	91
Fixed deposits	30,961
Short-term investments	12,877
	164,748
Less: Fixed deposits pledged with banks	(2,037)
Less: Fixed deposits with maturity period more than 3 months	(17,135)
Less: Short-term investments – money market fund	(4,210)
	141,366

A15. Significant related party transactions

	Current Quarter 30 Sept 2019	Current Year-to-date 30 Sept 2019
	RM'000	RM'000
Sales to AMT	8	9
Sales to TTM	1	8
Purchase from TTM	38	85
Rental payable to AMT	36	108

Name of Related Parties	Relationship
AMT	Sia Chiok Meng, a Director of FEM, is also a director and substantial shareholder of AMT.
TTM	Mohd Shukri Bin Hitam and Fauziah Binti Hamlawi, directors and shareholders of TTES, are also directors and shareholders of TTM.

Abbreviations:

AMT AMT Engineering Sdn Bhd

TTM Tenaga-Tech (M) Sdn Bhd

FEM Frontken (East Malaysia) Sdn Bhd

TTES TTES Frontken Integrated Services Sdn. Bhd.

A16. Capital commitments

Capital expenditure of the Group approved by the Directors but not provided for in the condensed financial statements are as follows:

	As at 30 Sept 2019
	RM'000
Plant and equipment	-

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**B1. Analysis of performance**Current quarter's performance against the quarter ended 30 September 2018

The Group's revenue for the current quarter ended 30 September 2019 increased by approximately RM1.2 million (1.4%) compared to the preceding year corresponding quarter mainly attributable to the better business performance for our subsidiary in Singapore in view of the positive growth of the semiconductor business.

Our Singapore unit benefitted from the overall pick-up in volume in the semiconductor space during the "traditional" ramp-up of production. However, our subsidiaries in Malaysia, Philippines and Indonesia recorded a slightly lower revenue compared to the preceding year corresponding quarter due to the slower business experienced by some of their customers.

Our subsidiary in Taiwan recorded a marginally lower revenue of 0.4% for the current quarter ended 30 September 2019. Despite the marginally lower revenue due to decrease in business from the TFT-LCD portion of our business, they were still able to deliver a better bottom line from operating efficiency and better product mix. It is also, worthwhile to note the guidance provided by one of our main customers that indicated an improved performance in the coming quarter due to the higher demand and new orders of its advanced high-performance chips, particularly as countries roll out ultra-fast 5G wireless networks. To that end, we hope that we will also benefit from our customer's ramp up of production and see an increased sales in the 4th quarter of this year.

The Group's profit before tax ("PBT") of RM26.1 million for the current quarter was RM5.5 million or 26.5% higher than the corresponding quarter's RM20.6 million. The higher profit was mainly due to improved performance by our subsidiary in Singapore and better profit margin resulting from the continual efforts to improve our efficiency across the Group.

Current 9 months period's performance against the 9 months period ended 30 September 2018

The Group's revenue of RM251.0 million for the current period ended 30 September 2019 was RM12.5 million (5.2%) higher than that achieved in the preceding year corresponding period. The improvement was mainly due to better performances from the Group's subsidiaries in Singapore and Malaysia due to the positive growth in their respective businesses.

Against the same period last year, the PBT for the Group jumped by RM20.6 million (40.2%) as a result of increased revenue, better product mix and vigilance in cost management.

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B2. Comparison with immediate preceding quarter

	3rd Quarter 30 Sept 2019	2nd Quarter 30 Jun 2019
	RM'000	RM'000
Revenue	87,049	80,144
Profit before tax	26,119	23,103
Profit after tax	20,477	17,823
Profit attributable to owners of the Company	19,049	16,518

The Group's revenue was 8.6% or approximately RM6.9 million higher during the current quarter as compared to the immediate preceding quarter due to improved business performance by our subsidiaries in Taiwan, Singapore and Malaysia.

The Group's improved unaudited PBT for the current quarter was partly attributable to our continual efforts in improving our production processes leading to better cost management.

B3. Prospects

The Group recorded an improved 9 months results with a 40.2% increase in its PBT compared to the preceding year corresponding period in spite of a marginal growth in revenue. This was mainly due to the positive growth in both our semiconductor and oil and gas businesses in the respective countries we operate in and better cost management across the Group.

Nevertheless, the Group anticipates that the overall business conditions for the remaining 3 months in 2019 will continue to be challenging amidst global uncertainties where US-China trade war is chilling business investment, confidence and trade flows across the world.

The global demand for semiconductors, which remains strong in the long term, will continue to grow. Beyond smartphones and tablets, the consumer demand for other smart devices is also growing. The Group is seeing rapid advancement and deployment of new innovative technologies and believe that this will continue to boost the demand for the products produced by our semiconductor customers. This demand will accelerate further once 5G is rolled out globally. Therefore, moving forward, we believe that all these developments in the electronic and technology space will be positive for our business.

As for the oil and gas industry, we noticed that the number of enquiries had picked up and have translated into orders since the second half of the year. The improved performance of our oil and gas business augurs well for the realization of our projected 2019 revenue. In addition, being appointed as one of the panel contractors for the provision of manpower supply and also mechanical rotating equipment services and parts for Petronas Group of Companies will hopefully provide this division with additional works in years to come. Having said that, strict capital discipline, portfolio realignments and productivity efficiencies, the yet unresolved trade tensions all remain a key source of risk to the current positive outlook.

To that end, we are cautiously optimistic that our performance for the remaining months will be satisfactory.

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B4. Variance in profit forecast

Not applicable as no profit forecast or profit guarantee has been announced or disclosed in a public document previously.

B5. Taxation

	Current Quarter 30 Sept 2019	Current Year-to-date 30 Sept 2019
	RM'000	RM'000
Income tax	5,643	16,757
Deferred tax	(1)	(143)
Withholding tax	-	514
	5,642	17,128

The Group's effective tax rate for the period under review was higher than the statutory tax rate principally due to losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries and the withholding tax charged on dividend income from Taiwan.

B6. Status of corporate proposals

There were no corporate proposals that were announced but not completed.

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B7. Group borrowings

The Group's borrowings as at 30 September 2019 are as follows:

	As at 30 Sept 2019		As at 30 Sept 2018	
	Foreign currencies RM'000	RM'000	Foreign currencies RM'000	RM'000
<u>Short term</u>				
Lease liabilities				
- New Taiwan Dollar	94	94	-	-
- Philippine Peso	81	81	-	-
- Singapore Dollar	403	403	18	18
- Ringgit Malaysia	-	1,354	-	868
Term loans				
- Singapore Dollar	1,263	1,263	1,683	1,683
- New Taiwan Dollar	-	-	2,237	2,237
- Ringgit Malaysia	-	-	-	379
		3,195		5,185
<u>Long term</u>				
Lease liabilities				
- Singapore Dollar	8,035	8,035	-	-
- New Taiwan Dollar	697	697	-	-
- Ringgit Malaysia	-	1,228	-	1,551
Term loans				
- Singapore Dollar	-	-	1,262	1,262
- New Taiwan Dollar	-	-	7,271	7,271
		13,155		15,269

The Group's borrowings that are not denominated in functional currency are as follows:

	Short-term	Long-term	Total
	RM'000	RM'000	RM'000
As at 30 September 2019			
<u>Currency</u>			
Singapore Dollar	1,666	8,035	9,701
New Taiwan Dollar	94	697	791
Philippine Peso	81	-	81
	1,841	8,732	10,573
As at 30 September 2018			
<u>Currency</u>			
Singapore Dollar	1,701	1,262	2,963
New Taiwan Dollar	2,237	7,271	9,508
	3,938	8,533	12,471

FRONTKEN CORPORATION BERHAD

(Co. No. 651020-T)
(Incorporated in Malaysia)

B8. Material litigations

The Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially affect the financial position or business of the Group as at 29 October 2019.

B9. Earnings per share (“EPS”)

(a) Basic EPS

The calculation of the basic EPS is based on the net profit for the financial period under review divided by the number of ordinary shares in issue.

	Current Quarter	Preceding Corres- ponding Quarter	Current Year-to- date	Preceding Corres- ponding Year-to- date
Profit attributable to owners of the Company (RM'000)	19,049	15,187	50,971	33,574
Number of shares in issue ('000)	1,053,435	1,053,435	1,053,435	1,053,435
Effects of: Treasury shares acquired ('000)	(5,467)	(5,467)	(5,467)	(5,467)
Weighted average number of shares in issue ('000)	1,047,968	1,047,968	1,047,968	1,047,968
Basic EPS (sen)	1.82	1.45	4.86	3.20

b) Diluted EPS

The Group has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

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B10. Dividends

During the financial period ended 30 September 2019, the Company paid the following dividend:

Second single tier dividend on 28 March 2019, in respect of the financial year ended 31 December 2018, of 0.8 sen per ordinary share on 1,047,968,530 ordinary shares amounting to RM8,383,748.

First single tier dividend on 27 September 2019, in respect of the financial year ending 31 December 2019, of 1 sen per ordinary share on 1,047,968,530 ordinary shares amounting to RM10,479,685.

By Order of the Board
Frontken Corporation Berhad

Ng Wai Pin
Chairman / Chief Executive Officer
5 November 2019