

**FRONTKEN CORPORATION BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**  
(The figures have not been audited)

	Individual Quarter				Cumulative Quarter			
	Current Year Quarter 31 Dec 2020 RM '000	Preceding Year Corresponding Quarter 31 Dec 2019 RM '000	Changes RM'000 (%)		Current Year To-date 31 Dec 2020 RM '000	Preceding Year Corresponding Period 31 Dec 2019 RM '000	Changes RM'000 (%)	
Revenue	101,036	88,888	12,148	14	368,319	339,911	28,408	8
Operating expenses	(68,524)	(61,106)	(7,418)	12	(246,004)	(228,967)	(17,037)	7
Profit before depreciation and finance costs	32,512	27,782	4,730	17	122,315	110,944	11,371	10
Depreciation	(4,533)	(3,760)			(18,423)	(17,818)		
Finance costs	(149)	(140)			(667)	(756)		
Other operating income	3,450	608			11,027	3,891		
Profit before tax	31,280	24,490	6,790	28	114,252	96,261	17,991	19
Taxation	(6,030)	(4,905)	(1,125)	23	(25,935)	(22,033)	(3,902)	18
Profit after tax	25,250	19,585	5,665	29	88,317	74,228	14,089	19
Profit after tax attributable to :								
Owners of the Company	23,290	18,199	5,091	28	81,967	69,170	12,797	19
Non-controlling interests	1,960	1,386			6,350	5,058		
Profit for the period	25,250	19,585			88,317	74,228		
Profit for the period	25,250	19,585			88,317	74,228		
Other comprehensive expenses:								
Actuarial gains	(74)	4			(74)	4		
Foreign currency translation	(1,509)	2,253			10,211	2,262		
Total comprehensive income for the period	23,667	21,842			98,454	76,494		
Total comprehensive income attributable to:								
Owners of the Company	21,800	20,277			91,213	71,291		
Non-controlling interests	1,867	1,565			7,241	5,203		
Total comprehensive income for the period	23,667	21,842			98,454	76,494		
Earnings per share attributable to equity holders of the company :								
Basic (sen)	2.22	1.74			7.82	6.60		

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 audited financial statements of the Company for the financial year ended 31 December 2019.

## FRONTKEN CORPORATION BERHAD

(Co. No. 651020-T)  
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020**

(The figures have not been audited)

	<b>Unaudited 31 Dec 2020 RM'000</b>	<b>Audited 31 Dec 2019 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	121,683	125,736
Right-of-use assets	17,314	19,731
Goodwill on consolidation	33,761	33,761
Deferred tax assets	2,454	2,295
<b>Total non-current assets</b>	<u>175,212</u>	<u>181,523</u>
<b>Current assets</b>		
Inventories	19,976	15,101
Trade receivables	103,137	86,300
Other receivables, deposits and prepaid expenses	7,527	7,380
Current tax assets	75	-
Short-term investments	8,333	10,684
Fixed deposits with licensed banks	13,390	17,576
Cash and bank balances	290,468	197,161
<b>Total current assets</b>	<u>442,906</u>	<u>334,202</u>
<b>Total assets</b>	<u>618,118</u>	<u>515,725</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserve</b>		
Share capital	118,925	118,925
Treasury shares	(663)	(663)
Reserves	321,733	258,710
Equity attributable to owners of the Company	<u>439,995</u>	<u>376,972</u>
Non-controlling interests	27,039	21,776
<b>Total equity</b>	<u>467,034</u>	<u>398,748</u>
<b>Non-current liabilities</b>		
Lease liabilities	9,532	11,931
Other payables	2,846	2,714
Deferred tax liabilities	299	408
<b>Total non-current liabilities</b>	<u>12,677</u>	<u>15,053</u>
<b>Current liabilities</b>		
Trade payables	18,831	16,890
Other payables and accrued expenses	99,151	67,123
Bank borrowings	-	844
Lease liabilities	2,796	3,033
Current tax liabilities	17,629	14,034
<b>Total current liabilities</b>	<u>138,407</u>	<u>101,924</u>
<b>Total liabilities</b>	<u>151,084</u>	<u>116,977</u>
<b>Total equity and liabilities</b>	<u>618,118</u>	<u>515,725</u>
<b>Net assets per share attributable to owners of the parents (RM)</b>	0.42	0.36

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 2019.

**FRONTKEN CORPORATION BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	<--- Non-distributable --->			Distributable		Attributable to		Total
	Share capital	Treasury shares	Foreign currency translation reserve	Statutory reserve	Retained earnings	owners of the Company	Non-controlling interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 January 2020	118,925	(663)	29,782	13,009	215,919	376,972	21,776	398,748
Other comprehensive income recognised for the period:								
Defined benefit plan actuarial gain	-	-	-	-	(68)	(68)	(6)	(74)
Foreign currency translation	-	-	9,314	-	-	9,314	897	10,211
Profit for the period	-	-	-	-	81,967	81,967	6,350	88,317
Total comprehensive income for the period	-	-	9,314	-	81,899	91,213	7,241	98,454
Dividend:								
- by the Company	-	-	-	-	(28,295)	(28,295)	-	(28,295)
- by a subsidiary to non-controlling interests	-	-	-	-	-	-	(1,097)	(1,097)
Transfer to statutory reserve	-	-	-	4,695	(4,695)	-	-	-
Striking off subsidiary	-	-	35	-	(35)	-	-	-
Changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	105	105	(881)	(776)
<b>Balance at 31 December 2020</b>	<b>118,925</b>	<b>(663)</b>	<b>39,131</b>	<b>17,704</b>	<b>264,898</b>	<b>439,995</b>	<b>27,039</b>	<b>467,034</b>

**CORRESPONDING PERIOD CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019**

	<--- Non-distributable --->			Distributable		Attributable to		Total
	Share capital	Treasury shares	Foreign currency translation reserve	Statutory reserve	Retained earnings	owners of the Company	Non-controlling interests	
	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
Initial application of MFRS 16	-	-	-	-	(53)	(53)	-	(53)
Balance at 1 January 2019 (restated)	118,925	(663)	27,672	9,111	169,942	324,987	19,604	344,591
Other comprehensive income recognised for the period:								
Defined benefit plan actuarial gain	-	-	-	-	11	11	(7)	4
Foreign currency translation	-	-	2,110	-	-	2,110	152	2,262
Profit for the period	-	-	-	-	69,170	69,170	5,058	74,228
Total comprehensive income for the period	-	-	2,110	-	69,181	71,291	5,203	76,494
Dividends								
- by the Company	-	-	-	-	(18,863)	(18,863)	-	(18,863)
- by a subsidiary to non-controlling interests	-	-	-	-	-	-	(837)	(837)
Transfer to statutory reserve	-	-	-	3,898	(3,898)	-	-	-
Changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	(443)	(443)	(2,194)	(2,637)
<b>Balance at 31 December 2019</b>	<b>118,925</b>	<b>(663)</b>	<b>29,782</b>	<b>13,009</b>	<b>215,919</b>	<b>376,972</b>	<b>21,776</b>	<b>398,748</b>

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 FOURTH QUARTER ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	CUMULATIVE QUARTER	
	Current Period To Date	Preceding Corresponding Period
	31 Dec 2020 RM'000	31 Dec 2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	114,252	96,261
Adjustments for:		
Depreciation of property, plant and equipment	15,274	15,777
Depreciation of right-of-use assets	3,149	2,041
Interest expense	667	756
Unrealised loss/(gain) on foreign exchange	613	(82)
Interest income	(1,250)	(1,150)
Gains on lease modification	(1)	-
Gain on disposal of property, plant and equipment	(1,555)	(14)
Writeback of allowance for impairment losses on trade receivables	(1)	(2)
Plant and equipment written off	180	-
Allowance for impairment losses on receivables	202	-
	131,530	113,587
Operating profit before working capital changes		
Inventories	(4,402)	(1,275)
Trade receivables	(14,864)	20,925
Other receivables, deposits and prepaid expenses	(83)	(565)
Trade payables	1,399	(1,313)
Other payables and accrued expenses	29,032	3,319
	142,612	134,678
Cash generated from operations		
Taxes paid	(22,879)	(19,777)
	119,733	114,901
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	1,250	1,150
Additional investment of a subsidiary	(776)	(2,637)
Purchase of property, plant and equipment	(7,741)	(7,017)
Addition of right-of-use assets	(1)	(15)
Proceeds from disposal of property, plant and equipment	2,005	15
Net placement of fixed deposits with licensed banks	(6,637)	(3,609)
	(11,900)	(12,113)
Net cash for investing activities		

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	<b>CUMULATIVE QUARTER</b>	
	<b>Current Period</b>	<b>Preceding</b>
	<b>To Date</b>	<b>Corresponding</b>
	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Interest paid	(667)	(756)
Dividend paid by the Company	(28,295)	(18,863)
Dividend paid by a subsidiary to non-controlling interests	(756)	(1,048)
Drawdown of term loans	1,430	-
Repayment of term loans	(2,273)	(10,678)
Payment of lease liabilities	(3,388)	(2,366)
Net cash for financing activities	<u>(33,949)</u>	<u>(33,711)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	73,884	69,077
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	219,669	148,940
<b>EFFECT OF EXCHANGE DIFFERENCES</b>	6,248	1,652
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<u>299,801</u>	<u>219,669</u>
<b>THE CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	290,468	197,161
Fixed deposits with licensed banks	13,390	17,576
Short-term investments	8,333	10,684
	<u>312,191</u>	<u>225,421</u>
Less: Fixed deposits pledged with banks	(469)	(2,068)
Less: Fixed deposits with maturity more than 3 months	(11,921)	(3,684)
Cash and cash equivalents	<u>299,801</u>	<u>219,669</u>

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 audited financial statements of the Company for the financial year ended 31 December 2019.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020****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 2019.

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 2019.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2019 except for those standards, amendments and interpretations which are effective from the annual period beginning 1 January 2020. 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 2019 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 although there was some impact on the operations in Malaysia and Singapore due to the Movement Control Order (MCO) from 18th of March 2020 where the amount of workforce allowed was reduced. We are now substantially back to full strength except for a small number of Malaysian employees that are still unable to commute to our Singapore office.

**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 31 December 2020, 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 31 December 2020, the Company paid the following dividend:

Second single-tier dividend on 13 April 2020, in respect of the financial year ended 31 December 2019, of 1.5 sen per ordinary share on 1,047,968,530 ordinary shares amounting to RM15,719,528.

First single-tier dividend on 22 September 2020, in respect of the financial year ended 31 December 2020, of 1.2 sen per ordinary share on 1,047,968,530 ordinary shares amounting to RM12,575,622.

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### A8. Segmental information

The breakdown of the Group's revenue and results by geographical regions for the quarter ended 31 December 2020 are set out below. Revenue and results by geographical sales were based on the location of the Group's subsidiaries.

#### Current Quarter 31 December 2020

	Singapore	Malaysia	Philippines	Indonesia	Taiwan	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>						
External sales	14,962	16,305	4,478	86	65,205	101,036
Inter-segment sales	143	1,085	-	-	106	1,334
Total revenue	<u>15,105</u>	<u>17,390</u>	<u>4,478</u>	<u>86</u>	<u>65,311</u>	<u>102,370</u>
<u>Segment Results</u>						
Operating profit/(loss)	5,539	1,823	885	27	22,946	31,220
Interest income						209
Finance cost						(149)
Profit before taxation						<u>31,280</u>

#### Current Year-to-date 31 December 2020

<u>Segment Revenue</u>						
External sales	59,666	51,776	15,702	671	240,504	368,319
Inter-segment sales	436	4,641	43	-	275	5,395
Total revenue	<u>60,102</u>	<u>56,417</u>	<u>15,745</u>	<u>671</u>	<u>240,779</u>	<u>373,714</u>

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**Current Year-to-date  
31 December 2020**

	<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)	20,942	7,643	2,564	(605)	83,125	-	113,669
Interest income							1,250
Finance cost							(667)
Profit before taxation							<u>114,252</u>
<u>Assets</u>							
Non-current assets							
- Property, plant and equipment	20,384	13,196	1,167	1,029	85,907	-	121,683
- Right-of-use assets	7,593	6,379	1,911	757	674	-	17,314
- Deferred tax assets	-	-	4	-	2,450	-	2,454
- Goodwill	-	33,761	-	-	-	-	33,761
Current assets	97,626	44,410	20,769	628	279,881	(408)	<u>442,906</u>
Consolidated total assets							<u><u>618,118</u></u>
<u>Liabilities</u>							
Tax liabilities	4,462	583	24	-	12,859	-	17,928
Segment liabilities	36,990	21,395	7,461	9,390	100,248	(42,328)	<u>133,156</u>
Consolidated total liabilities							<u><u>151,084</u></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:

	<b>Current Quarter 31 Dec 2020</b>	<b>Current Year-to-date 31 Dec 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest income	209	1,250
Gain on disposal of property, plant and equipment	5	1,555
Writeback of allowance for impairment losses on receivables	1	1
Foreign exchange loss	(835)	(937)
Allowance for impairment losses on receivables	-	(202)
Interest expense	(149)	(667)
Property, plant and equipment written off	(180)	(180)
Depreciation of property, plant and equipment	(3,735)	(15,274)
Depreciation of right-of-use assets	(798)	(3,149)
	(798)	(3,149)

**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.

On 12 November 2020, Frontken Projects Sdn Bhd, a dormant indirect wholly-owned subsidiary of the Company has been struck off from the Registrar of the Companies Commission of Malaysia pursuant to Section 550 of the Companies Act 2016.

On 31 December 2020, a resolution was passed to strike off Frontship Pte Ltd, a dormant indirect wholly-owned subsidiary of the Company from the Registrar.

**A13. Contingent liabilities**

As at 31 December 2020 the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position of the Group.



## FRONTKEN CORPORATION BERHAD

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(Incorporated in Malaysia)**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS****B1. Analysis of performance**Current quarter's performance against the quarter ended 31 December 2019

The Group's revenue for the current quarter ended 31 December 2020 increased by approximately RM12.1 million (13.7%) compared to the preceding year corresponding quarter mainly contributed by our subsidiaries in Taiwan, Malaysia and the Philippines. Our Taiwan's unit benefited from the pick-up in volume in the semi-conductor space due to higher demand and strong orders from one of our customers' advanced nodes' chips. We would have achieved a better quarter but for the decline in our oil and gas divisions in Singapore due mainly to the economic slowdown caused by the pandemic.

The Group's profit after tax ("PAT") of RM25.3 million for the current quarter was RM5.7 million or 28.9% higher than the corresponding quarter's RM19.6 million. This was the highest PAT we had ever achieved. The higher profit was mainly due to improved revenue and better profit margin resulting from the continual efforts to improve efficiency across the Group.

It is worthwhile mentioning that this was our best ever quarter; more noteworthy in light of the global slowdown caused by the pandemic. We were able to achieve this because of the significant PAT improvement of 30.8% from our semi-conductor division compared to the preceding year corresponding quarter.

Current 12 months period's performance against the 12 months period ended 31 December 2019

The Group's revenue of RM368.3 million for the current period ended 31 December 2020 was RM28.4 million (8.4%) higher than that achieved in the preceding year corresponding period mainly contributed by the strong performance by our subsidiary in Taiwan. The revenue would have been better but for the indirect impact from the pandemic that hit our oil and gas division.

Against the same period last year, the PAT for the Group increased by RM14.1 million (19.0%) as a result of improved revenue and vigilance in cost management. If we were to exclude the withholding tax imposed on the dividend declared by the Group's subsidiary in Taiwan and the foreign currency exchange impact from the equation, the current year's PAT would have been 20.0% better than the preceding year corresponding period.

As a result of improved revenue and better profit margin, our semi-conductor division achieved a 32.4% improved PAT compared to the preceding year corresponding period.

**B2. Comparison with immediate preceding quarter**

	<b>4th Quarter 31 Dec 2020</b>	<b>3rd Quarter 30 Sept 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	101,036	94,792
Profit before tax	31,280	30,331
Profit after tax	25,250	22,995
Profit attributable to owners of the Company	23,290	21,341

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The Group's revenue was 6.6% or approximately RM6.2 million higher during the current quarter as compared to the immediate preceding quarter mainly due to better performances from all our subsidiaries except for our unit in Indonesia.

The Group's PAT and profit attributable to owners for the current quarter increased by RM2.3 million (9.8%) and RM1.9 million (9.1%) respectively compared to the immediate preceding quarter.

The Group's improved unaudited profit 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 a remarkable fourth quarter results with a 28.9% and 9.8% increase respectively in its PAT compared to the preceding year corresponding quarter and immediate preceding quarter mainly attributable to the positive growth in our semi-conductor business. Semi-conductors are essential technology enablers that power many of the cutting-edge digital devices we use today. The global semi-conductor industry is set to continue its robust growth well into the next decade due to emerging technologies such as autonomous driving, artificial intelligence, 5G and Internet of Things, coupled with consistent spending on R&D and competition among key players in the market.

Consequently, the Group is seeing advancement and deployment of new innovative technologies following from the gradual roll-out of 5G network globally and we believe these developments in the electronic and technology space, coupled with the strong demand for our customer's advanced nodes' chips, will be positive for our business in years to come. To that end, the Group is looking to expand its capacity in Taiwan by setting up a new state of the art facility in anticipation of increase in the demand for our services relating to tools involved in the manufacturing of the leading edge chips which we are given to understand will be commercially available in 2022. We are currently already supporting our customer during their R&D production stage for this latest node.

In addition to the new facility in Taiwan, we are also exploring the viability of setting up a new facility overseas to further support our customer's expansion abroad.

As for the oil and gas industry, we noticed that new orders are trickling in towards the end of 2020 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 throughout 2021. Looking at the strong appreciation of the Brent crude oil price thus far this year, we are cautiously optimistic that our oil and gas division will perform better than last year.

In line with global optimistic outlook, the Group anticipates that the overall business conditions in 2021 to be better than 2020. To that end, we are cautiously optimistic that our business will be able to continue with its growth momentum during the year and are excited with what lies ahead for us.

**B4. Variance in profit forecast**

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

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**B5. Taxation**

	<b>Current Quarter 31 Dec 2020</b>	<b>Current Year-to-date 31 Dec 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Income tax	5,954	24,962
Deferred tax	(5)	(154)
Withholding tax	-	986
RPGT	81	141
	<b>6,030</b>	<b>25,935</b>

**B6. Status of corporate proposals**

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

**B7. Group borrowings**

The Group's borrowings as at 31 December 2020 are as follows:

	<b>As at 31 Dec 2020</b>		<b>As at 31 Dec 2019</b>	
	<b>Foreign currencies RM'000</b>	<b>RM'000</b>	<b>Foreign currencies RM'000</b>	<b>RM'000</b>
<u>Short term</u>				
Lease liabilities				
- New Taiwan Dollar	432	432	383	383
- Philippine Peso	1,052	1,052	953	953
- Singapore Dollar	418	418	409	409
- Ringgit Malaysia	-	894	-	1,288
Term loans				
- Singapore Dollar	-	-	844	844
		<b>2,796</b>		<b>3,877</b>
<u>Long term</u>				
Lease liabilities				
- Singapore Dollar	7,521	7,521	7,950	7,950
- Philippine Peso	928	928	1,913	1,913
- New Taiwan Dollar	229	229	322	322
- Ringgit Malaysia	-	854	-	1,746
		<b>12,328</b>		<b>15,808</b>

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

	<b>Short-term</b>	<b>Long-term</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 31 December 2020			
<u>Currency</u>			
Singapore Dollar	418	7,521	7,939
Philippine Peso	1,052	928	1,980
New Taiwan Dollar	432	229	661
	<u>1,902</u>	<u>8,678</u>	<u>10,580</u>
As at 31 December 2019			
<u>Currency</u>			
Singapore Dollar	1,253	7,950	9,203
New Taiwan Dollar	383	322	705
Philippine Peso	953	1,913	2,866
	<u>2,589</u>	<u>10,185</u>	<u>12,774</u>

**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 16 February 2021.

**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.

	<b>Current Quarter</b>	<b>Preceding Corresponding Quarter</b>	<b>Current Year-to-date</b>	<b>Preceding Corresponding Year-to-date</b>
Profit attributable to owners of the Company (RM'000)	23,290	18,199	81,967	69,170
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)	2.22	1.74	7.82	6.60

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**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.

**B10. Dividends**

The Board is pleased to announce a second single tier dividend of 2.8 sen per ordinary share in respect of the financial year ended 31 December 2020. The entitlement and payment dates will be announced at a later date.

By Order of the Board  
Frontken Corporation Berhad

Ng Wai Pin  
Chairman / Chief Executive Officer  
23 February 2021