

FRONTKEN CORPORATION BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2020
(The figures have not been audited)

	Individual Quarter				Cumulative Quarter			
	Current Year Quarter 30 Jun 2020 RM '000	Preceding Year Corresponding Quarter 30 Jun 2019 RM '000	Changes RM'000 (%)		Current Year To-date 30 Jun 2020 RM '000	Preceding Year Corresponding Period 30 Jun 2019 RM '000	Changes RM'000 (%)	
Revenue	87,620	80,144	7,476	9	172,491	163,974	8,517	5
Operating expenses	(56,940)	(52,775)	(4,165)	8	(115,048)	(110,208)	(4,840)	4
Profit before depreciation and finance	30,680	27,369	3,311	12	57,443	53,766	3,677	7
Depreciation	(4,593)	(4,643)			(9,317)	(9,462)		
Finance costs	(178)	(193)			(359)	(431)		
Other operating income	2,009	570			4,874	1,779		
Profit before tax	27,918	23,103	4,815	21	52,641	45,652	6,989	15
Taxation	(6,090)	(5,280)	(810)	15	(12,569)	(11,486)	(1,083)	9
Profit after tax	21,828	17,823	4,005	22	40,072	34,166	5,906	17
Profit after tax attributable to :								
Owners of the Company	20,329	16,518	3,811	23	37,336	31,922	5,414	17
Non-controlling interests	1,499	1,305			2,736	2,244		
Profit for the period	21,828	17,823			40,072	34,166		
Profit for the period	21,828	17,823			40,072	34,166		
Other comprehensive expenses:								
Foreign currency translation	7,580	4,114			16,655	(417)		
Total comprehensive income for the period	29,408	21,937			56,727	33,749		
Total comprehensive income attributable to:								
Owners of the Company	27,482	20,474			52,751	31,709		
Non-controlling interests	1,926	1,463			3,976	2,040		
Total comprehensive income for the period	29,408	21,937			56,727	33,749		
Earnings per share attributable to equity holders of the company :								
Basic (sen)	1.94	1.58			3.56	3.05		

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 June 2019.

FRONTKEN CORPORATION BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020
(The figures have not been audited)

	<u>Unaudited</u> <u>30 Jun 2020</u> RM'000	<u>Audited</u> <u>31 Dec 2019</u> RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	126,977	125,736
Right-of-use assets	18,982	19,731
Goodwill on consolidation	33,761	33,761
Deferred tax assets	2,449	2,295
Total non-current assets	<u>182,169</u>	<u>181,523</u>
Current assets		
Inventories	18,422	15,101
Trade receivables	101,101	86,300
Other receivables, deposits and prepaid expenses	7,698	7,380
Short-term investments	6,033	10,684
Fixed deposits with licensed banks	20,094	17,576
Cash and bank balances	226,545	197,161
Total current assets	<u>379,893</u>	<u>334,202</u>
Total assets	<u>562,062</u>	<u>515,725</u>
EQUITY AND LIABILITIES		
Capital and reserve		
Share capital	118,925	118,925
Treasury shares	(663)	(663)
Reserves	295,846	258,710
Equity attributable to owners of the Company	<u>414,108</u>	<u>376,972</u>
Non-controlling interests	24,871	21,776
Total equity	<u>438,979</u>	<u>398,748</u>
Non-current liabilities		
Lease liabilities	11,244	11,931
Other payables	2,864	2,714
Deferred tax liabilities	297	408
Total non-current liabilities	<u>14,405</u>	<u>15,053</u>
Current liabilities		
Trade payables	18,815	16,890
Other payables and accrued expenses	70,750	67,123
Bank borrowings	-	844
Lease liabilities	2,855	3,033
Current tax liabilities	16,258	14,034
Total current liabilities	<u>108,678</u>	<u>101,924</u>
Total liabilities	<u>123,083</u>	<u>116,977</u>
Total equity and liabilities	<u>562,062</u>	<u>515,725</u>
Net assets per share attributable to owners of the parents (RM)	0.40	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 SECOND QUARTER ENDED 30 JUNE 2020

(The figures have not been audited)

	<--- Non-distributable --->			Distributable		Attributable to		Total RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Statutory reserve RM'000	Retained earnings RM'000	owners of the Company RM'000	Non-controlling interests 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:								
Foreign currency translation	-	-	15,415	-	-	15,415	1,240	16,655
Profit for the period	-	-	-	-	37,336	37,336	2,736	40,072
Total comprehensive income for the period	-	-	15,415	-	37,336	52,751	3,976	56,727
Dividend:								
- by the Company	-	-	-	-	(15,720)	(15,720)	-	(15,720)
Changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	105	105	(881)	(776)
Balance at 30 June 2020	118,925	(663)	45,197	13,009	237,640	414,108	24,871	438,979

CORRESPONDING PERIOD CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2019

	<--- Non-distributable --->			Distributable		Attributable to		Total RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Statutory reserve RM'000	Retained earnings RM'000	owners of the Company RM'000	Non-controlling interests 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	-	-	-	-	(119)	(119)	-	(119)
Balance at 1 January 2019 (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	-	-	(213)	-	-	(213)	(204)	(417)
Profit for the period	-	-	-	-	31,922	31,922	2,244	34,166
Total comprehensive income for the period	-	-	(213)	-	31,922	31,709	2,040	33,749
Dividends								
- by the Company	-	-	-	-	(8,384)	(8,384)	-	(8,384)
- by a subsidiary to non-controlling interests	-	-	-	-	-	-	(474)	(474)
Transfer to statutory reserve	-	-	-	3,874	(3,874)	-	-	-
Balance at 30 June 2019	118,925	(663)	27,459	12,985	189,540	348,246	21,170	369,416

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

FRONTKEN CORPORATION BERHAD

(Co. No. 651020-T)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE SECOND QUARTER ENDED 30 JUNE 2020**

(The figures have not been audited)

	CUMULATIVE QUARTER	
	Current Period To Date	Preceding Corresponding Period
	30 Jun 2020 RM'000	30 Jun 2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	52,641	45,652
Adjustments for:		
Depreciation of property, plant and equipment	7,763	8,227
Depreciation of right-of-use assets	1,554	1,235
Interest expense	359	431
Unrealised gain on foreign exchange	(355)	(27)
Interest income	(817)	(525)
Writeback of allowance for impairment losses on trade receivables	-	(2)
Allowance for impairment losses on receivables	64	-
Operating profit before working capital changes	61,209	54,991
Inventories	(2,481)	(629)
Trade receivables	(11,371)	(3,363)
Other receivables, deposits and prepaid expenses	7	(1,101)
Trade payables	1,120	(1,551)
Other payables and accrued expenses	(97)	(13,138)
Cash generated from operations	48,387	35,209
Taxes paid	(11,144)	(9,839)
Net cash from operating activities	37,243	25,370
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	817	525
Additional investment of a subsidiary	(776)	-
Purchase of property, plant and equipment	(3,119)	(2,618)
Placement of short-term investments	-	(4,139)
Net placement of fixed deposits with licensed banks	(12,803)	(3,473)
Net cash for investing activities	(15,881)	(9,705)

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	CUMULATIVE QUARTER	
	Current Period To Date	Preceding Corresponding Period
	30 Jun 2020 RM'000	30 Jun 2019 RM'000
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(359)	(431)
Dividend paid by the Company	(15,720)	(8,384)
Dividend paid by a subsidiary to non-controlling interests	-	(685)
Repayment of term loans	(853)	(9,655)
Payment of lease liabilities	(1,661)	(1,540)
Net cash for financing activities	(18,593)	(20,695)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,769	(5,030)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	219,669	148,940
EFFECT OF EXCHANGE DIFFERENCES	11,679	17
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	234,117	143,927
THE CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	226,545	132,639
Fixed deposits with licensed banks	20,094	8,300
Short-term investments	6,033	12,743
	252,672	153,682
Less: Fixed deposits pledged with banks	(1,481)	(2,008)
Less: Fixed deposits with maturity more than 3 months	(17,074)	(3,608)
Less: Short-term investments - money market fund	-	(4,139)
Cash and cash equivalents	234,117	143,927

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 June 2019.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 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 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 30 June 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 30 June 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.

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A8. Segmental information

The breakdown of the Group's revenue and results by geographical regions for the quarter ended 30 June 2020 are set out below. Revenue and results by geographical sales were based on the location of the Group's subsidiaries.

Current Quarter 30 June 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	14,449	10,874	3,224	219	58,854	87,620
Inter-segment sales	85	1,360	-	-	64	1,509
Total revenue	<u>14,534</u>	<u>12,234</u>	<u>3,224</u>	<u>219</u>	<u>58,918</u>	<u>89,129</u>
<u>Segment Results</u>						
Operating profit/(loss)	5,486	1,143	370	718	20,084	27,801
Interest income						295
Finance cost						(178)
Profit before taxation						<u>27,918</u>

Current Year-to-date 30 June 2020

<u>Segment Revenue</u>						
External sales	30,015	23,904	7,033	469	111,070	172,491
Inter-segment sales	183	2,637	29	-	115	2,964
Total revenue	<u>30,198</u>	<u>26,541</u>	<u>7,062</u>	<u>469</u>	<u>111,185</u>	<u>175,455</u>

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**Current Year-to-date
30 June 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)	10,872	3,261	867	(109)	37,292	-	52,183
Interest income							817
Finance cost							(359)
Profit before taxation							<u>52,641</u>
<u>Assets</u>							
Non-current assets							
- Property, plant and equipment	22,040	14,413	1,488	1,208	87,828	-	126,977
- Right-of-use assets	7,975	6,693	2,501	794	1,019	-	18,982
- Deferred tax assets	-	-	-	-	2,449	-	2,449
- Goodwill	-	33,761	-	-	-	-	33,761
Current assets	100,516	8,207	21,059	777	228,142	21,192	<u>379,893</u>
Consolidated total assets							<u><u>562,062</u></u>
<u>Liabilities</u>							
Tax liabilities	5,432	585	245	-	10,293	-	16,555
Segment liabilities	16,048	20,049	5,094	9,603	77,583	(21,849)	<u>106,528</u>
Consolidated total liabilities							<u><u>123,083</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.

FRONTKEN CORPORATION BERHAD

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

	Current Quarter 30 Jun 2020	Current Year-to-date 30 Jun 2020
	RM'000	RM'000
Interest income	295	817
Foreign exchange gain	51	722
Allowance for impairment losses on receivables	(64)	(64)
Interest expense	(178)	(359)
Depreciation of property, plant and equipment	(3,795)	(7,763)
Depreciation of right-of-use assets	(798)	(1,554)

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 May 2020, the Company acquired 133,837 ordinary shares of NT\$10 each representing 0.39% of the issued and paid-up share capital of Ares Green Technology Corporation ("AGTC") for a total cash consideration of NT\$5,353,480 (equivalent to RM775,870). Following the acquisition, the Group's interest in AGTC increased to 91.25%.

A13. Contingent liabilities

As at 30 June 2020 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 Jun 2020
	RM'000
Cash at bank	226,468
Cash on hand	77
Fixed deposits	20,094
Short-term investments	6,033
	252,672
Less: Fixed deposits pledged with banks	(1,481)
Less: Fixed deposits with maturity period more than 3 months	(17,074)
	234,117

A15. Significant related party transactions

	Current Quarter 30 Jun 2020	Current Year-to-date 30 Jun 2020
	RM'000	RM'000
Sales to AMT	3	9
Sales to A&I	6	8
Purchase from TTM	23	57
Rental payable to AMT	27	63

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

Abbreviations:

<i>AMT</i> <i>AMT Engineering Sdn Bhd</i>	<i>FEM</i> <i>Frontken (East Malaysia) Sdn Bhd</i>	
<i>A&I</i> <i>A&I Engine Rebuilders Sdn Bhd</i>	<i>TTES</i> <i>TTES Frontken Integrated Services Sdn. Bhd.</i>	
<i>TTM</i> <i>Tenaga-Tech (M) Sdn Bhd</i>		

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 Jun 2020
	RM'000
Plant and equipment	1,472

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**B1. Analysis of performance**Current quarter's performance against the quarter ended 30 June 2019

The Group's revenue for the current quarter ended 30 June 2020 increased by approximately RM7.5 million (9.3%) compared to the preceding year corresponding quarter mainly contributed by our subsidiary in Taiwan. This was mainly due to the positive growth of the semi-conductor business. However, slowdown in our customers' business in the oil and gas sector resulted in a drop in business for the Group's oil and gas subsidiaries in Malaysia, Singapore and the Philippines. In addition, the Movement Control Order ("MCO") implemented by the Malaysian Government due to the COVID-19 pandemic had resulted in some disruption in our operations in Malaysia and to a lesser degree, our oil and gas business in Singapore and the Philippines.

The Group's profit before tax ("PBT") of RM27.9 million for the current quarter was RM4.8 million or 20.8% higher than the corresponding quarter's RM23.1 million. The higher profit was mainly due to improved revenue and better profit margin resulting from the continual efforts to improve efficiency across the Group. This was our historical best quarter performance even with the global slowdown caused by the COVID-19 pandemic.

Current 6 months period's performance against the 6 months period ended 30 June 2019

The Group's revenue of RM172.5 million for the current period ended 30 June 2020 was RM8.5 million (5.2%) higher than that achieved in the preceding year corresponding period mainly contributed by our subsidiary in Taiwan. The performance would have been better but for the indirect impact from the COVID-19 pandemic.

Against the same period last year, the PBT for the Group increased by RM7.0 million (15.3%) as a result of improved revenue and vigilance in cost management.

B2. Comparison with immediate preceding quarter

	2nd Quarter 30 Jun 2020	1st Quarter 31 Mar 2020
	RM'000	RM'000
Revenue	87,620	84,871
Profit before tax	27,918	24,723
Profit after tax	21,828	18,244
Profit attributable to owners of the Company	20,329	17,007

The Group's revenue was 3.2% or approximately RM2.7 million higher during the current quarter as compared to the immediate preceding quarter mainly contributed by our subsidiary in Taiwan.

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

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B3. Prospects

The Group recorded a remarkable second quarter and first half results with a 20.8% and 15.3% increase respectively in its PBT compared to the preceding year corresponding period mainly attributable to the positive growth in our semi-conductor business. Looking forward, the Group is seeing advancement and deployment of new innovative technologies following from the roll-out of 5G globally and we believe these developments in the electronic and technology space will be positive for our business. Nevertheless, the Group anticipates that the overall business conditions for the remaining 6 months period in 2020 will continue to be uncertain amidst global uncertainties and downside risks due to heightened concerns over the impact of the potential second wave from COVID-19 on the world economy.

As for the oil and gas industry, we notice 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 from the Petronas Group of Companies. We hope this momentum will pick up further during the second half of this year. Having said that, global oil demand and the COVID-19 pandemic will all remain a key source of risk to the current outlook.

While the Group anticipates that the overall business conditions in the remaining two quarters of the current financial year to remain uncertain, we are cautiously optimistic that our performance for the remaining months will be satisfactory.

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 Jun 2020	Current Year-to-date 30 Jun 2020
	RM'000	RM'000
Income tax	6,137	12,696
Deferred tax	(47)	(127)
	<u>6,090</u>	<u>12,569</u>

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.

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 June 2020 are as follows:

	As at 30 Jun 2020		As at 30 Jun 2019	
	Foreign currencies RM'000	RM'000	Foreign currencies RM'000	RM'000
<u>Short term</u>				
Lease liabilities				
- New Taiwan Dollar	279	279	203	203
- Philippine Peso	1,048	1,048	323	323
- Singapore Dollar	422	422	402	402
- Ringgit Malaysia	-	1,106	-	1,501
Term loans				
- Singapore Dollar	-	-	1,700	1,700
		2,855		4,129
<u>Long term</u>				
Lease liabilities				
- Singapore Dollar	7,824	7,824	8,218	8,218
- Philippine Peso	1,503	1,503	-	-
- New Taiwan Dollar	713	713	690	690
- Ringgit Malaysia	-	1,204	-	1,480
		14,099		14,517

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 June 2020			
<u>Currency</u>			
Singapore Dollar	422	7,824	8,246
Philippine Peso	1,048	1,503	2,551
New Taiwan Dollar	279	713	992
	1,749	10,040	11,789
As at 30 June 2019			
<u>Currency</u>			
Singapore Dollar	2,102	8,218	10,320
New Taiwan Dollar	203	690	893
Philippine Peso	323	-	323
	2,628	8,908	11,536

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 July 2020.

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(Incorporated in Malaysia)**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)	20,329	16,518	37,336	31,922
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)	1.93	1.58	3.56	3.05

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 first single tier dividend of 1.2 sen per ordinary share in respect of the financial year ending 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
4 August 2020