Frontken Corporation Berhad (FRONTKN)

Proxy of TSMC and Apple



Tradingview

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Frontken Corporation Berhad

Company profile

Frontken provides advanced surface treatment and precision engineering services to enhance the performance and lifespan of high-tech equipment, especially in the semiconductor and oil & gas industries.

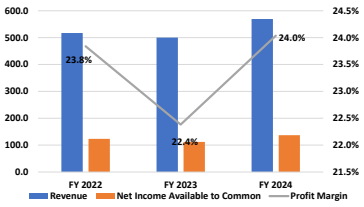
Technical Data	
Price	4.32
R1	4.56
R2	4.73
S1	4.28
S2	4.23

M+ Research, Bloomberg

Technical Outlook

Price is well supported above the EMAs and is pending for a flag formation breakout. Price is expected to test its next resistance at RM4.56-4.73, followed by RM4.86 (Fibonacci extension 1.0). A break below RM4.23 support level will invalid the setup.

Financial Snapshot



M+ Research, Bloomberg

Trading Catalysts

- **Strong relationship with TSMC.** FRONTKN's long-standing relationship with Taiwan Semiconductor Manufacturing Company (TSMC), the world's largest foundry, positions it as a key beneficiary of TSMC's capacity expansion and advanced node migration. This strategic partnership provides recurring high-value orders in precision cleaning services and enhances earnings visibility for FRONTKN.

- **Stronger 2Q25.** The group reported a 16% YoY increase in revenue, from RM134.9m in 2Q24 to RM156.4m in 2Q25, while core PAT rose slightly from RM33.3m to RM33.5m. Both revenue and profit also increased on a quarterly basis. As of 2Q25, FRONTKN was in a net cash position of RM482.3m, with ROE and ROIC of 19.2% and 18.5% respectively.

- **Riding on the global AI wave.** Global AI boom continues to gather pace, with TSMC producing advanced chips for Nvidia, AMD and Apple. Apple's recent announcement of an additional USD100bn investment in the US, bringing its total commitment to USD600bn, is expected to indirectly benefitting FRONTKN.

Peer Comparison

Company	Price (RM)	Market Cap (RM'm)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend	M+ Scoring Quality	M+ Scoring Momentum	M+ Scoring Combined
FRONTKN	**4.320**	**6856.4**	**49.6**	**-**	**19.2**	**24.0**	**Positive bias**	**Up**	**B**	**C**	**C**
INARI	1.950	7388.5	32.9	-	8.1	20.3	Negative bias	Down	C	E	E
MPI	23.000	4586.2	23.7	29.1	9.1	7.8	Positive bias	Up	B	E	E
UNISEM	2.500	4032.7	79.6	73.5	2.3	3.8	Positive bias	Up	C	E	E
Avg ex-FRONTKN		**5335.8**	**45.4**	**51.3**	**6.5**	**10.7**					

Source: Bloomberg, M+ Research

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(a) nil.