

## Notes To The Financial Statements (cont'd)

### 11. ASSET HELD FOR SALE

On 8 November 2013, Frontken (Singapore) Pte Ltd, a wholly-owned subsidiary of the Company, entered into an agreement to dispose of 1,397,400 ordinary shares, representing its entire 20% equity interest in Chinyee Engineering & Machinery Pte Ltd to Mecast Holdings Ltd for a cash consideration of SGD1.7 million. The disposal was completed in March 2014. Accordingly, the carrying value of the investment amounting to RM1,371,418 is classified as asset held for sale.

During the financial year, the vessel held for sale was disposed to third party with a consideration of RM985,834 resulting in a loss of RM134,425.

### 12. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2013 RM	2012 RM
Quoted shares outside Malaysia - at cost	32,175,037	28,432,756
Unquoted shares - at cost	41,408,256	41,408,256
	73,583,293	69,841,012
Impairment of investments in subsidiaries	(982,665)	(982,665)
	72,600,628	68,858,347
Market value of quoted shares	19,357,227	6,505,688

Details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Effective Equity Interest		Principal Activities
		2013 %	2012 %	
<b>Direct Subsidiaries</b>				
Frontken (Singapore) Pte. Ltd. <sup>1</sup>	Singapore	100	100	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering works.
Frontken Technology Corporation <sup>2</sup>	Taiwan	100	100	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering works.

## Notes To The Financial Statements (cont'd)

## 12. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of Subsidiaries	Country of Incorporation	Effective Equity Interest		Principal Activities
		2013 %	2012 %	
<b>Direct Subsidiaries (cont'd)</b>				
PT Frontken Indonesia <sup>2</sup>	Indonesia	95	95	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering works.
Frontken MIC Co. Limited <sup>2</sup>	Hong Kong	41.61	38.80	Investment holding and provision of management services.
Frontken Malaysia Sdn. Bhd. <sup>3</sup>	Malaysia	100	100	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering works.
<b>Indirect Subsidiaries</b>				
Frontken Philippines Inc <sup>2</sup>	Philippines	99.99	99.99	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering works.
Frontken (East Malaysia) Sdn. Bhd. <sup>3</sup>	Malaysia	100	100	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering works.
Frontken (Johor) Sdn. Bhd. <sup>3</sup>	Malaysia	100	100	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering services.
Frontken-MIC (Wuxi) Co. Ltd. <sup>2</sup>	China	41.61	38.80	Provision of cleaning of specialised equipment for semiconductor devices, integrated circuits and components, and research and development of semiconductor cleaning technology.

## Notes To The Financial Statements (cont'd)

### 12. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of Subsidiaries	Country of Incorporation	Effective Equity Interest		Principal Activities
		2013 %	2012 %	
<b>Indirect Subsidiaries (cont'd)</b>				
Frontken Petroleum Sdn. Bhd. <sup>3</sup>	Malaysia	60.07	60.07	Provision of surface metamorphosis technology using thermal spray coating processes and a series of complementary processes including mechanical and chemical engineering services.
Frontship Pte. Ltd. <sup>1</sup>	Singapore	100	100	Procurement of materials, equipment consumable parts and engineering services.
Ares Green Technology Corporation <sup>2</sup>	Taiwan	57.92	51.49	Provision of surface treatment and advanced precision cleaning for the TFT - LCD (Thin Film Transistor - Liquid Crystal display) and semi-conductor industries.
Ares Green International Corporation <sup>2</sup>	Samoa	57.92	51.49	Investment holding.
Frontken Projects Pte. Ltd. <sup>1</sup>	Singapore	51	51	General contractors and process and individual plant engineering services.
Frontken Qatar WLL	Qatar	–	49	Dormant.

<sup>1</sup> The financial statements of the subsidiaries are audited by a member firm of Crowe Horwath International.

<sup>2</sup> The financial statements of the subsidiaries are audited by auditors other than the auditors of the Company.

<sup>3</sup> The financial statements of the subsidiaries are audited by Messrs Crowe Horwath.