

Frontken Sets Up Subsidiary In Qatar

Written by Financial Daily
Thursday, 21 April 2011 12:01

KUALA LUMPUR: Frontken Corp Bhd, through its wholly owned subsidiary Frontken (S) Pte Ltd, has entered into a joint venture with the Qatar state petroleum company, Qatar Petroleum Technology Company WLL (Petrotec), to set up Frontken Qatar WLL to provide services in the Middle East.

Frontken said in a statement to Bursa Malaysia yesterday that it will invest RM4.5 million for a 49% stake in Frontken Qatar. The balance 51% equity interest will be owned by Petrotec.

“Frontken Singapore will have board control and the power to govern the operating and management policies of Frontken Qatar, and as such, Frontken would regard Frontken Qatar as its subsidiary upon incorporation,” the company said in the statement.

Frontken said the share subscription will be done in one or more tranches. “The cash subscription by Frontken Singapore shall be funded by internally generated funds and/or the proceeds from the rights issue of Frontken which was completed in March 2010,” the company said.

Frontken Qatar is involved in the provision of surface metamorphosis engineering services and will facilitate the Frontken group’s expansion into the Middle East market.

Frontken said in the statement that it already has 15 years’ experience in the surface metamorphosis engineering technology industry and also possesses the required technical expertise and engineering capability.

This article appeared in The Edge Financial Daily, April 21, 2011.