

GFM posts net profit of RM13mil for FY16

BUSINESS NEWS

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PETALING JAYA: GFM Services Bhd has reported a net profit of RM13mil on a revenue of RM91.7mil for its financial year 2016 ended Dec 31 (FY16).

The integrated facilities management service provider, which is listed on the Ace Market, said in a statement that its financial performance had been impacted by a one-off impairment on the goodwill acquisition of [AsiaEP Resources](#) Bhd amounting to RM3.6mil. The company said that excluding the impairment, GFM's FY16's net profit stood at RM16.6mil.

There were no comparative figures for the quarter and the entire year because this is the first interim financial report on the consolidated results after its regularisation plan was deemed completed on Dec 28, 2016, the company said.

GFM was listed on the Ace Market of Bursa Malaysia on Jan 9, 2017 via the reverse takeover of AsiaEP Resources.

The company recorded a revenue of RM25.2mil and a net profit of RM2.4mil in its fourth quarter.

It noted that in its fourth quarter, its effective tax rate stood at 48%, higher than the statutory tax rate due to accounting adjustments made in the quarter.

However, on a full-year basis, the effective tax rate normalised to 27%, the company said.

"FY16 was a good year for the group, as we managed to achieve strong contract renewal rates with our existing customers, secure new contract wins, and increase the scope of works undertaken during the year," managing director Ruslan Nordin said in the statement.

SOURCE:

<https://www.thestar.com.my/business/business-news/2017/04/07/gfm-posts-net-profit-of-rm13mil-for-fy16/>