

Concession biz vital for GFM's growth

Lim Cian Yai | 16 Mar 2018 00:30



The deal will boost GFM's outstanding order book to RM1.4 bil for the next 18 years, says Ruslan

THE future growth of GFM Services Bhd lies in the hands of its shareholders as they will have to decide on the company's multi-million ringgit proposal to venture into the concession business.

The proposal entails the acquisition of the entire stake in KP Mukah Development Sdn Bhd (KPMU) for RM130 mil from Kumpulan Parabena Sdn Bhd. This is also the first major exercise for GFM, formerly known as AsiaEP Resources Bhd, after the completion of a regularisation plan in January last year.

Subsequently, GFM assumed the listing status of AsiaEP. It is led by a new board of directors and management team.

If the RM130 mil acquisition gets the go-ahead from shareholders, it will be a significant moment for the new management.

KPMD is the holder of a 23-year concession to construct, maintain and manage facilities and infrastructure of Universiti Teknologi Mara (UiTM) Mukah. The concession runs until Sept 17, 2035.

If the RM130 mil acquisition receives the mandate and blessings from shareholders, it will be a significant moment for the new management.

GFM managing director Ruslan Nordin tells **FocusM** that the deal is vital for future growth. This is also the company's first venture into a concession business.

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