



GFM SERVICES BERHAD

(Company No: 1033141-H)

(Incorporated in Malaysia)

Year 2017

Quarterly Announcement

For the Fourth Quarter Ended 31 December 2017

The Board of Directors of GFM Services Berhad ("GFMSB" or the "Company") ("Board") is pleased to announce the following unaudited consolidated results for the quarter and financial period ended ("FPE") 31 December 2017.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED ENDED 31 DECEMBER 2017

	Note	Individual quarter		Cumulative period	
		Current year quarter 31/12/2017 RM'000	Preceding year quarter 31/12/2016 ⁽²⁾ RM'000	Current year to-date 31/12/2017 ⁽¹⁾ RM'000	Preceding year to-date 31/12/2016 RM'000
Revenue	A9	29,439	25,211	104,472	92,077
Cost of sales		(20,156)	(18,693)	(74,469)	(65,920)
Gross profit		9,283	6,518	30,003	26,157
Other income		520	768	2,067	7,354
Administrative expenses		(2,003)	1,580	(13,764)	(10,501)
Other operating expenses		(1,741)	(4,323)	(2,579)	(4,361)
Profits from operations		6,059	4,543	15,727	18,649
Finance costs		45	(45)	(1,032)	(907)
Profit before tax	B12	6,104	4,498	14,695	17,742
Tax expense	B5	(2,522)	(2,133)	(4,709)	(4,699)
Profit for the period		<u>3,582</u>	<u>2,365</u>	<u>9,986</u>	<u>13,043</u>
Other comprehensive income					
Fair value loss on available-for-sale financial assets		-	-	-	-
Realisation of revaluation		7	-	7	-
Total comprehensive income for the period		<u>3,589</u>	<u>2,365</u>	<u>9,993</u>	<u>13,043</u>
Profit for the period attributable to:					
Equity holders of the parent		3,582	2,365	9,986	13,043
Non-controlling interests		-	-	-	-
		<u>3,582</u>	<u>2,365</u>	<u>9,986</u>	<u>13,043</u>
Total comprehensive income for the period attributable to:					
Equity holders of the parent		3,589	2,365	9,993	13,043
Non-controlling interests		-	-	-	-
		<u>3,589</u>	<u>2,365</u>	<u>9,993</u>	<u>13,043</u>
Earnings per share (sen)					
- Basic ⁽²⁾		0.84	0.55	2.33	3.05
- Diluted ⁽³⁾		N/A	N/A	N/A	N/A
Dividends per share (sen)		N/A	N/A	N/A	N/A

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial report.
- (2) Basic earnings per share is calculated based on the Company's share capital of 428,102,942 ordinary shares as at 31 December 2017.
- (3) Diluted earnings per share of the Company for the individual quarter and financial period ended 31 December 2017 is equivalent to the basic earnings per share as the Company and its subsidiaries ("GFM Group" or "Group") does not have convertible options at the end of the reporting period.

N/A Not applicable

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Unaudited as at 31/12/2017 ⁽¹⁾	Audited as at 31/12/2016
Note	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	17,208	18,036
Intangible assets	28,067	29,282
Other investments	521	528
Total non-current assets	<u>45,796</u>	<u>47,846</u>
Current assets		
Tax recoverable	2,648	2,013
Trade receivables	17,332	15,597
Other receivables, deposits & prepayments	8,999	10,035
Advances to holding company	3	-
Cash and cash equivalents	28,302	20,428
Total current assets	<u>57,284</u>	<u>48,073</u>
Total assets	<u>103,080</u>	<u>95,919</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	48,038	42,810
Share premium	-	5,228
Retained earnings	58,108	54,301
Fair value reserve	21	28
Reorganisation deficit	(41,207)	(41,207)
Total equity	<u>64,960</u>	<u>61,160</u>
Non-current liabilities		
Borrowings	B8 14,582	7,642
Deferred tax liabilities	4,803	5,064
Total non-current liabilities	<u>19,385</u>	<u>12,706</u>
Current liabilities		
Borrowings	B8 2,876	8,126
Tax payable	647	5
Trade payables	6,272	6,198
Other payables and accruals	8,940	7,151
Amounts due to directors	-	573
Total current liabilities	<u>18,735</u>	<u>22,053</u>
Total liabilities	<u>38,120</u>	<u>34,759</u>
Total equity and liabilities	<u>103,080</u>	<u>95,919</u>
Net assets per ordinary share attributable to ordinary equity holders of the Company (RM)	0.15	0.14

(1) *The Unaudited Condensed Statement Of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial report.*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2017

	----- Non-Distributable -----				Distributable	Total
	Share capital	Share premium	Fair value reserve	Reorganisation deficit	Retained earnings	equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2017	42,810	5,228	28	(41,207)	54,301	61,160
- Transferred from share premium ⁽²⁾	5,228	(5,228)	-	-	-	-
Comprehensive income						
Profit for the financial period	-	-	-	-	9,986	9,986
Other comprehensive loss						
Fair value loss on available-for-sale financial assets	-	-	(7)	-	-	(7)
Gain on revaluation reserve	-	-	-	-	7	7
Gain on disposal of subsidiaries	-	-	-	-	-	-
Transactions with owners						
Dividends paid on shares	-	-	-	-	(6,186)	(6,186)
Issue of ordinary shares	-	-	-	-	-	-
Effect of acquisition of subsidiaries	-	-	-	-	-	-
Balance as of 31 December 2017	48,038	-	21	(41,207)	58,108	64,960
Balance as of 1 January 2016	-	-	28	(1,207)	41,258	40,079
Total comprehensive income for the period	-	-	-	-	13,043	13,043
Issue of ordinary shares	1,050	2,940	-	-	-	3,990
Effect of acquisition of subsidiaries	41,760	2,288	-	(40,000)	-	4,048
Foreign currency translation differences for foreign operations	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Balance as of 31 December 2016	42,810	5,228	28	(41,207)	54,301	61,160

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial report.
- (2) With the Companies Act 2016 ("the New Act") coming into effect on 31 January 2017, the credit standing in the share premium and capital redemption reserve accounts has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium and capital redemption reserve accounts within 24 months after the commencement of the New Act.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

	Year-to-date ended	
	31/12/2017	31/12/2016
	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before tax	14,695	17,742
Adjustment for:		
Amortisation of intangible assets	1,216	1,216
Bad debts recovered	-	(6,000)
Bad debts written off	263	20
Depreciation of property, plant and equipment	339	271
Impairment of goodwill on consolidation	-	3,568
Impairment loss on trade receivables	1,974	734
Interest expense	1,032	907
Interest income	(462)	(552)
Loss on disposal of subsidiary	382	-
Reversal of impairment of trade receivables	(672)	(63)
Property, plant and equipment written off	-	-
	<u>18,767</u>	<u>17,843</u>
Movements in working capital:		
Increase in:		
Trade and other receivables	(2,294)	(1,813)
Increase/(Decrease) in:		
Trade and other payables	3,753	(5,483)
Amount due to directors	-	-
Cash Generated From Operations	<u>20,226</u>	<u>10,547</u>
Income tax paid	(4,956)	(6,016)
Interest paid	(1,032)	(907)
Interest received	462	552
Net Cash From Operating Activities	<u>14,700</u>	<u>4,176</u>
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Acquisition of subsidiaries for cash, net of cash acquired	-	3
Drawdown of fixed deposits	17,120	-
Placement of fixed deposits	(11,700)	(2,963)
Purchase of property, plant and equipment	(207)	(532)
Advances to holding company	(3)	-
Net Cash From/(Used in) Investing Activities	<u>5,210</u>	<u>(3,492)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Drawdown/(Repayment) of finance lease payables	73	824
Obtain term loan	9,990	-
Repayment to bank factoring	*	(4,276)
Repayment of borrowings	(8,715)	(2,986)
Repayment of overdraft	(1,200)	-
Repayment to directors	(573)	-
Advances to related companies	-	(7)
Advances to related parties	-	(3)
Dividend paid	(6,186)	-
Net Cash Used In Financing Activities	<u>(6,611)</u>	<u>(6,448)</u>
EFFECT OF EXCHANGE RATE CHANGES	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	13,299	(5,764)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	6,689	12,453
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>19,988</u>	<u>6,689</u>
Cash and cash equivalents comprise:		
Cash and bank balances	19,988	6,695
Fixed deposits with a licensed bank	8,314	13,733
	<u>28,302</u>	<u>20,428</u>
Less: Bank overdraft	-	(7)
Deposits pledged as securities	(6,314)	(9,732)
Fixed deposits with licensed banks not pledged but with maturities more than three (3) months	(2,000)	(4,000)
	<u>19,988</u>	<u>6,689</u>

Notes:

(1) The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial report.

N/A Not applicable

* Denotes < RM1,000

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2017

A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE LISTING REQUIREMENTS OF BURSA SECURITIES**A1 Basis of preparation**

This condensed consolidated interim financial report is unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), IAS 34 Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the interim financial report on the condensed consolidated results for the quarter ended 31 December 2017 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year's corresponding period.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed consolidated interim financial report are consistent with those adopted in the annual financial statements of the Group. This unaudited condensed consolidated interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial report.

The accompanying explanatory notes attached to this unaudited condensed consolidated interim financial report provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of GFM Group since the financial year ended ("FYE") 31 December 2016.

A2 Changes in Accounting Policies

The significant accounting policies adopted in this unaudited condensed consolidated interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 31 December 2016, except for the following as they are not yet effective for the financial period:

MFRS 2	Classification and Measurement of Share-based Payment Transactions (Amendments to MFRS 2)
MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts (Amendments to MFRS 4)
MFRS 9	Financial Instruments
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)
MFRS 15	Revenue from Contracts with Customers
MFRS 16	Leases
MFRS 17	Insurance Contracts
MFRS 140	Transfers of Investment Property (Amendments to MFRS 140)
IC INT 22	Foreign Currency Transactions and Advance Consideration
IC INT 23	Uncertainty over Income Tax Treatments

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2016 were not subject to any qualification.

A4 Seasonal or Cyclical Factors

The Group's business operations are not materially affected by seasonal or cyclical factors during the current financial quarter and financial period under review.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter and current financial period under review.

A6 Changes in Estimates

There were no changes in estimates that have had a material effect during the current financial quarter and current financial period under review.

A7 Changes in Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the financial quarter and current financial period under review.

A8 Dividends Paid

First and Final Single-Tier Dividend of 1.445 sen per ordinary shares in respect of the financial year ended 31 December 2016 amounting RM 6,186,067.

A9 Segmental Information

No segment reporting is prepared as the principal activities of the Group are predominantly carried out in Malaysia and are engaged in a single business segment of facilities management services.

A10 Valuation of Property, Plant and Equipment

There were no valuations of property, plant and equipment during the current financial quarter and current financial period under review.

A11 Material Events Subsequent to the end of the current quarter

There were no material events subsequent to the current quarter ended.

A12 Changes in the Composition of the Group

On 9 October 2017, asiaEP, a wholly-owned subsidiary of GFM Services Berhad had completed the share sale in relations to the Share Sale Agreement dated 24 August 2017 entered into with Blueleap Sdn. Bhd. for the disposal of entire equity interest in asiaEP Resources Berhad for cash consideration of RM1.00.

A13 Contingent liabilities or contingent assets

As at the date of this interim financial report, saved as disclosed in the table below, the Board is not aware of any other contingent liabilities incurred or known to be incurred by the GFM Group which, upon becoming due and enforceable, may have a material impact on the profits or Net Assets on the GFM Group.

No.	Item	Amount
1.	Findings from tax audit by Inland Revenue Board (IRB) for the year of assessment 2011 to 2015 in relation to the additional tax payable and tax penalty by Global Facilities Management Sdn Bhd.	8,466,382 ⁽¹⁾

Note :-

⁽¹⁾ This amount was stated in the letter from IRB to GFM dated 10 October 2017. The Company had provided explanation to IRB in respect of the said findings and is awaiting the reply from the IRB.

A14 Capital Commitments

Capital commitments in respect of property, plant and equipment not provided for in the interim financial report are as follows:

	Unaudited as at 31/12/2017 RM'000
Approved and contracted for	500
Approved but not contracted for	-
	<u>500</u>

[THE REST OF THE PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS
B1 Review of Performance

The Group's revenue are mainly derived from its facilities management services.

The Group recorded revenue of RM 104,471,622 and profit before tax of RM 14,694,490 for the financial period ended 31 December 2017 and revenue of RM 92,077,013 and profit before tax of RM 17,742,343 for the financial year ended 31 December 2016.

The major contributor to the Group's revenue during the current quarter and current financial period under review was from the facilities management services operations segment. Our Group recorded revenue from this segment of RM 104,471,622 which accounted for 100% of the total revenue recorded for the current financial period under review.

B2 Comparison with preceding quarter's results

	Current year quarter 31/12/2017 RM'000	Preceding quarter 30/09/2017 RM'000	Variance RM'000	%
Revenue	29,439	25,263	4,176	17%
Profit before tax	6,104	2,419	3,685	152%

The Group reported revenue of RM29.4 million and profit before tax of approximately RM6.1 million for the current quarter ended 31 December 2017, representing an improvement of RM4.2 million or 17% as compared to revenue of RM25.3 million in the preceding quarter ended 30 September 2017 and an improvement of RM3.7 million or 152% as compared to profit before tax of RM2.4191 million in the preceding quarter ended 30 September 2017. This was due to the significant increased in variation order secured as compared to previous quarter.

B3 Prospects

The KP Mukah Development Sdn Bhd proposed acquisition will positively contribute to the Group earnings as we anticipate to complete by 2nd half of 2018. In addition to that, the Group sentiment remain positive on growth momentum in 2018 in securing projects through the active tender books.

Contracts secured year-to-date totaling RM 27.749 million and outstanding order book as at 31 December 2017 was RM 261.745 million.

B4 Variance between Actual Profit and Forecast Profit

The Group has not provided any revenue or profit forecast in any public documents and announcements.

B5 Taxation

	Individual quarter		Cumulative period	
	Current year quarter 31/12/2017 RM'000	Preceding year quarter 31/12/2016 RM'000	Current year to-date 31/12/2017 RM'000	Preceding year to-date 31/12/2016 RM'000
Income tax				
Current period	2,595	2,206	5,001	5,045
Prior period	-	-	-	(89)
	<u>2,595</u>	<u>2,206</u>	<u>5,001</u>	<u>4,956</u>
Deferred tax				
Current period	(73)	(73)	(292)	(273)
Prior period	-	-	-	15
	<u>2,522</u>	<u>2,133</u>	<u>4,709</u>	<u>4,699</u>

The effective tax rate for the current quarter and 12-month financial period ended 31 December 2017 of 41% and 32% respectively which was higher than the statutory tax rate was mainly due to expenses disallowed for tax purposes.

B6 Unquoted investments and properties

There were no purchases or sales of unquoted investment or properties for the current financial quarter and current financial period under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current financial quarter and the financial period to date.

B8 Borrowings and Debt Securities

The Group's total debts as at 31 December 2017 which are denominated in Ringgit Malaysia are as follows:

	Unaudited as at 31/12/2017 RM'000	Audited as at 31/12/2016 RM'000
Short-term indebtedness:		
<u>Secured and guaranteed</u>		
Borrowings	2,876	8,126
Long-term indebtedness:		
<u>Secured and guaranteed</u>		
Borrowings	<u>14,582</u>	<u>7,642</u>
Total indebtedness	<u>17,458</u>	<u>15,768</u>

B9 Material Litigation

There were no material litigations pending as at 27 February 2018.

B10 Dividend

No dividend has been declared or proposed for the current financial quarter under review.

B11 Earnings Per Share ("EPS")

	Individual quarter		Cummulative period	
	Current year quarter 31/12/2017 RM'000	Preceding year quarter 31/12/2016 RM'000	Current year to-date 31/12/2017 RM'000	Preceding year to-date 31/12/2016 RM'000
BASIC EPS				
Profit for the period (RM'000)	3,582	2,365	9,986	13,043
Number of ordinary shares in issue ('000)	428,103	428,103	428,103	428,103
Basic EPS (Sen)	0.84	0.55	2.33	3.05

There was no dilution in the earning per share as there was no potential diluted ordinary share outstanding as at the end of the current quarter under review.

B12 Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit before tax has been arrived at after crediting/(charging):

	Individual quarter		Cummulative quarter	
	Current year quarter 31/12/2017 RM'000	Preceding year quarter 31/12/2016 RM'000	Current year to-date 31/12/2017 RM'000	Preceding year to-date 31/12/2016 RM'000
Interest income	120	259	462	552
Other income:				
Bad debts recovered	-	-	-	6,210
Compensation received	-	-	-	445
Reversal of impairment on trade receivables	493	63	672	63
Investment income	-	-	-	-
Miscellaneous	424	84	895	84
Interest expense	45	(45)	(1,032)	(907)
Depreciation of property, plant and equipment	(95)	(69)	(339)	(271)
Amortisation of intangible assets	(304)	(304)	(1,216)	(1,216)
Bad debts written off	-	(20)	(263)	(20)
Write off on:				
- Trade receivables	-	-	-	-
- Inventories	-	-	-	-
Impairment loss on:				
- Trade receivables	-	(733)	(1,974)	(733)
- Goodwill	-	-	-	-
- Inventories	-	-	-	-
Employee benefits expense	(7,237)	(2,018)	(28,128)	(23,718)
Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
Realised foreign exchange gain or loss	-	-	-	-
Unrealised foreign exchange gain or loss	-	-	-	-
Gain or loss on derivatives	-	-	-	-
Rental of premises	(69)	(49)	(259)	(261)
Rental of office equipment	<u>(26)</u>	<u>(19)</u>	<u>(99)</u>	<u>(274)</u>

B13 Status of utilisation of proceeds

i) Status of Utilisation of Proceeds from Private Placement

No.	Purpose	Proposed Utilisation ⁱ RM'000	Proposed Revised Utilisation ⁱⁱ RM'000	Actual Utilisation RM'000	Intended timeframe for utilization from listing date (9 Jan 2017)	Balance of unutilized proceeds RM'000
1.	Defray expenses relating to the listing exercise	2,175	2,895	2,895	Immediately	0
2.	Working capital	135	1,095	1,095	Within 12 months	0
		2,310	3,990			

ⁱ Proposed Utilisation as disclosed in the Explanatory Statement Cum Circular to the shareholder of AsiaEP dated 24th August 2016 in relation to the regularisation plan of AsiaEP

ⁱⁱ Proposed Revised Utilisation is due to higher gross proceeds raised from the Private Placement pursuant to the regularisation of AsiaEP based on the 10,500,000 placement shares issued at RM0.38 per placement share instead of based on illustrative issue price of RM0.22 per placement share as appearing in the Explanatory Statement Cum Circular.

B14 Status of corporate proposals

Save as disclosed below, there are no other corporate proposal announced but not completed as at the date of this interim report.

The board of directors of GFM had, on 5 July 2017, announced that the Company intends to undertake the following proposals:-

- (i) Proposed transfer of the listing of and quotation for the entire issued share capital of GFM from the ACE Market of Bursa Malaysia Securities Berhad to the Main Market of Bursa Malaysia Securities Berhad ("Proposed Transfer of Listing"); and
- (ii) Proposed amendments to the constitution of the Company to facilitate the Proposed Transfer of Listing and to ensure compliance with the relevant rules and regulatory provisions governing the Company ("Proposed Amendments"); and
- (iii) Proposed establishment of an employee share scheme of up to 5% of the total number of issued shares of GFM at any point in time ("Proposed Employee Share Scheme") comprising the:-
 - (a) Proposed establishment of an employee share option scheme to the eligible persons of GFM Group; and
 - (b) Proposed establishment of an employee share grant scheme to the eligible persons of GFM Group

KAF Investment Bank Berhad had, on 24 August 2017, announced on behalf of the Company that the the Company has decided to undertake the proposed adoption of a new constitution of the Company ("Proposed Adoption of New Constitution") in place of the Proposed Amendments as announced on 5 July 2017.

KAF Investment Bank Berhad had, on 5 September 2017, made the relevant submission to Bursa Securities in relation to the Proposed Employee Share Scheme and Proposed Adoption of New Constitution.

KAF Investment Bank Berhad had, on 11 September 2017, received a letter from Bursa Malaysia Securities Berhad dated 11 September 2017 to KAF IB for the approval of the listing of such number of new ordinary shares, representing up to 5% of the total number of issued shares of GFM Services, excluding treasury shares, to be issued pursuant to the Proposed Employee Share Scheme.

The Company had, on 17 October 2017, held its extraordinary general meeting in relation to the Proposed Employee Share Scheme and Proposed Adoption of New Constitution. All the relevant resolutions as included in its circular to the shareholders of GFMSB dated 20 September 2017 in relation to the Proposed Employee Share Scheme and Proposed Adoption of New Constitution were carried. The new constitution of GFMSB is effective immediately after the special resolution in relation to the Proposed Adoption of New Constitution was carried on 17 October 2017.

The Proposed Employee Share Scheme is currently pending implementation and the Proposed Transfer of Listing is pending submission to the relevant authorities.

KAF Investment Bank Berhad had, on 26 January 2018, on behalf of the board of Directors of GFM Services Berhad, announced that the Company had entered into a Conditional Share Sale Agreement with Kumpulan Parabena Sdn Bhd for the proposed acquisition of entire issued share capital of KP Mukah Development Sdn Bhd from Kumpulan Parabena Sdn Bhd for RM 130,000,000 to be satisfied wholly by cash.

[THE REST OF THE PAGE HAS BEEN INTENTIONALLY LEFT BLANK]