



KUALA LUMPUR: Integrated facilities management service provider GFM Services Bhd (GSB) turned a net profit of RM3.2 million for the fourth quarter (Q4) ended 31 December 2020 (FY20) from a net loss position same quarter last year.

The earnings turnaround was mainly attributable to reduced operating costs and contribution from the operations and maintenance (O&M) project at Pengerang Integrated Complex (PIC) which carries a higher profit margin.

Group revenue increased 33 per cent year-on-year (YoY) to RM32.3 million in Q4 against RM27.2 million in 4QFY19.

For the full year, GFM posted a net profit of RM8.4 million as compared to RM5.9 million in FY19 on the back of contribution from new contracts secured and lower project as well as operating costs.

Revenue stood at RM116.9 million in FY20 while gross profit margin also expanded to 40 per cent from 35 per cent in the previous year.

The facilities management (FM) business generated revenue of RM82.4 million in FY20, making up 71 per cent of the group's revenue, while the concession arrangements segment accounted for 29 per cent worth RM34.4 million, after consolidation adjustment.

In 2020, GFM has successfully secured several new contracts, namely to manage facilities within the education hub, EduCity Iskandar Malaysia located in Iskandar Puteri, Johor, as well as to provide O&M services at PIC in Pengerang, Johor.

GFM executive vice chairman Ruslan Nordin said for FM segment, the company have successfully secured two new projects in 2020 despite subdued market sentiment.

"Our outstanding orderbook as at 31 December 2020 amounts to RM1.2 billion. As we move ahead, we remain steadfast on expanding our portfolio by bidding for more FM jobs in the private and public sector," he said in a statement today.

Ruslan said GFM registered a solid performance in FY20, despite the impact of the Covid-19 pandemic and its resultant containment measures.

"As we enter 2021, we remain focused on strengthening our competencies and scaling our operations. As a FM specialist, we need to be flexible to respond to changes.

"Our commitment to serve our customers has always been our main agenda and we will continue to adapt and evolve with changing needs and demands moving forward," he said.

He said GFM continue to provide FM services at Universiti Teknologi Mara (UiTM) Mukah until the end of the concession tenure in 2035 for under its concession arrangements segment.

"As we endeavour to expand the Group, we are exploring opportunities that grow our recurring income streams and scope of services.

"In view of the Covid-19 outbreak, we have witnessed the importance of having a recurring income stream to mitigate the risks during an economic downturn," he said.

GFM in the midst of acquiring up to 70 per cent stake in Amzass (M) Sdn Bhd, a company that is authorized to upgrade existing facilities into a rest and service area of the Northbound and Southbound Bemban lay-bys in the state of Melaka, located along the PLUS North-South Expressway.

Source:

<https://www.nst.com.my/business/2021/02/669365/gfm-services-net-profit-grew-41pc-rm84-million-fy20>