

# GFM eyes concession asset expansion via stake buy in Amzass

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KUALA LUMPUR (Sept 7): Integrated facilities management service provider GFM Services Bhd is looking to enlarge its portfolio of concession assets to include a rest and service area along PLUS Malaysia Bhd's North-South Expressway via the proposed acquisition of up to 70% equity interest in Amzass (M) Sdn Bhd.

It has entered into a heads of agreement (HoA) with the shareholders of Amzass for the proposed acquisition. Amzass was awarded a conditional approval by the Malaysian Highway Authority (MHA) to upgrade the existing facilities of the Northbound and Southbound Bemban lay-bys, which are located along the PLUS North-South Expressway.

In a filing with Bursa Malaysia today, GFM said it has entered into the HoA with Hamzah Omar, Mohd Ismail Norbat and Mazlan Ali, who collectively own the entire equity in Amzass. The group will pay a refundable initial deposit of RM500,000 in cash upon execution of the HoA.

Pursuant to the HoA, the parties will endeavour to negotiate exclusively and to enter into a share sale agreement for the stake in the company.

GFM said Amzass is in the midst of complying with the conditions set out in the MHA approval with the company to meet the conditions by Dec 31, 2020.

"The proposed acquisition is expected to provide GFM the opportunity to participate in the above-mentioned project and enable the group to enlarge its portfolio of concession assets to include a rest and service area along the PLUS North-South Expressway," said GFM executive vice chairman Ruslan Nordin in a separate statement.

"Our group also expects to expand our income stream from the concession arrangements segment considering the potential commercial benefits to be derived from the above-mentioned project," he added.

He said the group has been on the lookout for earnings-accretive opportunities that can complement its business.

"We see a lot of potential in this business as the PLUS North-South Expressway is a critical enabler of economic and social development in Malaysia," said Ruslan.

GFM shares closed down 0.5 sen or 2.78% at 17.5 sen per share today, giving it a market capitalisation of RM90.91 million.

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