

GFM Services to develop new Sungai Muda rest and service area

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KUALA LUMPUR: [GFM Services Bhd](#) has proposed to acquire the company holding the rights to develop and operate the rest and service area (RSA) at Sungai Muda, Penang, situated along the Northbound lane of the PLUS Malaysia Bhd North-South Expressway (NSE).

In a statement, the integrated facilities management service provider said it will acquire the entire 100% stake in Era Gema Bina Sdn Bhd, which has been awarded the rights by the Malaysian Highway Authority to undertake the proposed development of an RSA on 1.74ha of land.

Of the 1.74ha, 1.4ha comprise freehold land owned by Era Gema, and the remaining 0.34ha are from the existing lay-by known as "R&R Sungai Muda (Northbound)"; which will be upgraded and incorporated as an integrated development, it said.

GFM group managing director Ruslan Nordin said the proposed acquisition is a strategic move to bolster its presence in the RSA business, which it has been actively exploring for its growth potential.

"This venture aligns with GFM's vision to expand our portfolio and diversify income streams.

"Moreover, we are delighted to play a contributing role towards LLM's initiative to further improve the Malaysia's highway infrastructure and overall experience for travellers on the highway," he added.

The proposed acquisition is expected to be completed by end-2024.

GFM said the land development cost of the RSA is estimated at RM78mil, which will be financed via a combination of internal funds and through capital market fundraising, if required.

The project is scheduled to commence in 2025, and expected to be completed within two years.