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**COMPETITIVE
STRATEGY LEADER**

*Transforming Innovation Into High-Growth
Performance and Competitiveness*

*RECOGNIZED FOR BEST PRACTICES IN THE
MALAYSIAN FACILITY MANAGEMENT
INDUSTRY*

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Best Practices Criteria for World-class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each recognition category before determining the final recognition recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. GFM Services Berhad excels in many of the criteria in the facility management space.

RECOGNITION CRITERIA	
Strategy Innovation	Customer Impact
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

The Transformation of the Facility Management Industry

The Asia-Pacific facility management (FM) market is experiencing remarkable growth, valued at \$44.1 billion as of 2024 and projected to grow at a compound annual rate of 11.8% through 2029.¹ This strong momentum is driven by rapid urban development, increased infrastructure investment, and rising expectations for superior building performance. Malaysia is part of this broader regional shift. Over the years, the country’s FM industry has moved beyond conventional maintenance services, shifting toward more comprehensive and technology-enabled solutions that meet the complex demands of modern infrastructure.

One of the most notable developments in Malaysia’s FM landscape is the growing use of digital technologies. Service providers are incorporating smart tools like Internet-of-Things (IoT)-enabled sensors, automated maintenance systems, and artificial intelligence (AI)-powered analytics into their operations. These innovations give clients real-time insights, improve predictive maintenance, and enable faster response times, ultimately enhancing service quality and cost efficiency.

Sustainability is also becoming a major focus in the industry. Clients and regulators are prioritizing energy efficiency, effective waste management, and carbon reduction. As a result, environmental performance has become a crucial factor in how FM providers are selected and assessed.

¹ Frost & Sullivan: Growth Opportunities in the Integrated Facility Management Market, Asia-Pacific, 2024–2029 (October 2024)

“GFM has developed a diversified and resilient business model centered around four segments: FM, oil and gas support services, concession services, and rest and service area (RSA) development. This strategic diversification enables GFM to support various critical industries, maintain steady revenue streams, and reduce exposure to market fluctuations.”

**– Norazah Bachok,
Best Practices Research Analyst**

Despite the strong push factors, the industry still faces some pressing challenges. A rising concern is the shortage of skilled professionals, especially as building systems become more sophisticated and technically demanding. Investing in workforce development and upskilling has become essential. High operational costs, tighter margins, and changing regulations around safety, labor, and environmental standards are also putting pressure on companies to maintain high performance while staying competitive.

Nevertheless, the outlook remains optimistic. Government-led smart city initiatives, continued

infrastructure investment, and the increasing shift toward outsourced FM services are creating new growth opportunities. Public-private partnerships (PPP) are gaining traction, particularly in the management of large-scale public assets. These long-term contracts not only offer business stability but also give FM providers a platform to showcase innovation and deliver measurable value.

GFM Services Berhad: A Trusted FM Provider in Malaysia

Established in 2000 and headquartered in Kuala Lumpur, GFM Services Berhad (GFM) has built a strong reputation as a long-standing provider in Malaysia’s integrated FM sector. With a proven track record and a wide-ranging portfolio, the company delivers comprehensive FM solutions that cover building operations and maintenance, mechanical and electrical systems, energy and asset optimization, environmental and cleaning services, as well as security management. As a testament to its growth and strong fundamentals, GFM has been listed since 2017 and moved to the Main Market of Bursa Malaysia in April 2024. This achievement marks a significant milestone and underscores the company’s commitment to good corporate governance, financial transparency, and long-term business sustainability.

Integrated Services and Innovation-driven Operations

GFM delivers a fully integrated FM model that combines hard and soft services with specialized, value-added solutions. By offering a complete suite of services under one roof, GFM simplifies vendor management for its clients, ensures consistent service quality, and improves cost efficiency across diverse environments.

Its hard services include mechanical, electrical, and plumbing maintenance; fire protection systems; heating, ventilation, and air conditioning (HVAC) system operations; structural repairs; lift and escalator servicing; energy management; and water treatment. Complementing these are soft services, such as cleaning and sanitization, landscaping, waste management, and pest control. These core functions are strengthened through specialized solutions, including project management, regulatory compliance, sustainability consulting, smart building integration, and asset lifecycle planning.

Additionally, a key driver of GFM’s operational excellence is its proprietary platform, the GFM Enterprise Management System (GEMS). Uniquely developed in-house, GEMS provides real-time operational insights, enables predictive maintenance, and supports end-to-end asset management, setting it apart

from most competitors that rely on third-party systems. Since its introduction in 2018, GEMS has undergone continual upgrades, with mobile-enabled GEMS 2.0 launched in 2022–2023 and ongoing development of its Phase 2. Unlike off-the-shelf systems, GEMS allows agile customization, enhances control over operations, and eliminates costly third-party software fees.

“The service provider makes a deliberate effort to target resilient sectors with long-term working relationships while incorporating integrated and technology-led approaches, which have been vital in its market positioning.”

– Janice Wung,
Energy & Environment
Industry Principal

GFM has emphasized retrofitting Malaysia’s aging infrastructure. Through its smart retrofit strategy, GFM deploys IoT-driven upgrades, such as HVAC monitoring sensors, energy data loggers, and predictive analytics, to modernize facilities. This initiative, implemented progressively since 2020, has led to a reduction in equipment downtime by up to 60% and an improvement in energy efficiency by 15–25% compared to baseline performance levels in 2024. The outcomes align with national sustainability targets and have significantly supported clients in reducing long-term operational costs.

Frost & Sullivan recognizes GFM’s strategy-led, integrated approach as a key differentiator in Malaysia’s FM sector. Instead of relying on third-party tools, GFM develops in-house solutions like its GEMS platform to enhance operational control, service consistency, and client customization. Its full-spectrum model, which combines hard, soft, and specialized services, ensures efficiency and seamless delivery across contracts. Through its smart retrofit strategy, GFM modernizes aging infrastructure with IoT-enabled upgrades, improving energy efficiency and reducing downtime. These initiatives reflect GFM’s commitment to proactive, innovative-driven operations that create long-term value for clients and support broader national sustainability goals.

Comprehensive Business Portfolio and Client-centric Market Reach

Beyond its integrated services, GFM has developed a diversified and resilient business model centered around four segments: Assets and Buildings facilities services, Oil and Gas facilities services, Accommodation facilities services and Rest & Service Area (RSA) development. This strategic diversification enables GFM to support various critical industries, maintain steady revenue streams, and reduce exposure to market fluctuations.

FM remains the foundation of GFM’s operations, driven by long-term contracts with government ministries, higher education institutions, and commercial clients. Backed by a reputation for service excellence and reliability, GFM has secured high-value contracts amounting to approximately RM1 billion for 2025 and beyond.

The company’s remaining three segments strengthen its market reach and revenue diversity:

Oil and Gas Support Services: Delivered through its subsidiary, Highbase Strategic Sdn. Bhd. (HSSB), this segment provides upstream and downstream services, industrial asset management, engineering, and workforce accommodation. GFM’s operations at the PETRONAS-operated Pengerang Integrated Complex (PIC) underscore its ability to meet the industry’s high safety and compliance standards.

Concession Services: GFM holds long-term PPP concessions for the UiTM Mukah and Tapah campuses, both running until 2035, along with medium-term contracts for Istana Negara and oil and gas facilities at the Pengerang Integrated Complex. The UiTM Mukah concession, secured through KP Mukah Development Sdn Bhd, covers the full private finance initiative scope, including the design, construction, financing, operations, and maintenance of academic, residential, and administrative facilities. At UiTM Tapah, GFM provides facilities services under a similar long-term framework, although another party holds the asset concession. The medium-term contracts include services at Istana Negara, a high-security and protocol-sensitive site, as well as operations and maintenance services for oil and gas facilities at the Pengerang Integrated Complex (PIC). The PIC engagement is managed through GFM's stake in Highbase Strategic Sdn Bhd, with GFM seeing the opportunity to extend the contracts and further expand the scope of work. Collectively, these engagements highlight GFM's capability to meet stringent operational and compliance requirements across critical government and industrial facilities.

RSA Development: GFM is actively expanding into RSA development through facilities in Karak and Sungai Muda, as well as through a 15% stake in Amzass (M) Sdn. Bhd., which leads to the redevelopment of the Bemban RSA. The project is being executed in two phases, with the Northbound facility scheduled for completion by 2028 and the Southbound facility by 2029.

Expansion into New Verticals: In line with its market-creation strategy, GFM is also exploring new verticals such as purpose-built student accommodation (PBSA) and centralized labor quarters (CLQ) to address the rising demand for urban housing and organized workforce accommodations. These initiatives, distinct from its RSA projects, reflect GFM's commitment to entering underserved yet high-potential infrastructure segments, contributing to national development priorities and urban resilience.

Frost & Sullivan recognizes GFM's ability to sustain long-term partnerships with high-profile institutions, underpinned by its specialized expertise, robust governance, and reliable execution. The service provider makes a deliberate effort to target resilient sectors with long-term working relationships while incorporating integrated and technology-led approaches, which have been vital in its market positioning.

Financial Performance and Business Model Resilience

GFM's strong financial standing reflects the company's well-structured business model and strategic foresight. Its focus on recurring, high-value contracts and carefully chosen growth segments has helped build a stable and scalable foundation.

Its revenue model is structured around three pillars:

Long-term contracts (approximately 70% of revenue), such as the UiTM Mukah and Tapah campus concessions, provide reliable cash flows and support investment in innovation, sustainability, and workforce development.

Medium-term strategic contracts (around 20%), typically for protocol-sensitive facilities, offer solid returns and are often renewed based on consistent performance.

Emerging growth segments (estimated 10%), including RSA development, oil and gas support services, PBSA, and CLQ, align with national development goals and present long-term value opportunities.

The RSA portfolio, featuring the Karak and Sungai Muda sites and GFM's stake in Bemban, is expected to generate stable, annuity-like revenue once operational. By maintaining a strategic approach to contracts and expanding selectively into forward-looking sectors, GFM delivers strong financial outcomes and builds long-term growth potential. This resilience stems from leadership decisions anchored in market awareness, risk management, and a clear commitment to value creation.

Sustainability and Corporate Responsibility

GFM's approach to sustainability is comprehensive, integrating environmental stewardship, social responsibility, and governance excellence into all aspects of its operations. While many FM providers treat sustainability as a standalone initiative, GFM incorporates it as a fundamental part of its strategy, ensuring it influences daily operations and long-term planning.

Through its energy management and optimization services, GFM contributes directly to Malaysia's national sustainability goals by reducing energy consumption and improving efficiency across its managed portfolio. Unlike providers dependent on off-the-shelf tools, GFM leverages proprietary systems that enable more precise control and tailored implementation, delivering consistent and measurable outcomes.

The company also sets itself apart through its robust environmental programs. Its waste management and recycling initiatives, environmental health services, and energy analytics capabilities help clients meet their sustainability targets while reflecting GFM's commitment to responsible facility practices. The integration of IoT technologies for energy monitoring and optimization demonstrates how GFM turns sustainability principles into practical actions that deliver tangible environmental benefits. This hands-on execution differentiates it from competitors who often remain at the planning or pilot stage.

In addition to environmental leadership, GFM emphasizes social impact through workforce development programs, skills training, and community engagement. These efforts are closely tied to the company's long-term contracts with public institutions, allowing it to deliver value beyond the built environment. By managing essential facilities and supporting educational institutions, GFM plays a role in advancing Malaysia's broader social and economic development goals.

GFM's ability to embed sustainability into both operational delivery and community value creation reinforces its leadership in the FM industry. It not only supports clients in meeting environmental, social, and governance requirements but also aligns its efforts with national priorities, demonstrating a level of depth and impact that few competitors can match.

Conclusion

GFM represents the pinnacle of excellence in Malaysia's FM industry. The company's 25-year journey from a traditional maintenance service provider to a sophisticated, technology-enabled FM leader demonstrates exceptional strategic vision, operational excellence, and market leadership.

Its diversified business portfolio, distinguished client relationships, proprietary technology platform, and strong financial fundamentals create a sustainable competitive advantage that positions GFM for continued success. The strategic focus on creating new markets through ventures like RSA development and urban accommodation solutions, along with quality service delivery and long-term partnerships, has established GFM as Malaysia's premier FM company.

The company's competitive strategy leadership ensures continued progress for itself while creating measurable value for clients, investors, employees, and society through operational excellence, financial resilience, technology-driven solutions, and a commitment to sustainability.

With its strong overall performance, GFM Services Berhad earns Frost & Sullivan's 2025 Malaysian Competitive Strategy Leadership Recognition in the facility management industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Recognition Analysis

For the Competitive Strategy Leadership Recognition, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes best practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services offer the best ROI and superior value compared to similar market offerings

Customer Purchase Experience: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

Customer Ownership Excellence: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

Customer Service Experience: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

Best Practices Recognition Analytics Methodology

Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

VALUE IMPACT			
STEP		WHAT	WHY
1	Opportunity Universe	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	Transformational Model	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	Ecosystem	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	Growth Generator	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	Growth Opportunities	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	Frost Radar	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	Best Practices	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	Companies to Action	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

*Board of Directors, Investors, Customers, Employees, Partners

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Generator™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

[Learn more.](#)

Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Megatrend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

