

# ISSUE 251

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## CORPORATE REAL ESTATE HIGHLIGHTS

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# Malaysia gets RM76bil data centre investments

Malaysia has received investments worth RM76bil involving data centres between 2021 and March this year, says Tengku Datuk Seri Zafrul Abdul Aziz.

The Investment, Trade and Industry Minister said this was a big growth that was also supported by several factors in line with the government's aim to make the country a data centre hub in the Asian region.

“Now, there are many data centres operating in the country but when we look at the growth, it is really big.

“Our target is to become a hub not only for the Asean region, but also in Asia,” he told reporters after officiating at the opening of GDS NTP data centre campus at Nusajaya Technology Park here yesterday.

Tengku Zafrul said factors that drive the growth of data centres include government policies and incentives on renewable energy, land and the existing digital economy ecosystem.

In terms of the Malaysian data center market share, the projections are nothing short of impressive. A projected average annual growth rate of 16%, equating to US\$2.08 billion (RM9.36 billion), is anticipated from 2021 through 2026. [READ MORE](#)



# Magna Prima has received offers for its Lai Meng school land near KLCC

Magna Prima Bhd has received proposals for its premium 1.06 ha of land along Jalan Ampang in Kuala Lumpur, which once housed the SJKC Lai Meng school. The school, with its distinct terracotta-red brickwork and curving stairwells, stands as a rare historical architecture amidst towering structures like Hotel Maya, W Kuala Lumpur, and the Petronas Twin Towers merely 300 meters away.

According to Magna Prima, it has received an expression of interest to purchase the land (which now acts as a car park) for an estimated price of US\$69 million, but it has not pursued the proposal further. Magna Prima further said that the land, which is owned entirely by its wholly-owned subsidiary, Twinicon (M) Sdn Bhd, will not be developed anytime soon.

The company indicated in its annual report and CG report for 2022 (filed with the stock exchange on May 3, 2023) that this is due to the current weak market situation in the upscale real estate industry.

Magna Prima purchased the 1.06 ha of land in March 2009 for RM1,350 per square foot (psf), or RM148.2 million in cash. The company also built new schools in Bukit Jalil for the landowner, Lai Meng Girls Schools Association, as part of the consideration.

Magna Prima had planned to develop the Lai Meng school land, into a RM1.8 billion integrated development with a plot ratio of 1:12. [READ MORE](#)



# Magna Prima to sell subsidiary and land for RM65m

168 Park Selayang Sdn Bhd's leasehold mixed development 168 Park Selayang located in Jalan Kuching, Kuala Lumpur, has achieved an 80% take-up rate for its Block A, since March 1, 2023.

Block A has a total of 477 units with built-ups ranging from 560 sq ft to 1,050 sq ft with a starting price of RM294,000. This RM939.51 million project is a mixed development with three blocks and a two-storey retail space. Block B is expected to be launched in the third quarter of 2023 (3Q2023).

“The strong interest from home buyers of whom the majority are young families confirms the attractive qualities of 168 Park Selayang — well-designed, strategically located with close proximity to Kuala Lumpur city centre and supported by a shopping mall (235,000 sf NLA) as well as extensive resort-like facilities within the building,” said 168 Park Selayang chief executive officer Edward Lum.

Meanwhile, Block B will comprise 956 units with three built-up sizes of 675 sq ft, 774 sq ft and 1,074 sq ft. The units will range from two bedrooms and two bathrooms to four bedrooms and three bathrooms. Block C is still under construction. [READ MORE](#)



# AME REIT aims for 100% lease renewal, targets RM100 mil acquisition to expand portfolio

AME Real Estate Investment Trust (REIT) is aiming for 100% renewal of its 12 leases expiring in the financial year ending March 31, 2024 (FY2024) to reinforce the industrial REIT's future earnings.

Of the 12 leases, AME REIT has successfully renewed leases with five existing tenants, obtained one replacement tenant, and confirmed lease renewals with six existing tenants, which will be finalised by end-FY2024. With this, AME REIT is on track for 100% occupancy rates across all industrial- and industrial-related properties.

I REIT Managers Sdn Bhd, the management company of AME REIT, is confident of AME REIT maintaining its full occupancy position with healthy rent escalations.

AME REIT now has 36 properties in its portfolio, with the acquisition of another industrial property on track for completion in FY2024. The acquisition will bring AME REIT's total investment property value to RM668 million, with all properties enjoying full occupancy.

On top of that, AME REIT is on the lookout for new properties in Johor, Klang Valley, and the northern region to further strengthen its asset base. "In this respect, we are targeting approximately RM100 million acquisition to expand our portfolio, and continue to reinforce our reputation as a leading industrial REIT in Malaysia," the REIT said. [READ MORE](#)



# IHH acquires Sarawak hospital operator for RM245mil

IHH Healthcare Bhd is acquiring the entire equity interest in Bedrock Healthcare Sdn Bhd (BHSB) for RM245mil.

In a filing with Bursa Malaysia, IHH said that its wholly-owned subsidiary, Pantai Holdings Sdn Bhd, had entered into a share purchase agreement with Saravita Holdings Sdn Bhd and nine individual founders to acquire BHSB.

The acquisition is expected to be completed by the first half of 2024.

BHSB operates an 82-bed hospital, Timberland Medical Centre, in Kuching, Sarawak and has earmarked a vacant land in central Kuching for the construction of a 200-bed hospital.

“The acquisition will expand IHH’s footprint to the state of Sarawak and will also allow IHH to scale up Timberland’s operations via the new hospital,” said IHH. [READ MORE](#)



# PLB Engineering to rake in RM10.76m gain from Penang land disposal

PLB Engineering Bhd's wholly owned subsidiary, PLB Land Sdn Bhd, has entered into a sale and purchase agreement (SPA) with Milenium Baru Sdn Bhd for the disposal of two vacant plots of land for RM26.21 mil.

In a filing with Bursa Malaysia, PLB Engineering said the net proceeds from the disposal will be utilised for the repayment of bank borrowings amounting to RM10.38mil, while the remaining RM15.83mil is earmarked for working capital.

"It's expected to be fully utilised within three months from the completion date," it noted. Following this, PLB expects its gearing to improve to 2.07 times from 2.33 times.

Independent valuer Lanserve (Penang) Sdn Bhd had appraised the land on Dec 14, 2020, at a market value of RM24mil, PLB noted.

Both the freehold plots of land for development use are located in Penang and have a combined size of about 104,851 sq ft.

It is noteworthy that the original cost of investment towards these two parcels of land was about RM8.38mil. [READ MORE](#)



# Infineon to invest €25b in world's largest SiC Power Fab in Kulim, Kedah

Infineon Technologies AG will invest up to 5.0 billion euros (about RM24.9 billion) over the next five years to build the world's largest 200mm silicon carbide (SiC) power fabrication (power fab) plant in Malaysia.

The Germany-based global semiconductor company said the investment on its Kulim facility in Kedah will lead to an annual SiC revenue potential of about 7.0 billion euros by the end of the decade.

"This highly competitive manufacturing base will support Infineon's SiC market share target of 30% towards the end of the decade," the company said in a joint statement with the Malaysian Investment Development Authority today.

Infineon said Prime Minister Datuk Seri Anwar Ibrahim had expressed his appreciation for the company's commitment to creating a significant wide bandgap hub in the country.

"Malaysia's continued appeal as a preferred investment destination comes with a well-established landscape for developing innovative and sustainable technologies. "Infineon and other well-established German corporations' continued faith in Malaysia is a vote of confidence in Malaysia's new economic growth agenda premised on inclusivity and sustainability," Anwar said in the statement. [READ MORE](#)



# Grand Global Records 53% Take Up For Second Residential Tower

Grand Global, an established property developer with projects in Malaysia and Australia, recently recorded an impressive 53% take up of its second residential tower at its latest integrated development project within a week of its launch.

The success of Grand Damansara, nestled in the heart of Petaling Jaya, signals continued robust demand for well-located integrated developments.

Standing tall at 40-storeys, the development offers four types of unit configurations, from 1+1 room units to three-bedroom apartments, ensuring there's an option for every lifestyle.

Prices for entry units start from RM 435,800, with the 2+1 units from RM 637,800 and RM 806,800 for the three-bedroom, two-bathroom units.

Residents can also enjoy 28 state-of-the-art facilities including a swimming pool, jacuzzi, children's playground, communal kitchen, and more. The development presents a harmonious blend of lifestyle and residential units, seamlessly integrated by a podium deck and by retail shops on the ground and first floors. [READ MORE](#)



# Premium Supermarket Village Grocer expanded the 27th outlet at Hartamas Shopping Centre

Premium supermarket Village Grocer has recently opened its twenty-seventh outlet at Hartamas Shopping Centre, a community place conveniently located in the heart of the Sri Hartamas neighbourhood.

The new 26,000 sq ft Village Grocer opening offers a wide range of high-quality groceries, a pleasant shopping experience and friendly services.

"We are proud to be accepted and accorded this recognition by Malaysia Land Properties Sdn Bhd for the opening at Hartamas Shopping Centre, making the grocery shopping distance shorter for the community here in Sri Hartamas," The Food Purveyor Sdn Bhd group executive director Ivan Tan said in a statement.

Renowned brand from Australia Woolworths and Britain Quality Grocer Waitrose & Partners has partnered with Village Grocer to provide quality imported brand products to the local. [READ MORE](#)



# Mohd Zuki: Review, update federal land database to speed up development plans

Chief Secretary to the Government Tan Sri Mohd Zuki Ali has instructed federal ministries and departments as users (KJP) to review and update the Federal land database under its purview to speed up development plans.

KJP comes under the Director-General of Lands and Mines Department (JKPTG) which, among others, plays a role in ensuring that the land under its control is well managed and its use optimised.

Speaking at the Federal Land Conference held in conjunction with the 7th National Land Day celebration here today, Mohd Zuki said this was in line with the Federal Land Management New Direction 2021–2030 policy that stipulates the holding period of federal land by KJP is limited to five years only, with an appeal period for two years which will be considered according to justification.

“For federal land that is not developed, KJP should consult the Federal Land Commissioner (PTP) on the best methods to maximise revenues to the Federal government.

“In this regard, methods such as mortgage and leasing can be considered. If the land is no longer needed, the method of conversion to another KJP or disposal through handing it back to the state authorities can be studied and presented to the Federal Land Use and Development Special Committee (JKPKTP),” he said.

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