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MRCB Enters Joint Venture for RM6.25 Billion Ipoh Transit Development

MRCB, through its subsidiary Country Annexe Sdn Bhd (CASB), has formalised a joint venture with Ipoh Sentral Sdn Bhd to develop the Ipoh Sentral project in Perak. This transit-oriented development will be built on two leasehold parcels totaling over 296,000 square metres. The land is currently being transferred from the Railway Assets Corporation to its subsidiary, Railway Assets Holding.

As master developer, CASB will lead the planning and design for submission to the authorities. The mixed-use development, excluding a planned cultural zone, has an estimated gross development value of RM6.25 billion, with a development cost of RM5.62 billion. CASB will pay up to RM348 million to ISSB, including a guaranteed RM198 million, spread across a 20-year timeline using both cash and in-kind contributions.

MRCB views this venture as a strategic move to grow its land bank and reinforce its expertise in TODs, while generating recurring income throughout the project lifecycle.



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Hektar REIT Secures 42-Acre Education Leasehold in Melaka for RM40m

Hektar REIT has entered into a RM40 million deal to acquire 41.8 acres of leasehold land in Melaka from KYS College Sdn Bhd. The acquisition, executed via its trustee MTrustee Bhd, involves two parcels located in Durian Tunggal. Simultaneously, MTrustee signed 30-year triple net lease agreements with KYSA Education, operator of Kolej Yayasan Saad (KYS), with rental escalations every three years and an option to extend the lease by another 30 years or until the leasehold ends.

The first parcel spans 6.3 acres near the North-South Expressway, while the second, at 35.5 acres, adjoins land Hektar previously acquired for KYS campus use. This related-party transaction follows Hektar's RM150 million acquisition of the KYS school assets last year.

Aligned with its strategy to deliver sustainable income, Hektar sees the deal as a foundation for long-term earnings growth. Future building acquisitions may follow, offering upside in the education sector. Completion is targeted for Q4 2025.



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Avaland Acquires Jalan Putra Land for RM900m Mixed-Use Development

Avaland Bhd is acquiring a 3.194-acre parcel of land on Jalan Putra, Kuala Lumpur, from Tan Chong Motor's subsidiary Tanahku Holdings for RM148.8 million. The land, strategically located near major transit links and landmarks, will be developed into a mixed-use commercial project with an estimated gross development value of RM900 million. The deal was signed by Avaland's unit, Solid Interest Sdn Bhd, under a conditional sale and purchase agreement.

This marks Avaland's second land deal with the Tan Chong Group this month. On July 1, the company announced the RM49 million acquisition of a 2.17-acre plot in Petaling Jaya, aimed at a RM320 million high-rise project. Together, both sites are expected to contribute over RM1.2 billion in future GDV.

The Jalan Putra acquisition aligns with Avaland's strategy to grow its urban footprint and introduce investment-driven products. It will be funded via internal reserves and borrowings, with completion targeted for Q1 2026.



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NexG Acquires PJ Facility to Consolidate Operations and Drive Output

NexG Bhd, formerly Datasonic Group Bhd, is acquiring a leasehold industrial property in Petaling Jaya for RM28.5 million from Pixio Sdn Bhd. The asset spans 6,182 square metres and includes a two-storey factory, a three-storey office block, a two-storey warehouse, and a guardhouse. The deal is executed through its wholly owned subsidiary, Datasonic Technologies Sdn Bhd.

The strategic acquisition is aimed at centralising research, design, and production activities under one roof. By consolidating operations, NexG expects to enhance cost efficiency, improve quality control, and increase production output to better support both current and upcoming projects. The move also supports its long-term operational scalability.

Funding for the acquisition will come from a mix of internal funds, bank borrowings, and potentially private placement. The transaction is not expected to materially impact earnings for the financial year ending March 2026. Completion is targeted for the fourth quarter of 2025.



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Jasa Kita Sells Gombak Land, Proposes RM54m Special Dividend

Jasa Kita Bhd, via its unit JKB Development Sdn Bhd, has signed a conditional sale and purchase agreement with Logik Damai Sdn Bhd to dispose of four freehold industrial land parcels in Gombak, Selangor for RM38 million. The land spans 14,086 square metres and includes a detached warehouse and guardhouse currently used for inventory storage.

The company intends to revise the use of proceeds from a previous RM43.08 million land disposal in Setapak, completed in June 2024, in conjunction with the Gombak deal. A special cash dividend of 12 sen per share, totalling about RM53.95 million, has been proposed as a way to reward shareholders given the lack of immediate reinvestment opportunities.

The disposal allows Jasa Kita to unlock asset value while maintaining operations through planned tenancies. The deal, supported by principal adviser TA Securities, is expected to complete by the fourth quarter of 2025, pending regulatory and shareholder approvals.



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Bank Negara Cuts OPR to 2.75% Amid Global Trade Headwinds

Bank Negara Malaysia has lowered its overnight policy rate (OPR) by 25 basis points to 2.75 percent, marking the first rate cut in five years. The decision, which aligns with market expectations, aims to support domestic economic resilience amid softening global growth and trade-related uncertainties. The ceiling and floor rates were adjusted to 3 percent and 2.5 percent respectively.

The rate cut follows the announcement of a 25 percent US tariff on Malaysian exports. Prime Minister Anwar Ibrahim is scheduled to meet US Secretary of State Marco Rubio to appeal for lower tariffs, reflecting Malaysia's proactive stance in safeguarding trade relations.

Bank Negara cited heightened global risks including tariff pressures and geopolitical instability as factors weighing on the global outlook. Although Malaysia's economic fundamentals remain strong, the central bank noted that external volatility could dampen growth momentum, prompting a policy shift to maintain stability and support economic expansion in the near term.



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MARC Sees Moderate Growth Ahead with Steady Domestic Demand Support

MARC Ratings projects Malaysia's economy to expand by 4.4 percent in 2025, moderating from 5.1 percent in 2024, as trade uncertainty impacts export performance. However, domestic demand is expected to remain solid, backed by stable labour conditions, policy support, and tourism recovery. The construction sector grew 14.2 percent in Q1 2025, while agriculture rebounded slightly.

Bank Negara Malaysia's OPR cut to 2.75 percent in July reflects a cautious approach amid external risks. MARC expects policy flexibility to continue. Inflation is forecasted to ease to 2.3 percent in 2025, supported by lower oil prices and limited tax-driven cost pressures from the SST expansion, which exempts key essentials.

Malaysian Government Securities attracted RM26.9 billion in net foreign inflows between January and May, strengthening the ringgit by 5.3 percent year-to-date. While second-half sentiment may soften, structural reforms, SST adjustments, and anticipated global rate cuts are expected to cushion downside risks. Ringgit may close the year near RM4.25.



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Manufacturing Sector Records RM158.7 Billion Sales in May 2025

Malaysia's manufacturing sector posted a sales value of RM158.7 billion in May 2025, reflecting a 2.4% year-on-year growth. This was mainly driven by strong performances in the Food, Beverages and Tobacco sub-sector, which rose by 13%, and further supported by Electrical and Electronics products and basic metal-related industries. However, the overall monthly figure dipped by 1.1% compared to April.

Export-oriented industries, which made up over 71% of sales, expanded by 2.7%, showing resilience amid slowing global demand. Key growth came from vegetable and animal oils, electronics, and machinery segments. Domestic-oriented industries also advanced, rising 1.9% year-on-year, underpinned by food processing and metal-related manufacturing, though they declined month-on-month.

Employment in the sector reached 2.40 million, up 0.9% from a year ago. Salaries and wages increased by 1.6% to RM8.3 billion. For the first five months of 2025, total sales reached RM794.7 billion, marking a 3.8% increase compared to the same period last year.



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Retail Growth Softens Amid Rising Costs, Select Players Remain Resilient

Kenanga Research has maintained a “Neutral” stance on Malaysia’s retail and consumer sector as rising living costs and policy changes dampen spending. While first-quarter retail sales rose 5.4 percent year-on-year, largely driven by festive demand, forecasts have been revised downward. Retail Group Malaysia cut its full-year 2025 sales growth projection to 3.1 percent, citing weaker second-quarter expectations and growing price pressures.

A key driver of the slowdown is the 1.9 percent decline in real wages between 1Q 2020 and 1Q 2025, pushing lower and middle-income consumers to focus on essentials. Fiscal support programs such as STR and SARA are expected to partially support spending. However, upcoming policy changes, including fuel subsidy rationalisation, electricity tariff hikes, minimum wage adjustments, and SST expansion, could further pressure margins.

Despite headwinds, a stronger ringgit offers relief on import costs. Kenanga favours F&N for its earnings stability and MRDIY for scale, efficiency, and expansion potential.



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Books Kinokuniya Expands with New Outlet at Pavilion Damansara Heights

Books Kinokuniya Malaysia is set to open its second bookstore at Pavilion Damansara Heights, expanding its presence beyond its long-standing flagship at Suria KLCC. The new outlet, located on Level 4 of the mall's new wing, spans two adjoining lots and is expected to be completed by July 31.

Driven by rising readership in the Klang Valley, the expansion aims to reach more customers and strengthen community engagement. The location is easily accessible via the Pusat Bandar Damansara MRT station and an elevated walkway, making it convenient for both regular and new visitors.

Although smaller in size, the new store will offer the same engaging experience, including events and author sessions. The KLCC flagship, home to over 300,000 titles across multiple languages, will celebrate its 25th anniversary next year. Kinokuniya also maintains a presence at TRX Mall through its stationery and gift section at Seibu Department Store, reinforcing its retail footprint.



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ERAT Residence Gains Traction with Inclusive, Sustainable Living Features

Suntrack Development's ERAT Residence in Shah Alam has achieved a 20 percent take-up rate since its soft launch in March 2025. With a gross development value of RM173.36 million, the project is slated for completion in the fourth quarter of 2028. Situated on a 4.49-acre site, ERAT will comprise 269 condominium units across three layout types, ranging from 1,098 to 2,206 square feet, priced between RM598,000 and RM1.2 million.

Designed for inclusive accessibility and multigenerational living, each unit features wide door frames, spacious interiors, ramps, braille signage, and tactile tiles to support varying mobility needs. The design encourages ageing in place while supporting everyday functionality for diverse household types.

ERAT also integrates sustainability measures such as north-south building orientation, rainwater harvesting for landscaping, and dual-flush toilets. Water quality is enhanced through a centralised filtration system. Suntrack plans to launch new projects in 1Q2026, including affordable housing in Setia Alam and industrial assets in Sepang.



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Econpile Secures RM98 Million Industrial Piling Contract in Klang

Econpile Holdings Bhd has secured a RM98.2 million contract for bored piling and substructure works for an industrial development in Kapar, Klang. The project was awarded by Eastmont Sdn Bhd to Econpile's wholly owned subsidiary, Econpile (M) Sdn Bhd. The scope includes bored piling for Blocks C and D, basement construction for Block C, and pile cap works for Block D.

Work is scheduled to begin on July 30 and will span 13 months. The contract is expected to positively contribute to the group's revenue and earnings beginning the financial year ending June 30, 2026. This new win further strengthens Econpile's position in the industrial segment, complementing its existing portfolio.

It is also Econpile's second job award in the same week, following a RM27 million contract for piling works at a serviced apartment project in Kelana Jaya. As of end-March, the company's order book stood at RM404 million, supporting continued growth.



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Econpile Wins RM27 Million Contract for Kelana Jaya Project

Econpile Holdings Bhd has secured a RM27 million contract for piling and pile cap works for a serviced apartment development in Kelana Jaya, Selangor. The project was awarded to its wholly owned subsidiary, Econpile (M) Sdn Bhd, by Bayu Melati Sdn Bhd via a letter of award dated July 8.

The development comprises two 37-storey serviced apartment blocks, totalling 1,155 units, located on Lot 72699 off Jalan SS8/6. Construction is scheduled to begin on July 14, 2025, and is targeted for completion within 12 months. The scope focuses on foundational works to support the high-rise structures.

Econpile expects the project to contribute positively to its revenue and earnings starting from the financial year ending June 30, 2026. This award adds to the group's expanding project portfolio and reflects its continued strength in securing high-rise residential infrastructure contracts in key urban centres.



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