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Generative AI Set to Boost Malaysia's Economy by USD113 Billion

Malaysia is poised to harness significant economic gains from AI, with Generative AI alone projected to unlock USD113.4 billion in productivity. Digital Minister Gobind Singh Deo, speaking at the Global AI Governance meeting in Shanghai, stressed the importance of international cooperation to ensure AI remains a force for good. He highlighted the urgency of bridging the global digital divide and called for shared innovation and governance.

Domestically, Malaysia has taken proactive steps with the launch of the National AI Office last December to drive the nation's AI agenda. As the 2025 ASEAN Chair, Malaysia is also leading the ASEAN AI Safety Network, a regional platform to promote responsible AI use through best practice sharing, research, and standards development.

Gobind emphasised that AI is accelerating global development by improving decision-making and resource efficiency. Malaysia will further the dialogue by hosting the ASEAN AI Malaysia Summit and Smart Cities World Expo later this year.



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NVIDIA-YTL Deal to Propel Malaysia as ASEAN AI Powerhouse

Malaysia is advancing its position as a regional AI hub through a RM10 billion strategic partnership between NVIDIA and YTL Power International. This initiative will develop AI infrastructure powered by green energy, including data centres, NVIDIA GPUs, and the creation of Malaysia's own sovereign large language model. Investment, Trade and Industry Minister Tengku Zafrul views the project as a cornerstone for economic and technological transformation.

YTL Power, a subsidiary of YTL Corporation, will work with global technology partners and local contractors to build a complete AI ecosystem. The agreement reflects the success of Prime Minister Anwar Ibrahim's international engagements, notably his 2023 meeting with NVIDIA CEO Jensen Huang and YTL's managing director.

This project aligns with Malaysia's broader vision to lead in AI adoption and innovation within ASEAN. It supports national ambitions to attract future-focused investments, foster digital leadership, and position Malaysia as a trusted, competitive AI centre in the region.



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Malaysia Secures RM63 Billion in Semiconductor Investments

Malaysia has attracted over RM63 billion in semiconductor investments just a year after launching the National Semiconductor Strategy (NSS), reinforcing its position as a rising tech hub in Southeast Asia. Foreign investors contributed RM58 billion, while domestic players added RM5 billion. Key projects include advanced facilities by Carsem, NXP, Infineon, Syntiant, and Plexus. These investments signal investor confidence in Malaysia's robust infrastructure, skilled talent, and investor-friendly policies.

Economists affirm that Malaysia's strong semiconductor ecosystem — with active global and local linkages — remains a key advantage. Despite global trade uncertainties, the country continues to draw foreign direct investment, supporting local firms through supply chain participation and technology collaborations. These efforts are also expected to reduce reliance on imported technologies and boost global competitiveness.

With the NSS shifting Malaysia from a manufacturing base to an innovation-driven hub, the country is positioning itself as a vital node in the global value chain.



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Infineon's RM30 Billion Boost Strengthens Malaysia's Semiconductor Position

Infineon Technologies has solidified Malaysia's role as a global semiconductor hub with a RM30 billion investment in a new Silicon Carbide power facility in Kulim, Kedah. The plant, now operational, is the world's largest 200mm SiC Power Fab and will create 1,500 high-income jobs. This marks a major milestone following Prime Minister Anwar Ibrahim's trade mission to Germany, where the initial investment potential was first discussed.

The project reflects growing investor confidence and recognition of Malaysia's strategic location and policy support. It also aligns with federal and state efforts to enhance Kedah's appeal to high-tech manufacturers, contributing to national goals for sustainable economic advancement.

In parallel, Infineon has launched a local vendor development programme benefiting 139 small and medium enterprises. This initiative further strengthens domestic industry participation and enhances supply chain resilience, positioning Malaysia to lead in advanced semiconductor manufacturing across the region.



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Miti Accelerates Reforms to Attract Quality Foreign Investment

Malaysia's Ministry of Investment, Trade and Industry (Miti), along with Mida, is enhancing policy reforms to sustain investor confidence amid global trade uncertainties. The New Investment Incentive Framework (NIIF), launching in Q3 2025, aims to reward high-quality investments that offer strong economic spillovers. Focus areas include reforming tax incentives and targeting investments that increase economic complexity, create high-value jobs, and deepen domestic supply chains.

Miti is also working to strengthen and expand economic clusters while promoting inclusivity and environmental, social, and governance goals. The government is adopting a whole-of-government approach to encourage private sector growth, with clear emphasis on resilience and value creation. These initiatives are seen as vital to maintaining Malaysia's appeal as a competitive regional hub.

To mitigate risks from global tariff disputes, Matrade is diversifying Malaysia's export markets and exploring new non-traditional destinations. Malaysia is actively negotiating new free trade agreements, including with the EU, South Korea, GCC, and Canada.



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AIMS Expands Data Centre Capacity, Strengthens Malaysia's Digital Hub Status

AIMS Data Centre has completed its Cyberjaya Block 3 facility ahead of schedule, pushing its total capacity to over 100MW—the largest in Cyberjaya. This achievement reinforces Malaysia's appeal as a regional digital infrastructure hub, supported by strong market demand, committed customers, and government facilitation. The early delivery reflects AIMS' demand-led strategy and operational agility in meeting hyperscaler and enterprise needs.

CEO Chiew Kok Hin highlighted the crucial role of public-private collaboration, with agencies such as Invest Selangor, MDEC, and MIDA fast-tracking approvals. Malaysia's competitive cost structure, abundant resources, and connectivity continue to attract global digital players amid growing AI and cloud demand. AIMS also benefits from capital backing by DigitalBridge and Time dotCom, which has helped raise over RM2 billion for expansion.

With over 200 staff and a growing ecosystem, AIMS champions sustainable growth. Its facilities adopt energy-efficient systems and RECs, aligning with ESG principles while supporting Malaysia's digital economy.



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Sunway REIT Expands Portfolio with High-Yield Manjung Mall Asset

Sunway REIT has completed the acquisition of Sunway Seri Manjung Mall, a two-storey retail complex located on 30.25 acres of freehold commercial land in Perak. Previously known as AEON Mall Seri Manjung, the property is fully leased to AEON Co (M) Bhd under a long-term agreement lasting until December 2037. This provides strong income visibility and an estimated initial net property income yield of 6.5 percent.

Over the remaining lease period, the mall is expected to generate an average yield of seven percent, making the investment yield-accretive to Sunway REIT's portfolio. The acquisition offers immediate income contribution and aligns with the trust's strategy of securing stable, high-quality assets.

Acting CEO Ng Bee Lien affirmed the move reinforces Sunway REIT's position as a leading player in the market. The trust remains focused on acquiring assets with robust fundamentals to strengthen portfolio resilience and deliver sustainable returns to unitholders.



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Terrace @ Boulevard Boosts Sunway Pyramid's Dining Appeal

Sunway Pyramid has launched Terrace @ Boulevard, a three-storey, 30,000 sq ft dining hub beside the iconic Lion Head. The new zone introduces a curated mix of eateries, including Seminyak by Warung Eropa, Aftermeal Desserts, Come True Cafe, Pokok KL, and soon-to-open Cili Kampung. With its blend of local and international cuisine, the space offers a vibrant dining experience within a lifestyle-focused setting.

Terrace forms part of a larger rebranding, where the former Oasis Boulevard is now known as Boulevard. It unites 19 existing F&B outlets under one cohesive culinary destination. This consolidation strengthens Sunway Pyramid's F&B portfolio, now featuring over 200 dining options, and supports easier navigation for visitors seeking diverse meals in a centralised location.

To celebrate the launch, Sunway Pyramid is running a "Dine, Spin and Win" campaign until August 31. Shoppers spending RM150 at F&B outlets stand a chance to win vouchers and free meals for a year.



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Xiaomi Unveils Flagship Store in TRX, Expands Retail Vision

Xiaomi has launched its largest Southeast Asian retail store at The Exchange TRX in Kuala Lumpur, marking a strategic expansion of its retail model in Malaysia. This is Xiaomi's second flagship store in the country, following the success of its first outlet in Mutiara Damansara. The new store reinforces Xiaomi's commitment to delivering cutting-edge technology and an enhanced customer experience.

With more than 250 products on display and over 500 available for purchase, the outlet offers Malaysia's most extensive range of Xiaomi devices, including smartphones, AIoT innovations, and smart home solutions. It also features Xiaomi's first in-store after-sales service in the country, enabling direct support from trained specialists.

The store reflects Xiaomi's integrated 'Human x Car x Home' strategy, promoting a smart lifestyle ecosystem. In celebration of the grand opening on July 26, exclusive promotions and limited-time deals are available, including product bundles with discounts of up to RM1,320 until August 3.



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Sime Darby Property's KLGCC Mall Reaches 85% Occupancy Ahead of Opening

Sime Darby Property has announced 85 percent committed occupancy for its upcoming KLGCC Mall in Bukit Kiara as of July 2025, ahead of its scheduled October launch. The mall, located within the KLGCC Resort, is SDP's third fully-owned mall, following the success of KL East Mall and Elmina Lakeside Mall, both of which achieved full occupancy.

Spanning 240,000 square feet of net lettable area, KLGCC Mall is part of an integrated development with Menara KLGCC and Senada Residences. Key anchor tenants include Jaya Grocer's first gourmet-style outlet and Serai Group, which will lead a curated dining and lifestyle zone on Level Four, along with a dedicated event hall for social and corporate functions.

The mall will also introduce several debut brands to Malaysia, including Harborland and Eden Social Club. Unique features such as a rooftop amphitheatre enhance its appeal, reinforcing SDP's position in delivering vibrant retail destinations.



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Zeekr Expands in Sunway With RM10 Million Investment and New Centres

Zeekr Malaysia, through its dealer partner Sunway Marketing, has launched Zeekr Space Sunway City and Zeekr Sunway Service Centre with a combined investment exceeding RM10 million. This strategic expansion strengthens the brand's presence in Malaysia and enhances its retail and aftersales capabilities.

The Zeekr Space Sunway City spans 11,100 square feet, showcasing models like Zeekr X and Zeekr 009 across six display bays. The facility includes two delivery bays, a premium lounge, discussion areas, and four AC charging stations, with future plans for DC charging. Nearby, the Zeekr Sunway Service Centre is a 10,000-square-foot facility designed for aftersales growth and is equipped with advanced diagnostic tools and trained personnel.

Since December 2024, over 600 Zeekr units have been delivered. To mark the launch, Zeekr is offering a "Win-a-Zeekr" contest for buyers at Sunway City or Petaling Jaya outlets until September 30, 2025, reinforcing its commitment to customer engagement and brand growth.



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JLand Forms Strategic Property Alliances in Malaysia and Australia

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Ekovest Extends Deadline for RM1.15 Billion Credence Acquisition Deal

Ekovest Bhd and major shareholder Tan Sri Lim Kang Hoo have agreed to extend the deadline to August 29 to finalise the RM1.15 billion acquisition of Credence Resources Sdn Bhd. The extension allows both parties more time to negotiate and complete the definitive agreement, originally set for July 28. The deal will be settled through the issuance of new Ekovest shares at 60 sen each.

MBSB Investment Bank has been appointed as the principal adviser, with Astramina Advisory acting as financial adviser. CRSB is owned by Kang Hoo (90%), Ekovest managing director Tan Sri Lim Keng Cheng (5%), and executive director Datuk Lim Hoe (5%). CRSB holds a 63.13 percent stake in Iskandar Waterfront Holdings, which owns 34.29 percent of Iskandar Waterfront City Bhd.

The acquisition is expected to strengthen Ekovest's property development portfolio through access to CRSB's 4,212-acre landbank in Johor, enhancing long-term growth potential.



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BWYS Sells Penang Assets to Strengthen Core Business Focus

BWYS Group Bhd is selling two freehold land parcels in Bandar Butterworth, Penang, to Hung Shang Property Sdn Bhd for RM11.28 million. The disposal involves a total land area of 8,729 square metres and is part of BWYS's strategy to monetise non-core assets and channel resources into its main operations.

According to its filing with Bursa Malaysia, the sheet metal product manufacturer expects the deal to generate immediate cash inflow, which will enhance liquidity, support working capital, and strengthen the group's capital base. The move aligns with ongoing efforts to focus on core business growth and improve overall financial resilience.

BWYS anticipates a gain of about RM2.28 million from the sale, factoring in the properties' net book value, incidental costs, and RM0.22 million in real property gains tax. The disposal is viewed as a timely step to optimise asset allocation while supporting long-term business goals.



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MAJUPERAK HOLDINGS BERHAD



Majuperak Ends Brewster Village Sale, Focuses on Turnaround Plan

Majuperak Holdings has terminated the proposed RM18.4 million disposal of Brewster Village in Ipoh after the buyer, Ladang Lekir Sdn Bhd, withdrew due to unmet conditions. Despite an appeal from Majuperak's subsidiary, Syarikat Majuperak Bhd, for a one-year extension, the buyer declined. The cancelled deal was part of Majuperak's business regularisation plan but will not materially affect its financial position.

Majuperak remains an affected issuer since April 2020 and has appointed Interpac as its new principal adviser to guide the regularisation plan. The plan is expected to be submitted to Bursa Malaysia by October 11, 2025, following an approved extension. The group, though loss-making in recent years, has reduced its losses and posted a net profit of RM1.45 million in Q1 FY2025.

The improved performance was driven by a RM5 million land sale in Hulu Bernam. As of end-March, the group held RM10.51 million in borrowings and RM3.17 million in cash reserves.



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E&O Launches Conlay Signature Suites with Strong Global Interest

Eastern & Oriental and Japan's Mitsui Fudosan Group have officially launched Conlay Signature Suites, the final phase of the Conlay development in Kuala Lumpur. The serviced apartment project has reached a 40 percent take-up rate since its soft launch in May, with 70 percent of buyers coming from international markets including Taiwan, Thailand, Australia, and Singapore.

Located at the junction of Jalan Kia Peng and Jalan Conlay, the project offers 194 fully furnished units from levels 37 to 51 of the 51-storey tower, priced between RM1.52 million and RM12 million. The entire Conlay development, which includes the earlier sold-out 297-unit Conlay Residences, has a combined GDV of RM968 million. Facilities include heated pools, sky dining, and concierge services.

E&O confirmed that existing projects remain unaffected by the new SST implementation. A new development in Elmina City is also in the pipeline, expected to be a significant addition to E&O's portfolio.



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Majestic Aman Launches Family-Centric Homes and Commercial Spaces in Penang

Majestic Gen has introduced Majestic Aman, a freehold development in Taman Sungai Dua Utama, Penang, featuring 73 double-storey terrace homes and 23 shop offices on 5.66 acres. With a gross development value of RM66.8 million, this project targets family-oriented living in northern Malaysia. Terrace homes start from RM585,000, with 1,789 sq ft layouts including ground-floor bedrooms for multi-generational living and flexible spaces for modern needs.

Designed for comfort and natural airflow, the homes offer open-plan living and ample daylight. The 23 shop offices, priced from RM942,000, have smart layouts with wide frontage and pedestrian access, ideal for retail, F&B, clinics, and service businesses. Majestic Gen aims to create spaces where life's meaningful moments unfold, as highlighted by their leadership.

Soft-launched in June 2025, Majestic Aman has attracted over 500 registrations. Foundation work is underway, with completion expected by 2027, offering promising opportunities for investors and homeowners alike.



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Mah Sing Unveils RM3.3 Billion Launches Led by Johor Expansion

Mah Sing Group is set to roll out over RM3.3 billion in new property launches in the second half of 2025, with Johor as the primary focus. Leading the pipeline is M Grand Minori, a RM1.5 billion freehold development in Taman Pelangi. Located just 3 km from the upcoming Bukit Chagar RTS Link, it targets professionals and cross-border commuters with serviced apartments and retail units, offering modern layouts and lifestyle amenities.

M Tiara 2 in Skudai, with a GDV of RM1.45 billion, is a gated residential project launching in Q4 2025. It will feature double-storey terraces, serviced apartments, and cluster homes. Meanwhile, Meridin East will expand with Allamanda Phase 6, Jasmine 3, and Ixora Park City, offering terrace homes and shop offices within a 531.35 ha township.

In Klang Valley, key projects include M Legasi, M Aspira, M Aurora, and M Aria. In Penang, M Zenni in Batu Maung will feature 494 serviced apartments near the Second Bridge and key industrial zones.



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Scientex Targets 10,000 Homes Annually Through Strategic Land Expansion

Scientex Bhd has invested over RM1.8 billion in land acquisitions across Malaysia, securing 3,735 acres over the past year in states beyond Johor, including Melaka, Selangor, Negeri Sembilan, Perak, Penang, and Kedah. This aggressive landbanking move supports its goal of delivering 10,000 affordable homes annually within two years, up from 6,000–7,000 units in 2025.

This initiative forms part of Scientex's Vision 2028, which aims to achieve RM10 billion in annual revenue and complete 50,000 affordable homes by 2028. To meet this target, the group plans to double its revenue, profit, and production capacity every five years. For FY2024, Scientex recorded a net profit of RM545.2 million and revenue of RM4.48 billion.

While property gains traction, Scientex remains focused on expanding its packaging business, targeting acquisitions in Southeast Asia, East Asia, and the US. The company sees value in keeping both core segments under one listed entity to maintain strategic synergy.



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Ecobuilt Secures RM34.65 Million Contract for Shah Alam Serviced Apartments

Ecobuilt Holdings Bhd has won a RM34.65 million contract to build a 25-storey serviced apartment block in Shah Alam, Selangor. The project, awarded through its subsidiary Ecobuilt Construction Sdn Bhd, involves constructing 264 units along Jalan U6/20. Work is scheduled to start on July 8, 2025, and is expected to finish by May 8, 2027, over 22 months.

This contract, Ecobuilt's first announced win this year, is set to improve the company's earnings from the financial year ending 2025 onwards. The group has experienced losses over the past three years, with net losses reported at RM44.5 million in 2024, RM31.1 million in 2023, and RM13.6 million in 2022.

Ecobuilt's shares last closed at three sen, valuing the company at RM12.62 million. The new contract signals a positive step towards recovery and growth, making it a notable development for corporate investors monitoring the construction sector.



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Ireka's RM1.07 Billion Highway Contract Ends Amid Funding Issues

Ireka Corporation Bhd has received a mutual termination notice for its RM1.07 billion subcontract with Gammerlite Sdn Bhd for the Pan Borneo Highway project, due to the exit of main contractor MTD Construction and Gammerlite's failure to secure upstream funding. The terminated contract, awarded to Ireka's subsidiary Shoraka Construction in October 2024, covered Work Package 33 of Sabah's Phase 1B highway section.

Ireka opposed the termination on grounds of partial project completion and the lack of settlement terms. The group has formally objected, reserving its legal rights and is now pursuing legal advice to seek equitable compensation for completed work and incurred obligations. As of now, the project has recognised RM10 million in revenue and RM1 million in profit, though only 1% of physical progress has been achieved.

The financial impact remains uncertain, pending dispute resolution and potential reassessment of related assets. Ireka remains under PN17 status since March 2022, with a market value of RM18.22 million.



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MGB and Doka Collaborate to Advance IBS Precast Construction

MGB Berhad, the construction arm of LBS Bina Group, has signed a strategic Memorandum of Collaboration (MoC) with Doka Formwork Malaysia to develop innovative engineering solutions using Industrialised Building System (IBS) precast concrete. Doka, a global leader in formwork and scaffolding, will complement MGB's expertise in precast concrete for large residential projects by integrating optimised formwork and scaffolding with on-site precast panels.

The partnership aims to streamline construction processes, enhance efficiency, and explore new opportunities by aligning technical strategies and delivering forward-thinking solutions with lasting value. The MoC was formalised with key representatives from both companies, including MGB's CEO Datuk Lim Lit Chek and Doka GmbH CEO Robert Hauser.

This collaboration supports MGB's focus on digitisation, sustainability, and workforce upskilling, reducing material waste and carbon footprint while advancing Malaysia's construction industry toward innovation and international standards.



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Malaysia's Economy Remains Resilient Amid Global Uncertainties in 2025

Bank Negara Malaysia (BNM) forecasts Malaysia's economy to grow between 4.0% and 4.8% this year, slightly below the earlier estimate of 4.5% to 5.5%. This revised outlook reflects possible US tariff changes set to take effect August 1. Despite slower growth compared to 5.1% in 2024, Malaysia's economy remains strong, supported by structural reforms and resilient domestic demand.

Q2 growth reached 4.5%, driven by steady consumer spending that offset weaker exports. BNM notes that economic activity remains robust, with domestic demand expected to sustain growth. Inflation is projected to ease, with consumer prices rising 1.5% to 2.3% in 2025, lower than previous forecasts, due to moderate commodity prices and controlled domestic costs.

Government initiatives like cash handouts, reduced petrol prices, and toll freezes aim to ease living costs. Overall, Malaysia's economy shows steady strength and adaptability despite external challenges, offering positive signals for investors.



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13MP to Strengthen High-Value Industries and Economic Resilience

Malaysia's 13th Malaysia Plan (13MP), spanning 2026 to 2030, aims to boost national competitiveness by strengthening high-value manufacturing. Economists highlight its focus on clear policies, investment incentives, and business-friendly reforms to attract both local and foreign investors. Dr Ahmed Razman noted that the plan could enhance Malaysia's role in regional supply chains, especially in semiconductors, while supporting inclusive and sustainable industry growth.

Strategic focus areas include automation, technology adoption, and digital infrastructure. The plan encourages workforce readiness and aims to build resilient ecosystems for digital innovation, data governance, and cybersecurity. Dr Yeah Kim Leng of Sunway University emphasised that Malaysia is on track to become a high-income nation, with high-value sectors like semiconductors, data centres, artificial intelligence, and renewable energy driving structural transformation.

The plan will also address rising demand for advanced services in healthcare, education, finance, and aged care. Together, these initiatives position Malaysia to lead in emerging industries while fostering a dynamic, innovation-driven economy.



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Penang Advances International Financial Centre and Infrastructure Plans

Penang's proposed International Financial Centre (PIFC) is at the engagement stage with the federal government, Bank Negara Malaysia, and the Securities Commission. The Penang Institute initiated the expression of interest last March, with results presented to the state Cabinet. The PIFC will span nearly 100 acres and include fund management, a convention centre, high-end banking, a fintech free trade zone, and a logistics hub to attract capital and support the semiconductor sector in line with national industrial plans.

Additionally, the Sedusun Tech Valley project aims to position Penang as an 'Agricultural Silicon Valley' by promoting smart farming and improving yields, with completion expected by early 2027.

The state government is also prioritising mobility improvements, including upgrading the Federal Highway and anticipating the Juru-Sungai Dua Elevated Expressway project later this year. Penang looks forward to further support from the federal government for projects under the 13th Malaysia Plan to sustain growth and connectivity.



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Malaysia's June 2025 Trade Sees Mixed Export and Import Trends

Malaysia's total trade in June 2025 reached RM234.9 billion, with exports at RM121.7 billion and imports at RM113.1 billion. Exports declined 3.5% year-on-year, mainly due to lower shipments from Johor, Sarawak, Kedah, and Selangor, while Penang, Sabah, and Malacca recorded increases. Penang remained the top exporter with 39.5% contribution.

Imports rose 1.2%, driven by growth in Penang, Johor, and Kuala Lumpur, though declines occurred in Negeri Sembilan, Kedah, Malacca, and Selangor. Selangor led imports with a 24.4% share.

The export unit value index increased 2.1%, boosted by manufactured articles, food, and machinery, despite a 5.9% drop in export volume. Meanwhile, import unit value fell 0.4%, with decreases in mineral fuels and machinery. Malaysia's terms of trade improved 2.5% month-on-month and 4.5% year-on-year, reflecting stronger export pricing relative to imports.



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Shopping Mall Industry Urges SST Review to Ease Rising Operational Costs

The Malaysia Shopping Malls Association (PPKM) highlights growing concerns over the expanded Sales and Services Tax (SST), which is driving up costs for rentals, leasing, and renovations. According to the 2024–2025 industry survey of 61 malls, operating expenses have increased by 27%, while promotional charges rose by 13.4%. Rising electricity tariffs, licensing fees, and regulatory costs also contribute to financial pressures.

This tax increase impacts tenants, landlords, and the entire mall ecosystem, threatening lease renewals and profit margins. With around 490 malls nationwide providing 167 million sq ft of net lettable area and supporting over one million jobs, the sector faces significant challenges. Smaller malls dominate the landscape, while malls are evolving into experiential destinations despite rising costs.

PPKM calls for government intervention in Budget 2026 to review SST rates and introduce cost relief. Although resilient, the industry expects slower growth without policy adjustments that reflect today's economic realities.



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Government Maintains SST Exemptions to Support Malaysia's Construction Sector

The government continues to support the construction industry by granting Sales and Services Tax (SST) exemptions on selected projects, especially residential buildings and public facilities like houses of worship and parks. Essential building materials such as cement, gravel, and sand remain zero-rated to reduce costs for developers and ensure project continuity, said Deputy Works Minister Datuk Seri Ahmad Maslan.

Certain business-to-business activities face SST under conditions, with main contractors liable while subcontractors earning below RM1.5 million remain exempt. To ease the sector's transition, contracts without review provisions receive a one-year SST exemption, allowing time to adjust systems and clarify implementation.

Despite industry requests, the government has no plans to raise the SST registration threshold from RM1.5 million to RM3 million for construction and leasing services. These measures reflect a balanced approach aimed at supporting the industry while ensuring fair and effective tax enforcement.



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Malaysia Plans Incentives to Boost Local Port Usage and Trade

The Ministry of Investment, Trade and Industry (Miti) is exploring incentives to encourage investors to increase the use of local ports, especially in Penang and Kuala Perlis. This initiative targets industries near Kedah Rubber City (KRC), a key economic driver in northern Malaysia focused on rubber-based sectors.

Deputy Minister Liew Chin Tong emphasized that Miti may propose measures to the Ministry of Finance aimed at enhancing domestic port utilization. This aligns with the government's strategy to strengthen local port competitiveness, ensuring economic benefits flow to industry players and communities.

While cooperation with Thailand to ease access via Songkhla Port remains important, current efforts prioritize maximising domestic port use. Malaysia continues to work with Thailand through the Malaysia-Thailand Joint Trade Committee to improve infrastructure, logistics, and customs procedures, which will facilitate faster, more cost-effective cross-border trade.



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RHB Launches Ringgit-Based Overseas Property Financing for Investors

RHB Banking Group has introduced the RHB Overseas Property Financing, a ringgit-denominated, flexible housing loan aimed at Malaysian investors buying residential properties abroad. The initial focus is on prime locations within 30km of Melbourne or Sydney's Central Business District and London's Zones 1 to 3. This financing is available to Malaysians who are neither citizens nor permanent residents of Australia or the UK.

Jeffrey Ng Eow Oo, RHB's managing director of group community banking, highlighted that the product supports clients' goals to diversify their wealth and access attractive foreign real estate markets. The bank plans to expand coverage to other major Australian cities and outer London zones based on market outlook and investor demand.

The financing allows early fund release during property construction to manage foreign exchange risks, complying with Bank Negara Malaysia's regulations. Funds are converted into foreign currency and held in RHB's interest-bearing multi-currency account before being transferred to overseas solicitors upon property completion.



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