ISSUE 359

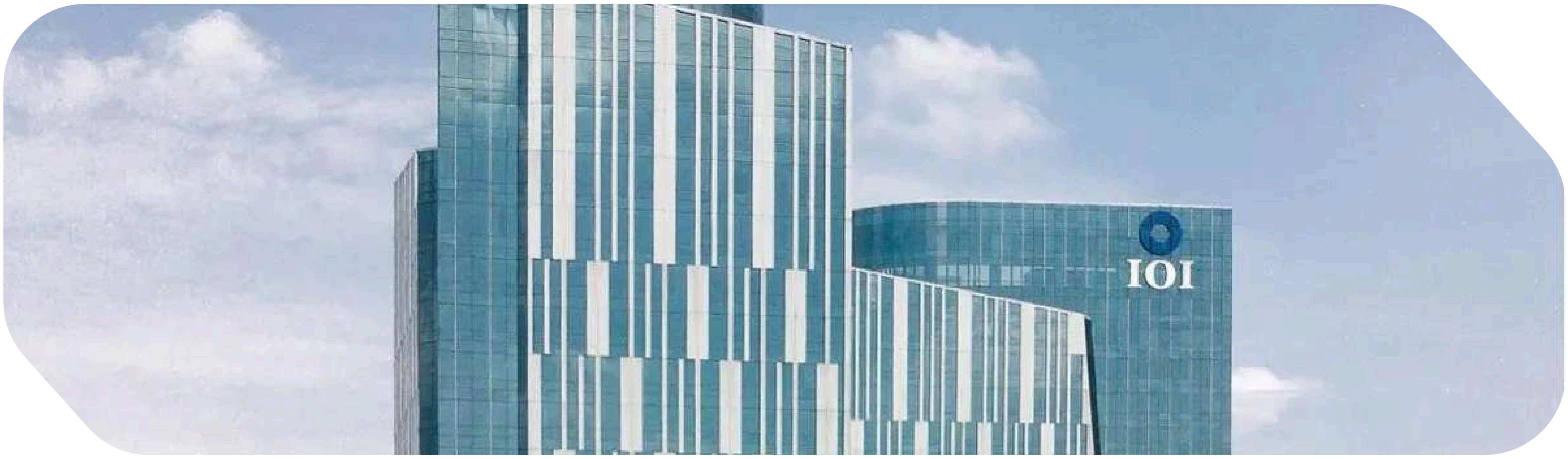
ZERIN PROPERTIES

CORPORATE REAL ESTATE HIGHLIGHTS

AUGUST 2026

https://zerinproperties.com

IOI Properties Gains Approval To List RM7.58 Billion Property REIT



IOI Properties Group Bhd has secured Securities Commission Malaysia approval to establish and list its proposed IOIPG Malaysia REIT on Bursa Malaysia's Main Market. The REIT will launch with 5.5 billion units and acquire nine properties worth RM7.58 billion from IOI Properties subsidiaries, creating a diversified portfolio across retail, office and hospitality assets. IOI City Mall will anchor the portfolio at RM5.1 billion, representing about two thirds of the acquisition value and providing a strong foundation for the REIT.

The portfolio also includes IOI City Towers, PFCC Towers and six hotels across Putrajaya, Puchong, Kuala Lumpur and Penang. The acquisition will be funded through 5.5 billion units issued at 90 sen each, alongside RM2.65 billion in cash funded through Sukuk issuance. This structure provides the REIT with a sizeable portfolio upon listing.

Meanwhile, the proposed offering includes 715.61 million retail units and up to 1.48 billion institutional units, with allocations for existing shareholders, eligible persons, the Malaysian public and institutional investors. The approval also requires 12.5% Bumiputera participation, while the REIT manager must secure a restricted fund management licence and submit an operational audit within six months after listing. IOI Properties shares closed 3.1% higher at RM3.98, valuing the group at RM21.9 billion.

READ MORE

Paradigm REIT Strengthens Earnings With Higher Income And Growth Prospects

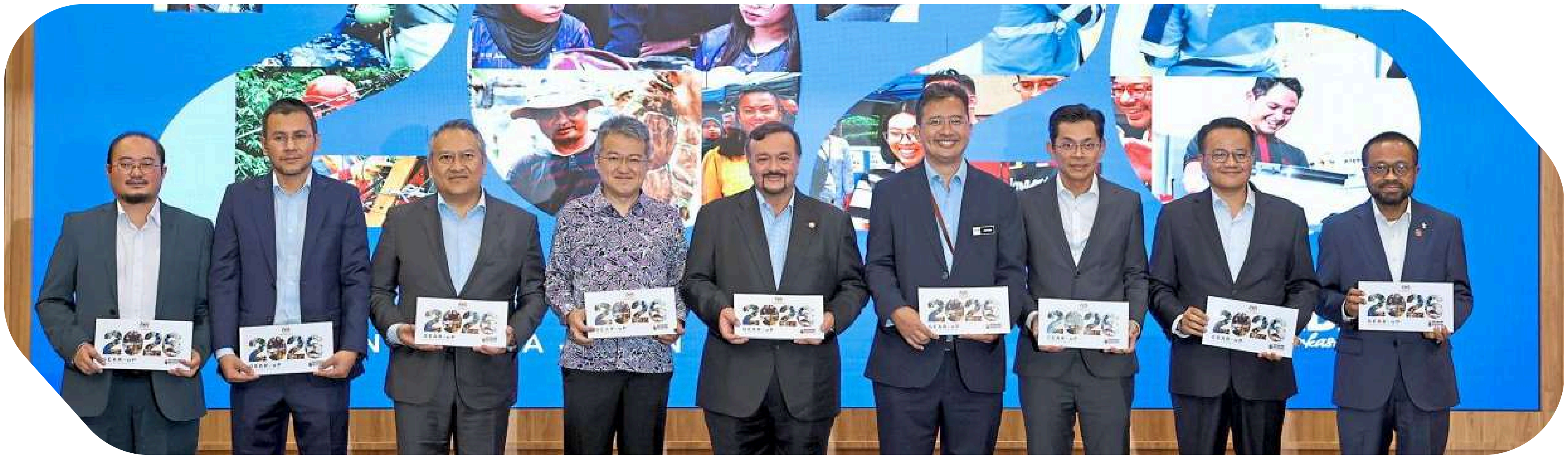
Paradigm Real Estate Investment Trust delivered stronger earnings in 2QFY2026, with net property income (NPI) rising more than four times to RM40.36 million from RM9.26 million a year earlier. Revenue also increased more than four times to RM60.46 million from RM13.17 million, supported by its portfolio of Bukit Tinggi Shopping Centre, Paradigm Mall Petaling Jaya and Paradigm Mall Johor Bahru.

The retail focused REIT proposed an income distribution of 1.83 sen per unit, amounting to RM29.33 million or 98.99% of quarterly distributable income, with payment scheduled for Sept 15, 2026. For 1HFY2026, NPI surged more than eight times to RM79.59 million, while revenue jumped over nine times to RM120.92 million.

Looking ahead, Paradigm REIT expects global economic volatility and higher energy costs to weigh on consumer confidence in the near term. Nevertheless, it remains cautiously optimistic that Visit Malaysia Year 2026 will support tourist arrivals, mall footfall and retail spending. Stable interest rates could also improve financial planning and acquisition visibility. The manager will focus on leasing, filling vacant space, asset enhancement initiatives and yield accretive acquisitions to strengthen the portfolio.

READ MORE

Domestic Investment Accelerates As GLICs Deploy RM20.3 Billion In 2025



Government linked investment companies (GLICs) deployed RM20.3 billion in domestic investment in 2025 under the Government Linked Enterprises Activation and Reform Programme (GEAR up), marking a threefold increase from RM6.6 billion in 2024. The six participating GLICs are EPF, PNB, KWAP, Khazanah Nasional, LTH and LTAT, with Khazanah contributing RM7.9 billion, followed by EPF at RM5.8 billion, KWAP at RM5.4 billion and PNB at RM1.3 billion.

More than 60 high growth companies received support during the year, with capital directed towards advanced technology and semiconductors at RM3.2 billion, mid tier scale ups at RM1.8 billion, Bumiputera enterprise empowerment at RM1.3 billion, venture and start up activities at RM588 million and energy transition at RM270 million. In addition, the GLICs maintained RM440 billion in steady state public market investments.

Overall, domestic direct investment under GEAR up reached RM26.9 billion over two years, leaving RM93.1 billion from the RM120 billion commitment for the remaining three years. Investment will continue to target semiconductors, digital infrastructure, healthcare and energy transition. All 37 GLCs are now part of the programme, achieving an 8% total shareholder return in 2025 against a 7.5% target and remaining on course for RM100 billion in additional market capitalisation by 2028.

READ MORE

Second Selangor Plan Targets RM600 Bil Economic Value Through Growth

Selangor has unveiled the Second Selangor Plan (RS 2), a five year economic blueprint covering six strategic missions and 25 focus areas, with a target of generating RM600 billion in economic value over the plan period. The plan identifies electrical and electronics, aerospace, automotive, digital economy and creative economy as five priority sectors, supported by 13 initiatives targeting annual GDP growth of 6.1%. It also aims to attract RM330 billion in total investment and reduce unemployment to 2.2% by 2030, strengthening the state's position as a key investment and economic centre.

The plan builds on the First Selangor Plan, which increased the state's economic value by RM133.3 billion or 28.97% since 2022. By completion, 79% of initiatives had been achieved or were at various implementation stages, while nine of 16 key performance indicators met their targets. GDP recorded annual growth of 7.5%, while median household income reached RM10,736, exceeding the RM9,290 target.

Meanwhile, relative poverty fell to 8.5%, the happiness index reached 7.21 and permanent forest reserve coverage increased to 31.7%. Public satisfaction with local authority services reached 94.71%. Seven indicators remain outstanding, covering environmental sustainability, absolute poverty, welfare assistance and drainage management, highlighting areas for further implementation under RS 2.

READ MORE

Malaysia Free Industrial Zones Sustain Strong Export And Investment Momentum

Malaysia's Free Industrial Zones (FIZs) recorded RM106.7 billion in exports during the first half of 2026, highlighting continued momentum in manufacturing and trade activity. FIZ exports also increased 9.3% in 2025 to RM188.3 billion from RM172.3 billion in 2024, while export value rose 22.7% from RM153.5 billion in 2021. The zones continue to support investment, exports and quality employment, with greater value added activity across key industries.

The Bayan Lepas Free Industrial Zone has supported the development of Malaysia's electrical and electronics, semiconductor and medical device industries. Between 2021 and 2025, Penang's exports grew at an average annual rate of 13.5%. From January to May 2026, exports surged 63.1% to RM349.35 billion, representing 44% of Malaysia's total exports.

Meanwhile, Malaysia has 48 gazetted free zones, comprising 27 Free Commercial Zones and 21 FIZs. Although investment data is not classified by zone, major free zone locations continue to attract significant investment. From January to March 2026, RM92.8 billion in investments across 1,249 projects were approved, potentially creating 50,226 jobs. Selangor led with RM33.5 billion, followed by Johor and Kuala Lumpur at RM16.9 billion each and Penang at RM6.2 billion.

READ MORE

MRCB Unlocks Cyberjaya Land Value Through RM419 Mil Disposal

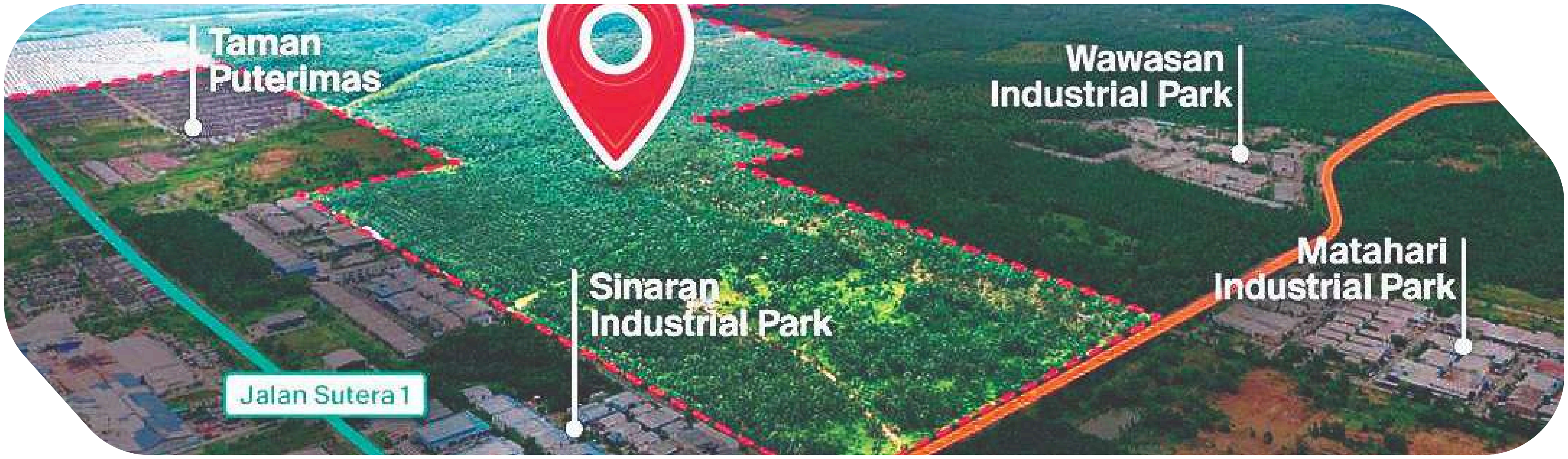
Malaysian Resources Corp Bhd (MRCB) is proposing to dispose of seven parcels of land in Cyberjaya, Selangor to Digital Cosmos Malaysia Sdn Bhd for RM419.05 million cash under a conditional sale and purchase agreement. The transaction involves MRCB's indirect wholly owned subsidiary, Subang Sentral Sdn Bhd, while the purchaser is principally involved in developing and operating data centres.

The parcels currently measure about 36.66 acres and are subject to a surrender and re alienation exercise. Upon completion, the land is expected to be consolidated under a single new title measuring about 45.81 acres. The disposal consideration, agreed on a willing buyer willing seller basis, translates to about RM210 per sq ft and is broadly in line with the independent market valuation of RM419.1 million. The disposal is expected to generate an estimated gain of RM81.4 million.

MRCB plans to allocate RM350 million of the proceeds towards borrowings, RM31.12 million for working capital and the balance for tax and transaction expenses. The repayment is expected to generate gross annual interest savings of RM14.84 million. The disposal should also improve gearing, cash flow and financial flexibility, with completion targeted for 4Q2027 subject to required conditions and infrastructure approvals.

READ MORE

Large Freehold Estate In Kluang Signals Growing Township Development Potential



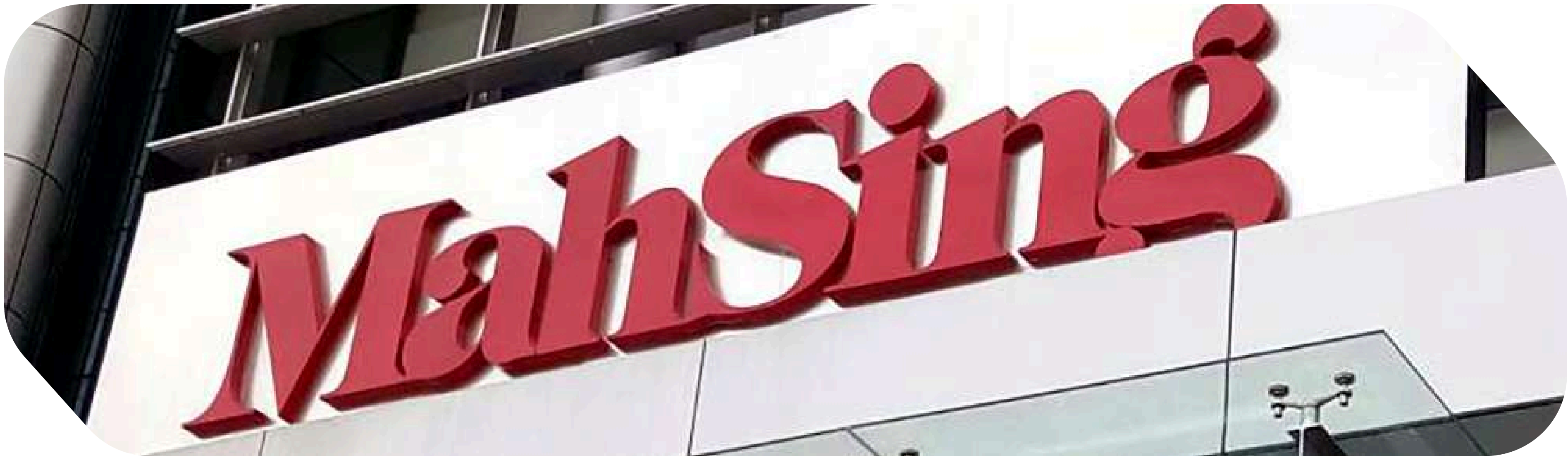
A 1,124 acre freehold oil palm estate in Kluang, Johor is being offered for about RM400 million, equivalent to around RM8.20 per sq ft. Located along Jalan Mersing and near three industrial parks, the contiguous land is zoned for industrial and residential use, making it a potentially strategic long term development opportunity. The site is currently suitable for plantation, large scale farming, agro based activities or land banking.

However, its scale and location have increased interest in its potential for a master planned township. The estate is considered a rare opportunity due to the limited availability of more than 1,000 acres of contiguous freehold land in Kluang. Improving infrastructure, a diversified economic base and growing demand for large development parcels could further support its long term potential.

Meanwhile, Kluang's residential market remains fundamentally driven, with established townships providing pricing benchmarks. Industry observers noted that converting mature plantation land into residential, industrial or energy uses could unlock significantly higher land values. However, any future development would depend on rezoning approvals, infrastructure investment, suitable product positioning and the market's ability to absorb new supply.

READ MORE

Mah Sing And SP Setia Extend Semenyih Land Deal For Township Development



Mah Sing Group Bhd and S P Setia Bhd have mutually agreed to extend the conditional period for Mah Sing's proposed RM273.51 million acquisition of 275 acres of freehold land in Semenyih by three months to Nov 2, 2026. The extension provides both parties additional time to fulfil their respective conditions precedent required under the transaction.

Following the extension, both parties have also agreed on Dec 28, 2026 as the final deadline for Mah Sing to settle the balance purchase consideration once the sale becomes unconditional. The transaction, first announced on Nov 3, 2025, involves Mah Sing acquiring the land from Petaling Garden Sdn Bhd, a wholly owned subsidiary of S P Setia.

The land forms part of Mah Sing's plans for its proposed RM1.7 billion M Legasi 2 township development, supporting the group's future development pipeline in Semenyih. The acquisition also adds a sizeable freehold landbank for the group's longer term growth strategy. Meanwhile, Mah Sing's shares closed six sen higher at RM1.10 on Aug 3, giving it a market capitalisation of RM2.82 billion. S P Setia shares rose half a sen to 94 sen, valuing the group at RM4.72 billion.

READ MORE

Hextar Technologies Unlocks Nilai Land Value To Fund Technology Growth

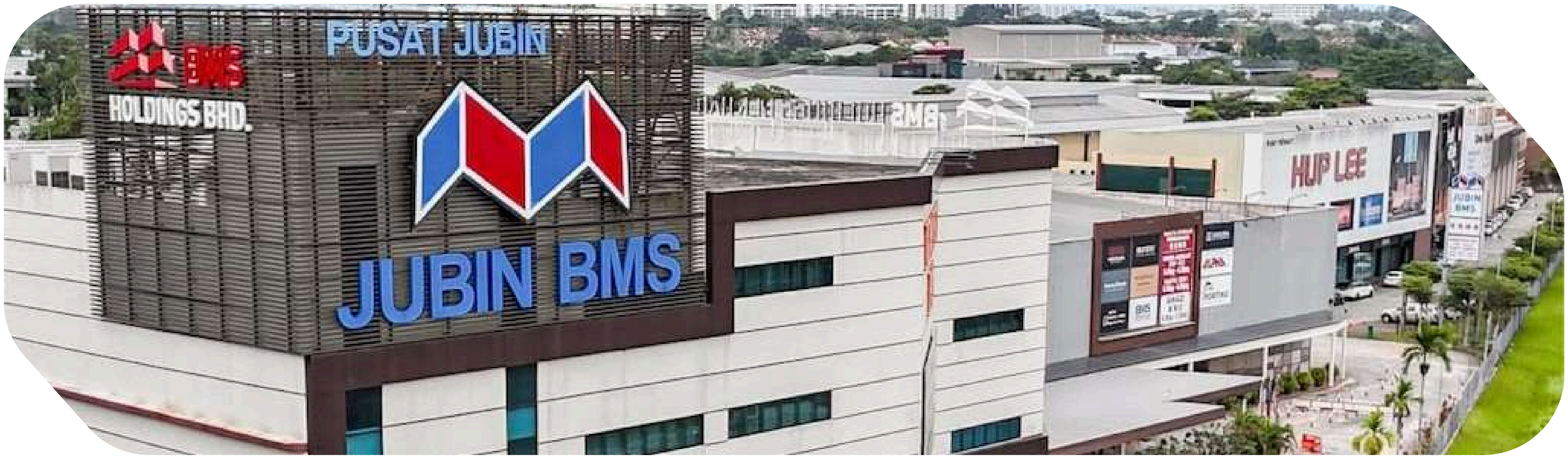
Hextar Technologies Solutions Bhd plans to dispose of five industrial parcels in Nilai measuring 56,231 sq m or 13.89 acres for RM38.14 million cash, unlocking property value to support its technology business and strengthen its financial position. The parcels, held through its wholly owned subsidiary, have an independent market value of RM38.5 million, with the disposal expected to generate a pro forma gain of RM31.59 million.

The proceeds comprise RM2.77 million from the disposal of the subsidiary shares, RM35.05 million from the redemption of redeemable convertible preference shares and RM318,000 for advances owed to Hextar Technologies. Of the total proceeds, RM20 million or 52.44% will be invested in its technology business, including software and brand development for the MoneyX financial application and Net7 AI powered networking platform. A further RM16 million will be used to repay bank borrowings, while RM1.62 million will support working capital requirements.

Meanwhile, the transaction is classified as a related party transaction due to the buyers' shareholding and management connections. It remains subject to approval from non interested shareholders at an extraordinary general meeting. The proposed disposal will allow Hextar Technologies to recycle property value into technology expansion, debt reduction and broader business development.

READ MORE

BMS Holdings Expands Cheras Operations With RM23.8 Million Land Acquisition



BMS Holdings Bhd plans to acquire a 4,555 sq m or 1.12 acre parcel in Cheras for RM23.8 million cash, supporting its expansion and longer term operational requirements. The property includes a workshop and office facilities and is expected to strengthen BMS Holdings' presence in Cheras through a strategically located operational base.

The property will be developed into an integrated facility comprising a retail showroom, office and storage space. The acquisition will be funded through a combination of internally generated funds and bank borrowings. BMS Holdings' wholly owned subsidiary has signed a letter of offer with the vendor, with the sale and purchase agreement expected to be executed within 30 working days. The transaction does not require regulatory or shareholder approval.

Meanwhile, BMS Holdings operates across retail, wholesale and project sales of building materials, including tiles, stone surfaces, bathware and kitchenware products. Further details on the acquisition terms, rationale and associated risks will be announced upon execution of the sale and purchase agreement. BMS Holdings listed on the ACE Market in December 2025 at 22 sen, while its shares closed at 13.5 sen, valuing the group at RM207.9 million.

READ MORE

CPE Technology Expands Manufacturing Capacity With RM31 Million Asset Investment

CPE Technology Bhd plans to acquire a 0.99 acre industrial property with a factory building in Ulu Tiram, Johor for RM10 million, alongside 70 turning and milling machines worth RM21.02 million. Both acquisitions will be undertaken by its wholly owned subsidiary, Champion Precision Technology Sdn Bhd, as part of CPE Technology's strategy to strengthen its manufacturing capabilities and expand production capacity.

The Ulu Tiram property is located near CPE Technology's existing facilities, providing additional space for new manufacturing lines in the future. Meanwhile, the machinery investment is expected to support current and anticipated demand, while improving production capacity, machining accuracy and operational efficiency. Together, the acquisitions provide additional capacity to support CPE Technology's future business expansion and strengthen its industrial capabilities.

Both acquisitions are expected to be completed by the second quarter of 2027. The machinery will be acquired from Yamazen (M) Sdn Bhd and Numac Machinery Sdn Bhd, while details of the property vendor's shareholding were not disclosed. Following the announcement, CPE Technology shares closed three sen or 2.73% lower at RM1.07, valuing the company at RM718.31 million.

READ MORE

Setia Awan Expands Into Industrial Property With Tanjong Malim Park

Setia Awan Land Sdn Bhd officially opened its Tanjong Malim Hi Tech Park Sales Gallery on Aug 2, with the RM1.4 billion industrial development scheduled for an official launch in September. The project marks the developer's first entry into the industrial property segment, broadening its development portfolio while targeting demand from Tanjong Malim's automotive and high value industrial ecosystem.

Spanning 447 acres, the park is located adjacent to Proton City and next to the Automotive High Tech Valley. The development will be delivered across five phases, comprising industrial land, commercial shoplots and semi detached factories. Shoplots are priced from RM987,000. Details for Phase 1 and Phase 2 have been released, while information on the remaining phases will be announced progressively.

Phase 1 covers 103 acres with 14 industrial plots, of which approximately 40 acres are currently available. The plots are priced from RM55 per sq ft, with leasing options also offered. Meanwhile, Phase 2, known as Ionera, spans 27 acres and features commercial shoplots. Together, the phases provide a diversified industrial and commercial offering within the wider Tanjong Malim growth area.

READ MORE

Avaland Tops Out 100% Sold Amika Residences Ahead Of Schedule

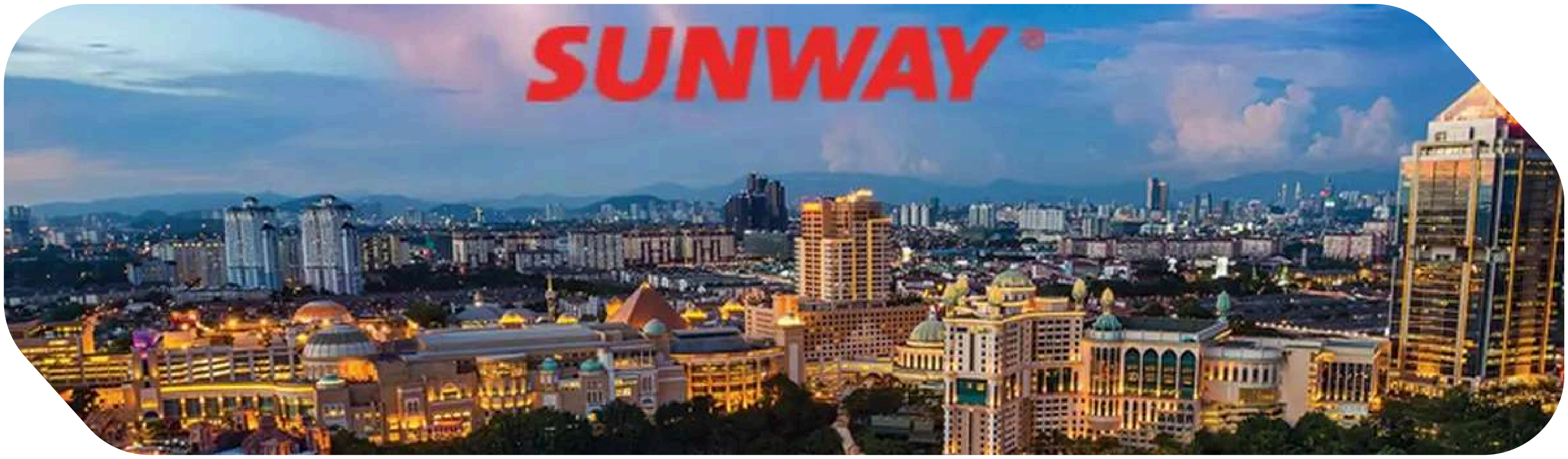
Avaland Bhd has topped out its 100% sold Amika Residences project in Subang Jaya ahead of schedule, reflecting steady construction progress and healthy market demand. Launched in the first quarter of 2024, the freehold development spans 3.51 acres with a GDV of RM460 million. It comprises two towers, including a 34 storey Tower A and 35 storey Tower B, with 468 serviced apartment units. Built ups range from 883 to 1,277 sq ft, with launch prices from RM698,000 to RM999,000. Vacant possession is targeted for 2027.

Looking ahead, Avaland plans new launches with a combined estimated GDV exceeding RM1 billion in 2026. These include its third Aetas luxury residential project, Aetas Taman Desa, and Accent Petaling Jaya, a premium development targeting the upper mid market segment. Both launches are expected to build on the strong response to the second phase of Meria Commercial Hub in Cybersouth, which was launched earlier this year.

Meanwhile, Avaland has acquired a 1.9 acre freehold site in Taman U Thant, Kuala Lumpur, for a high end residential project with an estimated GDV of RM700 million. Amika Residences is set against a nine acre central park and includes 24 retail units priced between RM1.45 million and RM5.05 million. The project has also secured GreenRE Gold certification, supporting its sustainability positioning.

READ MORE

Sunway Construction Secures RM1 Bil Johor Data Centre Contract



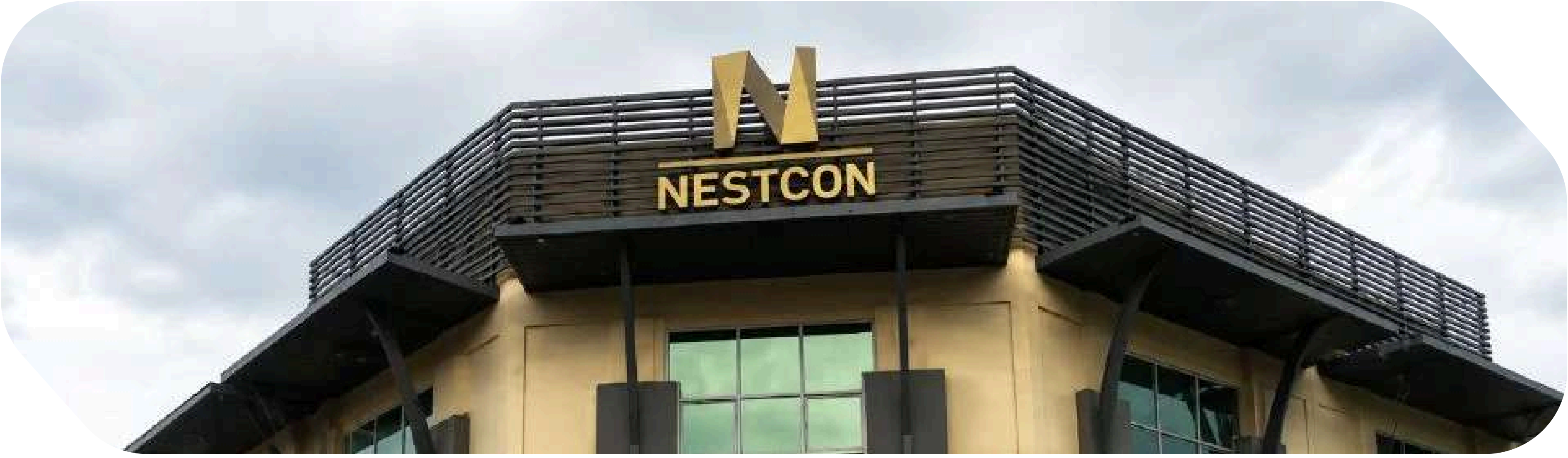
Sunway Construction Group Bhd has secured a RM1.02 billion engineering contract for a data centre project in Johor, strengthening its construction order pipeline amid continued demand for digital infrastructure. The scope covers mechanical, electrical and plumbing fit out works, with the letter of award also serving as the notice to proceed. The project is scheduled for completion by the fourth quarter of 2027.

The client is identified as a US headquartered multinational technology company, while the specific data centre location was not disclosed. The latest award brings Sunway Construction's new order wins for the financial year ending March 31, 2027 to RM5.8 billion. Meanwhile, its outstanding order book stands at RM10.4 billion, providing a sizeable pipeline of secured work and supporting earnings visibility over the coming years.

Following the announcement, Sunway Construction shares closed 17 sen or 2.15% lower at RM7.75 on Aug 3. Despite the daily decline, the stock remains up 36.93% year to date, giving the company a market capitalisation of RM10.32 billion. The contract further reinforces Sunway Construction's exposure to data centre related infrastructure and its growing presence in Johor's expanding digital economy.

READ MORE

Nestcon Secures RM243 Million Penang Serviced Apartment Construction Contract



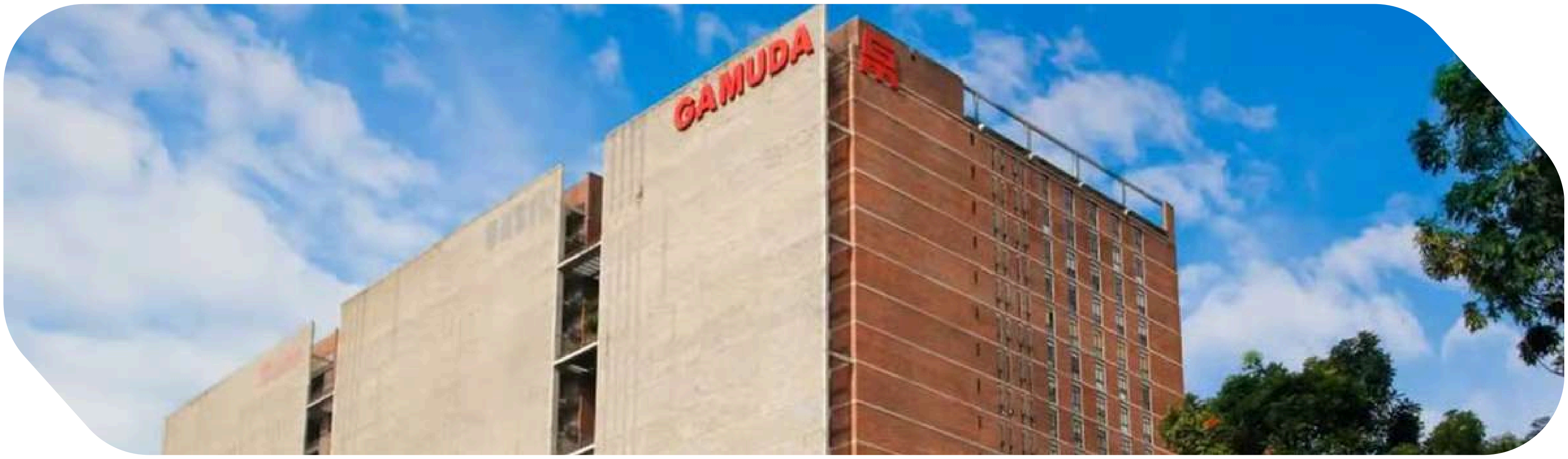
Nestcon Bhd's wholly owned subsidiary, Nestcon Builders Sdn Bhd, has secured a RM243 million contract from Exsim Waterfront Sdn Bhd to construct a serviced apartment block in George Town, Penang. The project involves a 57 storey block in Seksyen 8, Bandar George Town, Daerah Timur Laut. Construction is scheduled to begin on Jan 18, 2027 and is expected to take 35 months, with completion targeted around Dec 18, 2029.

The latest award marks Nestcon's second project secured from Exsim this week, following a RM74.52 million contract announced on Aug 3 for an affordable apartment project in Kwasa Damansara, Sungai Buloh. Together, the awards strengthen Nestcon's construction pipeline and expand its residential project exposure across key growth markets.

Meanwhile, Exsim Hospitality Bhd announced that its subsidiary, Exsim Concepto Sdn Bhd, secured two subcontracts from Nestcon Builders worth a combined RM12.7 million. The first RM6.6 million contract covers interior fit outs and electrical appliances over nine months, while the RM6.1 million contract covers interior fit out works over 23 months. Nestcon shares closed half a sen higher at 47 sen, valuing the company at RM366.1 million.

READ MORE

Gamuda Expands Data Centre Pipeline With Major Port Dickson Award



Gamuda Bhd has secured a RM1.71 billion contract to build a hyperscale data centre in Port Dickson, Negeri Sembilan, marking its second such award there this year. The contract was awarded to wholly owned Gamuda Engineering Sdn Bhd by a US headquartered multinational technology company, whose identity was not disclosed.

The project covers a single storey hyperscale data centre, including site infrastructure, building core and shell construction, and mechanical, electrical and plumbing fit out works. Construction is scheduled to start in the third quarter of 2026 and finish by the second quarter of 2028. Gamuda expects the project to contribute positively to revenue and earnings for the financial year ending July 31, 2027.

The award follows Gamuda's RM1.72 billion hyperscale data centre contract in Port Dickson secured in April, strengthening its construction pipeline. Its order book stood at a record RM52 billion at end April 2026. Meanwhile, shares rose 13 sen or 3.09% to RM4.34, giving Gamuda a RM25.93 billion market capitalisation, although the stock remains 12% lower year to date.

READ MORE

Nuenergy Secures Largest High Voltage Project To Support Johor Expansion

Nuenergy Holdings Bhd has secured a RM44.5 million contract from an undisclosed China based construction and engineering firm to undertake mechanical, electrical and plumbing works for a data centre landing station in Johor. The award marks another step in the company's expansion into high voltage infrastructure and strengthens its involvement in the growing data centre ecosystem.

According to the company, the contract forms part of its strategy to expand into the extra high voltage and transmission line sector. It also represents Nuenergy's largest high voltage project to date, providing an opportunity to build capabilities in a higher value infrastructure segment. Work is expected to be completed by the fourth quarter of 2026, giving the project a relatively near term contribution to its business pipeline.

The contract is not expected to have any material impact on Nuenergy's share capital, but is expected to contribute positively to earnings and net assets for the financial year ending Dec 31, 2026. Meanwhile, Nuenergy shares rose 3.9% to close at 67.5 sen on Aug 7, valuing the company at RM131.6 million.

READ MORE

AWC Expands Data Centre Project Pipeline With RM23.08 Mil Subcontract

AWC Bhd has secured a RM23.08 million subcontract for a data centre project, strengthening its exposure to Malaysia's growing data centre infrastructure segment. The contract was awarded to its wholly owned subsidiary, Qudotech Sdn Bhd, by an undisclosed Malaysia incorporated joint venture between two construction companies. The scope covers plumbing, silo tank and internal sanitary works.

The subcontract commenced on April 24 and is scheduled for completion by June 10, 2027. Preliminary works are already underway, while the parties finalise the agreement terms. The project location and further details were not disclosed, with AWC citing confidentiality and non disclosure obligations. The joint venture partners are private construction companies involved in civil engineering, construction and project management, including large scale infrastructure and specialised facilities.

Notably, this marks AWC's second similar data centre subcontract secured from a Malaysia incorporated joint venture involving private construction companies. In April, Qudotech secured a RM22.18 million subcontract for another data centre project, with works starting on January 9 and scheduled for completion by December 27. Together, the awards provide further visibility on AWC's data centre related order pipeline.

READ MORE

West River secures RM11 million jobs for Celora Sunway development

West River Bhd has secured two mechanical and electrical subcontracts worth a combined RM11 million for the proposed Celora Sunway serviced apartment development in Bandar Sunway, Selangor. The awards were secured by its wholly owned unit, West River Engineering Sdn Bhd, from Mabuco Sdn Bhd, providing further order visibility in the property development segment.

The first subcontract, valued at RM3.35 million, covers air conditioning and mechanical ventilation services, while the second, worth RM7.65 million, covers electrical and lightning protection services. The air conditioning and mechanical ventilation works commenced on Feb 6, while the electrical and lightning protection works started on Feb 9. Both contracts are scheduled for completion on Dec 2, 2028.

The contracts also provide a long execution period, supporting revenue visibility for West River Engineering through the project timeline. In addition, liquidated damages are set at RM52,000 for each day of delay, underscoring the delivery obligations attached to the awards. With both packages covering essential building systems, the contracts strengthen West River's project pipeline while expanding its involvement in the Bandar Sunway development.

READ MORE