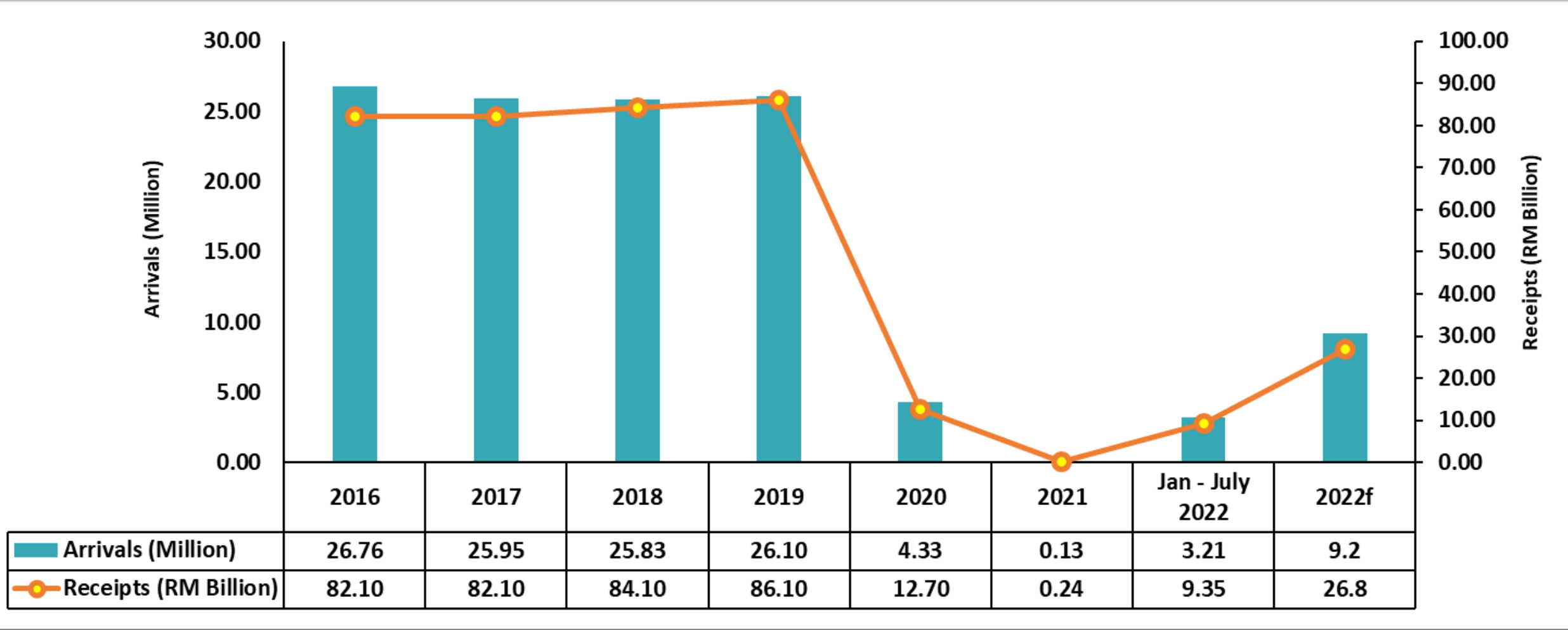


# GREATER KUALA LUMPUR HOTEL SECTOR Q3 2022

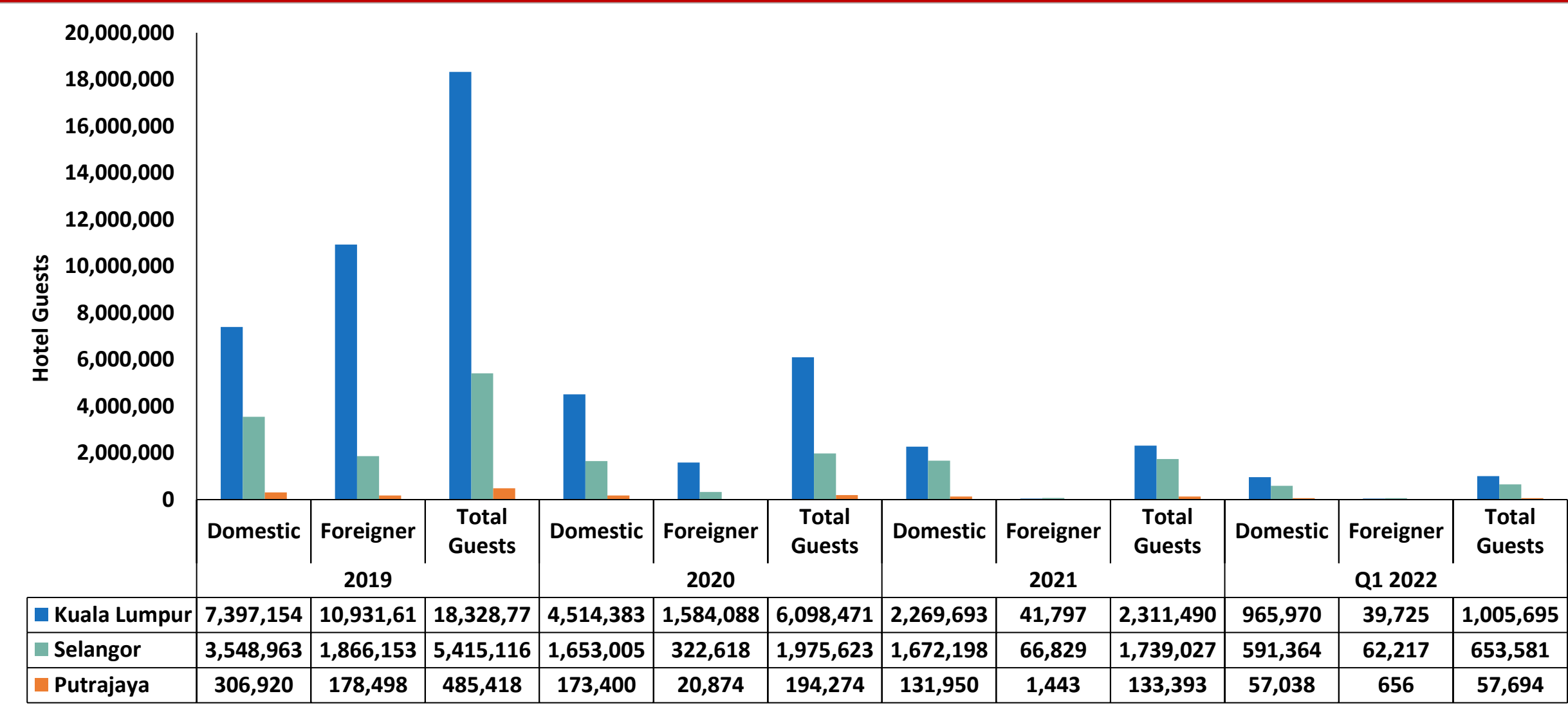


# TOURISM STATISTICS

## INTERNATIONAL TOURIST ARRIVALS & RECEIPTS TREND (2016 – 2022f)



## HOTEL GUESTS BY STATE (2019 – Q1 2022)



### Tourist Expenditures

**H1 2022**  
RM6.213 bil

**H1 2021**  
RM238.73 mil

### Tourist Arrivals

**H1 2022**  
2,132,160

**2021**  
134,728

*Note: 2020 – 4,332,722 arrivals ; RM12,688.20 mil / 2019 – 26,100,784 arrivals ; RM86,143.5 mil*  
*Source: Tourism Malaysia*

**Foreign visitor arrivals in the Asia Pacific region expected to increase in 2022 and continue to grow until 2024, with South Asia likely to recover at the fastest rate of any region in the Asia Pacific - Pacific Asia Travel Association's (PATA)**



# MALAYSIA: GROWTH POTENTIAL OF TOURISM & HOSPITALITY INDUSTRIES



## Improving Performance

Improving occupancy rates and ARR, driven by pent-up demand for travel, both for leisure and business



## Strong Domestic Demand

Domestic Tourism has been identified as pathway to revive the tourism & hospitality industries with introduction of tax exemption to promote travel



## One of the Top World Travel Destination

Malaysia is popular with foreign tourists for a myriad of purposes, as evidenced by numerous international awards



## Strong Interest from Industry Players

Investors and operators have strong conviction on long-term potential of the tourism sector in Malaysia as evidenced by opening of hotels amid pandemic as well as expansion plans of existing and new hotel chains including luxury brands



## Hub for Niche Tourism

Malaysia aims to solidify position as international hub for niche tourism by strengthening medical tourism and growing other niche markets such as the halal tourism, ecotourism and wellness industry



## Rise of New Generations

Millennials and Generation Z are making travel an integral part of their lives, more than previous generations



## Favourable Environment & Policies

Various initiatives announced under Budget 2022 and stimulus packages as well as low interest rate are anticipated to revitalize tourism & hospitality industries while encouraging innovation and investments



## Major Infrastructure Projects

Progress of major infrastructure projects such as MRT Line 2, RTS Link and IMBRT as well as announcement of MRT Line 3 will greatly improve connectivity and act as catalyst for travel industry



# KEY HIGHLIGHTS

01

Reopening of businesses and international borders, promotional packages & lower room rates, coupled with resumption of various festival and corporate events have contributed to increase in hotel occupancy rates across multiple destinations

02

The Ministry of Tourism, Arts and Culture of Malaysia has adjusted the target for tourist arrivals in 2022 to 9.2 million with tourism receipts of RM26.8 billion as the initial target of 4.5 million arrivals with RM11.1 billion in receipts (Jan – July 2022: 3.21 million arrivals & RM9.35 billion revenue) is likely to be exceeded

03

The Civil Aviation Authority of Malaysia (CAAM) has been reinstated as a Category 1 safety and technical regulator by the US Federal Aviation Administration (FAA). The Cat1 rating would strengthen Malaysia's position as an aviation hub and increase the country's network connectivity

04

In 2022, Marriott International-run resorts and hotels in Malaysia are looking at an 80% RevPAR (revenue per available room) recovery since reopening of borders. The group is aggressively expanding its portfolio in the country with 26 management contracts for hotel openings through 2030

05

250-room Hyatt Place Kuala Lumpur in Bukit Jalil was structurally completed on 29 August 2022. To be managed and operated by Hyatt Hotels Corp, the 4-star hotel is developed by Malton Bhd. The hotel was launched in 2020, and is expected to open its doors in the middle of 2023

06

The 913-room Renaissance Kuala Lumpur will be relaunched in 2023. The property, which is currently undergoing renovation and refurbishment, will feature both the Renaissance (400 rooms) and the Four Points by Sheraton Kuala Lumpur (513 rooms) brands

07

Nexgram Holdings Bhd is acquiring 218-room Wings By Croske Resort Langkawi for RM90 million. The group intends to acquire Wings to utilise the property as a healthcare service facility for its health and wellness treatments and services

08

Domestic tourism will continue to be the primary driving force of the tourism and hospitality industries, supported by domestic leisure and business segments (MICE), while international arrivals pick up pace in the face of China's outbound travel restrictions in line with its zero-Covid approach and the on-going Russia-Ukraine military conflict



# KEY TRENDS IN THE TOURISM & HOSPITALITY INDUSTRIES



## REFURBISHMENT & RENOVATION

Larger hotels with strong balance sheet undertakes rebranding, redevelopment, renovation and refurbishment works



## TRANSACTION OF HOSPITALITY ASSETS

Owners seek to dispose low quality assets to improve balance sheet while other industry players utilised this opportunity to find good deals in the market



## REPURPOSE

Budget hotels & small-scaled boutique hotels reinventing themselves to stay afloat by offering long-term stays or co-living options, refurbishing or even converting into co-working spaces



## ESG PRACTICES

Greater emphasis in adopting environmental, social and governance (ESG) practices in hotel operations. The use of benchmarking tools such as the Global Real Estate Sustainability Benchmark (GRESB) will become increasingly prominent



## COST CUTTING MEASURES

Hotels are implementing significant cost-cutting measures including streamlining operations with a leaner workforce and lower cost base



## DISCOUNT & PROMOTIONS

Hotels particularly 4-star and 5-star categories are offering significant discounts & attractive promotions such as flexible staycation packages and 'WFH' packages



## NEW NORMS

Precaution and preventive measures being implemented across all hotels which includes reduced physical contact, deep cleaning/sanitization protocols, social distancing operating procedures and signage at public spaces



## HOTEL INVESTMENT FUNDS

Major hotel chains are actively acquiring hospitality assets with potential for capital appreciation and attractive yields via investment funds. Malaysia remains highly appealing to global investment funds driven by its recovering economy and tourism outlook



# KEY TRENDS IN THE TOURISM & HOSPITALITY INDUSTRIES



## CHANGING TRAVELLER PREFERENCES

Travellers' preferences and behaviour have shifted, with a greater preference for short-haul trips and shorter itineraries



## HEALTH & WELLNESS

Hotels to provide onsite wellness centre such as well-equipped fitness centre, pool, spa and sauna as well as redesigning hotel spaces with wider open spaces to cater to travellers' preference



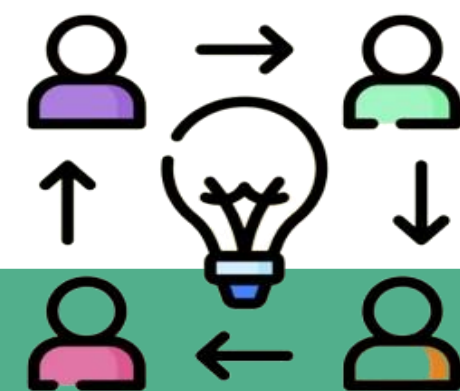
## DIGITALISATION

Hotels implementing automation, digitalization for higher operational efficiency and cost effectiveness. Strong emphasis on technology and digital solution wherein seamless connectivity across platforms and devices is growing more important



## NICHE TOURISM

Identification of new market segment focusing on certain age group and collaboration with local tour operators for introduction of niche tourism such as marine tourism, ecotourism, wellness-themed trips



## COLLABORATIVE INNOVATION

Collaborative innovation is gaining traction for the development of new products and services to cater to shifting travellers' preferences particularly with the rise of experiential travel i.e. wellness/fitness operators & AI providers



## BRANDS



## DEBUT OF NEW BRANDS

International hotel chains are making a wave of announcements on new brand launches hinting at preparation for a new, reinvigorated era of travel. The new brands primarily meant to cater 'millennial-minded' concept, economy extended-stay & luxury market



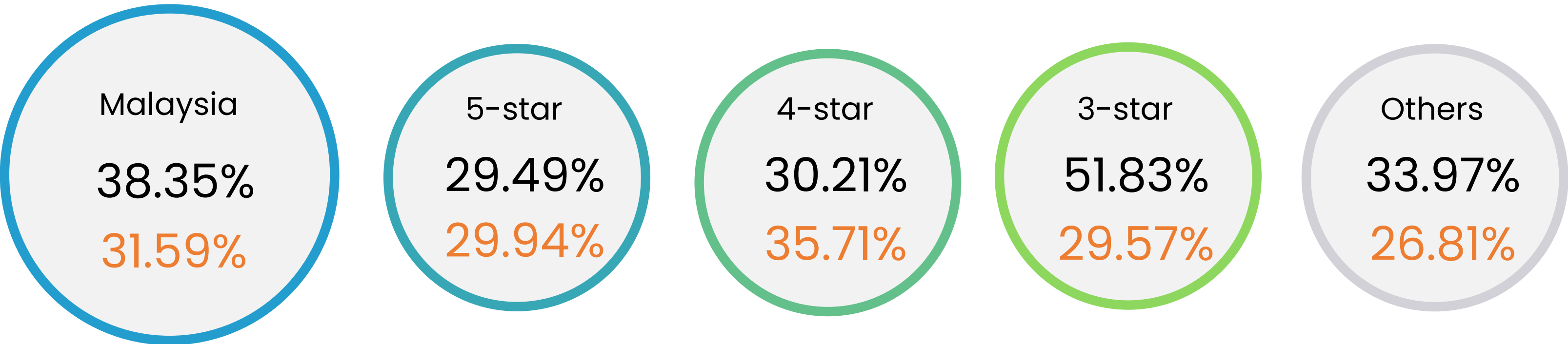
## REGULATION OF HOMESTAYS

Growing calls from local governments for the establishments of laws and rules to regulate short-term rental homes or homestays

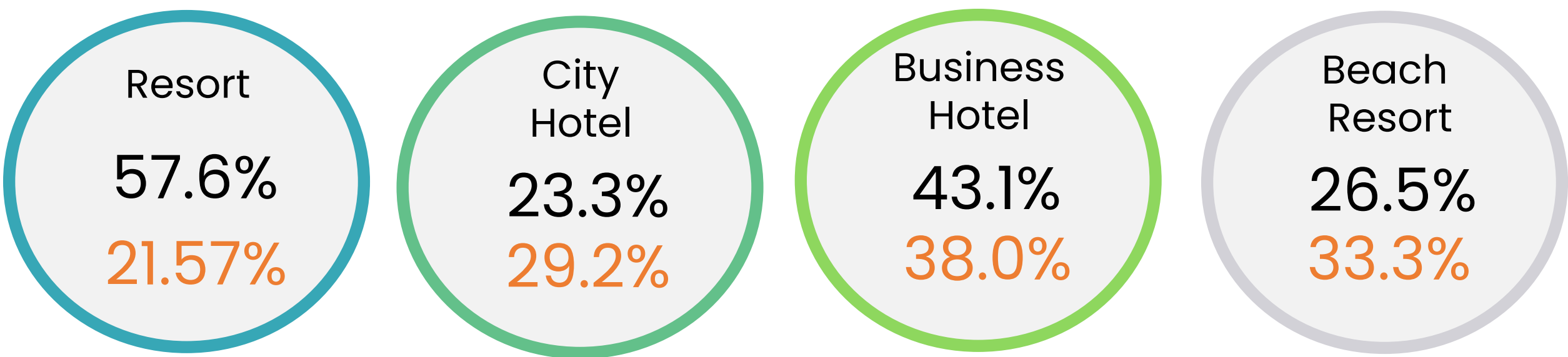


# MALAYSIA: OVERVIEW OF HOTEL INDUSTRY PERFORMANCE

Average Occupancy Rate by Star Rating (2021 vs 2020)

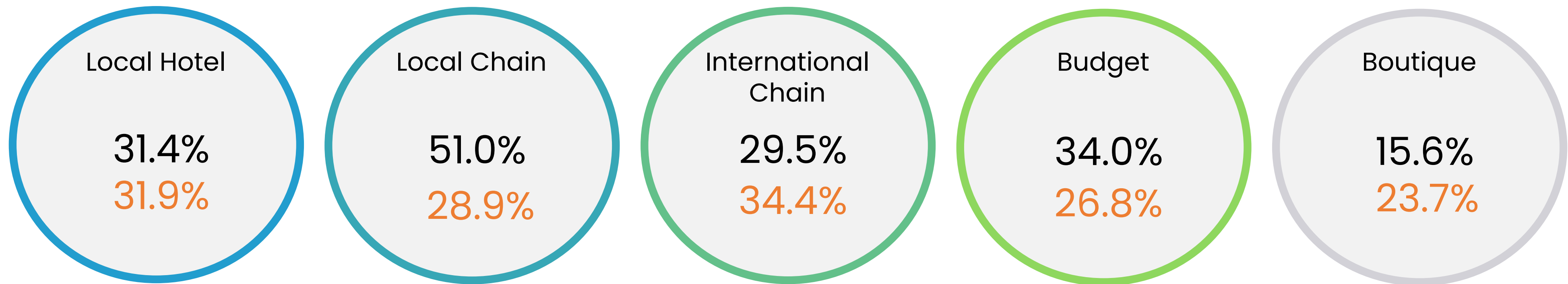


Average Occupancy Rate by Type of Accommodation (2021 vs 2020)



**MAH expects average occupancy to range between 50% and 60% by Q3 2022**

Average Occupancy Rate by Hotel Chain (2021 vs 2020)

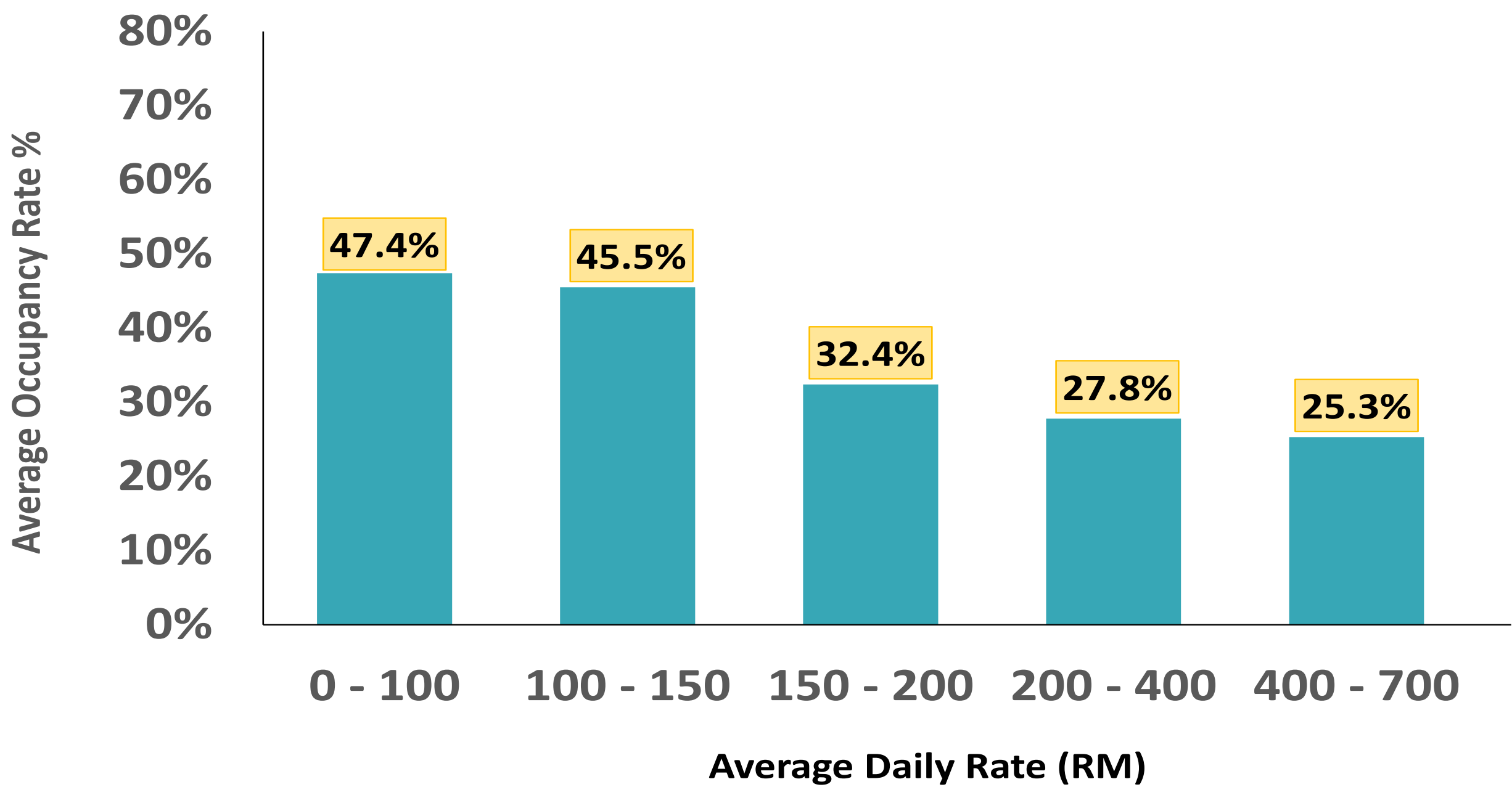




Average Daily Rate (ADR) by Star Rating (2021 vs 2020)



Average Occupancy Rate by Pricing Range (ADR) (2021)





# KUALA LUMPUR HOTELS – MARKET OVERVIEW

## EXISTING SUPPLY H1 2022

245 HOTELS – 45,527 ROOMS

Hotels by Building

22% >300 ROOMS

78% <300 ROOMS

## INCOMING SUPPLY H1 2022

10 HOTELS

2,862 ROOMS

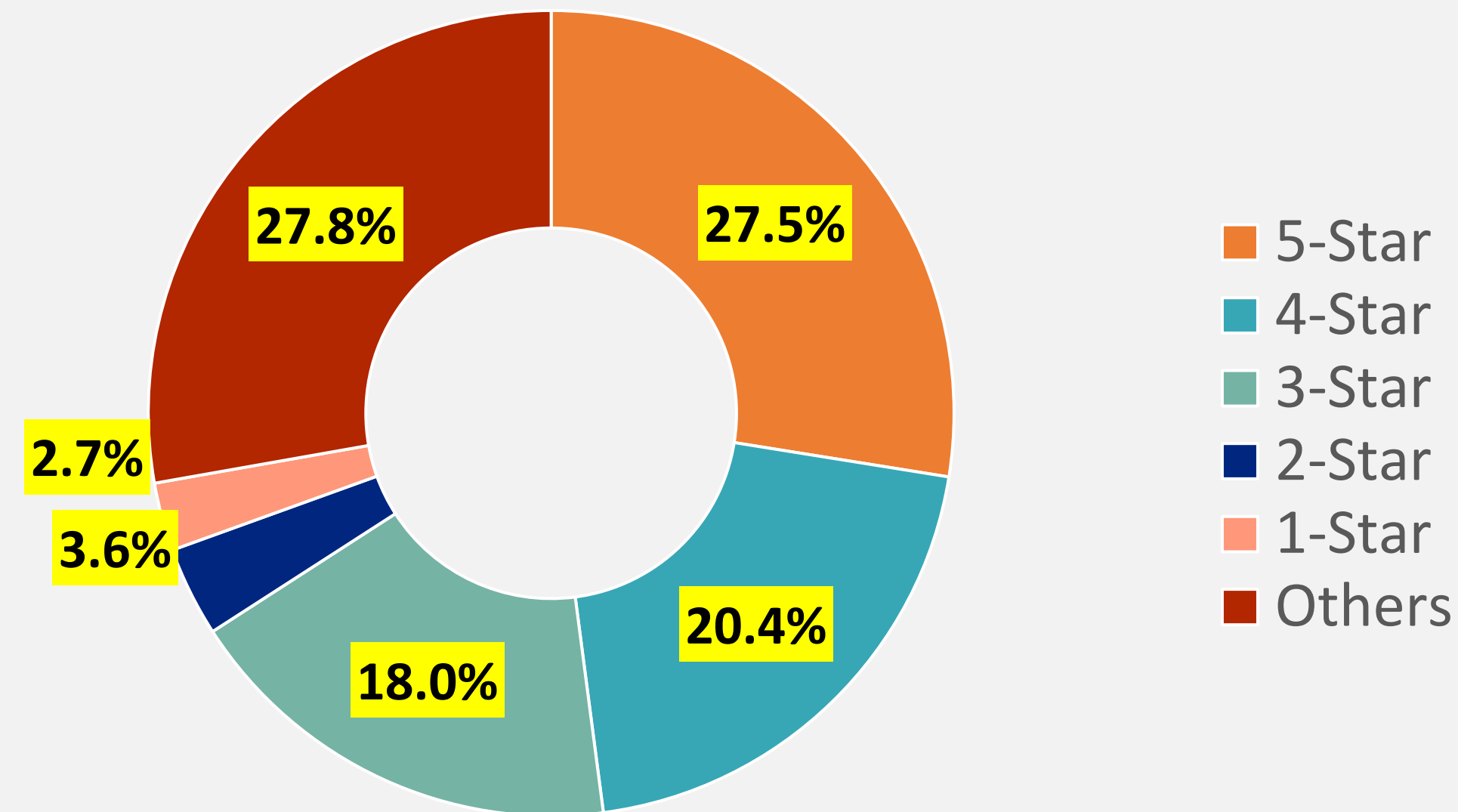
## PLANNED SUPPLY H1 2022

22 HOTELS

4,417 ROOMS

Source: NAPIC

## HOTEL ROOMS BY STAR RATING



Source: NAPIC

## HOTEL GUESTS

Q1 2022

1,005,695

DOMESTIC

965,970

96%

FOREIGN

39,725

4%

2021

2.31 Million

DOMESTIC

2,269,693

98.2%

FOREIGN

41,797

1.8%

Source: Tourism Malaysia

## AVERAGE OCCUPANCY RATES

Q1 2022

30.1%

2020

25.1%

2022F – 50% - 60%

2021

23.6%

2019

59.9%

Source: Tourism Malaysia / ZPCV Research

## AVERAGE DAILY RATE

2021

RM228

2020

RM253

2022F – RM319

Source: Malaysia Association of Hotels / ZPCV Research



# SELANGOR HOTELS – MARKET OVERVIEW

## EXISTING SUPPLY H1 2022

205 HOTELS – 24,201 ROOMS

Hotels by Room Count

13.7% >300 ROOMS

86.3% <300 ROOMS

## INCOMING SUPPLY H1 2022

2 HOTELS

625 ROOMS

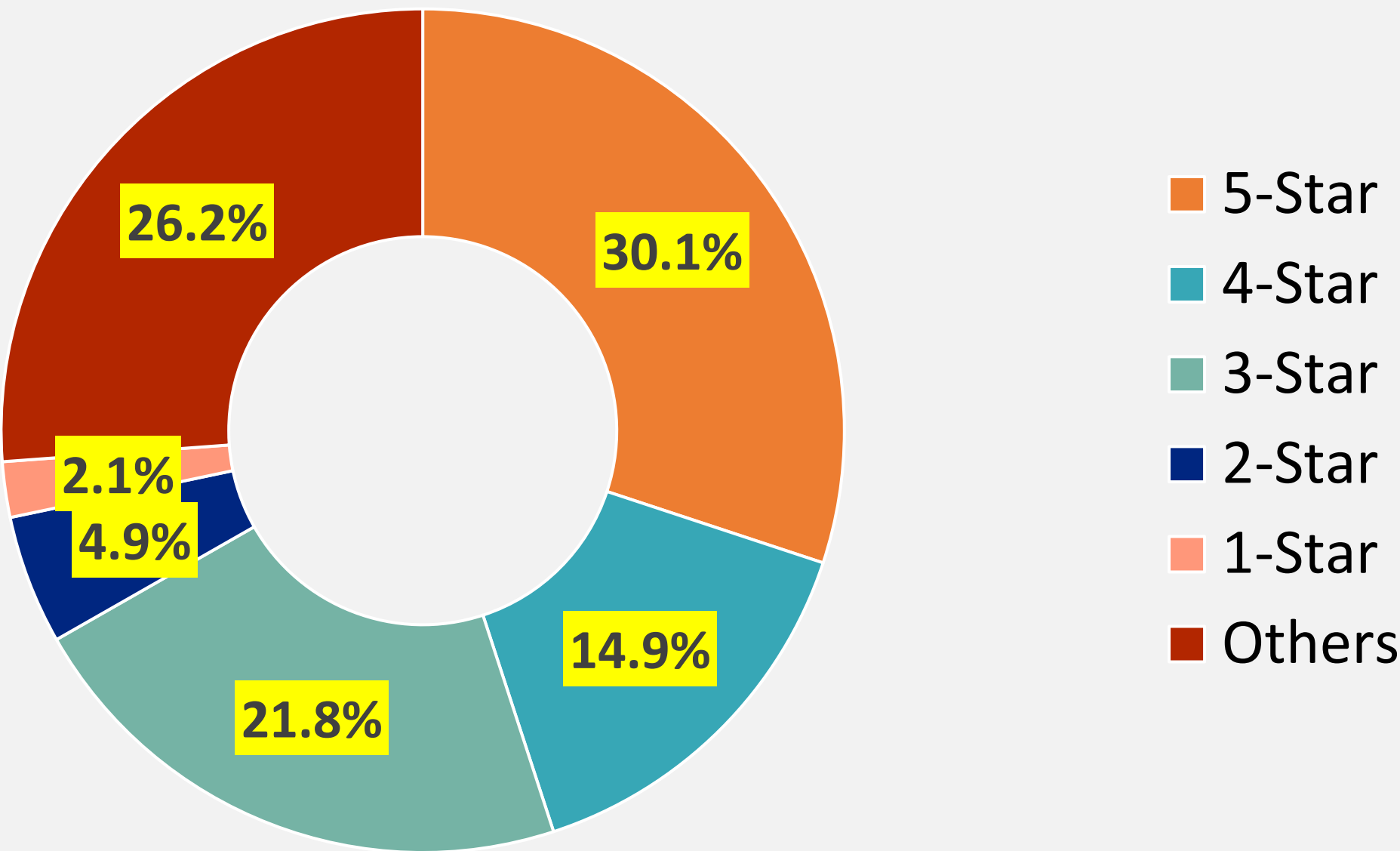
## PLANNED SUPPLY H1 2022

2 HOTELS

453 ROOMS

Source: NAPIC

## HOTEL ROOMS BY STAR RATING



Source: NAPIC

## HOTEL GUESTS

Q1 2022

653,581

DOMESTIC

591,364

90.5%

FOREIGN

62,217

9.5%

2021

1.74 Million

DOMESTIC

1,672,198

96.2%

FOREIGN

66,829

3.8%

Source: Tourism Malaysia

## AVERAGE OCCUPANCY RATES

Q1 2022

41.1%

2020

30.2%

2021

30.9%

2019

56.4%

Source: Tourism Malaysia

## AVERAGE DAILY RATE

2021

RM174

2020

RM173

Source: Malaysia Association of Hotels



# PUTRAJAYA HOTELS – MARKET OVERVIEW

## EXISTING SUPPLY Q2 2022

7 HOTELS – 1,769 ROOMS

### Hotels by Room Count

28.6% >300 ROOMS

71.4% <300 ROOMS

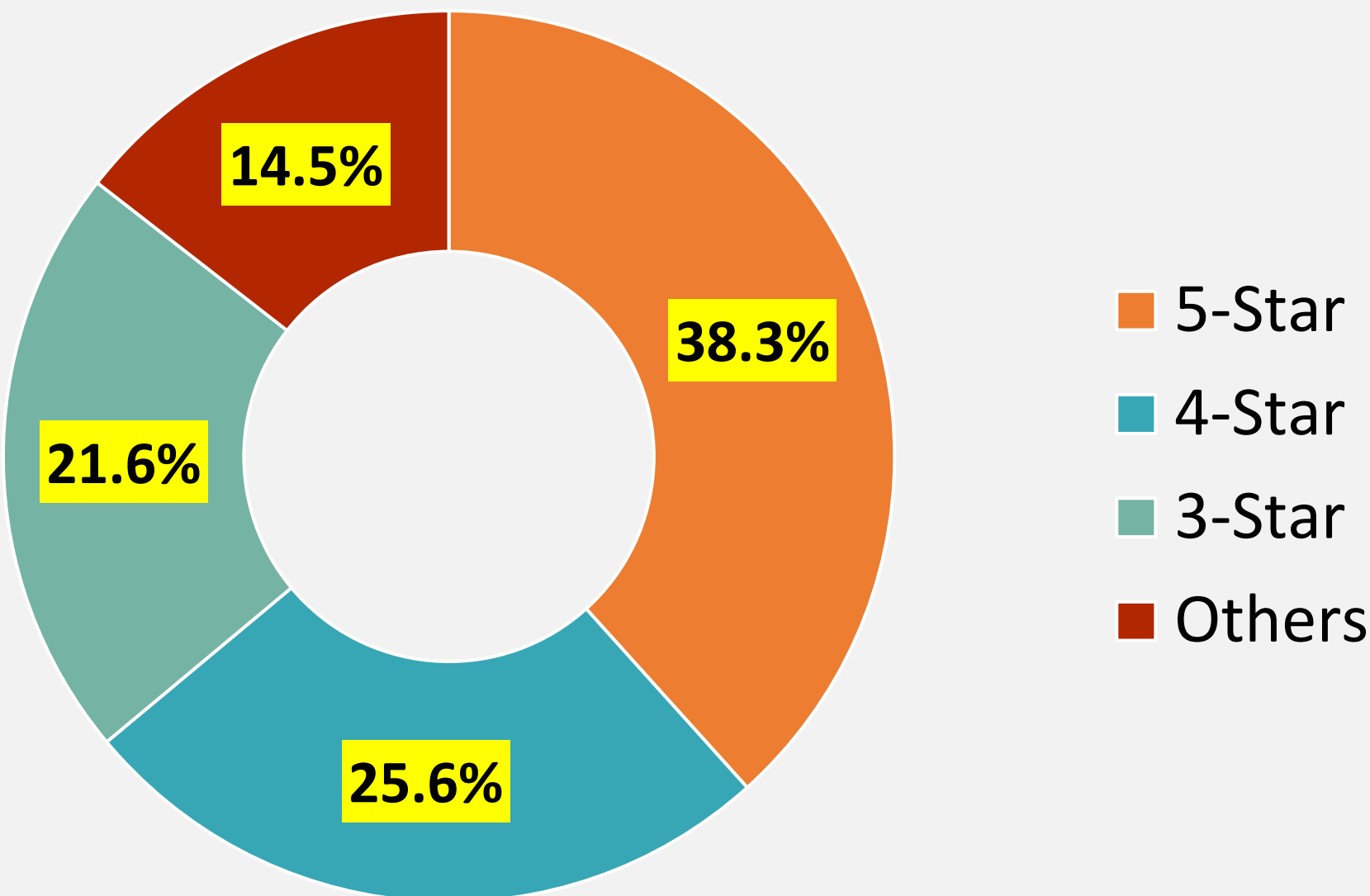
### Hotels by Location

71.4% CITY HOTELS

28.6% RESORTS &  
OTHER HOTELS

Source: NAPIC

## HOTEL ROOMS BY STAR RATING



Source: NAPIC

## AVERAGE OCCUPANCY RATES

Q1 2022

50.8%

2020

40.6%

2021

28.1%

2019

64.2%

Source: Tourism Malaysia

## HOTEL GUESTS

Q1 2022

57,694

DOMESTIC

57,038

98.9%

FOREIGN

656

1.1%

2021

133,393

DOMESTIC

131,950

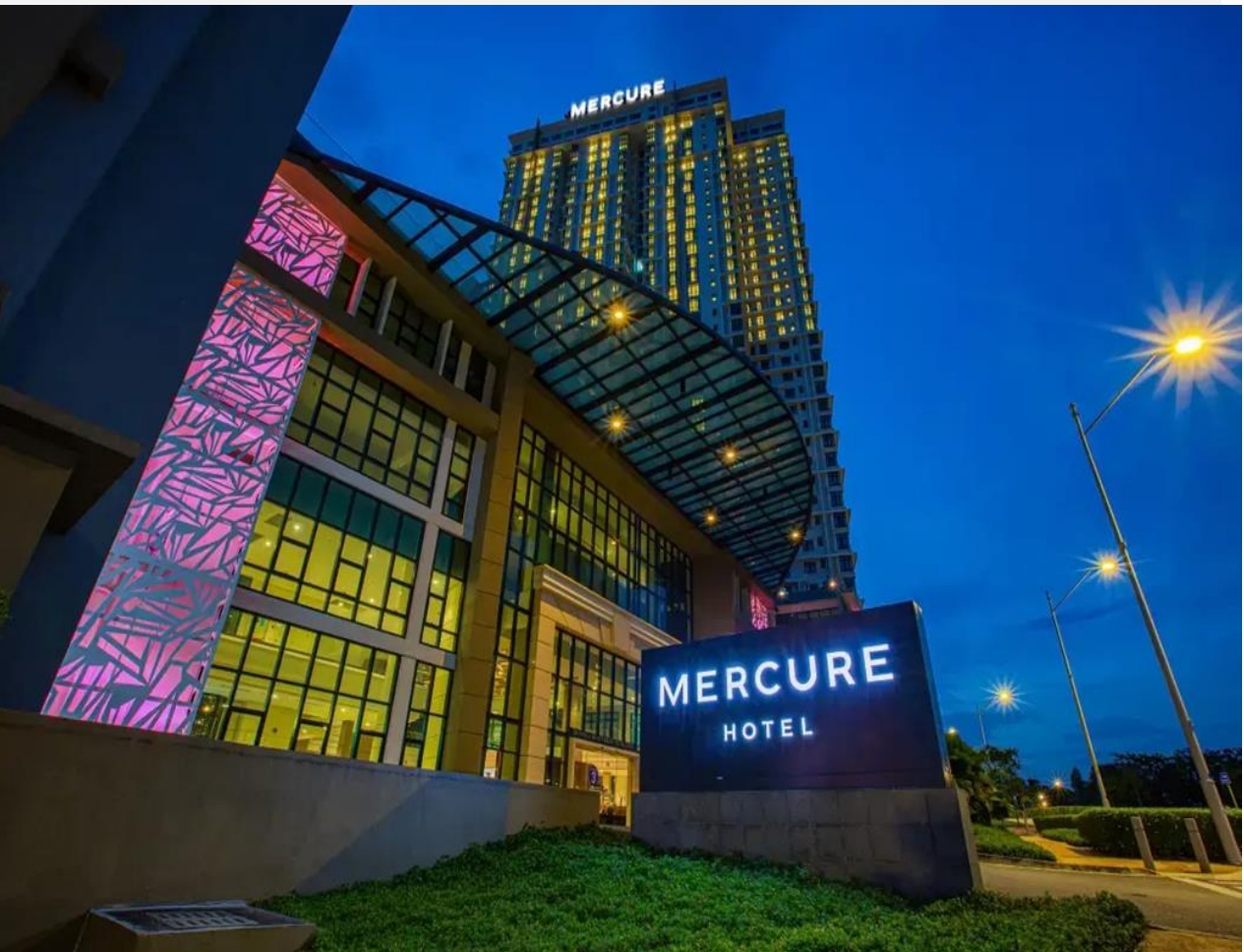
98.9%

FOREIGN

1,443

1.1%

Source: Tourism Malaysia





# GREATER KL HOTELS - SELECTED RECENT TRANSACTIONS

Property	Date of Transaction	Number of Rooms	Transaction Price	Analysis Per Room	Vendor	Purchaser
<b>4-star Hotel @ Bukit Bintang Centre City</b> <b>Jalan Hang Tuah, Kuala Lumpur</b>	22-Aug-2022	450	RM295,000,000	RM655,556	BBCC Development Sdn Bhd	UDA Holdings Bhd
<b>Sheraton Imperial Kuala Lumpur</b> <b>Jalan Sultan Ismail</b>	28-Feb-2022	398	RM235,000,000	RM590,452	Inter Heritage (M) Sdn. Bhd	Achi Jaya Plantations Sdn. Bhd
<b>Royale Chulan Bukit Bintang</b> <b>Jalan Bukit Bintang</b>	29-Dec-2020	418	RM174,993,638	RM418,645	Boustead Hotels & Resorts Sdn Bhd	Hotel Royal Ltd
<b>City Comfort Hotel, Jalan Pudu Lama</b>	15-Jan-2020	97	RM30,000,000	RM309,278	MG Capital Sdn Bhd	Canaanland Resources Sdn Bhd
<b>Tune Hotel – Downtown Kuala Lumpur</b> <b>Jalan Tuanku Abdul Rahman</b>	8-Aug-2019	173	RM45,590,000	RM263,526	OMT Hotels Sdn Bhd	ECML Hotels Sdn Bhd
<b>Swiss Garden Hotel Bukit Bintang</b> <b>Jalan Pudu</b>	8-Aug-2019	296	RM170,000,000	RM574,324	PJD Hotels Sdn Bhd	Allstar Odyssey Sdn Bhd
<b>Wolo KL</b> <b>Intersection of Jalan Sultan Ismail &amp; Jalan Bukit Bintang</b>	29-July-2019	133	RM115,000,000	RM864,662	Wonderful Vantage Sdn Bhd	HYM Signature Sdn Bhd
<b>Marriott Hotel (Empire City)</b> <b>Damansara Perdana</b>	15-March-2019	294	RM125,000,000	RM425,170	Winsome Gateway Sdn Bhd	Arcadia Hospitality Sdn Bhd



# GREATER KL HOTELS - SELECTED RECENT TRANSACTIONS



AUG 2022

RM295 mil (RM656K per room)

4-star Hotel @ BBCC, Jalan Hang Tuah  
450 Rooms



FEB 2022

RM235 mil (RM590K per room)

Sheraton Imperial Kuala Lumpur  
398 Rooms



DEC 2020

RM174.99 mil (RM419K per room)

Royale Chulan Bukit Bintang  
418 Rooms



JAN 2020

RM30 mil (RM309K per room)

City Comfort Hotel, Jalan Pudu Lama  
97 Rooms



AUG 2019

RM170 mil (RM574K per room)

Swiss Garden Hotel, Bukit Bintang  
296 Rooms



# GREATER KL HOTELS - SELECTED TRANSACTIONS

A photograph of the Tune Hotel Downtown KL, a multi-story building with a prominent red and white checkered facade and a large 'Tune Hotels' sign. The building is situated in an urban area with other buildings and a street visible in the background.

AUG 2019

**RM45.59 mil (RM264K per room)**

**Tune Hotel Downtown KL**  
**Jalan Tuanku Abdul Rahman**  
**173 Rooms**

A photograph of the WOLO Kuala Lumpur hotel at night. The building is a brick structure with large arched windows and a modern glass entrance. The 'WOLO' logo is illuminated above the entrance. The scene is lit with warm streetlights and building lights.

JULY 2019

**RM115 mil (RM865K per room)**

**WOLO Kuala Lumpur**  
**Jalan Sultan Ismail / Jalan Bukit Bintang**  
**133 Rooms**

A photograph of the Marriott Hotel, Damansara Perdana, a modern high-rise building with a glass facade and a distinctive architectural design. The building is surrounded by other skyscrapers in a dense urban setting.

MAR 2019

**RM125 mil (RM417K per room)**

**Marriott Hotel, Damansara Perdana**  
**294 Rooms**



# GREATER KL HOTEL - NEW COMPLETIONS



Q3 2022

Kuala Lumpur Fringe – Jalan Bangsar

**Amari Kuala Lumpur**  
5-Star | 252 Rooms



Q3 2022

Kuala Lumpur Fringe – KGPA, Bukit Kiara

**M Resort & Hotel**  
5-Star | 300 Rooms



Q3 2022

Shah Alam, Selangor – i-City

**DoubleTree by Hilton @ i-City**  
4-Star | 300 Rooms



Q3 2022

Kuala Lumpur City – Jalan Tun HS Lee

**Else Hotel Kuala Lumpur**  
Boutique | 49 Rooms



Q2 2022

Kuala Lumpur City – Jalan Kamuning

**Llyod's Inn Kuala Lumpur**  
3-Star | 108 Rooms



Q2 2022

Kuala Lumpur City - Jalan Sultan Ismail

**Parkroyal Collection Kuala Lumpur**  
Rebranding | 5-Star | 535 Rooms



# GREATER KL HOTEL - NEW COMPLETIONS



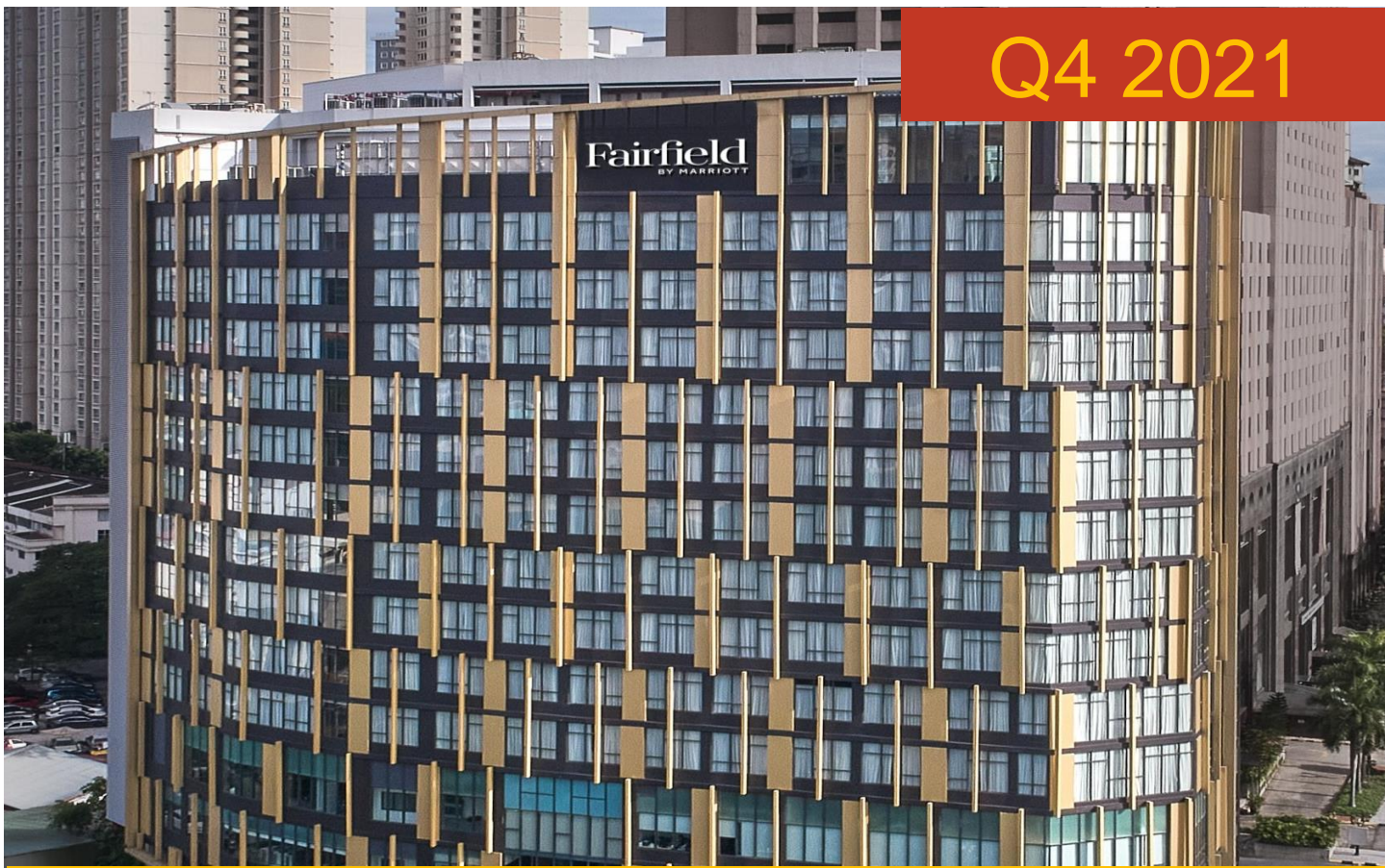
Q2 2022

**Petaling Jaya, Selangor – Kelana Jaya**  
**Le Méridien Petaling Jaya**  
Rebranding | 5-Star | 300 Rooms



Q2 2022

**Shah Alam - Jalan Kontraktor U1/14**  
**Mercure Kuala Lumpur Glenmarie**  
Rebranding - 4-Star - 229 Rooms



Q4 2021

**Kuala Lumpur City – Off Jalan Pahang**  
**Fairfield Kuala Lumpur**  
5-Star - 186 Rooms



Q4 2021

**Putrajaya – IOI Resort City**  
**Palm Garden Hotel, a Tribute Portfolio Hotel**  
Rebranding - 4-Star - 151 Rooms



Q3 2021

**Putrajaya – Precinct 5**  
**DoubleTree by Hilton Putrajaya Lakeside**  
5-Star - 290 Rooms



# GREATER KL SERVICED APARTMENTS - NEW COMPLETIONS



**Putrajaya – Jalan Alamanda**

**Mercure Living Putrajaya**  
Serviced Apartment | 299 Apts



**KLCC – Jalan Yap Kwan Seng**

**Ascott Star KLCC Kuala Lumpur**  
Serviced Apartment - 298 Apts



**Kuala Lumpur City – Jalan Imbi**

**Capri Hotel by Fraser**  
Serviced Apartment - 319 Apts



# GREATER KL HOTELS - UPCOMING COMPLETIONS IN 2022



2022

Kuala Lumpur City – Jalan Sultan Ismail

**Conrad Kuala Lumpur**  
5-Star | 544 Rooms



2022

Kuala Lumpur City – Jalan Kamunting

**Radisson RED@KLCC**  
4-Star | 166 Rooms



2022

Cyberjaya, Selangor

**Holiday Inn & Suites Cyberjaya**  
3-Star | 410 Rooms



2022

Shah Alam, Selangor – Setia Alam

**Courtyard by Marriott Setia Alam**  
4-Star | 225 Rooms



2022

Sepang, Selangor – Kota Warisan

**Holiday Inn Sepang**  
3-Star | 250 Rooms



# GREATER KL HOTELS - UPCOMING COMPLETIONS IN 2023 & 2024



2023

**Kuala Lumpur City – Jalan Hang Jebat**

**Park Hyatt Kuala Lumpur**  
5-Star | 232 Rooms



2023

**Kuala Lumpur City – Jalan Yap Kwan Seng**

**Crowne Plaza Kuala Lumpur City Centre**  
5-Star | 318 Rooms



2023

**Kuala Lumpur City – Lorong P Ramlee**

**Holiday Indigo On The Park KL**  
4-Star | 180 Rooms



2023

**Kuala Lumpur Fringe – Jalan Bangsar**

**Holiday Inn Kuala Lumpur Bangsar**  
4-Star | 220 Rooms



2023

**Kuala Lumpur City – Jalan Kia Peng**

**Imperial Lexis Kuala Lumpur**  
5-Star | 275 Rooms



2024

**Putrajaya – IOI Resort City**

**Moxy Putrajaya Hotel**  
3-Star | 495 Rooms



# GREATER KL HOTELS - UPCOMING COMPLETIONS



2023

Kuala Lumpur Fringe – Bukit Jalil  
**Hyatt Place Kuala Lumpur**  
4-Star | 250 Rooms



2023

Kuala Lumpur City – Jalan Sultan Ismail  
**Renaissance Kuala Lumpur**  
Refurbish | 5-Star | 400 Rooms



2023

Kuala Lumpur City – Jalan Sultan Ismail  
**Four Points by Sheraton Kuala Lumpur**  
4-Star | 513 Rooms



2024

Kuala Lumpur City – Jalan Ampang  
**So Sofitel Kuala Lumpur Hotel**  
5-Star | 226 Rooms



2024

Kuala Lumpur City – Jalan Ampang  
**Jumeirah Hotel**  
5-Star | 213 Rooms



# GREATER KL HOTELS - UPCOMING COMPLETIONS



2024

Kuala Lumpur City – Bukit Bintang

Waldorf Astoria Kuala Lumpur  
5-Star | 279 Rooms



2024

Kuala Lumpur City – Jalan Barat

Kimpton Hotel @ TRX  
5-Star | 471 Rooms



2024

Kuala Lumpur Fringe – KL Metropolis

Hyatt Regency Kuala Lumpur  
5-Star | 450 Rooms



2024

Kuala Lumpur City – Jalan Conlay

Kempinski Hotel @ 8 Conlay  
5-Star | 260 Rooms



# GREATER KL SERVICED APARTMENTS - UPCOMING COMPLETIONS



2022

**Kuala Lumpur City – Bukit Bintang**  
**Pan Pacific Serviced Suites KL**  
Serviced Apartment | 210 Apts



2023

**Kuala Lumpur Fringe – KL Metropolis**  
**Somerset KL Metropolis**  
Serviced Apartment | 262 Apts



2023

**Ara Damansara, Petaling Jaya**  
**Citadines Ara Damansara PJ**  
Serviced Apartment | 193 Apts



2024

**Kuala Lumpur City – Jalan Hang Jebat**  
**Oakwood Premier Kuala Lumpur @ Merdeka 118**  
Serviced Apartment | 348 Apts



2024

**Kuala Lumpur City – Jalan Kia Peng**  
**Marriott Executive Apartments**  
Serviced Apartment | 352 Apts