

ISSUE 254

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WEEKLY INSIGHTS

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Southeast Johor has big potential in tourism, industrial sectors

The southeast part of Johor will be developed into a tourism and industrial focus area through a smart partnership between the Rural and Regional Development Ministry, the Southeast Johor Development Authority (Kejora) and the state government.

Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi, who helms the ministry, said this was also in line with the wish of the Sultan of Johor, Sultan Ibrahim Ibni Almarhum Sultan Iskandar, to see the underdeveloped areas of the state prosper.

“Kejora has about 15.06% of the land in Johor, and throughout the 50 years of its inception, the agency has managed to develop this area with the help of the private sector.

“This success should be the foundation for developing the southeast Johor area even further, and the federal and state governments could form a smart partnership to grow this area together,” he told a press conference after his working visit to the Kejora office in Bandar Penawar here yesterday.

Ahmad Zahid added that Kejora should also work together with the state government to introduce a special focus area and start a new venture.

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Higher hotel prices? No problem for Malaysians

Vacations are fun, but with inflation, they are getting expensive too – and it's not only the food, but also the the hospitality sector.

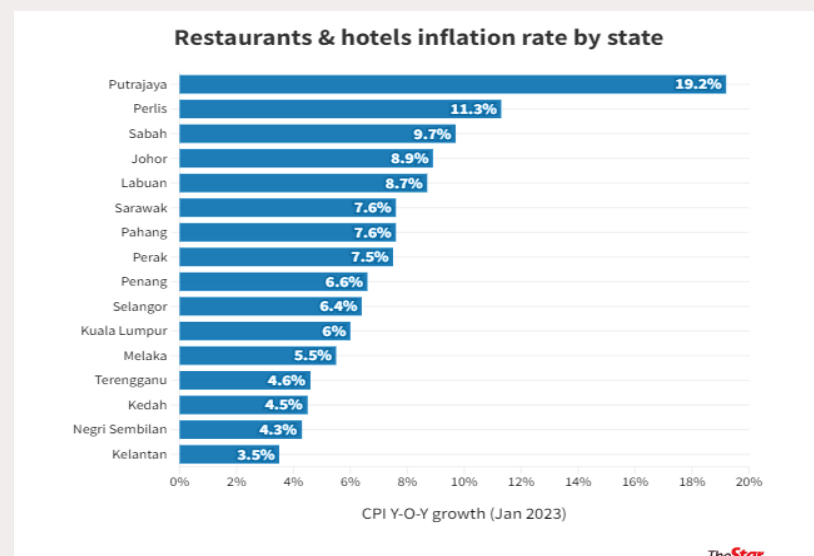
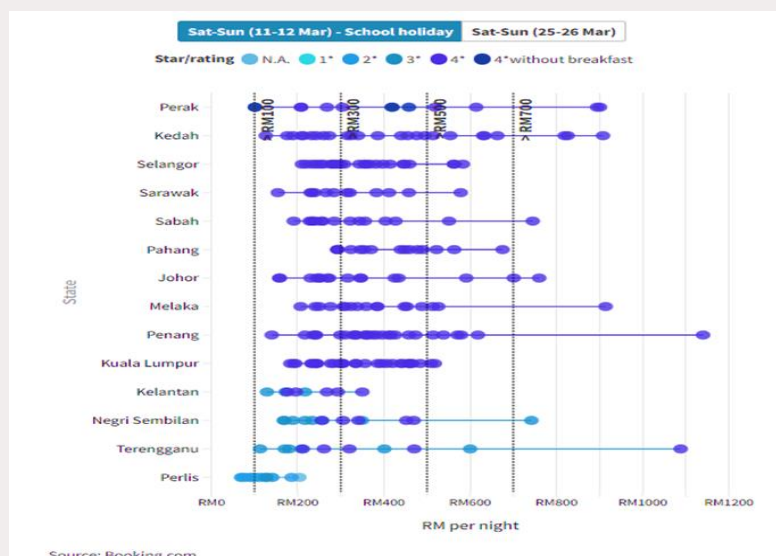
Malaysians, however, have not been dissuaded from travelling domestically with hotels filling up, especially during the ongoing school holiday.

With the pandemic out of the way, Malaysians are holidaying with such a vengeance that a new term, Revenge Travel, has actually been coined.

Malaysian Association of Hotels (MAH) president Christina Toh said hotel rates have increased across the board, including for hotels rated three to five stars, at an average of 15% year-on-year.

“The increase is a recovery from prices which dropped during the global pandemic. “Compared to 2019, the current hotel average daily rate has just recovered from pre-pandemic days,” she said.

Resort hotels around the country have seen high occupancy during the school holidays, especially during the weekends and depending on the states, from Thursdays to Sundays. [READ MORE](#)



Nexgram to acquire property management rights in Langkawi for RM22.5 mil

A day after Nexgram Holdings Bhd aborted its deal to buy Wings By Croske Resort Langkawi Sdn Bhd (WINGS) for RM90 million, the ACE Market-listed firm now says it wants to acquire the management rights of a piece of land in Langkawi, Kedah, from the resort operator for RM22.5 mil instead.

In a filing with Bursa on Friday (March 10), Nexgram said its wholly-owned unit Medic Asset Group Sdn Bhd (MAGSB) has entered into a conditional sale and purchase agreement with WINGS to acquire the entire management rights of a 16,900 sq m piece of land together with the 218-room Century One Helang Hotel Langkawi.

The acquisition will be satisfied via the issuance of 250,000 redeemable convertible preference shares (RCPS) at an issue price of RM90 per RCPS in MAGSB to the vendor, namely WINGS.

Notably, this came a day after Nexgram called off a deal to acquire WINGS from Croske Hotels Sdn Bhd and Flyboys Club Sdn Bhd for RM90 million, which was supposed to be satisfied via the issuance of one million RCPS at RM90 apiece in MAGSB to the two vendors. [READ MORE](#)



Legoland Malaysia invests RM40 mil in maintenance and new attractions

Legoland Malaysia Resort has allocated RM40mil for maintenance and routine cleaning this year, says divisional director C.S. Lim.

The initiatives include upgrading existing attractions as well as introducing new ones.

The company has stepped up efforts to woo Indonesians who make up the highest number of foreign visitors, said Lim, who was in Jakarta recently for promotional activities in partnership with Tourism Malaysia Jakarta office.

Legoland Malaysia Resort has stepped up efforts to woo Indonesians who make up the highest number of foreign visitors. Lim said the number of Indonesian visitors is expected to return to the pre-pandemic level this year. He did not elaborate.

He said the last three years were very challenging for the tourism industry, but the resort is now well prepared to welcome back international guests. “We not only brave through it but we have emerged from it better than ever,” he added. [READ MORE](#)



Malaysia to organise IMT-GT trip to boost tourism sector

The Tourism, Arts and Culture Ministry (Motac) will organise the Indonesia–Malaysia–Thailand Growth Triangle (IMT–GT) Familiarisation Trip this year to boost the country's tourism sector.

Its minister, Datuk Seri Tiong King Sing, said the efforts would involve social media influencers and media representatives from Indonesia and Thailand.

"This IMT–GT Familiarisation Trip is to introduce and promote Malaysia's tourism products to tourists from Indonesia and Thailand," he said when winding up the debate on the Supply Bill 2023 in the Dewan Rakyat today.

Tiong said his ministry was also in discussion with the Home Ministry to return the Malaysia My Second Home (MM2H) programme, which is currently under the purview of the Immigration Department, to Motac.

He said Motac was capable of playing the role of a one-stop centre, which would focus on the programme's application process and promote the activities of the national tourism sector, while the approval of applications would be handled by the Home Ministry. [READ MORE](#)



INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE

Club Med to be in Kota Kinabalu by 2024

Club Med will be opening a new resort in Kota Kinabalu, Sabah by the fourth quarter of next year, reveals its new general manager of Singapore and Malaysia, Olivier Monceau, on a media trip to Club Med Cherating in Pahang. The greenfield beach resort will be developed in close collaboration with the owner, Golden Sands Beach Resort City Sdn Bhd.

“It sits on 41 acres with 400 rooms, out of which 40 are suites,” says Monceau of the latest resort property. “The great news is that we are going to have a 5-Trident collection space. The resort is classified as 4-Trident but with a 5-Trident space dedicated to even more premium clientele, which will be the first in Malaysia.”

In line with its sustainability mindset, this new resort offering will be the first large-scale sustainably built and BREEAM-certified beach resort in Asia-Pacific. BREEAM, which stands for Building Research Establishment Environmental Assessment Method, is a voluntary green building sustainability rating system that was established in the UK for assessing the environmental performance of buildings.

Monceau states that because this resort was designed and built from scratch, the company has the tools to build sustainably and include conservation elements such as water and waste management as well as a zero-plastic policy. [READ MORE](#)



ONYX Hospitality Group on track to operate 54 properties by 2025

Thailand-based ONYX Hospitality Group will be at ITB Berlin 2023 this week to share its aggressive expansion plans and optimistic revenue target for 2023, conveying its full confidence in tourism recovery. The leading Asian hospitality group is on track to operate 54 properties by 2025. ONYX currently operates 44 properties, with an additional 11 properties in development.

ONYX Hospitality Group's portfolio consists of hotels, resorts and serviced apartments under three core brands: Amari, its upper-upscale brand that aims to deliver memorable experiences to hotel guests; OZO, the lifestyle hotel brand that focuses on delivering a great night's sleep and fun; and Shama, the serviced apartment brand immersing guests into their new neighbourhoods; whether staying just a few days or for a while.

ONYX Hospitality Group's portfolio includes 44 properties across Thailand, Malaysia, and China including Hong Kong, Maldives, Bangladesh and Lao PDR. From which, 18% are invested by the group and 82% under management contracts. [READ MORE](#)



The gold-gilded Dolce by Wyndham Hanoi Golden Lake Hotel is on the market for over RM1bil

The gold-gilded Dolce by Wyndham Hanoi Golden Lake Hotel, which has tiles plated in 24k gold, is on the market for a starting price of US\$250 million.

Nguyen Huu Duong, who is chairman of Hoa Binh Co., Ltd., and owner of the hotel, reportedly said that the facility would be put up for sale this month.

Duong, a wealthy entrepreneur known as "Duong beer" told cafef.vn that there are presently about 10 prospective investors negotiating the price, which is US\$250 million. He did, however, anticipate a greater price due to the hotel's valuable commercial worth.

Wyndham Dolce by Dolce Hanoi Golden Lake is Hanoi's first gold-plated hotel, located near Giang Vo Lake in the Dong Da neighbourhood. The hotel opened in July 2020 after about 18 months of building and a total investment of more than US\$100 million.

The hotel has 24 floors and 360 rooms, which reportedly cost up to US\$1,000 a night. The lobby door, elevator doors, and interior furniture are all gold-plated. [READ MORE](#)



Keppel Land to divest Myanmar hotel project for \$77 million

As Myanmar's hotel industry struggles to recover from the double whammy of the coronavirus pandemic and the 2021 military takeover, Keppel Corporation will sell Sedona Hotel in Yangon for US\$57.4 million, Nikkei Asia reported.

The Singapore government-backed conglomerate is accelerating asset sales to bolster its environmental business. Keppel said in a statement this week that the sale of the high-end Sedona hotel is consistent with Keppel Corp's share capitalization plans to raise capital to enable new development opportunities.

The company determined the value for the hotel that ceased operations due to the pandemic in the fiscal year ending December 2021.

Keppel will sell its Myanmar hotel business to Spring Blossom Ventures. Spring Blossom Ventures is a Singapore registered company and its initial business is as an investment holding and investment business in the hospitality industry.

The company's share sale is expected to be completed in the first half of 2023. [READ MORE](#)



Thai hotels ramp up investment as tourism blossoms again

Thai hotel operators are ramping up plans to expand investment at home and abroad as fresh tourism revenue provides fuel to meet rising demand.

Hospitality giant Centara Hotels and Resorts has set aside 23 billion baht (\$662 million) to build at least six hotels over the next few years. It plans to open a Centara hotel in Osaka on July 1 and another five hotels in Thailand.

"Of course, our target in Osaka is Thai tourists and also Korean and Chinese tourists who love to visit Japan," said Centara CEO Thirayuth Chirathivat.

Another large hotel group, Dusit Thani, is also targeting Japan with a new hotel slated to open in Kyoto in the next few years. CEO Suphajee Suthumpun said the company will build 14 hotels in 2023, pushing total room capacity to 13,000 in 17 countries.

Budget hotel operator Erawan Group is focusing on the domestic market with plans to increase the number of its Hop Inn hotels that cater mostly to middle-income travelers. It hopes to have 100 locations open by 20215, up from the current 50. [READ MORE](#)

