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WEEKLY INSIGHTS

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Impiana upgrades KL, Perak hotels

Impiana Hotels Bhd – a hospitality company with operations in Malaysia, Thailand and Indonesia – is on an upgrade mode as it works on renovating its hotels in Kuala Lumpur and Perak.

The budget for the upgrade would come from Impiana's RM150 million redeemable convertible notes (RCN) programme, according to its chief operating officer Azrin Kamaluddin.

The upgrades for Impiana Hotel KLCC and Impiana Hotel Ipoh are expected to cost around RM10 million–RM12 million.

"As for the company's hotel operations in Thailand and Indonesia, the respective hotel owners will bear any refurbishment and upgrading expenses as Impiana Hotels does not own the hotel properties in both countries," Azrin told the New Straits Times.

He said upgrades for the Impiana Hotel Ipoh are ongoing and expected to be completed by the end of the third quarter (Q3) of this year.

As for the Impiana Hotel KLCC, Azrin said partial upgrades had been completed, expedited by the KLCC flash floods in March 2022.

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More Ascott-branded hotels to open in Malaysia

The Ascott Ltd. (Ascott), the lodging division of CapitaLand Investment Ltd. (CLI), will open a few hotels in Malaysia's major cities as part of its expansion strategy within the next two years.

The hotels are Iyf Raja Chulan Kuala Lumpur, Domitys Bangsar Kuala Lumpur, Somerset KL Metropolis Kuala Lumpur, Citadines Waterfront Kota Kinabalu, Citadines Tanjung Tokong Penang, and Harris Sunshine Penang.

Ascott pioneered Asia Pacific's first international-class serviced apartment with the opening of The Ascott Singapore in 1984 and is now an international lodging owner-operator with a portfolio spanning over 220 cities across more than 40 countries in Asia Pacific, Central Asia, Europe, the Middle East, Africa, and the United States.

Besides Kuala Lumpur, Ascott is increasing its investments in Penang.

The company recently completed converting Sky Residence Prai into Citadines Prai Penang. It marked the third operational property and first Citadines within Penang for Ascott Malaysia. [READ MORE](#)



Govt ready to give immediate approval for special chartered flights to Malaysia

The government is prepared to issue immediate approval for chartered flights into the country as a means to attract and encourage tourist arrivals said Prime Minister Datuk Seri Anwar Ibrahim.

Speaking at the Tourism, Arts and Culture Ministry's (MOTAC) Hari Raya Aidilfitri open house celebrations, Anwar said the decision was in line with the government's efforts to ease the process for MOTAC to attract tourists to the country.

"Issues involving the technical aspects had been sort by the (Minister of Tourism, Arts and Culture Datuk Seri Tiong King Sing). Issues of visa, I have discussed with the Home Minister (Datuk Seri Saifuddin Nasution Ismail). "At at the initial stage, what we can expedite is approval for 'chartered flights'," he said.

In February, Tiong through a Facebook posting had suggested that local airline companies carry out research on the possibility to develop special chartered flights to Malaysia as an initiative to attract foreign tourists to the country.

Meanwhile, Tiong said for the first quarter of the year, 4.38 million foreign tourists had entered the country and from the total, 178,150 were tourists from China. [READ MORE](#)



Malaysia welcomes Xiamen Airlines inaugural flight Chongqing to Kuala Lumpur

Xiamen Airlines officially commenced its inaugural flight from Chongqing to Kuala Lumpur, marking an important milestone in boosting travelling between China and Malaysia, as well as enhancing tourist traffic between the two destinations.

The maiden flight touched down at Kuala Lumpur International Airport (KLIA) Airport Terminal 1, and the passengers were welcomed by Tourism Malaysia and Malaysia Airports Holdings Berhad (MAHB) management teams at the boarding gate.

The new direct flight will fly four times a week on Monday, Wednesday, Friday, and Sunday, bringing more convenience to the people of the two countries in bridging the economic and cultural exchange and investment.

Malaysian Prime Minister Datuk Seri Anwar Ibrahim's visit to China last March, which coincided with the 10th anniversary of the establishment of a Comprehensive Strategic Partnership (CSP), has deepened the Malaysia-China relationship.

With the launch of the non-stop flight to Chongqing, Xiamen Airlines operates 25 flights to China every week, including Kuala Lumpur to Xiamen (two daily flights) and Kuala Lumpur to Fuzhou (one daily flight). [READ MORE](#)



More Malaysia-Indonesia flights to be opened soon, says tourism minister

Malaysia plans to increase flights to Indonesia in response to a sharp increase in Indonesian arrivals. Minister of Tourism, Arts and Culture Datuk Seri Tiong King Sing shared that Malaysia welcomed 247,889 and 222,923 visitors from Indonesia in January and February 2023, respectively, which was significantly higher than the same period in 2022. However, the current number of flights is inadequate to handle the increasing visitor volume trend.

The government plans to open more routes and increase flight frequencies to meet the growing market demand. In the first two months of 2023, the number of Indonesian tourist arrivals in Malaysia reached 470,812, exceeding the total number of arrivals from Indonesia in 2022.

As of April 2023, Indonesia has reopened 12 entry points with 482 weekly flights between the two countries, totaling 83,276 seats. However, this is still only 70.2% compared to the pre-pandemic period of 685 weekly flights in February 2020.

AirAsia is starting a twice-weekly Kertajati-KL flight on May 17 and will soon add the Jakarta-Kuching route, which will fly three times a week, according to the minister. [READ MORE](#)



Melaka drafts strategy to woo more airline companies to LTAM

The state government is drafting and organising the strategy and planning regarding the operations and facilities of the Batu Berendam International Airport (LTAM), to attract more airline companies to activate operations here.

State Works, Infrastructure, Public Facilities and Transport Committee chairman Datuk Hameed Mytheen Kunju Basheer said this included new applications to the federal government for additional allocation to upgrade the airport runway.

“Discussions with Malaysia Airports Holdings Bhd (MAHB) and the Civil Aviation Authority of Malaysia (CAAM) are also to help the state government attract (more) airline operations to LTAM, and the essence of the draft is closely related to the tourism sector, thus further boosting tourist arrivals to the state by air,” he told reporters after welcoming the arrival of Wings Air passengers here on May 15.

The company introduced daily return flights at LTAM using ART-72 aircraft, with the first flight on Monday bringing in passengers from Pekanbaru, Indonesia.

Abdul Razak expects the company’s operations to contribute to the state’s tourism industry and help the state achieve its target of attracting 8.4 million tourist arrivals to Melaka this year. [READ MORE](#)



Intra-Asia travel likely to grow

With post-pandemic travel costs remaining high and flight frequencies not yet returned to pre-pandemic levels, Asian travellers especially those traveling with families or in large groups, will likely opt to visit nearby destinations instead of venturing far away.

Marriott International area vice president for Singapore, Malaysia and Maldives Rivero Delgado Ramos said this trend is likely to continue as travellers seek convenient and cost-effective options without sacrificing quality hotel experiences.

She anticipates intra-Asia travel to continue to flourish throughout 2023 and beyond. Nevertheless, Delgado said there is also an increasing demand for luxury travel experiences, especially personalised and authentic offerings that focus on local culture.

"This trend has created exciting opportunities for hotels to differentiate themselves in a highly competitive market. In Malaysia, providing top-quality facilities and services to guests and creating memorable experiences that inspire travel and exploration is key".

Delgado also said meaningful travel experiences are another clear trend, adding that Marriott International had launched its "Good Travel with Marriott Bonvoy" programme last year, which now spans close to 100 hotels across the Asia Pacific region. [READ MORE](#)



Kempinski Hotels sets eyes on Asia

Kempinski Hotels has set its sights firmly on Asia as a key region for expansion, with talks being held in a string of destinations.

Kempinski's chief commercial officer Amanda Elder stated they have a strong commitment to South-east Asia.

To help grow business, the hotel management company has just hired a head of development based in Bangkok and another in China.

They have been tasked with sourcing new projects across the region. "They are both very experienced and I'm very excited about that because they'll find new projects," Elder said, adding the company is close to signing opportunities in Thailand in Khao Lak and Phuket. Initial discussions are also taking place for Chiang Mai. In addition, there are talks about opening Kempinski's first property in Vietnam, with a Kempinski slated to open in Lombok in 2027.

"We opened Apurva Kempinski Bali last year and it's been a very successful hotel," said Elder. "It's the number one RevPAR in Nusa Dua. The same owner gave us an additional property in Lombok and there is talk of a third hotel in Indonesia with the same owner."

Development also continues in Malaysia's Kuala Lumpur in the form of 8 Conlay Kempinski Hotel, a mixed-use development comprising residences, an office tower and hotel complex. It is slated for completion in about 2.5 years.

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International hospitality market primed for activity surge

A survey of hospitality investors from around the globe shows signs of growing confidence in the hotel sector and suggests the market is readying itself for a surge of activity following a three year slump.

The overall index score in the Hospitality Investor Sentiment Index Q2 2023 revealed an increase of 3.7 points from last quarter to 51.9. The most positive set of results since the survey was relaunched in early 2022.

Signs of greater confidence in both leisure and corporate accommodation demand were present in the survey of senior decision makers at the world's leading investment firms. For leisure, confidence rose by 12 points to 58.6 while the position of investors on corporate demand followed a positive trajectory from Q1 2023 and rose from 59 to 61.4 points.

The biggest focus for investment remains on urban markets with interest in resorts rising slightly. However, while the market may be readying itself for a flurry of activity, investors are concerned that the increased competition for stock could push up prices.

The survey also noted investors are increasingly positive about the prospects for revenue growth over the next 12 months, with respondents whose capital originated in Asia and Europe (excluding the UK) the most positive.

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