

HOSPITALITY INDUSTRY NEWSLETTER



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Frasers Hospitality Partners Richmond Mayor for Premium Hotel Management



Richmond Asia Group has appointed Frasers Hospitality to manage 275 hotel suites under the Capri by Fraser brand at Richmond Mayor, an upcoming mixed-use development in Mount Austin, Johor. The collaboration brings international expertise to the project, which will feature studios, one-bedroom and two-bedroom apartments. Slated to open in 2030, the hotel suites will include comprehensive facilities such as an all-day dining restaurant, residents lounge, swimming pool, gym and meeting spaces, positioning the development as a compelling investment opportunity.

Frasers Hospitality, a strategic business unit of Frasers Property, currently manages over 100 properties across more than 20 countries. The integrated development will also comprise a premium lifestyle mall, office and serviced suites, as well as serviced residences located in one of Johor Bahru's fastest growing neighbourhoods.

Working with Frasers Hospitality positions Richmond Mayor as an ideal accommodation choice for investors and residents alike. The hotel management agreement follows Richmond Asia Group's earlier partnership with Barceló Hotels and Resorts for Richmond Estelar in Kuala Lumpur, demonstrating the group's commitment to quality hospitality partnerships.

KLGCC Secures RM30 Million Partnership for Golf Course Excellence



Kuala Lumpur Golf & Country Club has formalised a strategic five-year partnership valued at approximately RM30 million with Jebsen & Jessen Malaysia. The collaboration reflects KLGCC's commitment to advancing the quality of its 36-hole championship layout through smart, sustainable and sophisticated technologies. The partnership brings together KLGCC's reputation as one of Southeast Asia's most prestigious golfing destinations and Jebsen & Jessen's proven leadership in delivering high-performance turf and irrigation solutions.

The phased upgrading programme comprises modern Toro turf equipment and advanced irrigation systems, supported by data-driven technologies such as moisture mapping and precision water management tools. These initiatives will enable the multi award-winning club to deliver consistently high playing standards across both East and West Courses while improving resource efficiency and supporting long-term sustainability objectives.

Beyond equipment deployment, the partnership is designed to support capability building through joint training initiatives and opportunities to leverage new innovations. Having hosted over 24 professional tournaments, KLGCC aims to elevate course quality and efficiency while reinforcing its commitment to environmental stewardship and exceptional golfer experiences throughout the partnership term.

MM2H Programme Attracts 744 Property Buyers with Strong Participation



The Malaysia My Second Home programme has successfully facilitated 744 property purchases as of December 31, 2025, according to Tourism Minister Datuk Seri Tiong King Sing. Chinese nationals lead with 304 purchases, followed by Taiwan with 91, Singapore with 63, and participants from the US, UK, Hong Kong, Australia, Bangladesh, South Korea, Indonesia and Japan. Additionally, 2,637 MM2H participants are currently in the process of purchasing homes, including finalising sale and purchase agreements.

The programme offers long-term social visit passes with multiple-entry visa facilities, allowing foreigners to reside in Malaysia for periods ranging from five to 20 years across four categories: Platinum (20 years), Gold (15 years), Silver (five years) and Special Economic Zone (10 years). The endorsement period for all categories is five years per term, with renewal options available.

The ministry plans to intensify promotional efforts, particularly targeting the Middle East, to expand international participation. The MM2H programme remains open to applicants worldwide and does not offer citizenship or permanent resident status, focusing instead on providing quality long-term residential opportunities for foreign participants.

Prime Minister Urges Collective Participation to Elevate Tourism Sector



Prime Minister Datuk Seri Anwar Ibrahim emphasised that elevating Malaysia's tourism sector requires comprehensive participation from all parties, not solely government efforts. Speaking at the launch of Cerita Malaysia Kita for Visit Malaysia 2026, Anwar stressed that the private sector, public sector, tourism bodies, companies and the general public must actively contribute. He highlighted that behaviour, hospitality, work ethic and readiness to create new attractions are essential components of tourism success.

The Prime Minister acknowledged Malaysia's huge potential with encouraging economic growth and positive response, while noting challenges that require collective action. He explained that success depends on team spirit and mutual support, emphasising the need to reduce disputes and sentiments based on race and religion. Countries can progress or stagnate, and Malaysians have chosen to achieve proud and successful advancement.

Anwar described progress as an inclusive effort involving everyone's participation and commitment to ensure every citizen succeeds with necessary support and encouragement. At the event, he launched two major initiatives: the Sunway Tiny Toys special collection highlighting Malaysian heritage-inspired souvenirs, and the Malaysian Attraction Passport programme encouraging domestic exploration across four major family-friendly attractions.

Malaysia Welcomes 42.2 Million Visitors in 2025, Fueling Momentum Toward VM2026



Malaysia welcomed 42.2 million visitors in 2025, representing an 11.2% increase compared to 38 million in 2024 and 20.4% higher than 35 million in 2019, establishing a solid foundation for Visit Malaysia 2026. Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi stated this positive performance reflects continued momentum of the tourism industry as the main driver of economic growth. To maintain this momentum, the government will strengthen coordination across all ministries and agencies through a whole-of-government approach.

The Tourism and Culture Cabinet Committee Meeting emphasised the strategic importance of tourism to national development, particularly regarding GDP contribution, job creation and fiscal position strengthening. The entire government machinery is urged to move in tandem to attract more international visitors, extend their stay and increase tourist spending in Malaysia. Close cooperation between state governments, private sector and industry players with the Tourism Ministry is crucial.

The meeting addressed several key policy issues including the MM2H Programme, Premium Visa Programme, tourism vehicle regulation, Umrah transit hub status and cruise ship tourism development. All parties remain committed to ensuring VM2026 campaign success so stipulated targets and economic impact can be attained effectively.

Sunway Group Launches Initiative Supporting Visit Malaysia 2026 Campaign



Sunway Group has launched a comprehensive tourism initiative supporting Visit Malaysia 2026, spotlighting immersive attractions and heritage-inspired souvenirs under the theme "Our Malaysia Story." The initiative was unveiled at Sunway Lagoon Theme Park, Bandar Sunway, attended by Prime Minister Datuk Seri Anwar Ibrahim. The Prime Minister congratulated Sunway Group and called on industry players to work together, emphasising that tourism success requires participation from everyone to continuously enhance offerings and promote Malaysia globally.

Sunway Group founder and chairman Tan Sri Dr Jeffrey Cheah highlighted Malaysia's unity and diversity as key strengths shaping the nation's future. He expressed pride in contributing to the country's economy through tourism promotion and related activities, noting that unity and diversity are fundamental to making the nation strong and competitive.

Two key initiatives were launched at the event: the Sunway Tiny Toys special collection highlighting everyday Malaysian icons as heritage-inspired keepsakes, and the Malaysia Attraction Passport programme designed to encourage domestic travel through interactive experiences across four major family-friendly attractions. The event was attended by Tourism Minister Datuk Seri Tiong King Sing, Entrepreneur Development Minister Steven Sim, and Communications Minister Datuk Fahmi Fadzil.

Penang Port Confirms PRTU Redevelopment with Transparent Tenant Engagement



Penang Port Sdn Bhd has confirmed that the Pangkalan Raja Tun Uda area will undergo phased redevelopment into a commercial zone to enhance land-use value and revitalise the local economy. The development aligns with current requirements and long-term port development strategies, aiming to provide more comfortable, safe and user-friendly facilities for the public and tourists. PRTU functions as a primary ferry terminal alongside Pangkalan Sultan Abdul Halim in Butterworth under Penang Port management.

Addressing concerns about tenant consultations, PPSB clarified that an engagement session was held on December 29 involving the developer and all affected tenants. The meeting provided detailed explanations of development plans, implementation timelines and business operation implications. Following discussions, all tenants agreed to vacate premises without official objections. Tenants will receive priority to re-lease upon completion of upgrading works in three to four months.

Regarding regulatory compliance, the developer is currently applying for approvals from Penang Island City Council according to established procedures. PPSB continuously monitors this process to ensure full legal and technical compliance. The entire PRTU project is expected to be completed within eight months, subject to relevant authority approval, with continuous safety monitoring for ferry passengers and the public.

KL Wellness City Positions Itself as Regional Medical Tourism Hub



KL Wellness City is advancing Malaysia's medical tourism ambitions with KL International Hospital reaching 85% completion, targeting fourth quarter 2026 opening. The facility features a rooftop helipad for emergency patient transfers, addressing an underserved segment in Malaysia's healthcare infrastructure. Additionally, the helipad supports potential commercial drone operations for medical supply delivery, subject to regulatory approval.

Strategically located near Subang Airport and KLIA, the hospital targets at least 50% international patients to generate foreign currency inflows and economic activity. This integrated medical city combines healthcare services, property development, and tourism across its 10.7 hectare site. Furthermore, KLWC includes a 0.6 hectare Wellness Park promoting community activities like yoga and tai chi.

The development has established partnerships with Hong Kong Polytechnic University and Newcastle University for research and medical training. These collaborations strengthen Malaysia's position in the regional healthcare sector. KLWC exemplifies the government's strategic expansion of medical tourism, creating an ecosystem that extends beyond traditional hospital services into comprehensive wellness and lifestyle integration.

Malaysia Airlines and Singapore Airlines Formalise Strategic Business Partnership



Malaysia Airlines has formalised a joint business partnership with Singapore Airlines following final regulatory clearance from the Civil Aviation Authority of Malaysia in January 2026 and the Competition and Consumer Commission of Singapore in July 2025. The approvals allow both carriers to progressively implement initiatives aimed at enhancing connectivity and offering greater flexibility for travellers between Malaysia and Singapore. This milestone builds on an agreement first signed in October 2019.

Potential initiatives under the partnership include revenue-sharing flights, joint fare products, coordinated flight schedules and joint corporate travel arrangements across both markets. The airlines will announce details as initiatives are rolled out. The partnership supports Malaysia Aviation Group's Long-Term Business Plan 3.0 and strengthens Malaysia Airlines' competitive position through improved scale and network resilience, according to Managing Director Datuk Captain Izham Ismail.

Currently, Singapore Airlines codeshares on Malaysia Airlines' services between Kuala Lumpur and Singapore, London Heathrow, and 15 domestic destinations within Malaysia. Malaysia Airlines codeshares on Singapore Airlines' services between Singapore and Kuala Lumpur, Penang, and selected long-haul destinations in Europe and Africa. Both airlines introduced reciprocal cross-participation between their frequent flyer programmes in February 2024, allowing members to earn points on selected flights.

Batik Air Adds 10 Aircraft, Strengthening Network Expansion and On-Time Performance



Batik Air Malaysia plans to add 10 aircraft this year, increasing its fleet to 63 planes as the airline accelerates network expansion and improves operational resilience. Chief Executive Officer Datuk Chandran Rama Muthy stated the additional Boeing 737 and Airbus A330 aircraft will support higher frequencies, more standby capacity and service enhancements across regional and international networks. More standby aircraft will enable better disruption management such as adverse weather conditions and reduce knock-on delays.

The carrier is targeting an on-time performance rate of 85% by mid-year as it continues improving operational reliability amid rising travel demand and seasonal disruptions. The airline's OTP has already shown marked improvement over the past three months, recording consistent performance above 70%. This improvement reflects ongoing operational adjustments including better capacity planning and aircraft availability, although external factors remain beyond direct control.

Batik Air currently operates 53 aircraft serving 65 destinations across 20 countries. The airline launched a fixed-fares campaign providing passengers with pre-determined reliable fares for Chinese New Year travel. Additional flights were added from Johor Bahru to Penang and Sibu during the festive period, with one-way fares starting from RM318 to Kuching and RM378 to Kota Kinabalu, providing families planning flexibility.

Penang Strengthens India Aviation Links Following Chennai Route Success



Penang is expanding its aviation connectivity with India after the Chennai route's strong performance. The state government has held discussions with IndiGo Airlines to launch direct flights from another Indian city, building on sustained engagement efforts. Once arrangements are finalized, an official announcement will follow, marking a significant milestone in Penang's international connectivity strategy.

The Chennai–Penang service, launched in December 2024, has operated over 770 flights carrying more than 100,000 passengers with a 70% load factor. This success has propelled India into Penang's top six source markets. Consequently, Indian tourist arrivals via international flights reached 25,772 in 2025, representing a 2.3-fold increase from 2024. Furthermore, cruise tourism contributed 18,688 Indian passengers, making India the second-largest cruise market at Swettenham Pier.

Total Indian arrivals exceeded 44,000 in 2025. The state will continue strengthening its Indian market presence through targeted Simply Penang roadshows across Mumbai, New Delhi, Kochi, and Chennai. These efforts position Penang as a preferred destination for leisure, business, and MICE tourism while deepening industry collaboration.

AirAsia Launches Kaohsiung–Osaka Route Expanding Fifth–Freedom Strategy Network



AirAsia is expanding its fifth-freedom strategy with a new Kaohsiung–Osaka route, marking the next phase of the airline's North Asia network growth. Starting June 15, 2026, the route will operate daily between Kaohsiung and Osaka in addition to the existing Kuala Lumpur–Kaohsiung service. The move builds on the success of AirAsia's first fifth-freedom route launched from Kota Kinabalu to Fukuoka via Taipei, which recorded an average passenger load factor exceeding 90%.

Dato' Captain Fareh Mazputra, General Manager of AirAsia Malaysia, stated that strong demand for the first fifth-freedom route between Taipei and Fukuoka is clear testament to this strategy's success. Building on this momentum, the airline is introducing the new Kaohsiung–Osaka route as part of ongoing network expansion, strengthening existing routes while unlocking new market opportunities.

The new service aims to enhance connectivity between Taiwan and Japan while leveraging Kuala Lumpur as a key hub in the airline's broader network. It is expected to support growing travel demand across both markets and offer passengers more seamless options. Promotional fares are available from TWD2,690 one-way from Kaohsiung to Osaka and JPY11,990 from Osaka to Kaohsiung, with bookings until February 25, 2026.

Spring Airlines Resumes Shanghai-Kota Kinabalu Route Boosting China Connectivity



Tourism Malaysia welcomed the resumption of Spring Airlines' direct daily service from Shanghai to Kota Kinabalu on January 28, 2026, significantly strengthening air connectivity between Malaysia and one of China's key economic hubs. The inaugural flight 9C8593 arrived at Kota Kinabalu International Airport at 1.30 a.m., welcomed by Tourism Malaysia representative Ms Haryanty Abu Bakar, alongside representatives from Spring Airlines, Sabah Tourism Board and Malaysia Airports Holdings Berhad.

This route resumption supports the Visit Malaysia 2026 campaign by enhancing accessibility for Chinese tourists to Sabah, one of Malaysia's premier tourism destinations. Shanghai represents a major source market with significant economic importance, and the direct connection eliminates the need for transit stops, making travel more convenient and attractive for tourists and business travellers alike.

The daily service is expected to boost tourist arrivals from China to Sabah significantly, contributing to Malaysia's target of attracting more international visitors throughout 2026. Enhanced air connectivity between Shanghai and Kota Kinabalu will also facilitate stronger business ties and cultural exchanges between both regions, supporting economic growth and tourism development objectives aligned with national priorities.

AirBorneo Plans Jet Operations and Regional Expansion Strategy Launch



AirBorneo is eyeing expansion with additional capacity and routes, planning to introduce jet-engine operations in the second half of 2026. Chief Executive Officer Megat Ardian Wira Mohd Aminuddin stated the airline intends to offer services to regional cities including ASEAN destinations and domestic points with its jet operations. AirBorneo expects to commence jet operations through aircraft leasing arrangements, as it is currently unable to place orders for aircraft. The airline is working on regulatory approvals and preparing products, services and operational readiness.

The airline's long-term strategy is to establish an operational network serving as the backbone connecting major cities to its rural and regional network. The reciprocal flying network is designed to bring tourists into Kuching, dispersing them throughout the rural air services network. Tourists will visit communities such as Bario and Mulu, while communities from other regions will fly into Kuching.

AirBorneo entered an agreement with ATR to order eight aircraft comprising five ATR 72-600s and three ATR 42-600s, with deliveries scheduled between 2027 and 2029. The new ATR-600 series will form the backbone of more efficient and resilient operations for East Malaysia. Since commencing inaugural flight on January 2, AirBorneo currently operates 14 aircraft flying to 23 destinations, carrying approximately 53,000 passengers in January.