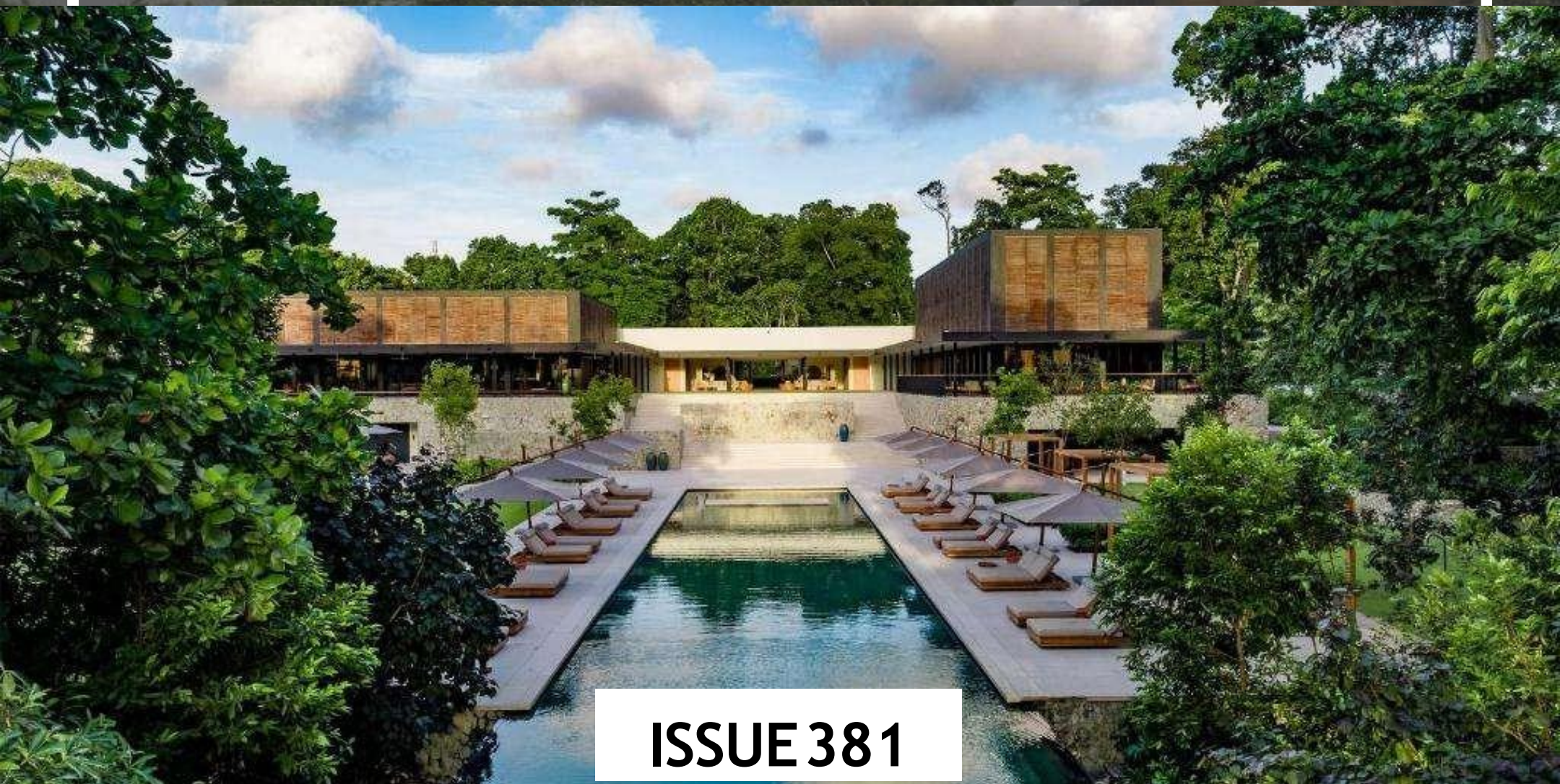
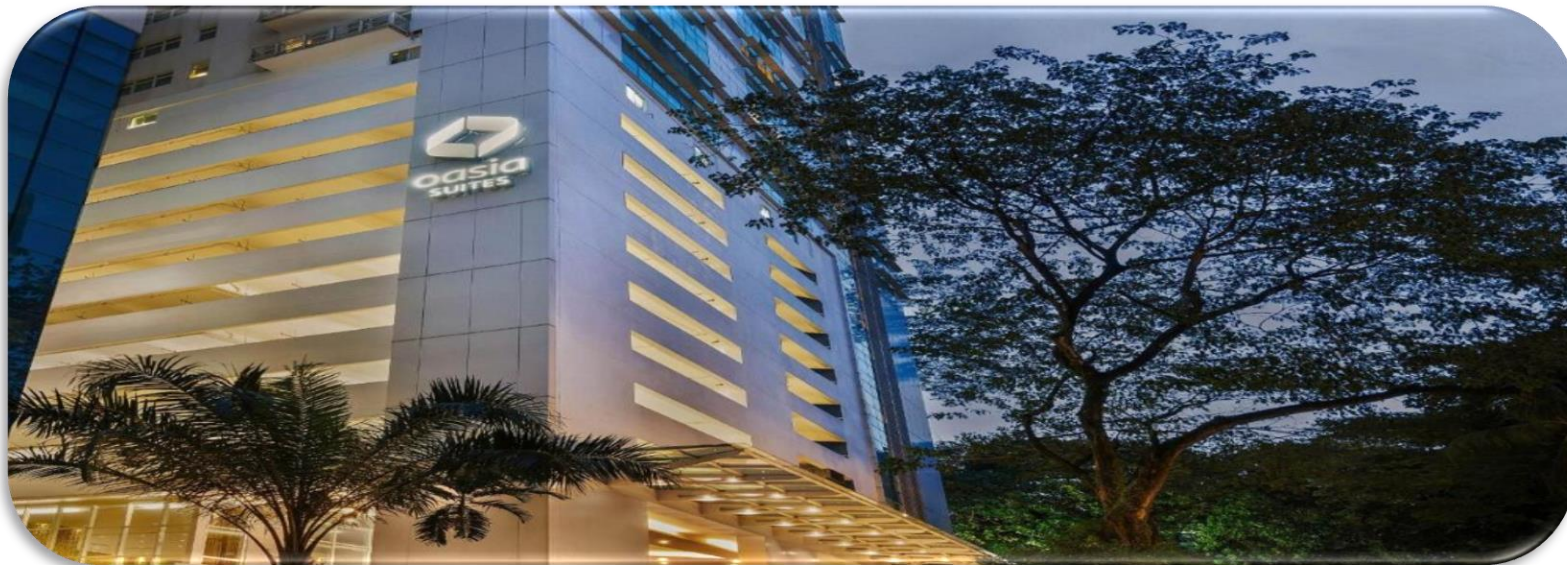


HOSPITALITY INDUSTRY NEWSLETTER



ISSUE 381

Growing Far East Hospitality's footprint



Singapore based Far East Hospitality (FEH) plans to expand by 3,000 rooms over the next five years, growing its portfolio from 7,000 to 10,000 keys, primarily through third party hotel management agreements (HMAs). Japan is its main focus, targeting about 1,500 rooms, with the remainder across Southeast Asia, particularly Malaysia, Vietnam, Thailand and Indonesia.

Malaysia is a key growth market, with FEH targeting three properties totalling about 600 rooms over the next five years. Kuala Lumpur and Johor are the primary focus areas, followed by Penang, Melaka, Kota Kinabalu and Langkawi. FEH currently operates the 247 room Oasia Suites Kuala Lumpur, its only Malaysian property.

FEH is prioritising management partnerships with local owners and developers rather than franchises or outright ownership. The group is also enhancing revenue management, loyalty programmes and digital transformation, including AI enabled revenue management and digital check in.

Atlan looks to unlock value from property and hospitality



Atlan Bhd is placing greater emphasis on property and hospitality as part of its strategy to unlock asset value. Its key hospitality opportunity is the 4.6-acre Jalan Ampang site, which houses Menara Atlan and the former ZON Hotel.

Atlan plans to refurbish the ZON Hotel, which ceased operations in 2020, increasing capacity from 240 to 400 rooms and adding retail spaces. The refurbishment is expected to take up to two years, although the cost is still being finalised due to volatility in raw material costs. The group sees potential from surrounding developments, including the reopening of Ombak Mall.

Atlan has also improved occupancy at Menara Atlan, from below 50% nine months ago to more than 70%, with plans to surpass 80%. The group also owns the four-star Belle Isle Hotels in Cornwall, UK, acquired for RM58.83 million in 2022.

Atlan's hospitality strategy forms part of a broader group reorganisation, with the company focusing on property and hospitality, while Duty Free International focuses on duty free retail and automotive.

Dusit expands Malaysia portfolio with ASAI Gamuda Cove



Dusit Hotels and Resorts is expanding its Malaysia portfolio with the introduction of its ASAI brand, with ASAI Gamuda Cove scheduled to open on September 15, 2026. The 280 room, 13 storey hotel will be the first ASAI property in Malaysia, the brand's largest property to date and its first outside a city neighbourhood.

Located within the 1,530-acre Gamuda Cove township, the hotel is positioned beside the 1,111-acre Paya Indah Discovery Wetlands and 90-acre Wetlands Arboretum, and near SplashMania Waterpark and Discovery Park. Facilities include an infinity pool, gym, co working areas, meeting and event spaces, and three dining venues.

The hotel will offer compact, balcony, bunk bed and family room configurations, with family rooms accommodating up to six guests.

ASAI Gamuda Cove will be Dusit's second hotel in Malaysia, following Dusit Princess Melaka. The group is set to expand further with the planned Dusit Princess Ipoh in October 2026.

Frasers Hospitality strengthens Asia presence with debut of Fraser Residence Putrajaya in Malaysia



Frasers Hospitality has soft opened Fraser Residence Putrajaya, marking the debut of its Fraser Residence serviced residence brand in Malaysia. Located within the TERRA integrated mixed use development along Putrajaya Lake, the property offers 283 family oriented serviced apartments.

The opening forms part of Frasers Hospitality's regional expansion, with 18 new serviced and hotel residences planned across Asia by 2028. Its Malaysia portfolio also includes the recently opened Capri by Fraser, Penang.

Fraser Residence Putrajaya offers four apartment categories, with fully equipped kitchens and spacious living areas, targeting families, professionals and extended stay travellers. Facilities include a family games room, children's playroom, gymnasium and swimming pool, alongside Relish all day restaurant and Lakeside Cafe.

The property has direct access to TERRA's 170,000 sq ft community mall and 35,000 sq ft event hall, with retail, dining and lifestyle offerings. Located about 20 minutes from KLIA, it is also near the Putrajaya International Convention Centre and Cyberjaya.

Malaysia Welcomes Its First 7 Days Brand As Jin Jiang Hotels (Malaysia) Eyes Visit Malaysia 2026 Growth



Jin Jiang Hotels (Malaysia), together with local hospitality partner Nexa Hospitality Sdn Bhd, has opened 7 Days Premium Hotel Hang Lekiu in Kuala Lumpur, marking the 7 Days brand's first operational project in Malaysia and Jin Jiang Hotels (Malaysia)'s first operational project in the country.

The partnership has signed 11 projects, comprising nine in Malaysia and two in Indonesia, covering multiple hotel developments including 7 Days properties. Malaysia is also identified as a core market in Jin Jiang's broader Southeast Asia expansion, alongside Indonesia and Vietnam.

The newly opened hotel offers smart economy hospitality features, including self check in kiosks, smart in room controls and 24-hour robot delivery, alongside a gym, self service laundry and breakfast facilities. The 7 Days brand has also introduced a localised brand identity and new logo for the Malaysian market.

With more than 1,800 operating hotels globally as at December 2025, the 7 Days brand will leverage major OTA platforms including Trip.com, Booking.com, Agoda and Traveloka to reach regional and international travellers.

Exsim Hospitality's full year profit doubles as hospitality management, fit-out revenues jump



Exsim Hospitality Bhd recorded a 126% increase in net profit to RM40.75 million in FY2026, while revenue rose 91.9% to RM281.23 million, supported by growth in its fit out and hospitality management businesses.

Revenue from hospitality management surged to RM68.21 million from RM3.93 million in FY2025 as more managed properties became operational, generating RM18.95 million in pre tax profit. Under its Mana Mana Hospitality brand, the group had 3,838 signed units as at June 30, 2026, comprising 2,006 operational units and 1,832 units under construction or renovation.

Exsim Hospitality has also expanded beyond the Klang Valley into Penang and subsequently began operating units at The Stallionz @ Ipoh White Times Square after the financial year end.

Its own and operate hospitality business has yet to contribute revenue. Portrait Resort in Port Dickson and Portrait Hotel at Empire City, Petaling Jaya are expected to commence operations within six months, bringing its directly operated portfolio to 531 rooms.

Penang becomes first state to enforce private homestay law



Penang has become the first state in Malaysia to implement licensing requirements for private homestay and short-term accommodation operators, under the Private Homestay (Penang Local Authorities) By Law 2026, which came into effect on August 1, 2026.

Operators have been given a two-month period to apply for licences, with the new rules covering operational, cleanliness, safety and nuisance requirements. Local authorities are also empowered to conduct inspections, investigate complaints and close premises for violations. The move follows 388 complaints related to illegal private homestay operations between 2020 and March 2026, including 364 received by MBPP and 24 by MBSP, involving issues such as noise, traffic congestion, social problems and higher maintenance costs in strata properties.

The licensing regime includes a RM50 application fee, annual licence fees starting at RM1,000 for premises with up to three rooms, plus RM200 for each additional room. An additional RM1,800 annual fee per unit applies. Non-compliant operators may face fines of up to RM2,000, imprisonment of up to one year, or both. Certain residential and institutional properties are prohibited from operating as private homestays.

Over 21 mil international tourists visited Malaysia in 1H2026 – Motac



Malaysia recorded 21.12 million international visitor arrivals in 1H2026, up 2.5% from 20.60 million in the same period last year. However, this was the lowest growth rate for a corresponding period since post pandemic recovery began, with 26 of 50 key source markets recording declines.

The slower growth was attributed mainly to geopolitical tensions in West Asia, which resulted in 4,111 scheduled flight cancellations. Malaysia ultimately received 88,058 international flights, only 3.7% below the original schedule following the addition of 683 new flights. International seat capacity stood at 17.63 million, down 3.9% from the initial projection but 6% higher year on year.

Growth in arrivals from Singapore, the Philippines, China, Central Asia, Oceania and North America helped offset declines in affected markets.

Malaysia added 23 new international routes, 12 new flight services and nine charter services between January and July. Motac is strengthening marketing efforts in Southeast and Northeast Asia, while the Visit Malaysia Year campaign has been extended to 2027.

VM2026: MOTAC, MAG Strengthen Partnership To Attract More Tourists



The Ministry of Tourism, Arts and Culture (MOTAC) and Malaysia Aviation Group (MAG) are strengthening their strategic partnership to support the Visit Malaysia Year 2026 campaign, which has been extended to 2027.

The collaboration will focus on expanding MAG's international network and market reach, particularly in India, China and Europe, while exploring new destinations such as Fukuoka. Both parties will also pursue joint marketing and flight promotion initiatives to boost demand and load factors during the low season.

The partnership also covers efforts to support Malaysia's domestic tourism ecosystem, including increasing benefits for local industry players and improving passenger experience through enhanced cabin facilities, services, in flight catering and cabin crew training.

Closer cooperation between the government, aviation industry and tourism stakeholders is expected to strengthen Malaysia's competitiveness as a tourism destination and support the wider tourism economy.

Philippines remains key source market for Malaysia



The Philippines remains an important source market for Malaysia, recording 299,633 visitor arrivals as of June 2026, up 1.13% from 296,298 in the same period last year.

Air connectivity between the two countries remains strong, with around 59 weekly flights providing more than 11,615 seats, connecting Kuala Lumpur, Kota Kinabalu and other Malaysian destinations with Manila, Cebu and other Philippine cities.

Tourism Malaysia is strengthening engagement through its Sales Mission to the Philippines 2026, held in Manila, Davao and Cebu from August 16 to 23. The mission brought together 21 Malaysian tourism industry stakeholders and 340 Filipino buyers through business meetings, networking and business matching sessions.

The initiative aims to strengthen trade partnerships and promote Malaysia across leisure, business events, shopping, nature, culture and Muslim friendly tourism, supporting the Visit Malaysia 2026 to 2027 campaign.

Tourism Malaysia And Foodie Media Forge Strategic Partnership To Amplify Visit Malaysia 2026-2027 Campaign



Tourism Malaysia and Foodie Media Berhad, through its subsidiary Good Foodie Media Sdn Bhd, have signed an MoU to strengthen the promotion of Malaysia's culinary heritage, cultural attractions and lifestyle experiences under the Visit Malaysia 2026 to 2027 campaign.

Under the partnership, Foodie Media will produce and distribute digital content, provide on ground coverage of Tourism Malaysia events, food festivals and heritage site activations, and amplify campaign content through its digital platforms. The company operates 45 lifestyle focused brands with a combined following of more than 50 million across multiple digital platforms, including KL Foodie, Penang Foodie, Halal Foodie and Malaysia Homie.

Tourism Malaysia will provide curated information on gastronomy, lifestyle, attractions and emerging destinations, while facilitating Foodie Media's participation in selected tourism events throughout 2026.

The collaboration aims to strengthen destination visibility and connect Malaysia's tourism experiences with domestic and international audiences, particularly those interested in food, travel and leisure.