

HOSPITALITY INDUSTRY NEWSLETTER



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Six Hotels Strengthen IOIPG REIT's Hospitality Exposure Across Key Malaysian Markets



IOI Properties Group Bhd has revised the proposed use of proceeds from its upcoming REIT listing, cutting the debt repayment allocation by nearly half while almost doubling the amount set aside for property development and investment. IOIPG Malaysia REIT was established on September 11, with vendors and master lessees for six hotel properties, including Le Meridien Putrajaya and W Kuala Lumpur, signing agreements with trustee MTrustee Bhd.

Under the revised plan, RM1.53 billion, or 32.9% of proceeds, will go toward repaying borrowings, down from RM3.04 billion previously, while RM3.07 billion, or 66%, is earmarked for project development and investment, up from RM1.55 billion. Total proceeds have risen to RM4.66 billion, or RM4.96 billion with the over allotment option, following a Knight Frank valuation that lifted the portfolio's appraised value to RM7.66 billion.

The portfolio is anchored by IOI City Mall, valued at RM5.1 billion, alongside IOI City Towers, PFCC Towers and six hotels. IOI Properties posted a net profit of RM2.15 billion for FY2026, more than double the year before, as revenue climbed 45.1% to RM4.44 billion, with shares closing at RM3.70.

InterContinental Brings Its First Ever Malaysian Resort To Penang Island



InterContinental Hotels & Resorts is set to open its first resort in Malaysia this December, with InterContinental Penang Resort taking shape in Teluk Bahang on the island's quieter western coast. Positioned between rainforest and the Andaman Sea, the property will offer 348 rooms and suites, including accommodation with access to Club InterContinental for a more exclusive stay.

Food and drink sit at the centre of the concept, with four restaurants and bars each carrying a distinct focus. Sulam will serve Peranakan cuisine, Paradiso will lean into Italian dishes, and SHINKA will offer Nikkei fare, while Coastal rounds things out with oceanfront dining. Guests can also unwind at Gemala Spa, where treatments draw on Penang's blend of cultural traditions and contemporary wellness practices.

Families are catered for too, with a Planet Trekkers Kids Club and a dedicated games room for teenagers. For events and corporate stays, the resort will include a Grand Ballroom, meeting rooms, a boardroom and outdoor lawns. As InterContinental's first resort format in the country, the opening marks a notable step up from its existing Malaysian hotel presence.

The Danna Langkawi Tops Malaysia's Latest Beach Resort Guest Rankings



The Danna Langkawi Resort & Beach Villas has been named No. 1 in Malaysia's Top Ten People's Choice ranking of the highest rated beach resorts in Langkawi for 2026. The recognition is based on guest sentiment and arrives as Langkawi's luxury hospitality sector keeps expanding, giving travellers a wider choice of hotels and resorts on the island than ever before.

General manager Remco Rademaker said the accolade carried weight since it came directly from guests rather than industry panels. Malaysia's Top Ten said its rankings draw on real customer sentiment from named public review platforms and public voting, following disclosed methodologies with a stated basis, verification date and corrections process for each entry.

Beyond the resort itself, guests can take part in activities such as mangrove kayaking to explore Langkawi's waterways and wider ecosystem. The Danna Langkawi has picked up several other hospitality honours in recent years, including recognition at the 2025 Travel + Leisure Luxury Awards and Luxury Lifestyle Awards, alongside Global Winner titles for Best Luxury 5 Star Resort and Best Luxury Island Resort at the LUXE Global Awards.

Exsim Hospitality Secures RM42.5 Million Hospitality Building Fit Out Subcontract



Exsim Hospitality Bhd has secured RM42.48 million worth of subcontract works to supply, install, test and commission building services and carry out general building works. The contract was awarded to its subsidiary Exsim Concepto Sdn Bhd, which specialises in fit out services for hospitality property assets, by Taghill Projects Sdn Bhd, with works beginning September 15 and running for 24 months.

Exsim Hospitality operates across own and operate, hospitality operator, and design and fit out segments, owning and running the Port Dickson hotel while also managing third party serviced residences and boutique hotels under its Mana Mana Hospitality brand. Exsim Concepto handles turnkey design, consultancy and fit out services for other hospitality asset owners, a business line that has brought in a steady stream of contracts this year.

The award adds to Exsim Concepto's recent order flow, following earlier subcontracts for demolition and renovation works across several Klang Valley and Penang developments. Shares of Exsim Hospitality closed half a sen, or 0.99%, lower at 50 sen, giving the group a market capitalisation of RM1.16 billion.

Marriott Leads New Multi Destination Push To Market Malaysia For Events



Marriott International has partnered with Malaysia's national and regional convention bureaus to launch Destination Convention Malaysia, a joint platform aimed at marketing the country as a multi destination hub for regional event planners across Asia Pacific. Unveiled at the Malaysia Means Business forum at The St. Regis Kuala Lumpur, the initiative pairs Marriott with the Malaysia Convention & Exhibition Bureau, Business Events Sarawak and Sabah Convention Bureau.

The platform aims to connect Kuala Lumpur's convention infrastructure with nature, cultural and incentive driven travel options across Sarawak, Sabah and Peninsular Malaysia, responding to planners who increasingly want personalised delegate itineraries alongside standard venue logistics. Marriott Malaysia market vice president George Varughese said the goal is to make that fuller proposition more visible and accessible to buyers.

The initiative draws on Marriott's footprint of 65 hotels in Malaysia, including the Marriott Putrajaya International Convention Centre, Renaissance Kuala Lumpur Hotel & Convention Centre, Desaru Coast Conference Centre and the newly managed Langkawi International Convention Centre. According to MyCEB, Malaysia's events pipeline remains strong, with 416 events secured between 2026 and 2030, projected to deliver about RM4 billion in economic impact.

Singapore Remains Malaysia's Top Tourist Source Market In First Half



Malaysia welcomed 10.74 million tourist arrivals from Singapore in the first half of 2026, keeping the republic firmly in place as the country's largest source market. The figure forms part of a broader tourism showing, with total international arrivals reaching 21.12 million between January and June, a 2.5% rise over the 20.6 million recorded a year earlier, according to the Ministry of Tourism, Arts and Culture.

Arrivals ran 17.7% ahead of 2019 levels, underscoring the strength of the recovery. Officials credited the growth to the Visit Malaysia 2026 campaign, expanded regional air connectivity, targeted marketing and the domestic Cuti Cuti Malaysia initiative. ASEAN markets continued to dominate inbound tourism, making up 72.8% of all international arrivals, with emerging markets such as Cambodia, Myanmar and Laos posting particularly strong growth.

Beyond the region, East Asia arrivals rose 12.7%, Central Asia climbed 23.3% and Oceania grew 7.4%. With the second half underway, Tourism Malaysia is stepping up promotion through the Malaysia Year End Sale and the Kuala Lumpur International Arts Festival, aiming to sustain momentum through the rest of the VM2026 campaign.

F1's Return To Malaysia Could Add RM1.3 Billion To The Economy



Formula 1's one off return to Malaysia in October could generate an estimated RM1.1 billion to RM1.3 billion in total economic output, with tourism, hospitality, transport and retail among the main beneficiaries, according to Hong Leong Investment Bank Research. The rescheduled Bahrain Grand Prix runs at Sepang International Circuit from October 2 to 4, marking F1's return to Malaysia for the first time since 2017.

Bahrain will absorb the estimated US\$70 million to US\$80 million rights fee, while Malaysia's commitment is expected to stay around RM40 million to bring Sepang up to F1 specifications, benefiting mainly through tourism spillovers. HLIB estimates average tourism spending among F1 visitors could reach about RM8,879 per person, roughly twice typical tourist spending, spread across accommodation, transport, food and retail.

The timing lines up with Visit Malaysia 2026 and China's Golden Week, when high spending Chinese tourists travel widely. Global F1 attendance hit a record 6.7 million in 2025, with circuit capacity utilisation reaching 89.2% in the first half of 2026, and HLIB described the arrangement as a clear net positive given Malaysia's limited financial exposure this time around.

Tourism Malaysia Deepens Its Promotional Push Into The Saudi Market



Tourism Malaysia has reaffirmed its commitment to strengthening promotional efforts in Saudi Arabia, renewing its push to engage Saudi industry players even as geopolitical tensions in West Asia continue to weigh on regional travel. The move was highlighted during Tourism Malaysia's second industry networking event in Riyadh, part of the Visit Malaysia 2026-2027 campaign and a follow up to an earlier engagement held in Jeddah in July.

Tourism Malaysia Jeddah director Zaidi Kassim said Saudi Arabia remains a high yield, family oriented market delivering steady numbers, with 17,302 Saudi visitors recorded between January and June 2026. The Riyadh event drew Malaysia's ambassador to Saudi Arabia and more than 80 strategic partners from travel trade and media, including Gulf Air, Saudia and Almosafer.

Zaidi pointed to direct air connectivity, close bilateral ties and rising Saudi interest in international travel as a solid foundation for further growth. He positioned Malaysia as a Muslim friendly destination with strong halal facilities, Islamic heritage and shopping appeal, and said Tourism Malaysia would keep working with airlines and trade partners to expand connectivity and unlock new segments.

Citrawarna Speed Festival Pairs Culture With Motorsport Appeal This Month



Citrawarna Speed Festival 2026 will run from September 23 to October 4, bringing together 1,500 dancers and cultural practitioners for the Colours of Parade event alongside two headline programmes, Colours of Speed and Colours of Art & Culture. Tourism Malaysia said the parade will feature traditional music, dance and colourful fashion displays across venues including IOI City Mall Putrajaya, KLIA Terminal 1 and Sama-Sama Hotel.

Colours of Speed leans into motorsport, with exhibitions of racing memorabilia, autographed items and supercars, plus a racing simulation competition at IOI City Mall Putrajaya offering visitors a chance to test their driving skills for prizes. Colours of Art & Culture, meanwhile, showcases performances, music, dance and handicraft exhibitions reflecting communities from across the country.

The festival forms part of the Visit Malaysia 2026-2027 campaign, arriving as Malaysia posted 21.1 million international arrivals between January and June, up 2.5% on the same period last year. Tourism Malaysia expects the event to invigorate tourism activity and generate further economic opportunities for the local community while building appreciation for Malaysian heritage.

Penang Works To Deepen Tourism And Trade Ties With Japan



More than 6,000 Japanese tourists arrived directly in Penang by air or sea between January and July, a figure that state tourism and creative economy committee chairman Wong Hon Wai said understates the true total since it excludes visitors entering via Kuala Lumpur or other states first. He raised the point at the opening of the Bunka Festival at Gurney Walk, a two day celebration of Japanese arts, food and traditions.

Wong said diversifying source markets is key to strengthening the resilience of Penang's tourism industry, describing Japan as a high spending, quality conscious market the state remains committed to developing further. Recent initiatives include Japanese language promotional materials through Penang Global Tourism and roadshows held in Tokyo and Osaka last year to build closer industry ties.

The state is also working with Japan Airlines to deepen access to Japan's outbound market, including familiarisation trips for Japanese trade representatives and early exploration of a charter flight model to test seasonal demand. The Bunka Festival itself featured more than 20 booths, cultural workshops and performances including aikido, karate and tea ceremony demonstrations.