

MALAYSIAN TOURISM & HOSPITALITY SECTORS (2024 HIGHLIGHTS & 2025 OUTLOOK)





INTERNATIONAL TRAVEL & TOURISM OVERVIEW



🌐 Global Tourism Makes a Strong Comeback in 2024 and Marks the Recovery of International Tourism



MARKET OVERVIEW



1.4 billion international travelers in 2024
(**11% increase from 2023**)



Revenue growth to **\$1.6 trillion**
(**3% increase from 2023, 4% from 2019**)



FUTURE OUTLOOK



Forecasted growth: **3%–5%** in international arrivals.



Contingent on stable economic conditions



Managed inflation rates globally



Absence of escalating geopolitical conflicts



REGIONAL PERFORMANCE



Middle East: 32% above 2019 levels



Africa: 7% higher than pre pandemic



Europe: Top destination, 1% higher than 2019



Americas: Recovered 97% of its pre-pandemic levels



Asia Pacific: Recovered 87% of its pre-pandemic levels



MARKET AND BUSINESS IMPLICATIONS



Strong post-pandemic demand across all markets indicates consumer resilience



Large source markets driving consistent growth in destination regions

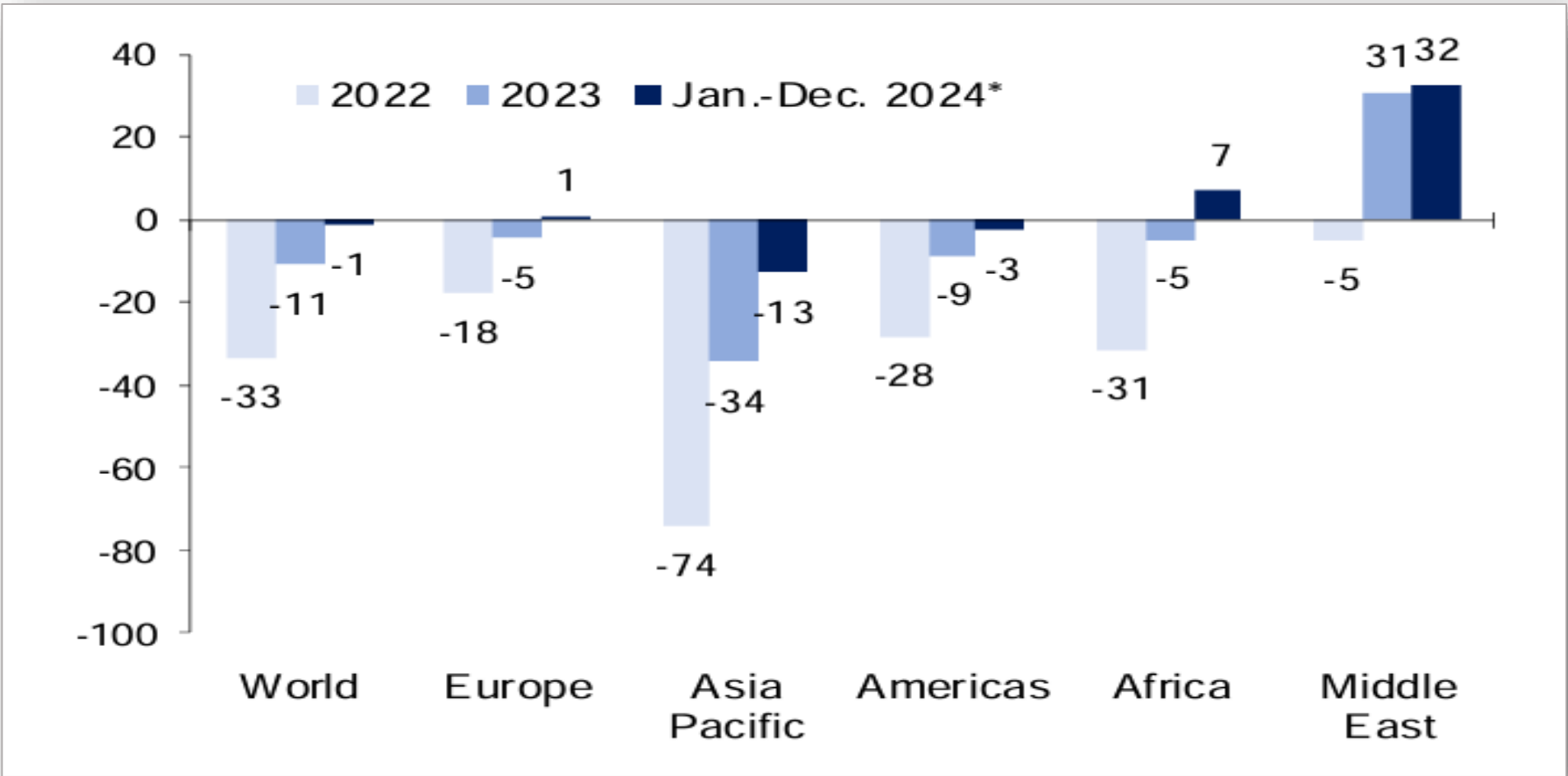


Regional diversification remains important

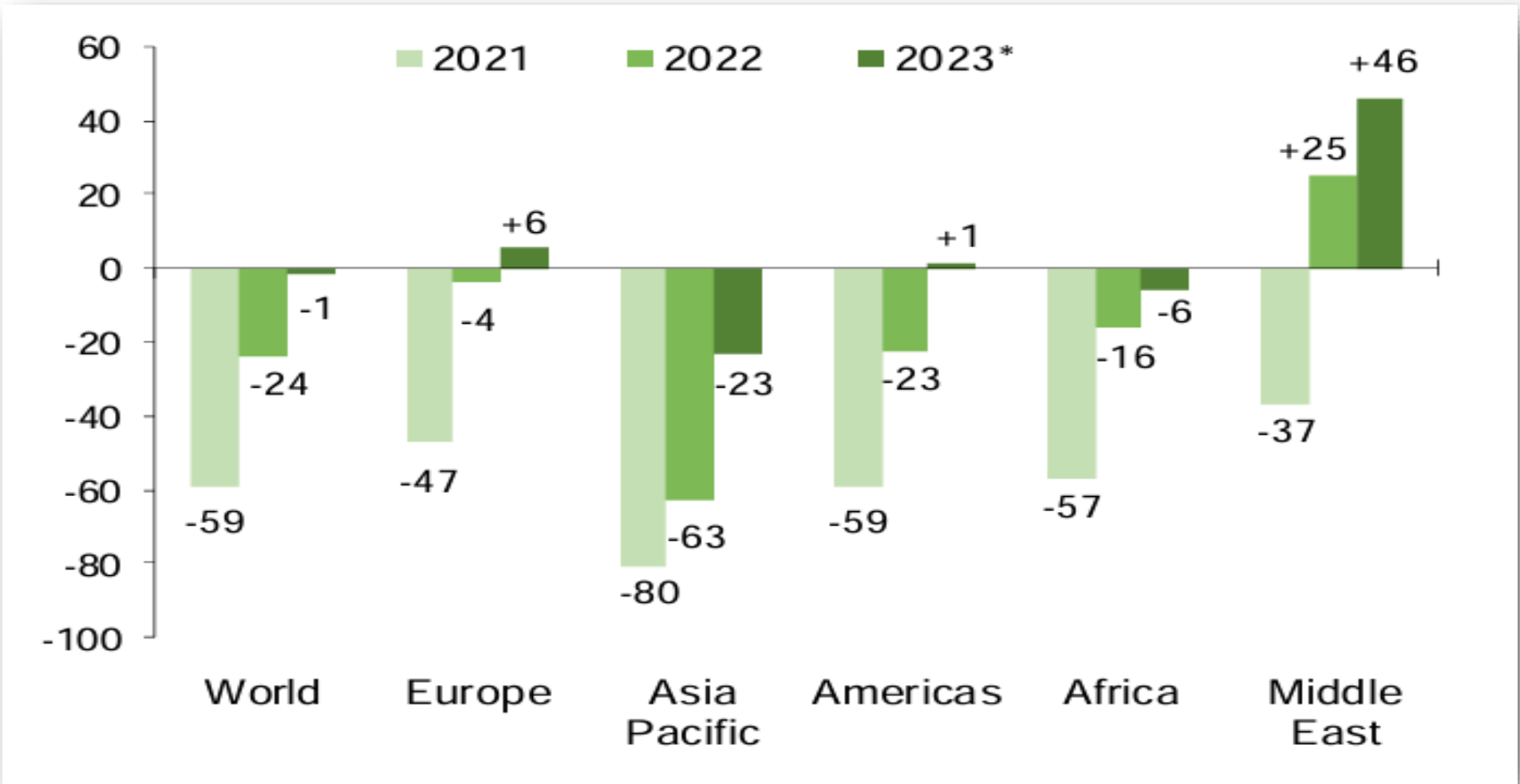


Asia-Pacific showing accelerating recovery momentum with strong trajectory

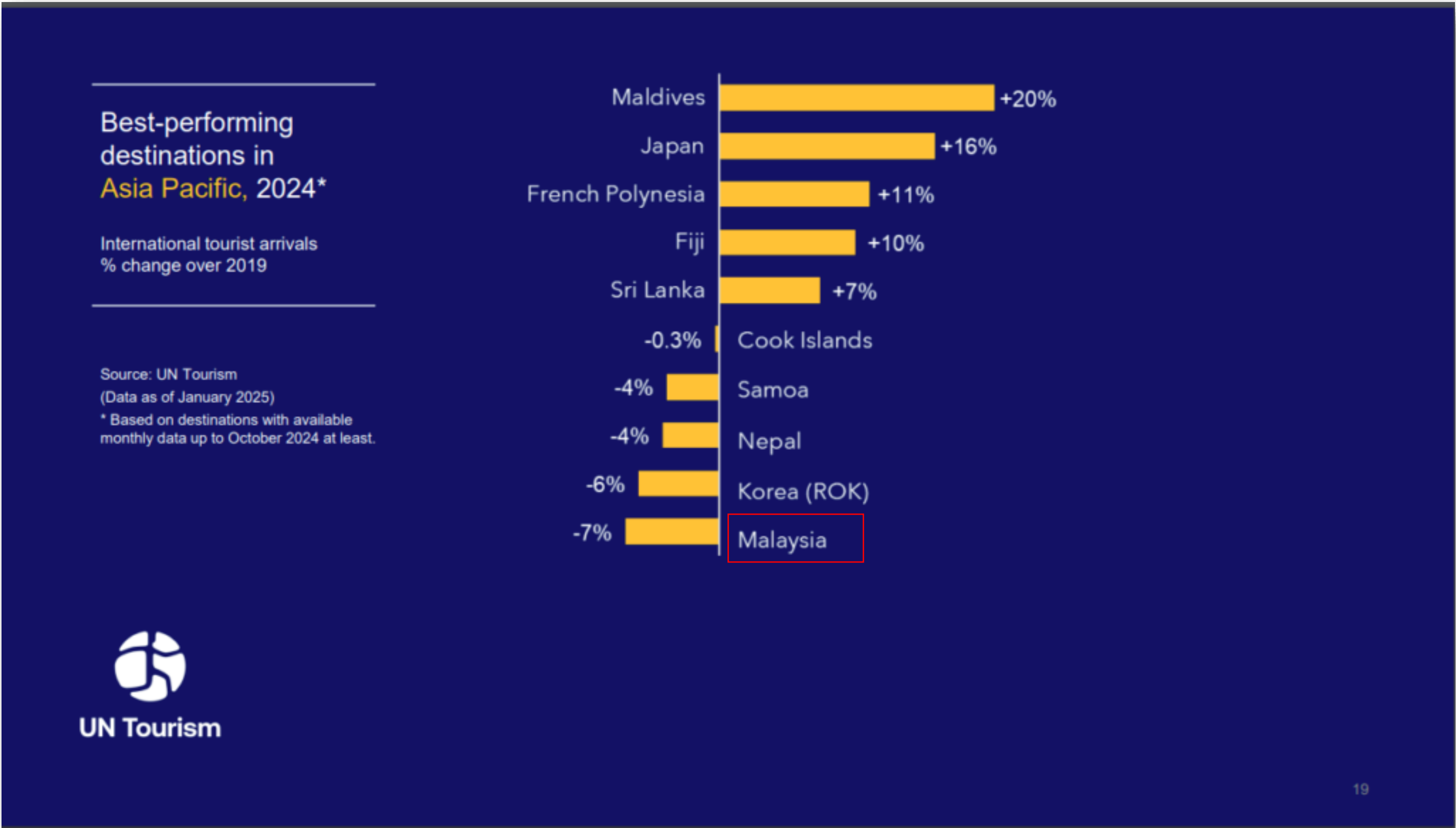
International Tourist Arrivals (% change over 2019)



International Tourist Arrivals (% change over 2019)¹



Note: * Provisional data / ¹Local currencies, constant prices
Source: UN Tourism - World Tourism Barometer Issue 1 · January 2025



Malaysia remains one of the top-performing Asia Pacific destinations in 2024, reflecting resilient tourism demand and continued appeal among key source markets. With arrivals just 7% below 2019 levels, the market is on a strong recovery path and is expected to reach and potentially surpass pre-pandemic performance in 2025.

ASIA PACIFIC TRAVEL & TOURISM OVERVIEW



Momentum Stabilizes Amid Strong Regional Demand

Post-pandemic recovery in APAC continues, with travel volumes stabilizing after the initial rebound. Both **leisure and business segments remain active**, driven by open borders, events and increased air connectivity.

Key hubs like Singapore, Tokyo, Bangkok and Kuala Lumpur are benefiting from **renewed air travel, improved visa policies** and **rising MICE activity**.

Business travel is a major growth engine: **78%** of APAC buyers reported more trips in **2024**; **63%** expect to spend more in **2025**. (*Business Travel Outlook Poll of 2025* by the Global Business Travel Association).

The region is benefiting from increasing **Chinese outbound tourism**, which is helping to boost regional travel

Shift in Regional Dynamics

India, Vietnam, Malaysia and the Philippines are **emerging as high-potential markets**, supported by infrastructure projects and competitive tourism campaigns.

The rise of the **"experience economy"** is driving demand for unique and immersive travel, with **adventure tourism** gaining traction, especially in emerging and developing economies as travelers seek more meaningful, experience-driven journeys.

Seat capacity across the region now exceeds 2019 levels, signaling sustained confidence in air travel.

Secondary cities and **alternative routes** are gaining traction, with support from low-cost carriers and improving long-haul access.

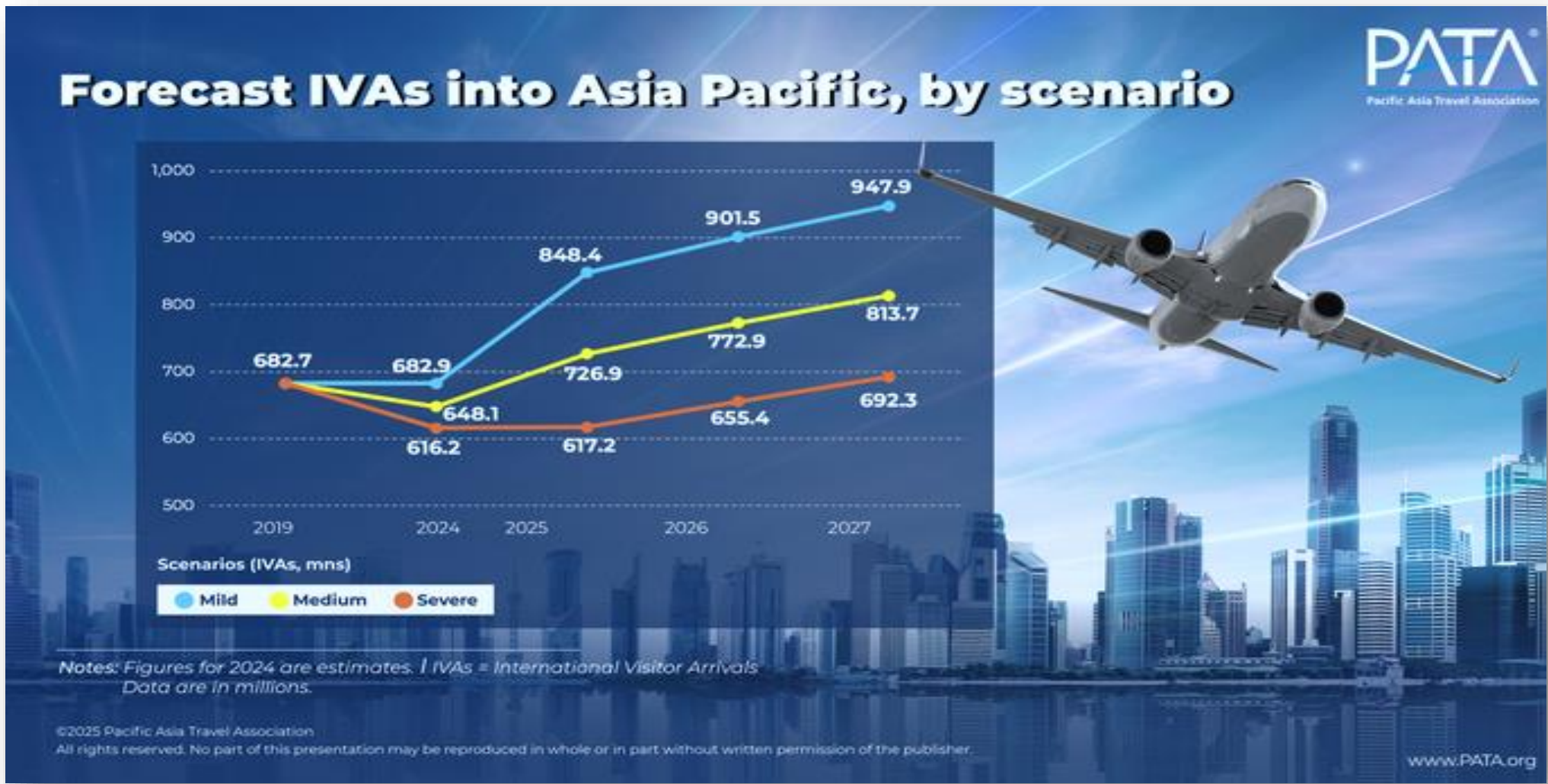
Top 10 APAC Cities



Source: BCD's Cities & Trends 2025 Asia Pacific edition

- Singapore remains the top APAC city for business travel, driven by its strategic location, strong connectivity and attractive reforms such as low corporate taxes and visa free policies.
- Tokyo rose to second place with a 38% increase, followed by Hong Kong and Bangkok
- Sydney entered the top 10, while other cities like **Kuala Lumpur** and Shanghai held their positions.

Asia Pacific Visitor Forecasts 2025–2027 (PATA)



Strong rebound ahead: International visitor arrivals (IVAs) projected to hit 813.7 mil by 2027 under the medium-growth scenario.



Wide regional coverage: Forecast spans 39 destinations across mild, medium, and severe growth scenarios.



Growth drivers: Boosted by visa reforms (e.g. China) and regional strategies like Thailand's "Six Countries, One Destination" initiative.



Top inbound markets: China to regain top spot, with USA, Türkiye, and Hong Kong SAR among key performers.



Outbound leaders: Led by China, USA, Hong Kong SAR, South Korea and India—driven by rising middle classes and digital travel trends.



Key trends: Digital transformation, sustainable tourism and infrastructure upgrades shaping future travel.



Strategic insight: Stakeholders to stay agile and responsive to shifting tourism dynamics.

ASIA PACIFIC: HOSPITALITY INVESTMENT TRENDS & MARKET DYNAMICS

Capital Targeting Resilient Urban Markets

Investor sentiment remains focused on **core urban hubs** such as *Singapore, Tokyo, Bangkok, Seoul* and *Kuala Lumpur*, prioritizing assets with **stable returns, long-term lease value**, and **resilient tourism fundamentals**.

Strong appetite for value-add and conversion opportunities especially where price corrections have occurred and tourism recovery is robust. Investors are targeting assets that can be **repositioned as hybrid hospitality concepts, co-living**, or **lifestyle-oriented accommodations**.

While ADR growth plateaus in mature markets such as **Singapore** and **the Maldives**, **secondary cities** like **Ho Chi Minh City, Manila** and **Kuala Lumpur** are boosted by improved airlift, digital nomad policies and government-backed tourism campaigns (e.g. “Visit Malaysia 2026” build-up).

Tourism tailwinds are strong: Surging regional travel, China’s outbound travel revival, and major events (e.g., ASEAN Summit 2025 in Malaysia and Osaka Expo 2025) are amplifying demand. Enhanced air routes and digital visa processing are accelerating bookings.

Capital Confidence Grows Amid Pricing Reset and Evolving Models

Transaction activity is **poised to rise** as buyers and sellers **align on pricing**. Institutional investors are leaning into **sustainable assets, tech-integrated hotels** (AI-driven guest personalization and energy monitoring) and **alternative formats** like branded residences and hybrid hospitality models.

RevPAR growth across the region is projected to be **modest yet stable in 2025**, fuelled by **occupancy gains**, especially in **leisure-heavy destinations** and **Tier-2 urban hubs** with growing domestic tourism.

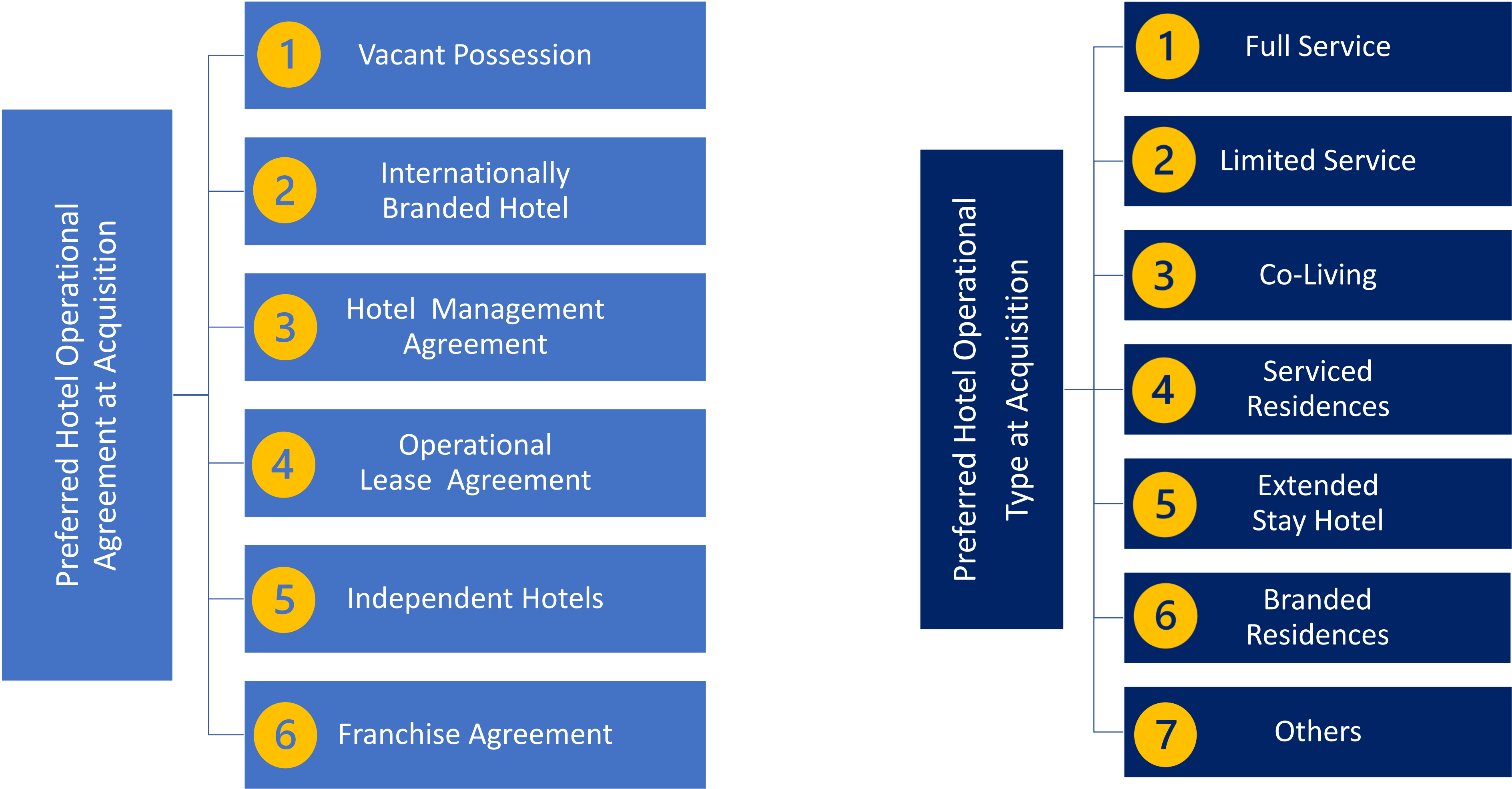
Potential Challenges

Oversupply risks and **price sensitivity persist** in select markets like Hong Kong and Seoul, where hotel pipeline growth outpaces demand recovery. Consumer sentiment remains cautious amid economic uncertainty and property market volatility.

Natural disasters including the aftermath of recent earthquakes in Thailand and Myanmar could disrupt travel flows and investor confidence in affected areas.

Geopolitical uncertainties including ongoing trade tariff war with US and **shifting currency valuations** may impact cost structures and travel affordability.

Ranked in order of investor preference (most to least popular)



MALAYSIA TOURISM & HOSPITALITY OVERVIEW





HOSPITALITY INVESTMENT HOTSPOT





BEACH RESORT



Muslim-friendly
Tourism and Hospitality
Assurance and
Recognition



FLAGSHIP
MEDICAL TOURISM
HOSPITAL
MALAYSIA HEALTHCARE

Greater KL Hotels – Selected Recent Notable Transactions

Property	Date of Transaction/SPA	Number of Rooms	Transaction Price	Analysis Per Room	Vendor	Purchaser
Banyan Tree Kuala Lumpur, Jalan Conlay	5-Dec-2024	55	RM140,000,000	RM2,545,455	Lumayan Indah Sdn Bhd	Pavilion REIT (via MTrustee Bhd)
Pavilion Hotel Kuala Lumpur, Bukit Bintang	5-Dec-2024	325	RM340,000,000	RM1,046,154	Harmoni Perkasa Sdn Bhd	Pavilion REIT (via MTrustee Bhd)
The Langham@Oxley KLCC, Kuala Lumpur	2024	189	RM250,000,000	RM1,260,000	Oxley Rising Sdn. Bhd	Artisan Hospitality Sdn. Bhd .
MTree Hotel, Bandar Puchong Jaya Puchong, Selangor	17-Oct-2024	180	RM40,000,000	RM222,222	Auction transaction – TBC (Transacted in 2019 for RM95 mil)	
W Kuala Lumpur Hotel, Jalan Ampang Kuala Lumpur	6-Dec-2023	150	RM270,000,000	RM1,800,000	Tropicana Residences Sdn. Bhd.	IOI PFCC Hotel Sdn. Bhd.
Hotel Stripes Kuala Lumpur, Autograph Collection Jalan Kamunting, Kuala Lumpur	6-Sept-2023	184	RM138,000,000	RM750,000	Hotel 25 Sdn. Bhd.	Maybank Trustees Berhad for YTL Hospitality REIT
Citizen M Hotel, Jalan Pudu, Kuala Lumpur	8-Sept-2022	198	RM80,000,000	RM404,040	Pinnacle Supreme Sdn. Bhd.	Classic Benefit Sdn. Bhd
4-star Hotel@Bukit Bintang Centre City Jalan Hang Tuah, Kuala Lumpur	22-Aug-2022	450	RM295,000,000	RM655,556	BBCC Development Sdn Bhd	UDA Holdings Bhd

Greater KL Hotels – Selected Recent Notable Transactions

Property	Date of Transaction/SPA	Number of Rooms	Transaction Price	Analysis Per Room	Vendor	Purchaser
Sheraton Imperial Kuala Lumpur, Jalan Sultan Ismail	28-Feb-2022	398	RM235,000,000	RM590,452	Inter Heritage (M) Sdn. Bhd	Achi Jaya Plantations Sdn. Bhd
Hotel Bintang Warisan, Jalan Bukit Bintang, Kuala Lumpur	8-Feb-2022	97	RM31,800,000	RM327,835	China Company (Malaysia) Sdn. Bhd	BTC Asset Sdn. Bhd.
Royale Chulan Bukit Bintang, Jalan Bukit Bintang	29-Dec-2020	418	RM174,993,638	RM418,645	Boustead Hotels & Resorts Sdn Bhd	Hotel Royal Ltd
City Comfort Hotel, Jalan Pudu Lama	15-Jan-2020	97	RM30,000,000	RM309,278	MG Capital Sdn Bhd	Canaanland Resources Sdn Bhd

Announcement of Recent Transactions:

- Swing & Pillows, a co-living and hotel chain operator, has acquired five hotels on Jalan Bukit Bintang in Kuala Lumpur, including Corona Inn, Hotel Sungei Wang, and Metropol Hotel.
- These acquisitions are part of its strategy to expand its Kingston brand of hotels.
- The transaction is expected to add over RM60 million to the company’s revenue by the end of 2024.
- Established in May 2022, Swing & Pillows operates more than 120 hotels and 3 resorts across major Malaysian cities, with a focus on innovation and flexibility in hospitality.

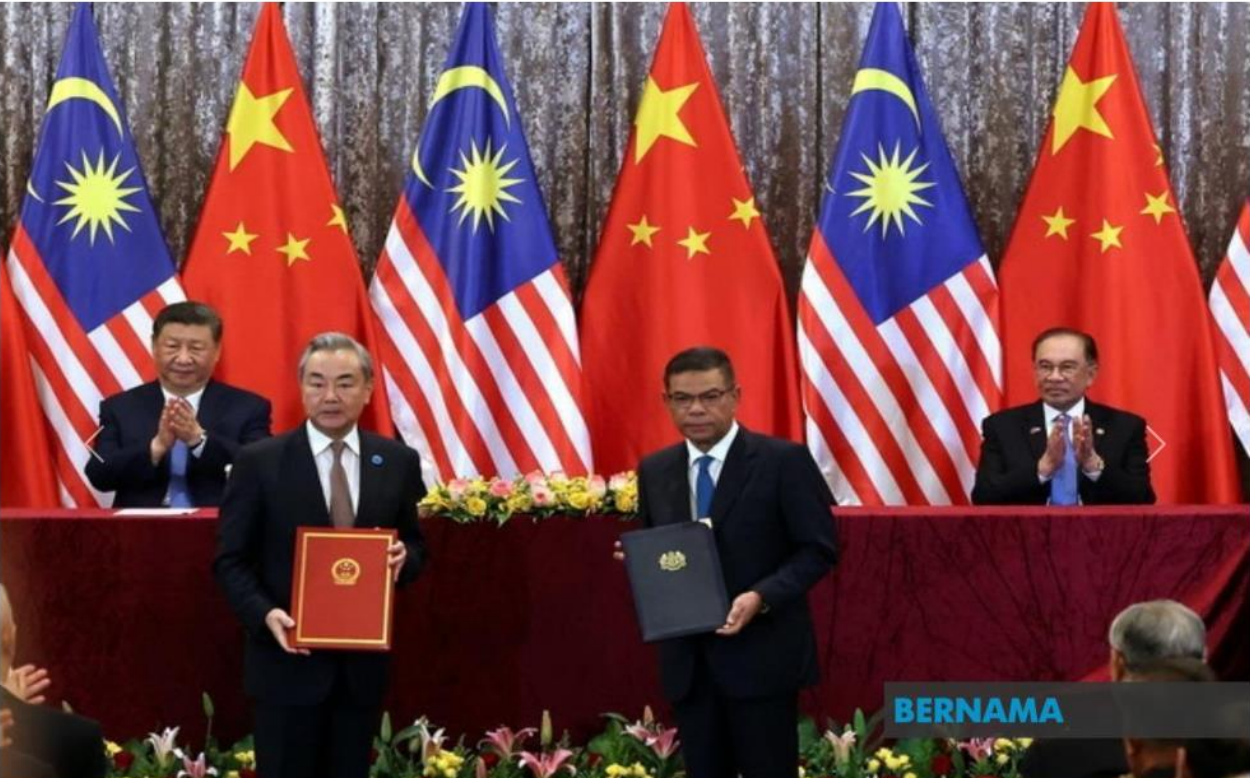
Other Notable Transactions Across Malaysia

Property	Date of Transaction / SPA	Number of Rooms	Transaction Price	Analysis Per Room	Vendor	Purchaser
Courtyard by Marriott Melaka Lorong Haji Bachee, Melaka	31-July-2024	284	RM160,000,000	RM563,380	Apple 99 Development Sdn Bhd, A Wholly-owned Subsidiary Of Yong Tai Bhd	Southern Envoy Sdn Bhd (SESB)
The Andaman, Jalan Teluk Datai Langkawi, Kedah	21-June-2024	178	RM123,000,000	RM691,011	Receivers & Managers Appointed) (as Vendor)	Mutiara Hotels & Resort Sdn Bhd
Syuen Hotel Jalan Sultan Abdul Jalil, Perak	7-Feb-2024	290	RM55,000,000	RM189,655	Syuen Hotel Berhad	YTL REIT (Via Maybank Trustees Berhad)
Courtyard by Marriott Penang Jalan Macalister, Penang	26-Jan-2024	199	RM165,000,000	RM829,145	Tropicana Macalister Avenue (Penang) Sdn Bhd	IOI PFCC Hotel Sdn Bhd
Marriott Hotel Persiaran Gurney, Georgetown, Penang	18-Oct-2023	90	RM67,311,000	RM747,900	TBC	TBC
Holiday Villa Beach Resort & Spa Langkawi Pantai Tengah, Langkawi, Kedah	28-June-2023	238	RM105,000,000	RM441,176	Pacific Trustees Berhad (on behalf of AmanahRaya REIT)	Plenitude Gateway Sdn. Bhd,

WORLD

VISA-FREE EXTENSION HERALDS NEW ERA OF MALAYSIA-CHINA RELATIONS

🕒 26/04/2025 02:25 PM



BERNAMA

Prime Minister Datuk Seri Anwar Ibrahim (right) with Chinese President Xi Jinping (left) witnessing the exchange of memoranda of understanding (MoUs) between the Government of Malaysia and the Government of China, represented by Home Minister Datuk Seri Saifuddin Nasution Ismail (second, right) and China's Foreign Minister Wang Yi (second, left) at Seri Perdana Complex on April 16, 2025. --fotoBERNAMA (2025) COPYRIGHT RESERVED

MALAYSIA

Tourism minister announces 10 new international flight routes to boost Malaysia's global appeal



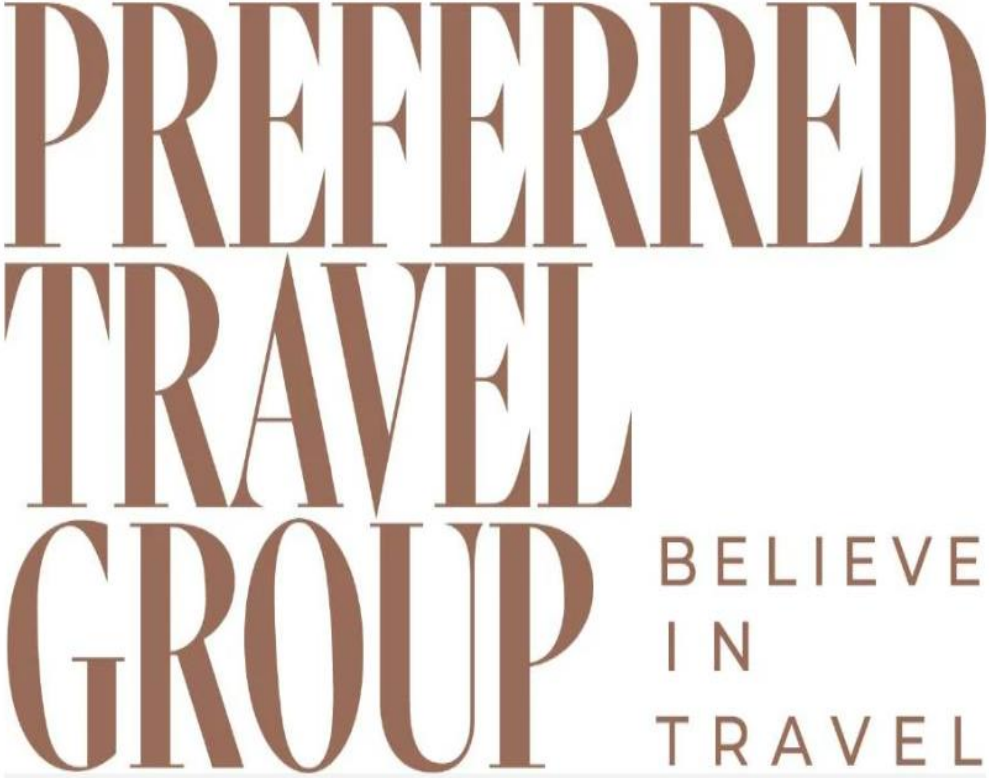
BERNAMA

Tourism, Arts and Culture Minister Datuk Seri Tiong King Sing said the additional routes will connect five major destination in the country - Kuala Lumpur, Johor Bahru, Kota Kinabalu, Langkawi and Penang, enabling the states involved to share in the tourism benefits while offering various travel options. — Picture courtesy of Malaysia Aviation Group Berhad

HOMECORPORATEECONOMYFEATUREINSIGHTPROPERTYCARS BIKES TR

Preferred Travel says up to 20 new independent hotels to open up in 5 years

By Diyana Isamudin - July 9, 2024 @ 8:28am



Preferred Travel Group, the world's largest global provider of sales, marketing, and distribution services to independent luxury hotels, expects to onboard up to 20 hotels in Malaysia over the five years.

GENERAL

Penang Set To See 10 More Hotels To Cater To Rising Number Of Tourists

🕒 22/08/2024 06:09 PM



BERNAMA

GEORGE TOWN, Aug 22 (Bernama) -- Penang is set to see 10 new hotels with 4,000 rooms over the next few

Rise in hospitality projects in Malaysia

By Faiqah Kamaruddin, s. Birruntha - December 2, 2024 @ 8:16am



BERNAMA

The increase in hospitality projects across Malaysia offers a significant economic opportunity for the country's development and construction industry without displacing other project types, industry players have noted. (Bernama/Photo)

BUSINESS TODAY

HOME NEWS GLOBAL MARKETS 5G & AI PROPERTY NET ZERO 2050

Home > News > Malaysia On Track To Become Top Global Destination For Medical Tourism By...

News

Malaysia On Track To Become Top Global Destination For Medical Tourism By 2025

By Editor - August 4, 2024



The First Grand Mercure Hotel and a New Ibis Styles Property in Malaysia



We are thrilled to announce the upcoming launch of Malaysia's first Grand Mercure, a perfect blend of luxury and local charm, along with the stylish Ibis Styles in Kuala Lumpur. In Q1 2025, our Swiss Garden Hotel Bukit Bintang Kuala Lumpur and Travelodge Bukit Bintang will be rebranded under these two prestigious brands, setting new standards for modern hospitality. These developments further solidify our valued partnership with Accor.

Malaysia eyes stronger ties with China for successful Visit Malaysia Year 2026

Nov 24, 2024 @ 10:53



中国·上海 Shanghai, China

开幕 OPEN

CITM 2024

Nihao China

PILLARS OF MALAYSIA'S TOURISM & HOSPITALITY INDUSTRIES



STRONG DOMESTIC DEMAND

Remarkable recovery from 2022



ROBUST AVIATION INDUSTRY

- Increase in International arrivals
- Planned capacity & frequency increases and new flight routes
- Introduction of charter flights
- Revamp of airports



PROMISING GROWTH FOR INBOUND TOURISM

- Effective national promotion and marketing
- Visa-free entry to China & India



NICHE TOURISM STRENGTHENING

MICE, Destination Weddings, Halal Tourism, Eco-tourism



MEDICAL TOURISM

Key player in Asia's medical tourism



GLOBAL DESTINATION RECOGNITION

- Natural wonders, landmarks, food culture, multicultural appeal
- Malaysia is home to five Unesco World Heritage Sites



QUALITY ACCOMMODATIONS & BRANDS

Availability of quality accommodations & continued entry of Renowned Brands



FAVOURABLE ENVIRONMENT & POLICIES

- Supportive regulations and conditions
- **Collaboration** with local and international stakeholders



GROWING TRAVEL CULTURE

Emergence of travel-focused new generations



MAJOR INFRASTRUCTURE PROJECTS

Improved connectivity and economic activities

Malaysia Hospitality Sector – Key Highlights

01

Between 2023 and 2024, Malaysia's hotel sector recorded **strong investment and development activity**. A total of **18 hotel transactions** were captured nationwide with a combined value nearing **RM950 million**, highlighting investor confidence in both **city hotels** and **leisure resorts**. Key transactions included prominent assets in Penang, Kuala Lumpur and Perak.

04

In 2024, Malaysia's aviation sector expanded with **12 new airlines**, **16 route resumptions**, and **24 new destinations**. KLIA welcomed carriers like Air Macau, Iraqi Airways, and Air India, connecting to cities such as Almaty, Baghdad, and Nairobi. The Malaysia Airports network now serves 138 international and 31 domestic destinations with 73 foreign and six local carriers. MAHB plans to add over 10 new airlines in 2025, focusing on Asia and Europe, ahead of Visit Malaysia 2026.

02

Twelve (12) new hotels were completed in 2024, delivering **2,390 new rooms** to the market, with significant contributions from **Penang, Sabah and Kuala Lumpur**. This surge in transactions and supply reflect the sector's resilience, supported by **recovering tourist arrivals**, **rising aviation connectivity** and **proactive public-private initiatives**.

05

Malaysia is upgrading airports nationwide to boost capacity and competitiveness. Penang International Airport is expanding with a RM1.5 billion investment, while KLIA is being revamped to return to the world's top 10 by 2028. Kota Kinabalu International Airport will see capacity upgrades, and Ipoh's Sultan Azlan Shah Airport has increased its capacity from 500,000 to 700,000 passengers annually.

03

Malaysia recorded **25.02M** international tourist arrivals in 2024, a **24.2% increase** from 2023 but short of its 27.3M target. The top source countries were Singapore (9.1M), Indonesia (3.65M), China (3.29M), Thailand (1.64M), and Brunei (1.14M). Tourism receipts reached RM102.2B, up from RM71.3B in 2023. For 2025, Malaysia aims for 31.4M international arrivals and has allocated RM10M for tourism promotion across 13 states, with the Federal Territories and Selangor receiving the highest shares.

06

In a significant boost for inbound tourism, **Malaysia and China have agreed to extend their mutual visa-free travel arrangements for another five years**. This extension, announced in **April 2025**, reflects strong bilateral relations and the growing number of Chinese travelers choosing Malaysia as a key destination. The **visa-free entry for Indian travelers also remains in place**, supporting higher arrival volumes from two of Malaysia's largest source markets.

Malaysia Hospitality Sector – Key Highlights

07

Malaysia is poised to become a **top global medical tourism destination by 2025**, targeting **RM2.4 billion in revenue** after recording RM2.25 billion in 2023. The Klang Valley has overtaken Penang as the leading hub, attracting over 560,000 international patients and generating RM886 million between January and November 2024. Penang, despite a dip in patient volume, still contributed RM866 million—over 40% of the national total.

08

Kuala Lumpur has been ranked as the fourth-best city in the Asia-Pacific region, according to DestinAsian's 17th Annual Readers' Choice Awards. This recognition places KL alongside renowned cities like Bangkok, Tokyo and Singapore. Additionally, **Langkawi and Penang** were listed among the **top 10 island getaways** in the Asia-Pacific, highlighting Malaysia's diverse appeal as a travel destination.

09

As of November 2024, **Malaysia's DE Rantau programme** issued 1,120 digital nomad passes, nearly double the previous year. These nomads contributed approximately RM87.9 million (US\$20 million) annually to the local economy through spending on accommodation, food, transportation, and leisure activities. The appeal lies in fast internet, low living costs, and a renewable 12-month Nomad Pass. Most are based in Klang Valley, with others in Penang and Johor Bahru.

10

Malaysia is experiencing a **surge in luxury hotel developments**, with several high-profile brands set to debut in Kuala Lumpur between 2025 and 2027. Langham Hospitality Group has announced the opening of The Langham, Kuala Lumpur, slated for 2027 within the Oxley Towers KLCC complex, featuring 198 rooms, a sky pool, and the Michelin-starred T'ang Court restaurant. This development marks Langham's third property in Southeast Asia.

11

Other upcoming notable openings in Kuala Lumpur include the **Waldorf Astoria** in Bukit Bintang, **Kimpton** at The Exchange TRX, **Regent** near Tun Razak Exchange and **Park Hyatt** atop the Merdeka 118 skyscraper. This influx of luxury accommodations highlights Kuala Lumpur's growing appeal as a premier destination for affluent travelers and reflects the city's expanding role in the global hospitality industry.

12

Preferred Travel Group, the world's largest provider of sales, marketing, and distribution services to independent luxury hotels, plans to onboard up to 20 independent luxury hotels in Malaysia over five years, focusing on **Langkawi, Penang and Johor**. CEO Lindsey Ueberroth emphasized their strong performance, with independent hotels surpassing franchised ones by about 10% points in RevPAR. The expansion aligns with growing demand for personalized travel experiences and sustainable tourism.

Malaysia Hospitality Sector – Key Highlights

13

In July 2024, NCT Group announced the topping out of the final two towers of its RM1.6B Grand Ion Majestic development in Genting Highlands. The first tower, the 850-room Wyndham Ion Majestic Hotel, opened in May 2024 with an average occupancy rate of 40%. The remaining two towers house the 1,035-room 1001 Nights Hotel, part of Wyndham's Trademark Collection, which officially opened in December 2024.

16

The 383-room Holiday Inn Express Kuala Lumpur City Centre was put on the market in Q1 2024. Located in the Golden Triangle, the hotel offers easy access to key business and entertainment areas, making it an attractive investment opportunity. The hotel has consistently maintained strong occupancy rates, with a proven track record in the growing Kuala Lumpur hospitality sector.

14

In 2024, IOI Properties acquired **W Kuala Lumpur** and **Courtyard by Marriott Penang** at discounted prices to strengthen its hospitality portfolio. The group also opened **Moxy Putrajaya** and refurbished **Putrajaya Marriott Hotel** and **Palm Garden Hotel**, driving a 68% y-o-y increase in hospitality revenue in Q4 despite segmental losses. Looking ahead, IOI Properties plans to develop a 200-room luxury hotel in Langkawi by 2028 to tap into the expected tourism uplift from Visit Malaysia Year 2026.

17

The overall upward trajectory in both domestic and foreign guests highlights Malaysia's strengthening position as a regional tourism hub. The surge in international visitors demonstrates post-pandemic recovery, while stable growth in domestic travel underscores its importance for the hotel industry's resilience. Regions with declining figures merit further investigation to address possible impediments and harness untapped tourism opportunities.

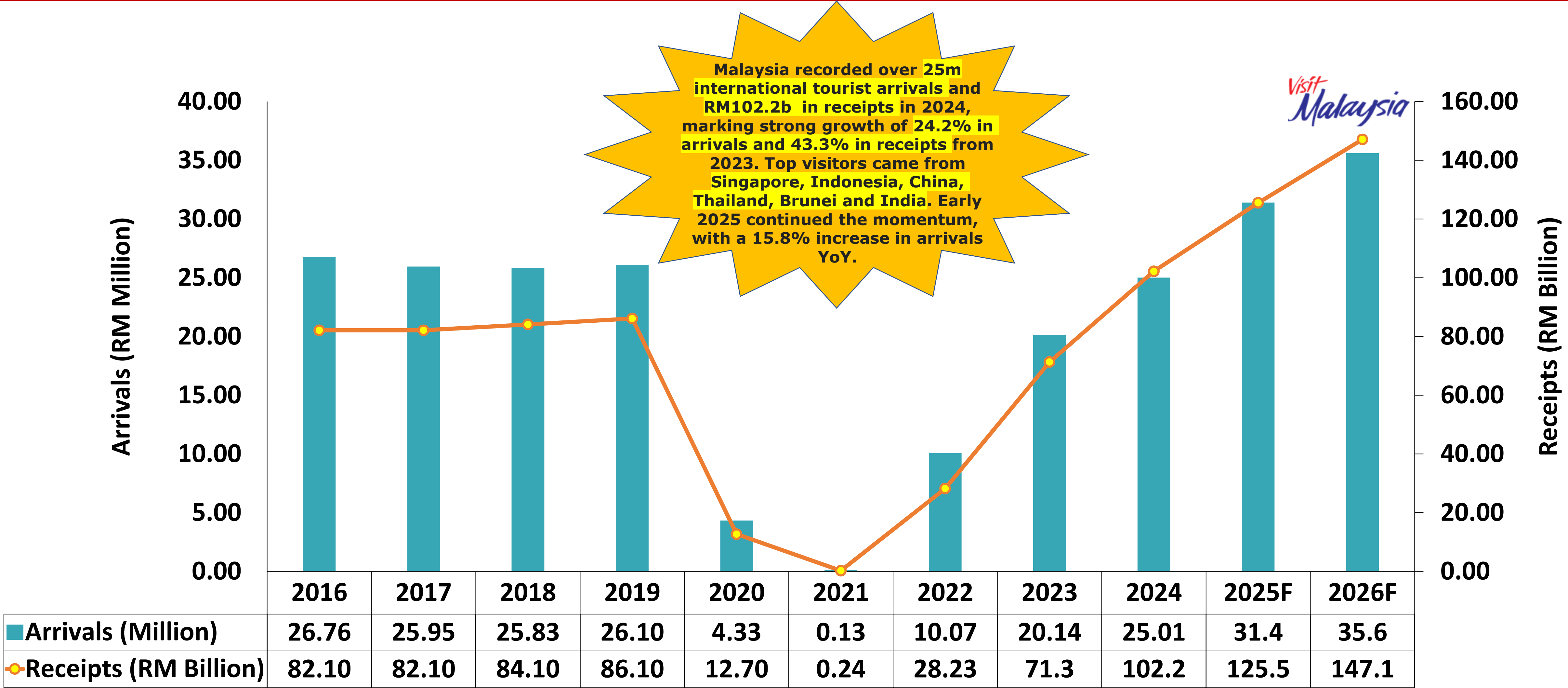
15

AmanahRaya REIT concluded the sale of 4-star Holiday Villa Beach Resort & Spa Langkawi on 4 January 2024, to PL Soon Huat Realty Sdn Bhd for RM145 million in cash. The resort, held under a 99-year lease ending in 2092, was originally acquired in 2007 for RM55 million. This divestment is part of the REIT's strategy to streamline its portfolio and boost long-term returns.

18

Looking forward, Malaysia's tourism and hotel sectors are expected to gain further momentum, supported by the **ASEAN Summit 2025** and **Visit Malaysia Year 2026**. These major events are anticipated to boost international arrivals, drive hotel demand, and reinforce investor confidence in the hospitality industry.

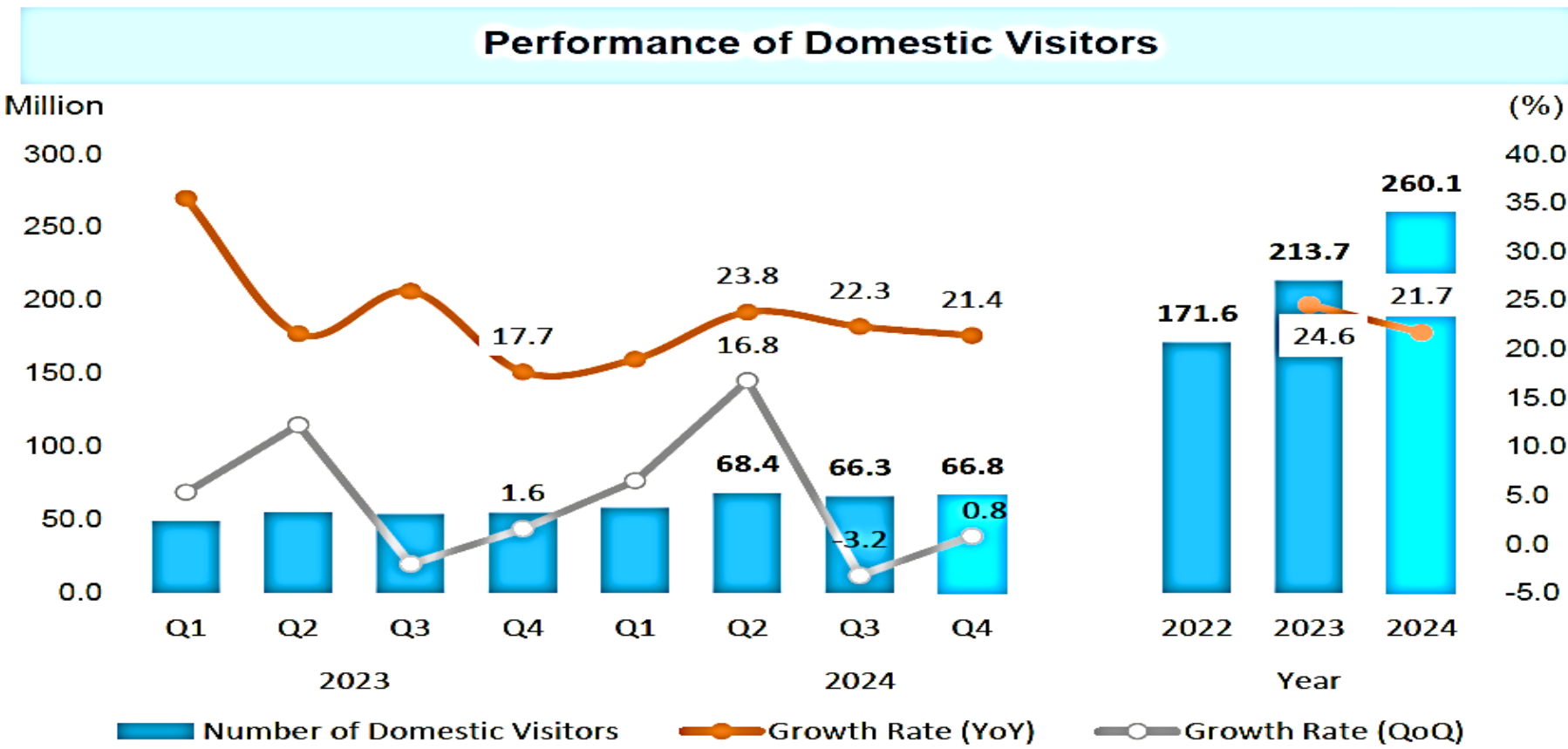
INTERNATIONAL TOURIST ARRIVALS & RECEIPTS TREND (2016 – 2026f)



Source: Tourism Malaysia

DOMESTIC TOURISM – TOTAL DOMESTIC VISITORS & TOURISM EXPENDITURE (2024 VS 2023)

DOMESTIC VISITORS (MILLION)



Visitor Growth & Strong Expenditure:

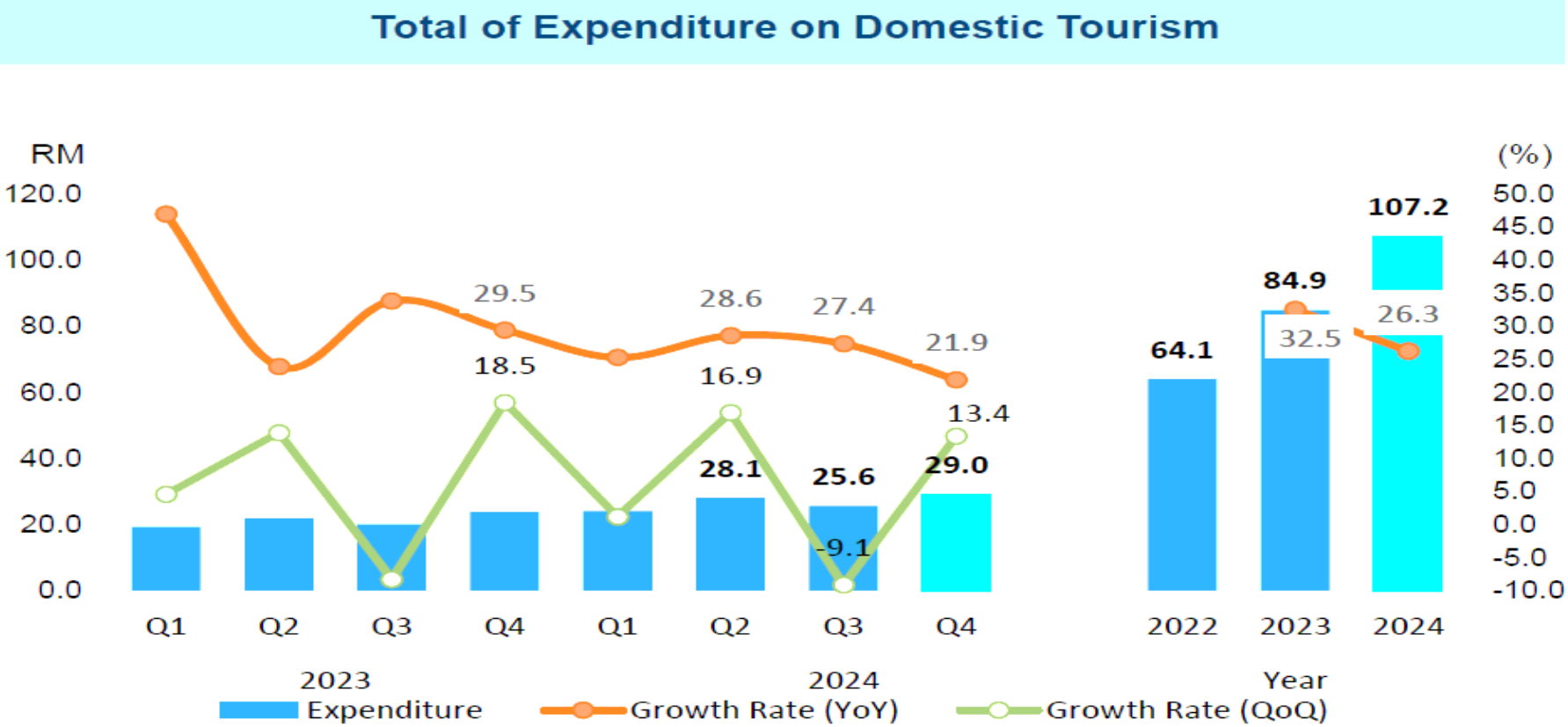
- Domestic tourism recorded 260.1 million visitors in 2024, a 21.7% increase compared to 2023.
- Domestic tourism spending reached RM107.2 billion, reflecting a 26.3% year-on-year growth.



Hotel Sector Resilience:

- 4-star hotel occupancy rose by 5.9%, showing strong demand for premium accommodations.
- Beach destinations saw a 12.1% increase in occupancy, while town areas recorded a 0.7% rise, indicating broader travel patterns across locations.

DOMESTIC TOURISM EXPENDITURE (RM BILLION)



Economic Impact:

- The domestic tourism boom has strengthened Malaysia's economy, supporting industries linked to travel, hospitality, and services.



Positive Outlook:

- Growth is expected to continue in 2025, fueled by strong consumer confidence, travel demand and festive season celebrations.

Malaysia's Aviation Growth & Tourism Outlook 2025 -MAVCOM JAN 2025 Outlook Report



105.8–112.9M
Forecast Passenger Traffic



+8.4% to +15.6%
YoY Growth over 2024



+15.8%
Seat Capacity Expansion



35.6M
2026 Targeted International Arrivals

*** Key 2025 Highlights**



2025 Capacity Expansion by Sector

Domestic (+21.1%)

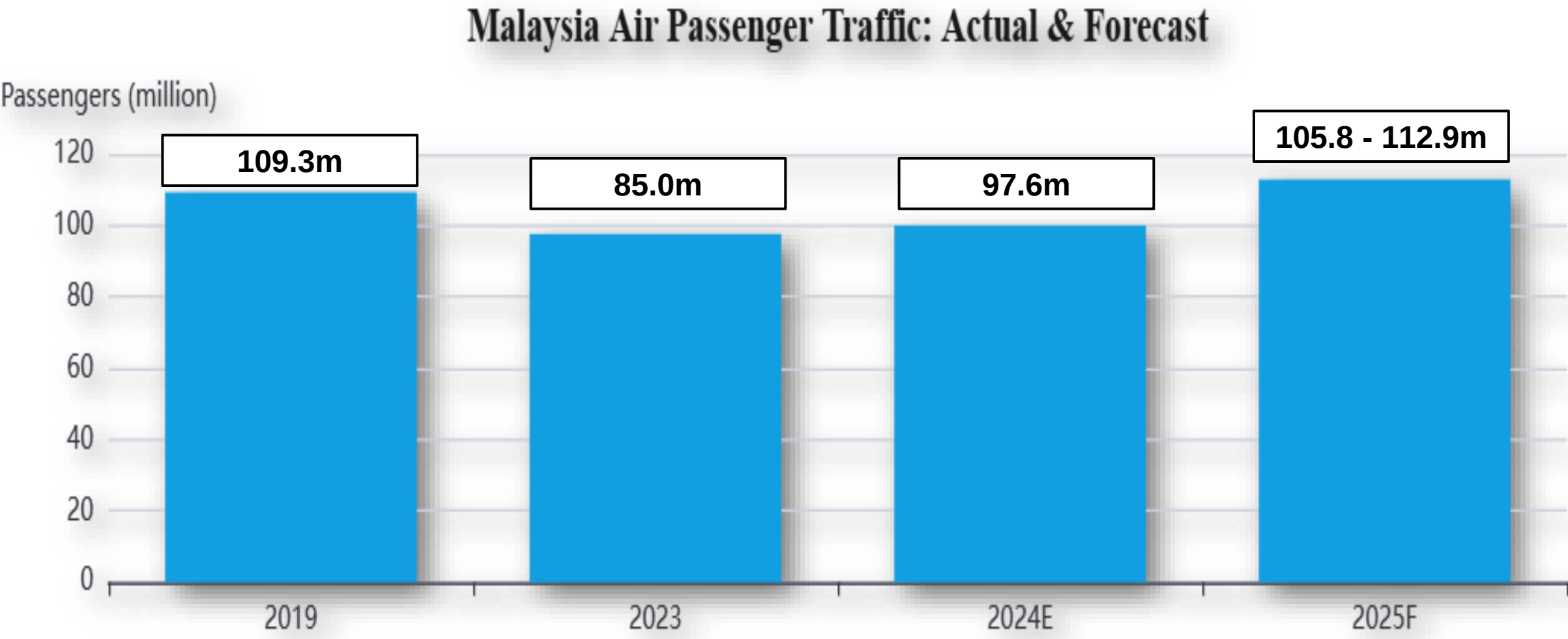
ASEAN (+11.0%)

Beyond ASEAN (+15.8%)

Domestic
+21.1% seats

ASEAN
+11.0% seats

Beyond ASEAN
+15.8% seats



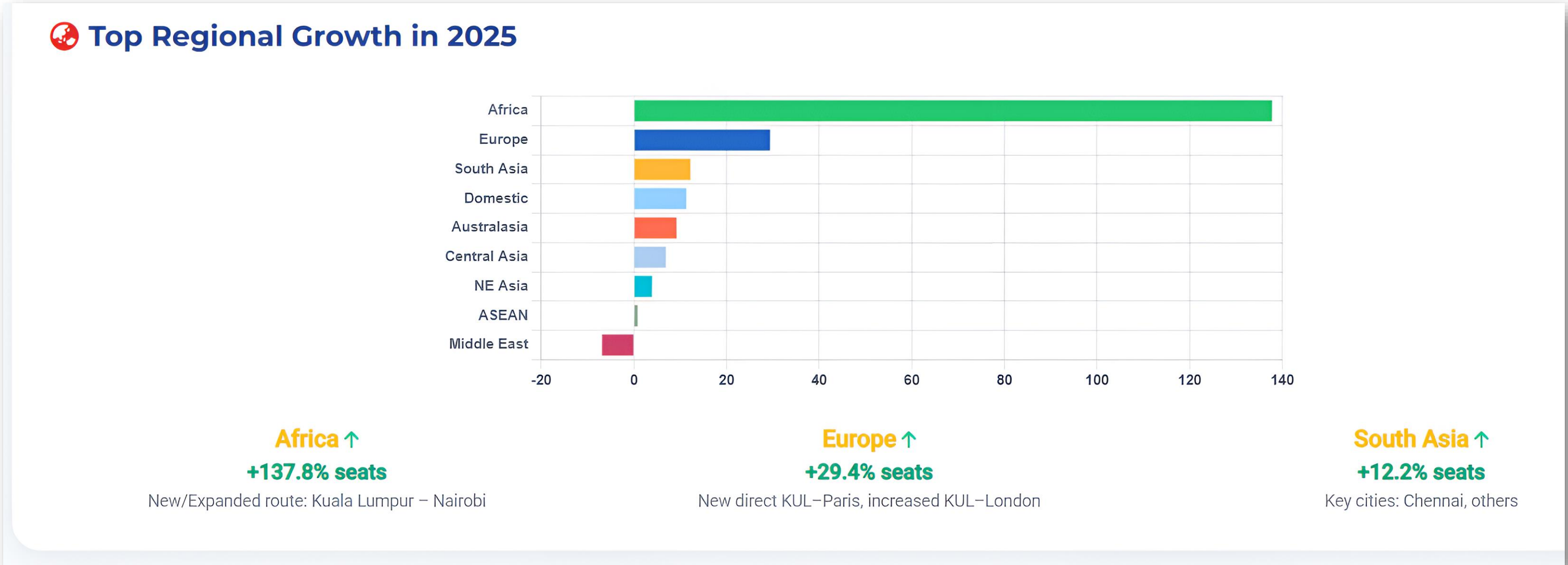
2025 will surpass pre-pandemic levels, with Malaysia’s air passenger traffic forecasted at 105.8 - 112.9 million, beating the 2019 high of 109.3 million.

Aviation Growth Trends & Connectivity (2025 Outlook)

- Air passenger traffic forecast to reach **105.8–112.9 million** in 2025 (record high!).
- Growth driven by **+15.8%** seat capacity (domestic: **+21.1%**), new & resumed routes, and surging inbound demand from China, India, Australia, Gulf, and Europe.
- Malaysia's airline fleet to grow **30%** by 2026 (from 253 to 329 aircraft).
- New frequencies and connections: major cities in China, India, South Korea and Europe

Aviation expansion underpins Malaysia's tourism ambitions for Visit Malaysia 2026 and further growth.

Malaysia's Aviation Growth & Tourism Outlook 2025 -MAVCOM JAN 2025 Outlook Report



Future Prospects & Asia-Pacific Outlook

Fleet Expansion

Malaysian carriers' fleet to grow from 253 (2024) to 329 (2026), a +30% increase.

Asia Pacific Trend

Region to account for 50% of global passenger traffic by 2043.

Standout Route Developments

Domestic Routes

- SZB (Subang) – BKI (Kota Kinabalu): +186.8%
- SZB – PEN (Penang): +62.0%
- KUL – BKI: +17.6%
- KUL – MYY (Miri): +28.6%
- KUL – BTU (Bintulu): +39.8%

International Routes

- PEN – Hong Kong: +114.6% (+267,168 seats)
- KUL – Sydney: +27.7%
- KUL – Paris (CDG): new direct
- KUL – Nairobi: +793.0%
- PEN – Chennai: +3,218.0%

Airlines Expanding Most:

IndiGo (+242.8%), Turkish Airlines (+35.1%), Korean Air (+193.7%), British Airways (new KUL–LHR), AirAsia Indonesia, Cathay Pacific

Favorable Operating Costs

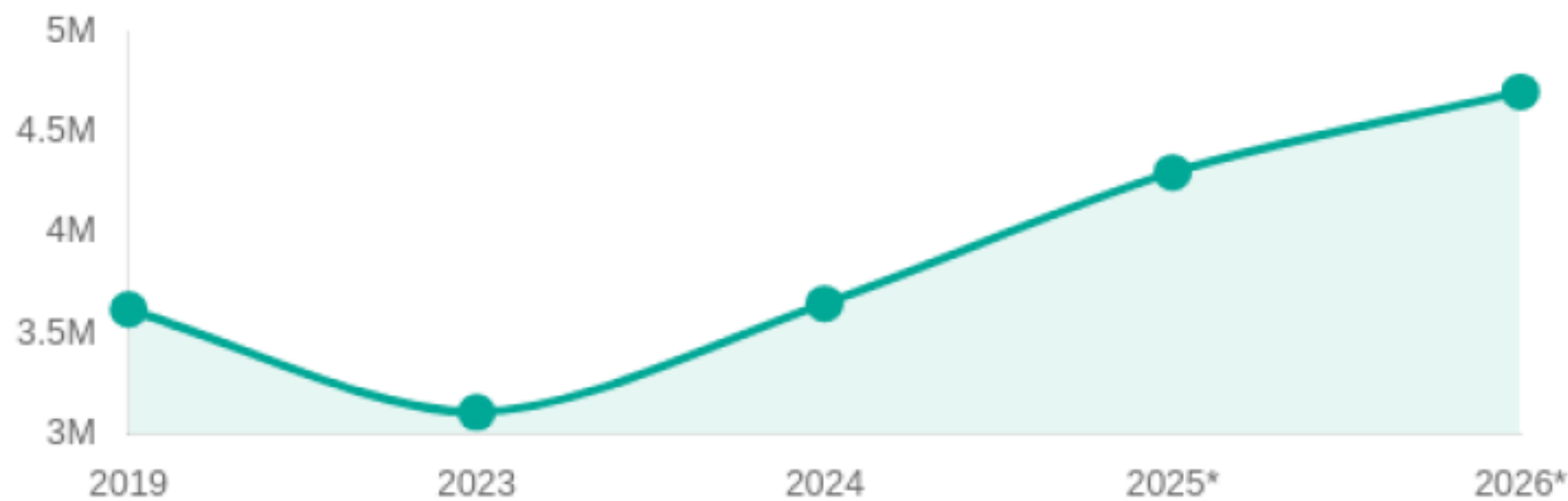
Jet fuel price forecast: \$87/barrel (2025, down from \$99 in 2024)

Indonesia vs India: Complementary markets driving Malaysia's tourism growth

Indonesia

2nd Largest Market

Steady, established market



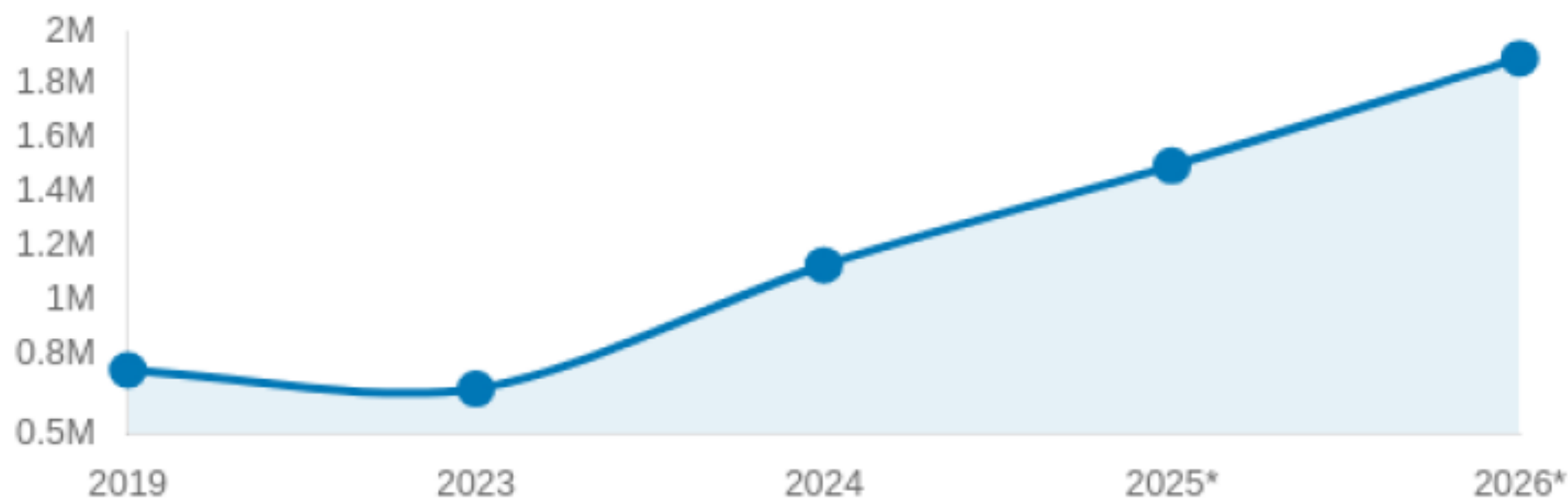
Market Characteristics:

- High Volume
3.65M visitors in 2024
- Strong Air Connectivity
591 weekly flights
- Moderate Growth
17.5% YoY (2023-2024)
- Geographic Proximity
Drives cross-border tourism

India

Fastest Growing

Emerging, high-growth market

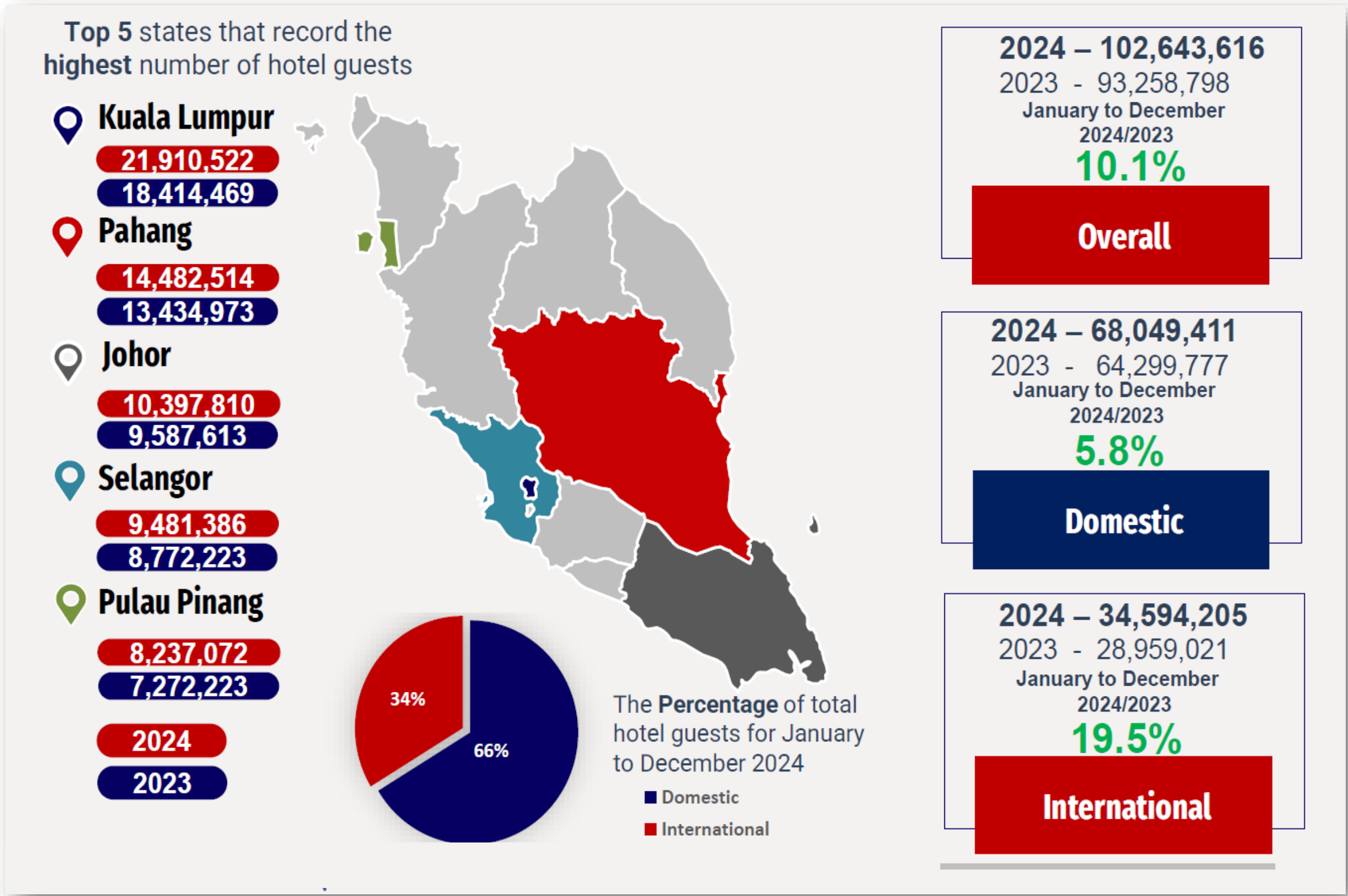
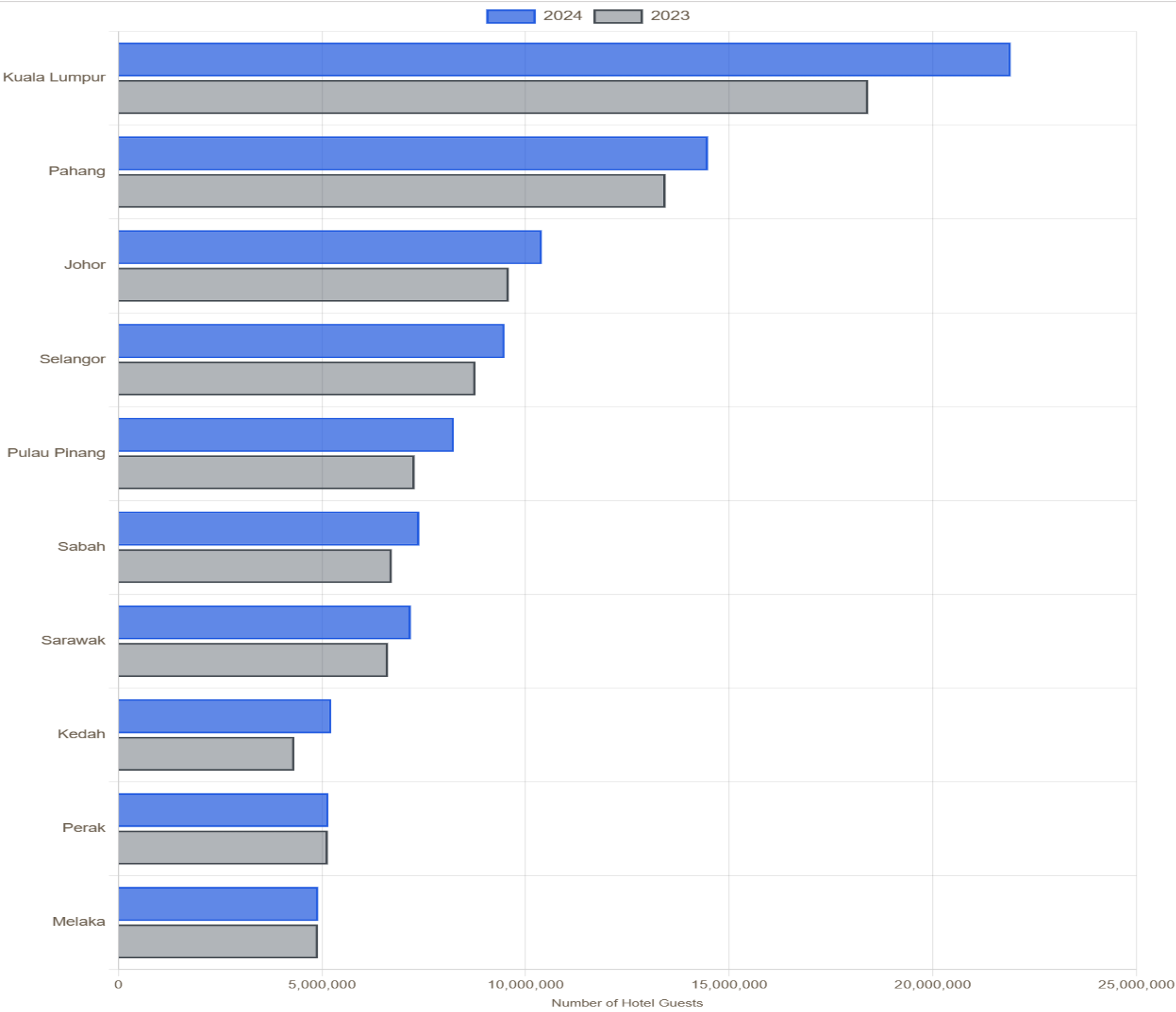


Market Characteristics:

- Explosive Growth
68.7% YoY (2023-2024)
- "Bleisure" Travel Trend
Business + Leisure travelers
- Higher Spending Profile
Shopping & premium experiences
- Cultural Connections
Bollywood influences tourism

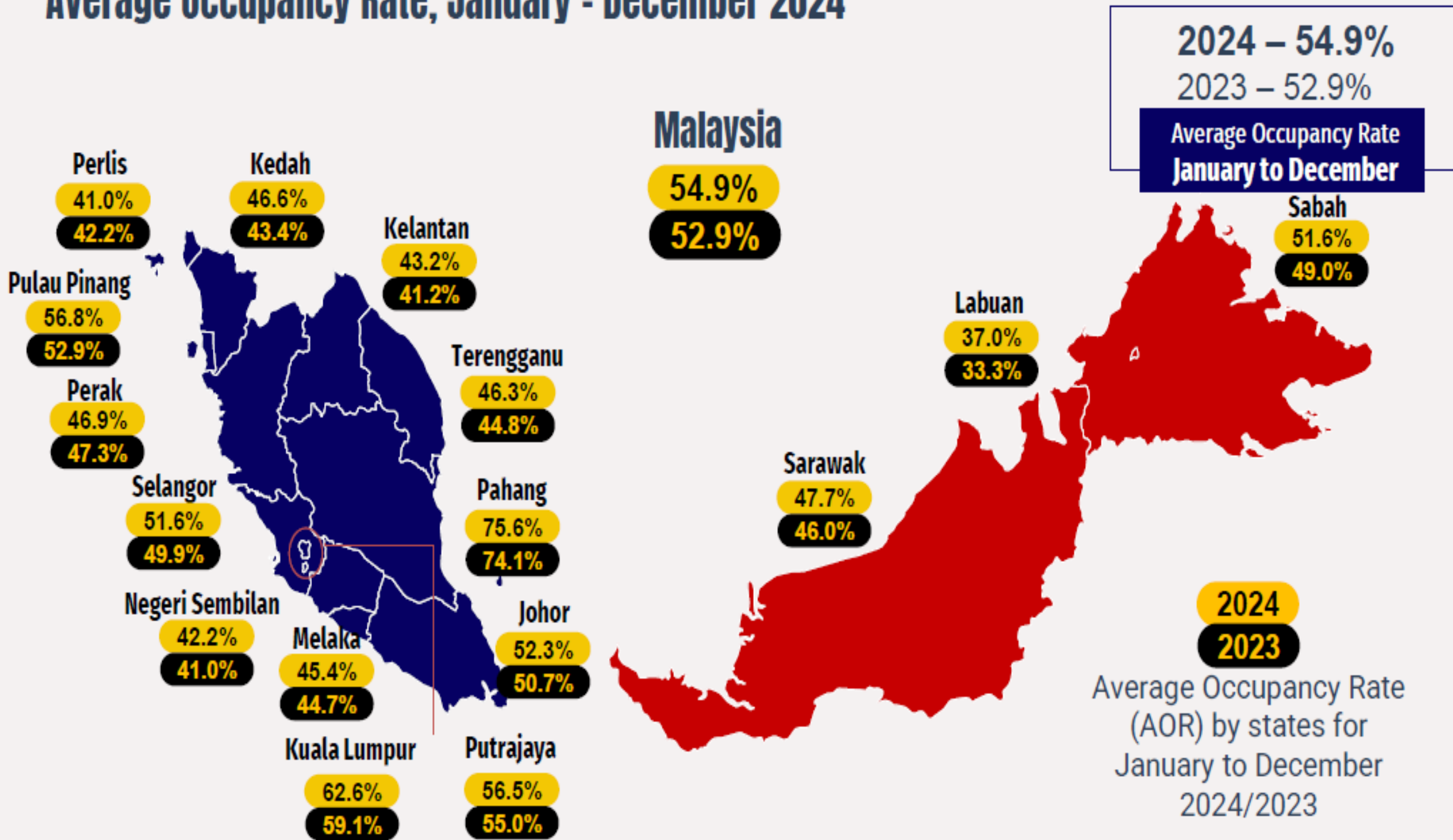
PAID ACCOMMODATION SURVEY: JAN TO DEC 2024 PERFORMANCE

Top 10 Malaysian Destinations by Hotel Guests

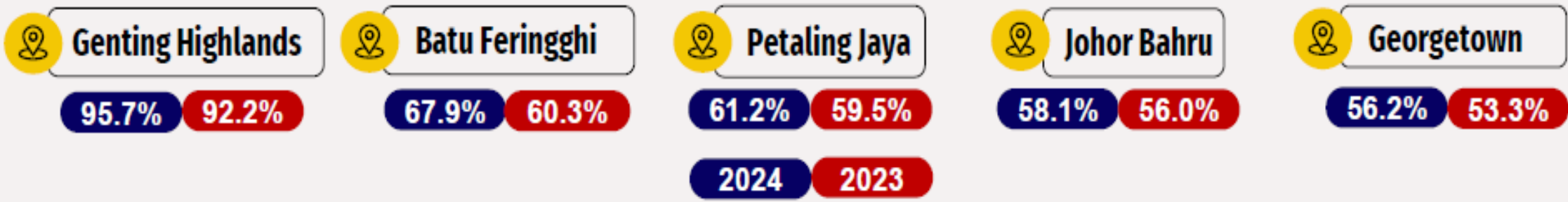


PAID ACCOMMODATION SURVEY: JAN TO DEC 2024 PERFORMANCE

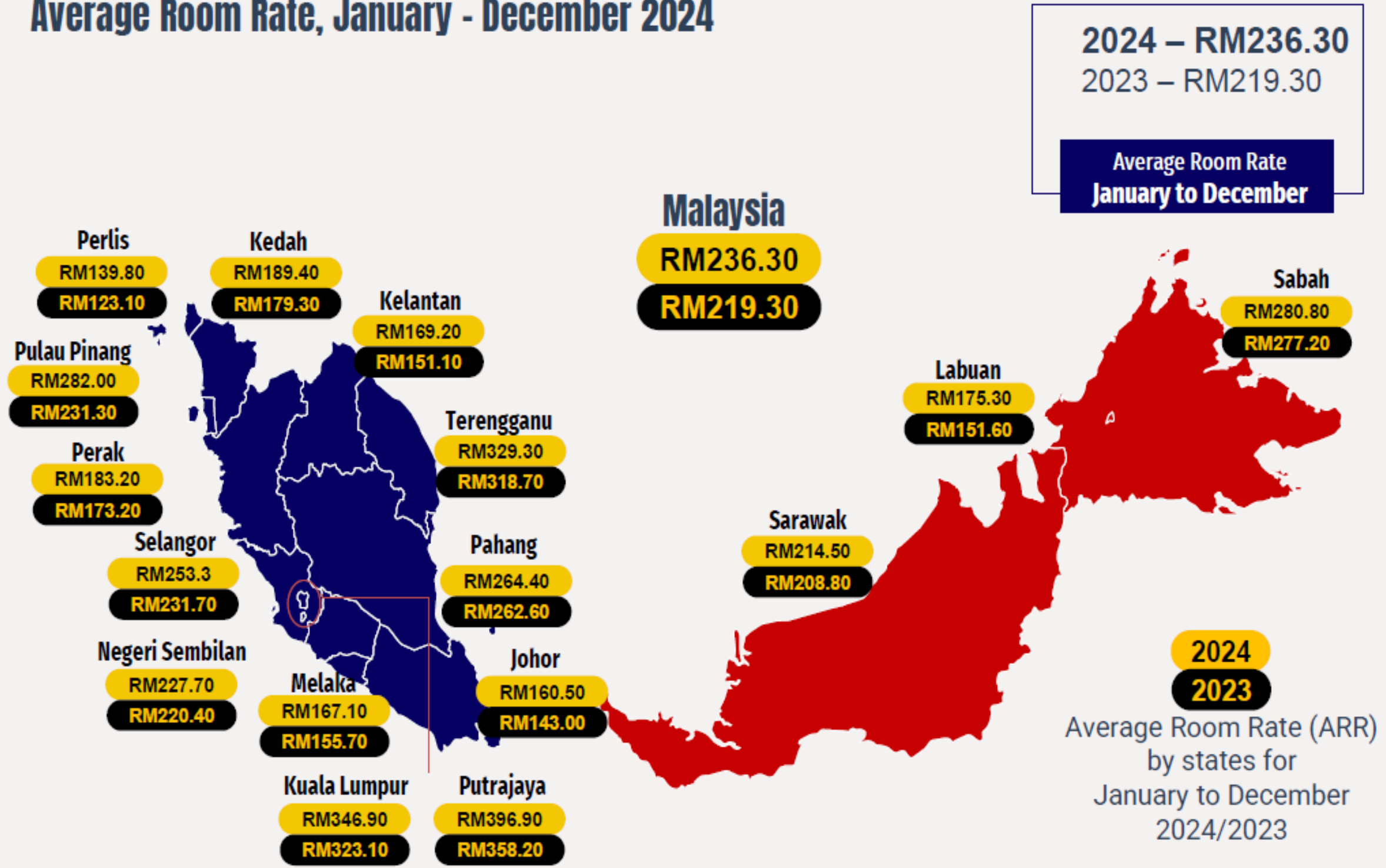
Average Occupancy Rate, January - December 2024



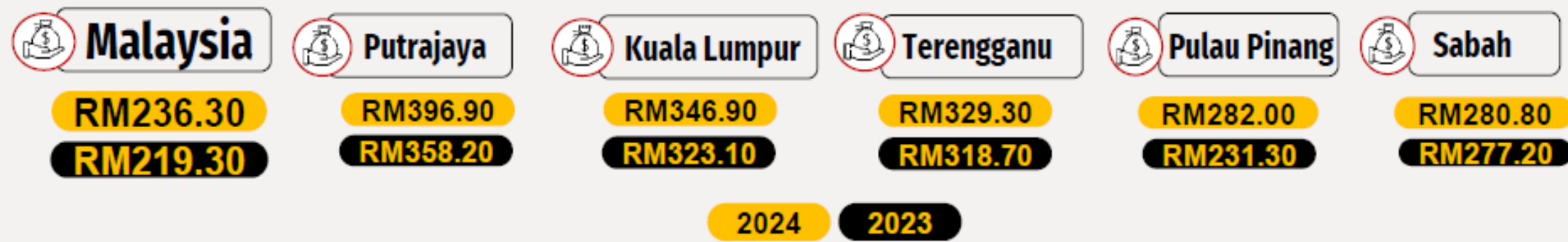
Top 5 Average Occupancy Rate (AOR) by locality for January to December 2024/2023



Average Room Rate, January - December 2024



Top 5 state with highest Average Room Rate (ARR) for January to December 2024/2023



Malaysia Hospitality Sector – Market Overview

EXISTING SUPPLY Q4 2024

3,564 HOTELS – 280,177 ROOMS

Hotels by Building

5.4% >300 ROOMS

94.6% <300 ROOMS

INCOMING SUPPLY Q4 2024

86 HOTELS

16,928 ROOMS

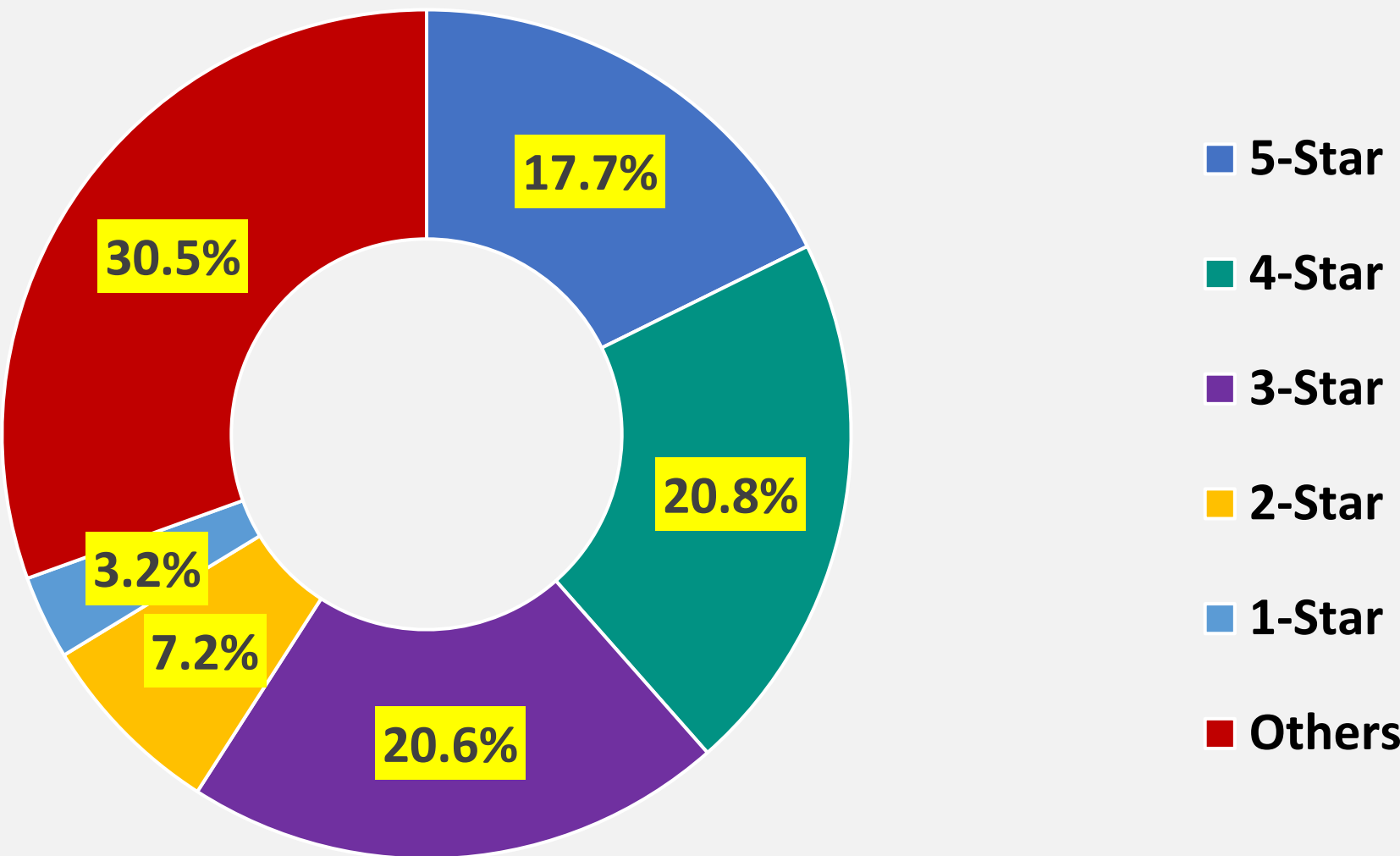
PLANNED SUPPLY Q4 2024

71 HOTELS

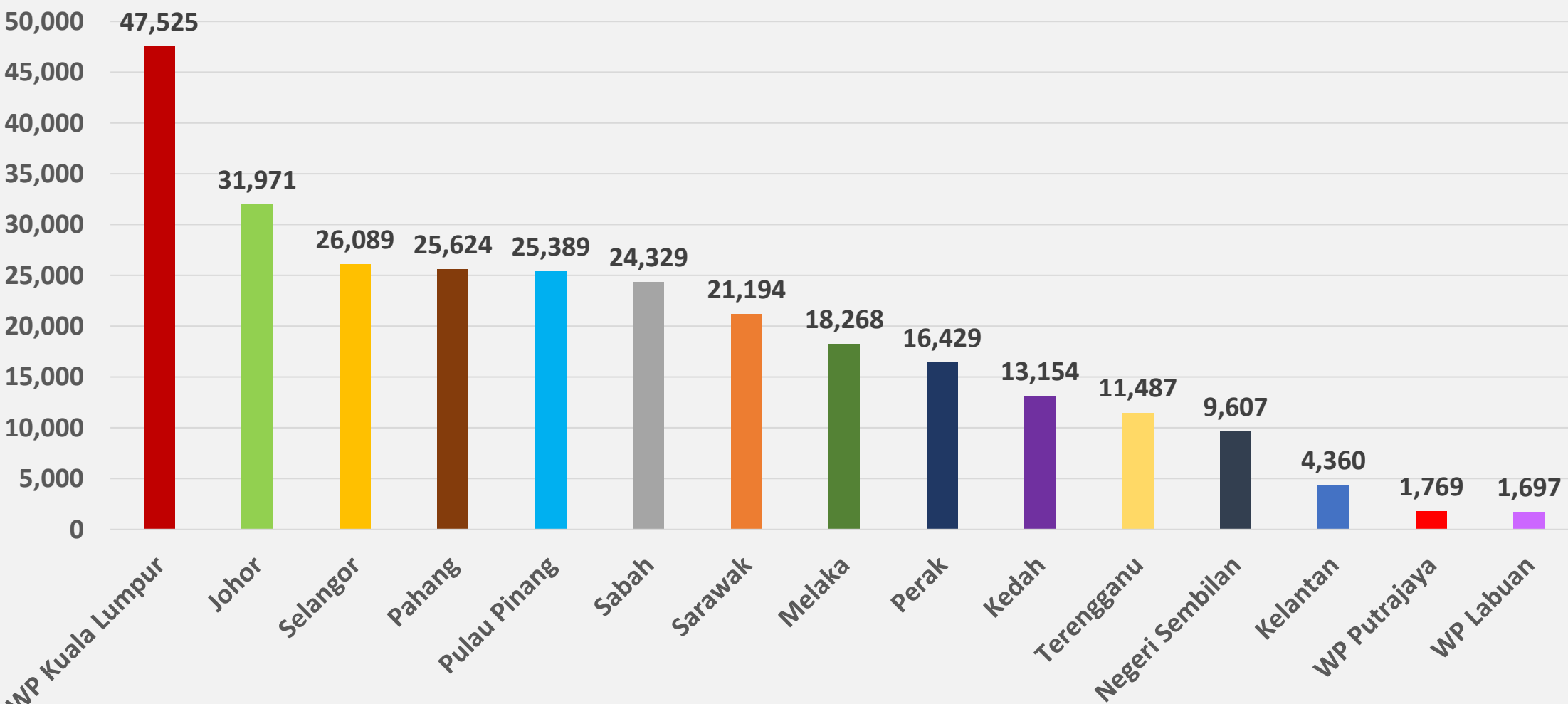
13,369 ROOMS

Source: NAPIC

EXISTING HOTEL ROOMS BY STAR RATING Q4 2024



EXISTING HOTEL ROOMS BY STATE Q4 2024



INCOMING SUPPLY: KEY STATES

SABAH

4,091
Rooms
(22 Hotels)

WP KL

3,636
Rooms
(16 Hotels)

PULAU PINANG

2,415
Rooms
(12 Hotels)

JOHOR

2,300
Rooms
(9 Hotels)

PLANNED SUPPLY: KEY STATES

JOHOR

3,196
Rooms
(9 Hotels)

SABAH

2,791
Rooms
(11 Hotels)

MELAKA

1,558
Rooms
(5 Hotels)

PULAU PINANG

1,471
Rooms
(12 Hotels)

KUALA LUMPUR HOTELS – MARKET OVERVIEW



EXISTING SUPPLY Q4 2024

254 HOTELS – 47,525 ROOMS

Hotels by Building

23% >300 ROOMS

77% <300 ROOMS

INCOMING SUPPLY Q4 2024

16 HOTELS

3,636 ROOMS

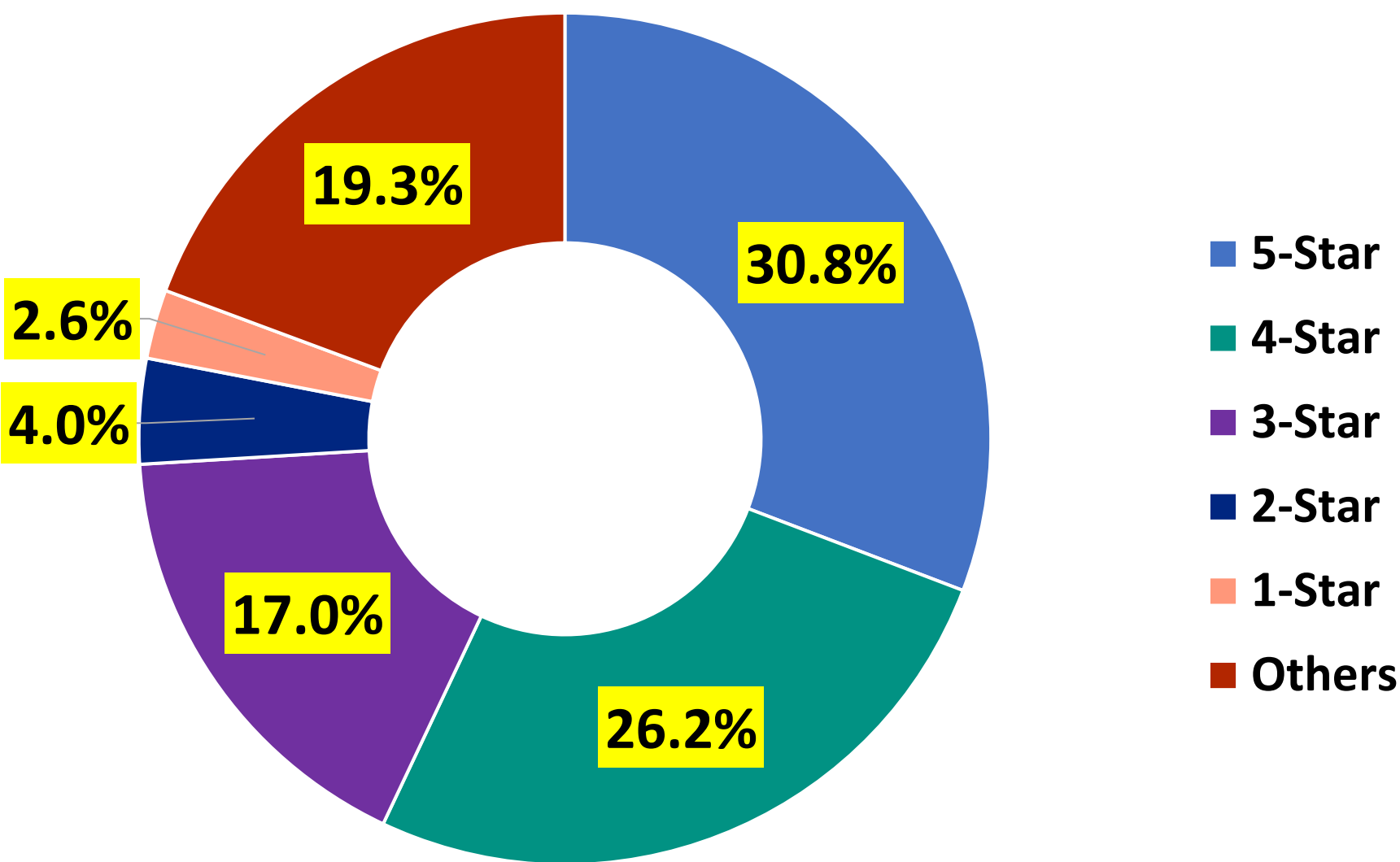
PLANNED SUPPLY Q4 2024

9 HOTELS

1,432 ROOMS

Source: NAPIC

HOTEL ROOMS BY STAR RATING



Source: NAPIC

HOTEL GUESTS

2024

21.91 Million

DOMESTIC

9,781,082

FOREIGN

12,129,440

2023

18.41 Million

DOMESTIC

9,712,689

FOREIGN

8,701,780

Source: Tourism Malaysia

AVERAGE OCCUPANCY RATES

2024

62.6%

2022

49.0%

Q1 2025 – 60.4%

2023

59.1%

2021

23.6%

Source: Tourism Malaysia

AVERAGE ROOM RATE (ARR)

2024

RM347

2023

RM323

Q1 2025 – RM365 (ADR)

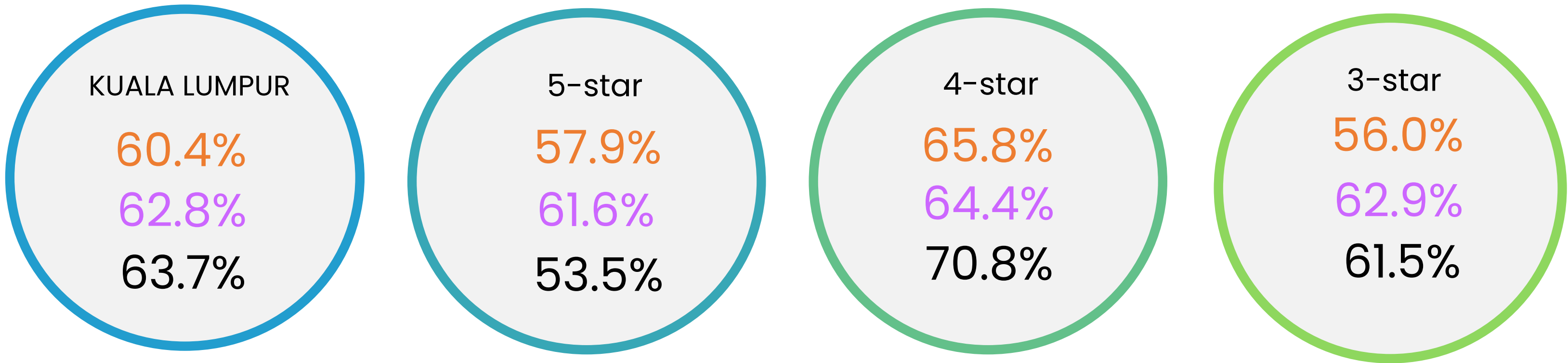
Note: The figures for ARR and ADR may differ based on the specific metrics or parameters used.

Source: Malaysia Association of Hotels

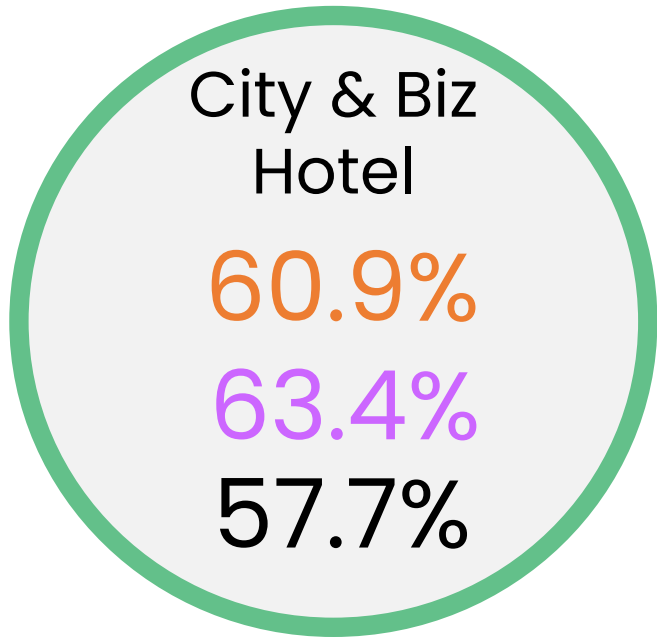
Kuala Lumpur Hospitality Sector – Market Overview



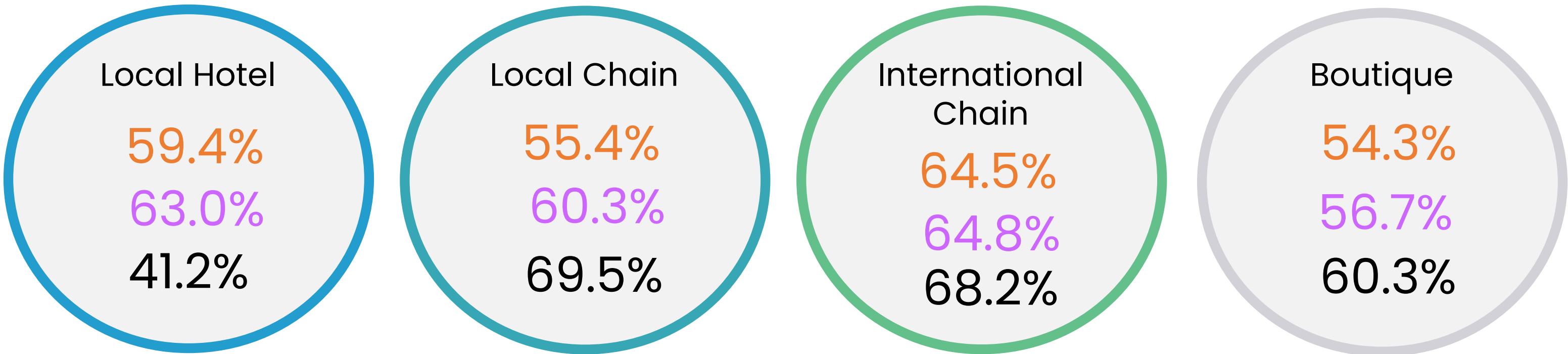
Average Occupancy Rate by Star Rating (Q1 2025 vs 2024 & 2019)



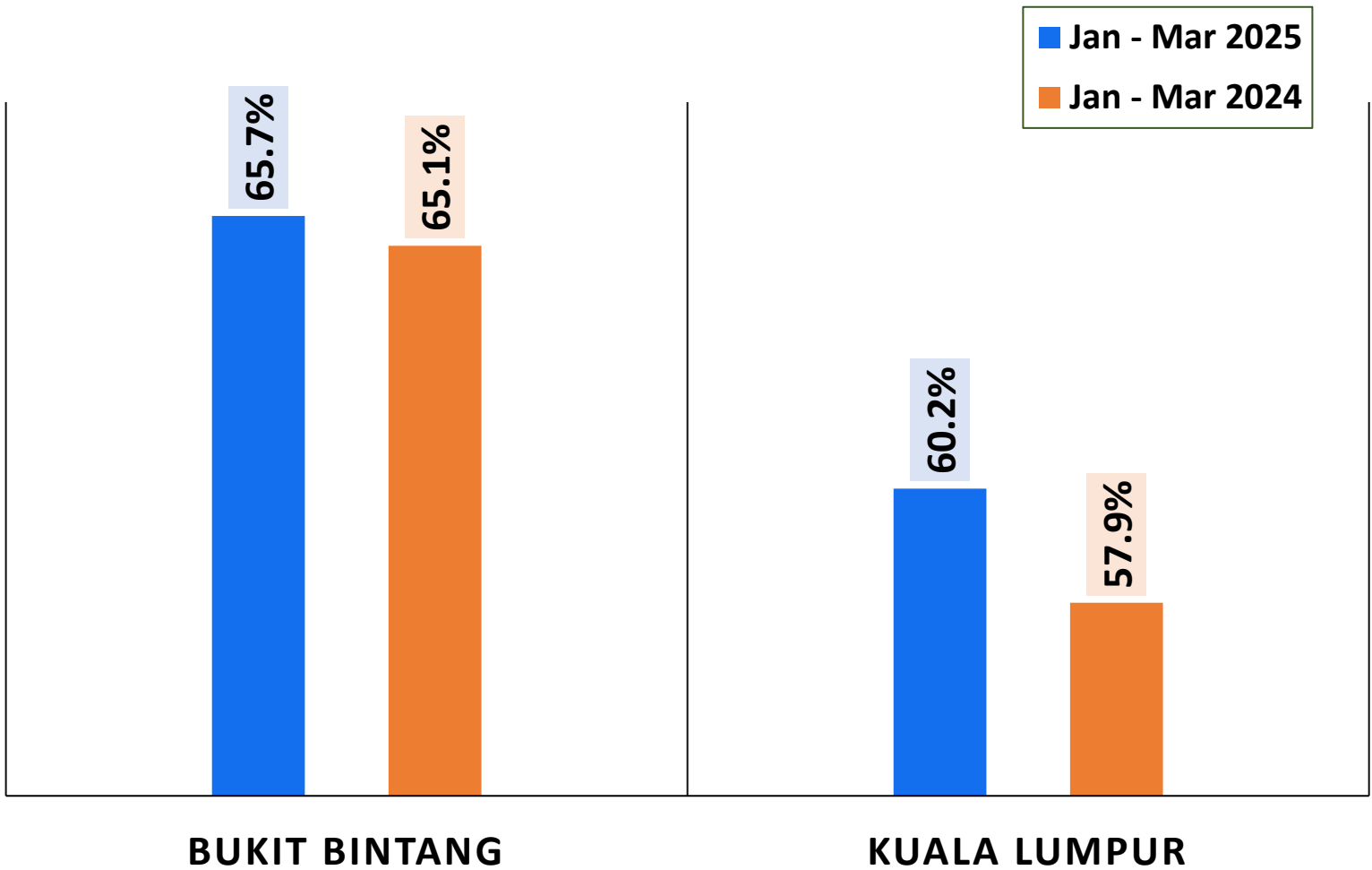
Average Occupancy Rate by Type of Accommodation (Q1 2025 vs 2024 & 2019)



Average Occupancy Rate by Hotel Chain (Q1 2025 vs 2024 & 2019)



Average Occupancy Rate by Location (JAN – MARCH 2025 vs JAN - MARCH 2024)



Note: Data reflects occupancy trends from a selected hotel portfolio surveyed. Results may not represent the entire Kuala Lumpur market.

Source: Malaysian Association of Hotels (MAH)

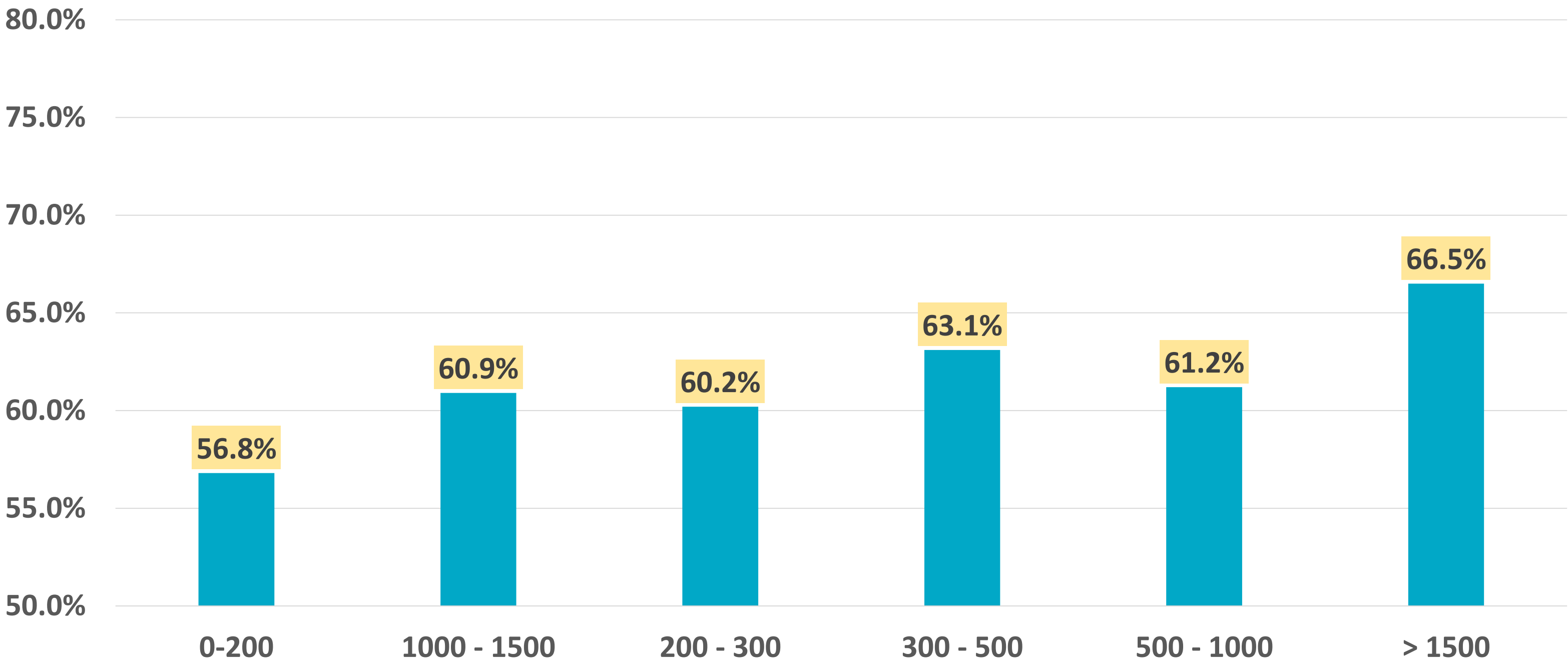
Kuala Lumpur Hospitality Sector – Market Overview



Average Daily Rate (ADR) by Star Rating (Q1 2025 vs 2024 & 2019)



Average Occupancy Rate by Pricing Range (ADR) (JAN – MAR 2025)



Note: The figures for ARR and ADR may differ based on the specific metrics or parameters used.

Source: Malaysian Association of Hotels (MAH)

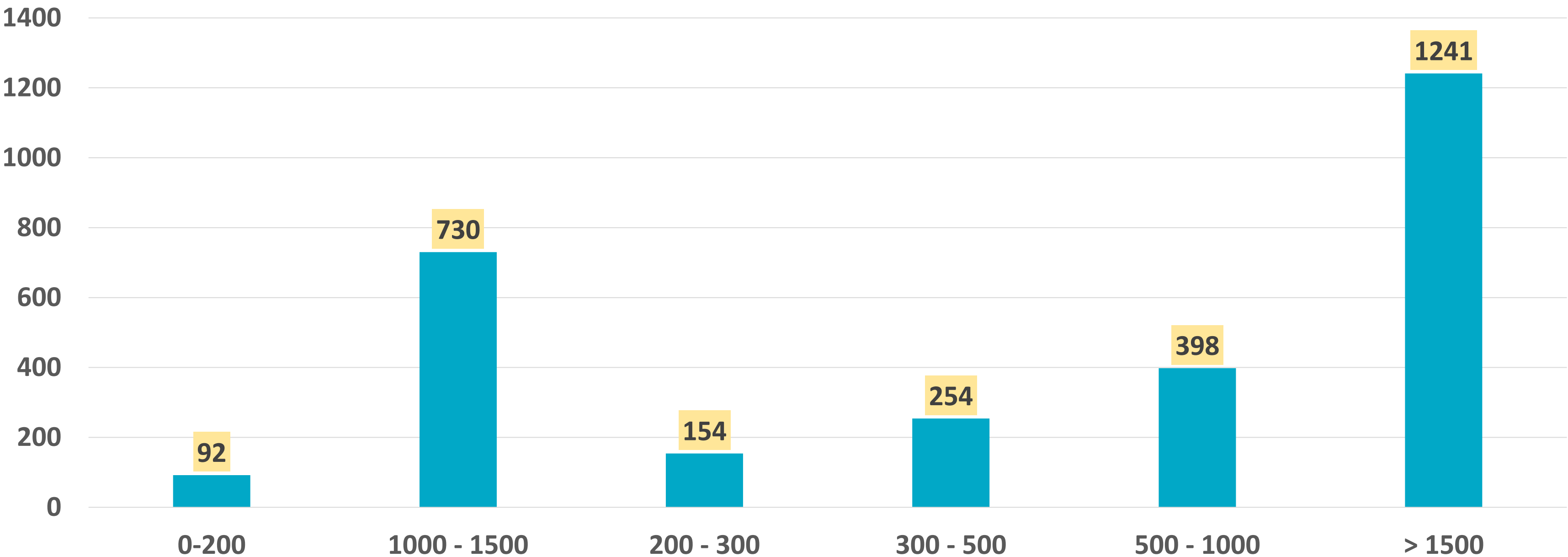
Kuala Lumpur Hospitality Sector – Market Overview



REVPAR by Star Rating (Q1 2025 vs 2024 & 2019)



REVPAR by Number of Rooms (JAN – MAR 2025)



SELANGOR HOTELS – MARKET OVERVIEW



EXISTING SUPPLY Q4 2024

210 HOTELS – 26,089 ROOMS

Hotels by Room Count

14.8% >300 ROOMS

85.2% <300 ROOMS

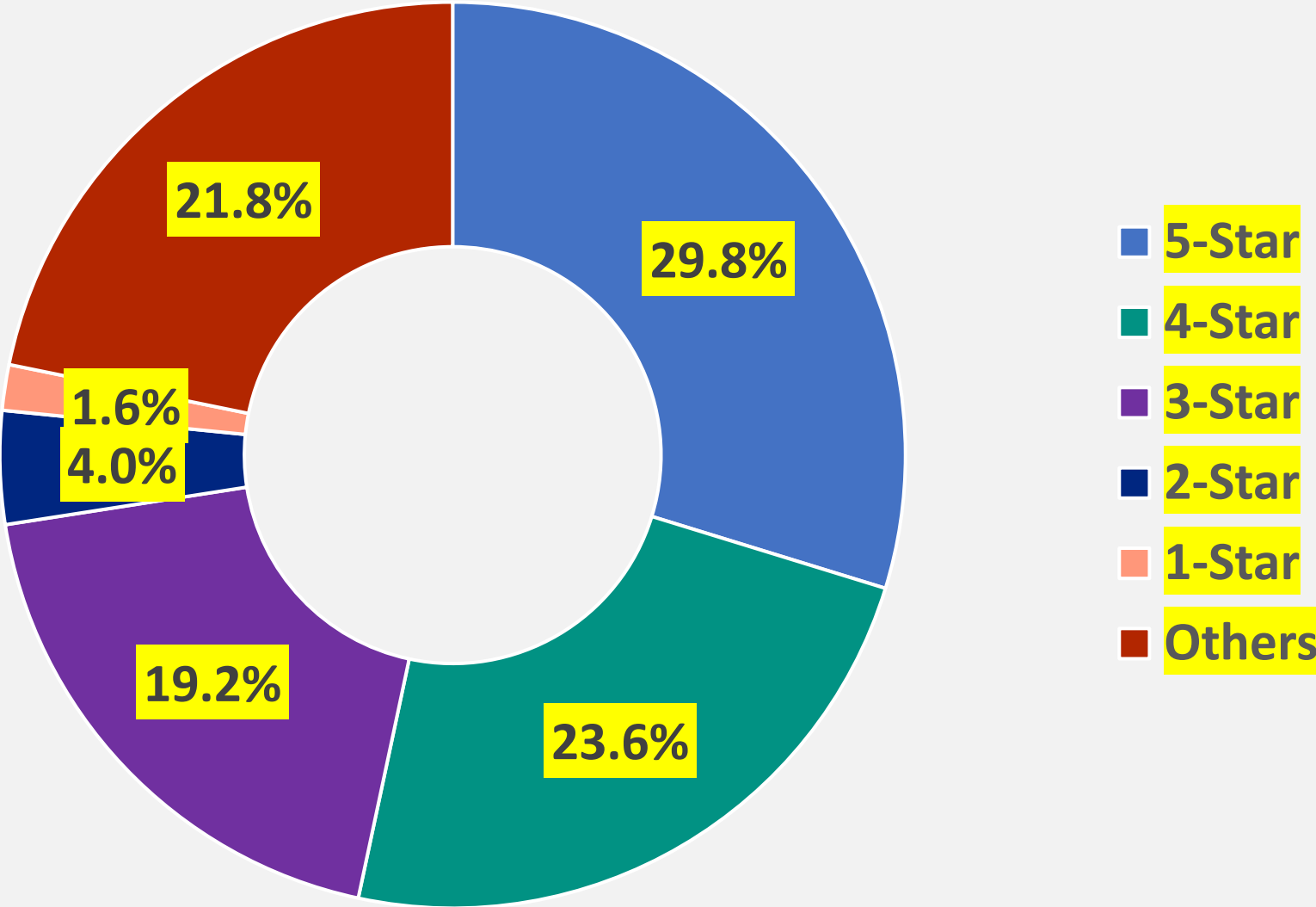
PLANNED SUPPLY Q1 2024

1 HOTEL

200 ROOMS

Source: NAPIC

HOTEL ROOMS BY STAR RATING



Source: NAPIC

HOTEL GUESTS

2024

9.48 Million

DOMESTIC

6,131,477

FOREIGN

3,349,909

2023

8.77 Million

DOMESTIC

5,985,054

FOREIGN

2,787,168

Source: Tourism Malaysia

AVERAGE OCCUPANCY RATES

2024

51.6%

2022

53.7%

Q1 2025 – 52.2%

2023

49.9%

2021

30.9%

Source: Tourism Malaysia

AVERAGE ROOM RATE (ARR)

2024

RM253

Q1 2025 – RM311 (ADR)

2023

RM232

Note: The figures for ARR and ADR may differ based on the specific metrics or parameters used.

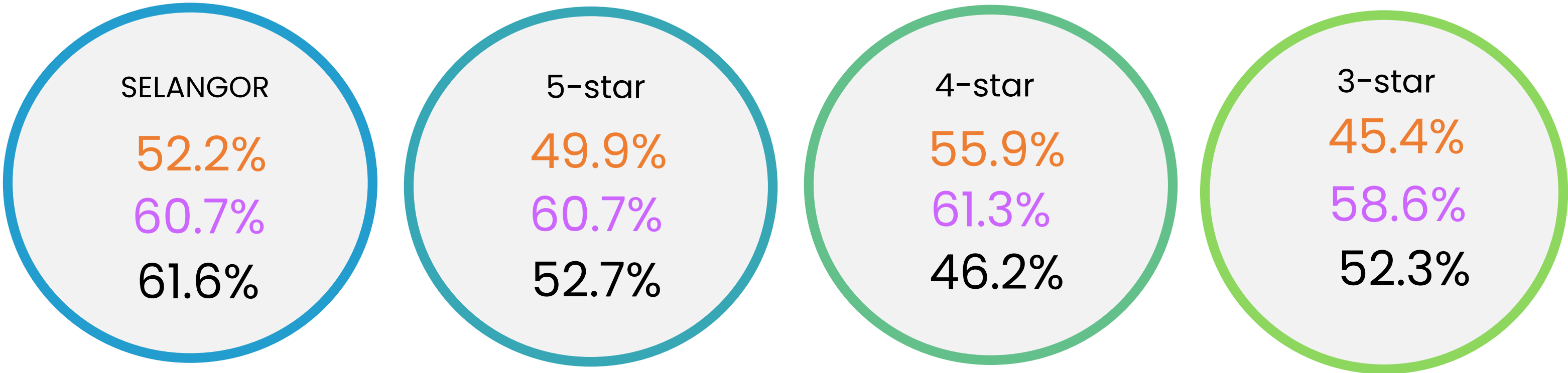
Source: Tourism Malaysia

Selangor Hospitality Sector – Market Overview

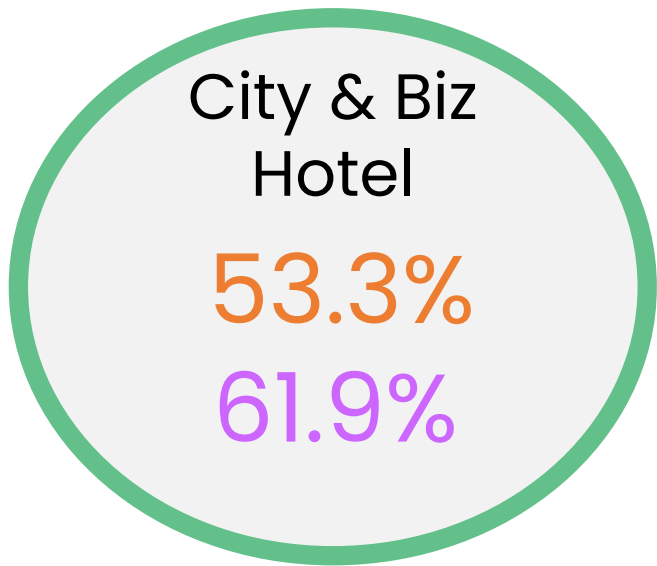


Z E R I N
PROPERTIES

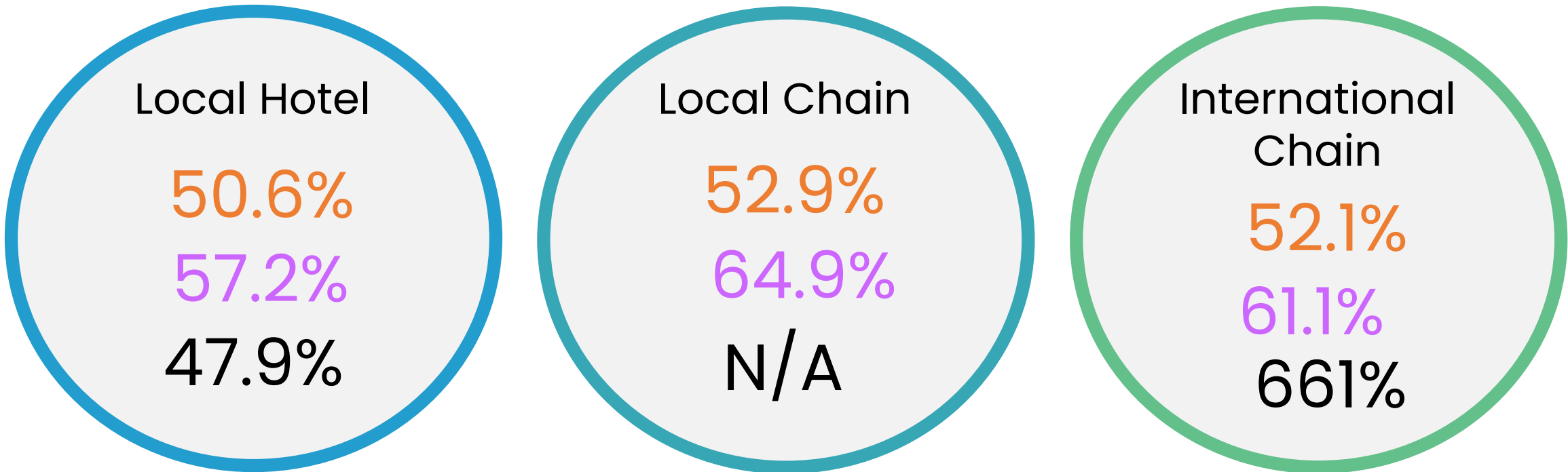
Average Occupancy Rate by Star Rating (Q1 2025 vs 2024 & 2019)



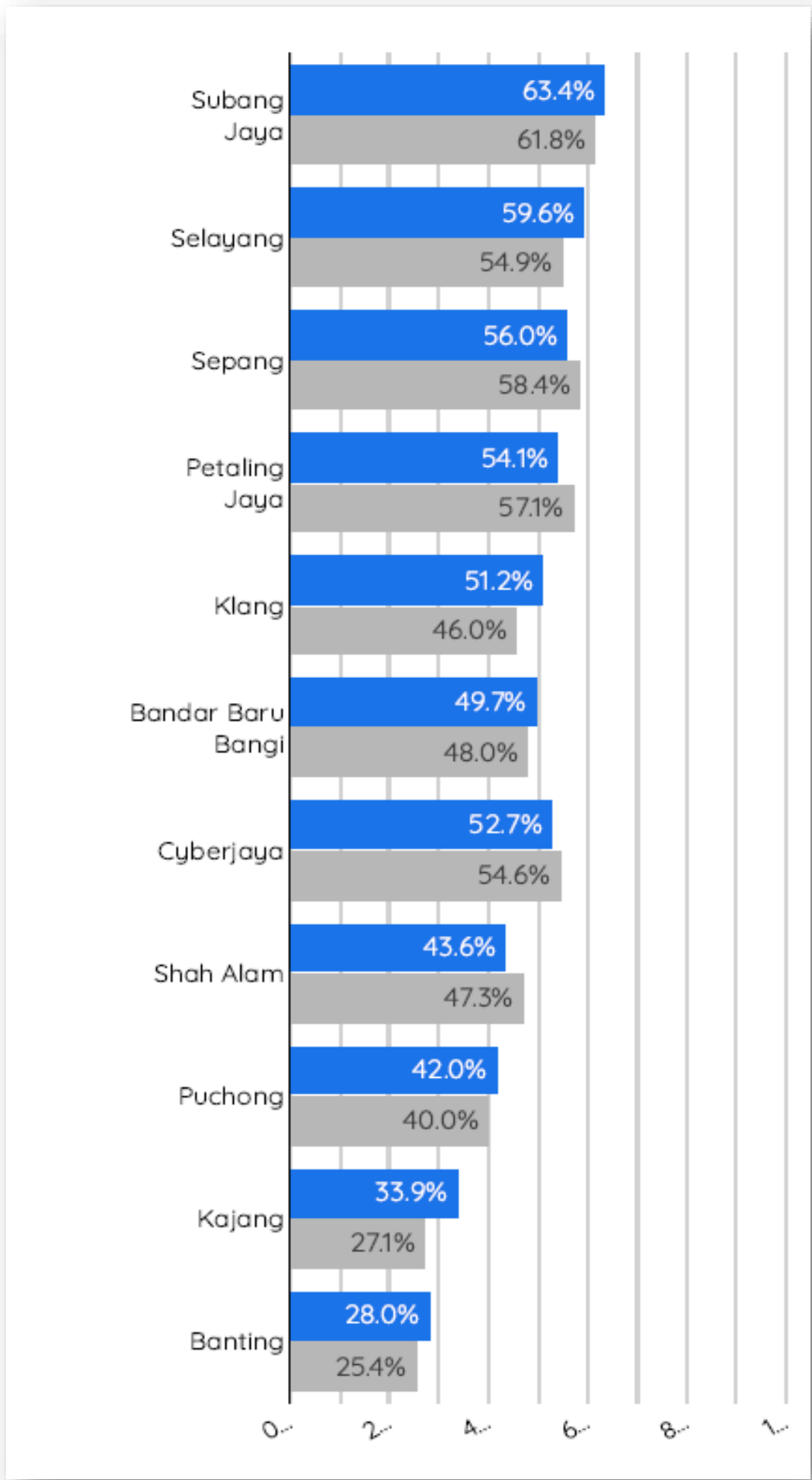
Average Occupancy Rate by Type of Accommodation (Q1 2025 vs 2024)



Average Occupancy Rate by Hotel Chain (Q1 2025 vs 2024 & 2019)



Average Occupancy Rate by Location (JAN – MARCH 2025 vs JAN - MARCH 2024)



Note: Data reflects occupancy trends from a selected hotel portfolio surveyed. Results may not represent the entire Selangor market.

Source: Malaysian Association of Hotels (MAH)

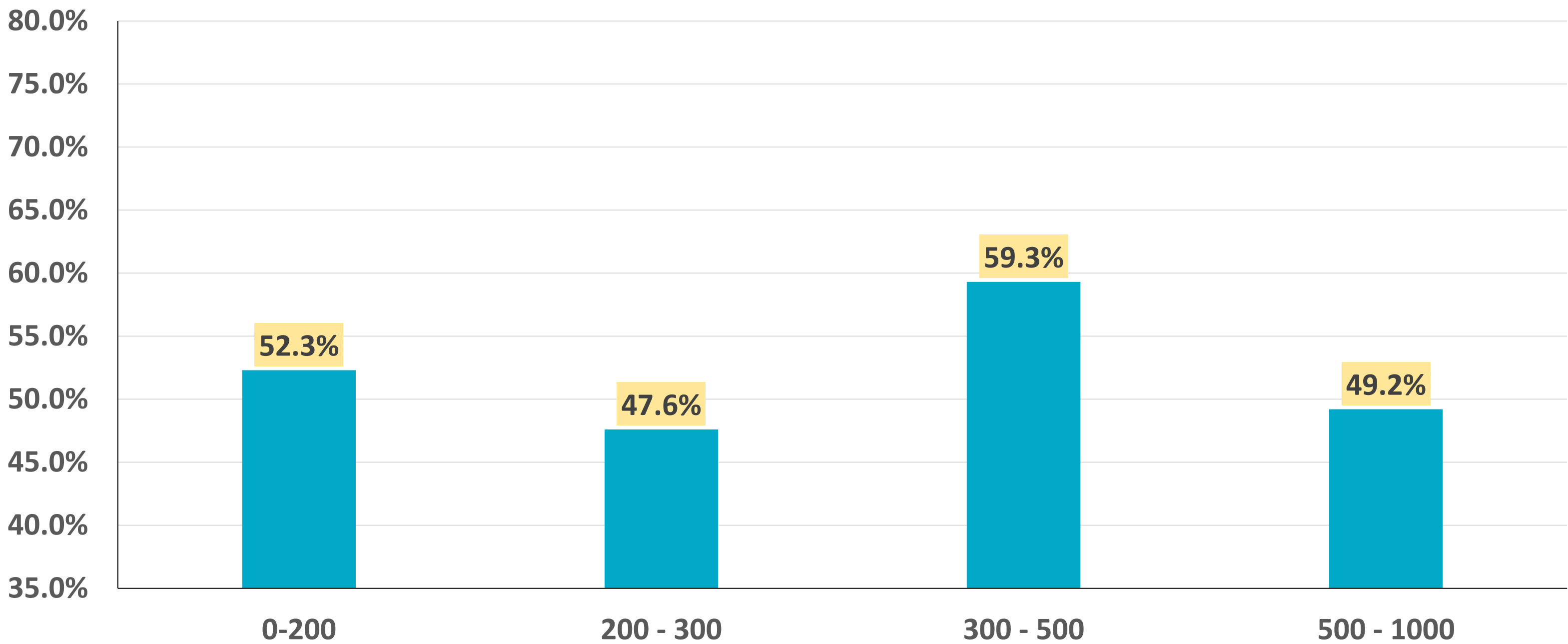
Selangor Hospitality Sector – Market Overview



Average Daily Rate (ADR) by Star Rating (Q1 2025 vs 2024 & 2019)



Average Occupancy Rate by Pricing Range (ADR) (JAN – MAR 2025)



Note: The figures for ARR and ADR may differ based on the specific metrics or parameters used.

Source: Malaysian Association of Hotels (MAH)

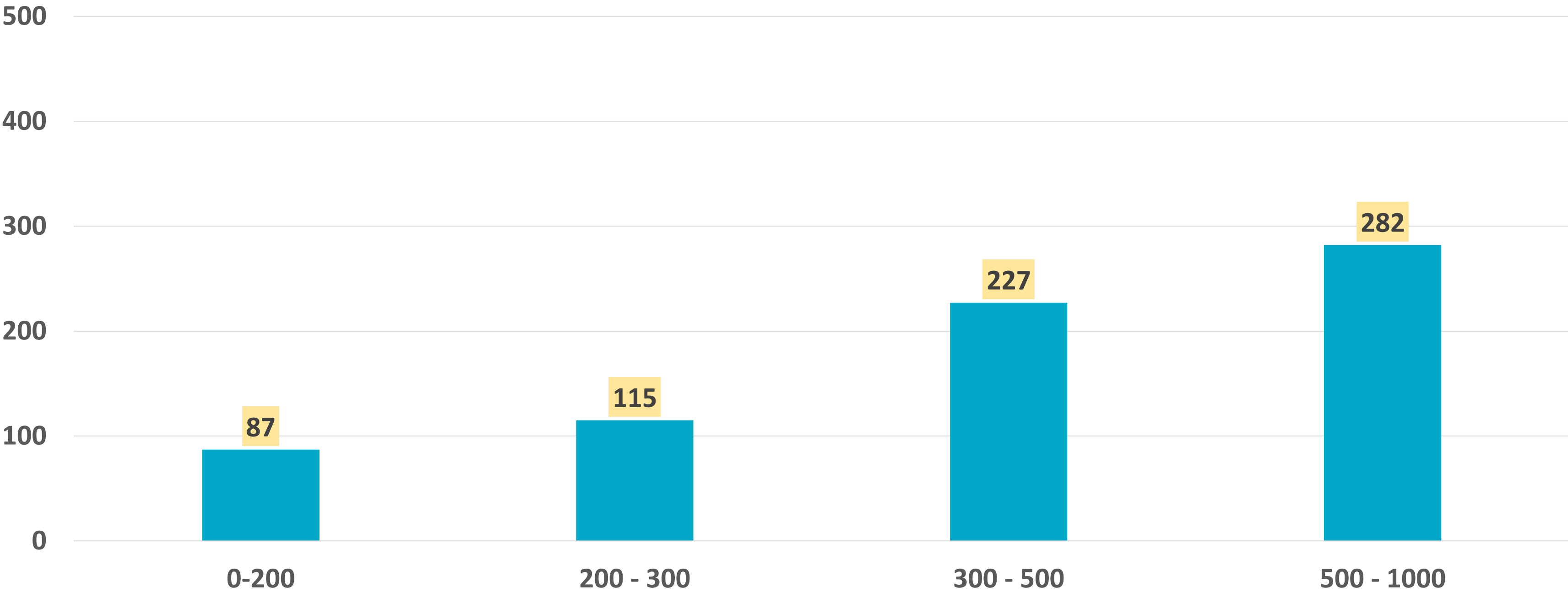
Selangor Hospitality Sector – Market Overview



REVPAR by Star Rating (Q1 2025 vs 2024 & 2019)



REVPAR by Number of Rooms (JAN – MAR 2025)



PUTRAJAYA HOTELS – MARKET OVERVIEW



EXISTING SUPPLY Q4 2024

7 HOTELS – 1,769 ROOMS

Hotels by Room Count

28.6% >300 ROOMS

71.4% <300 ROOMS

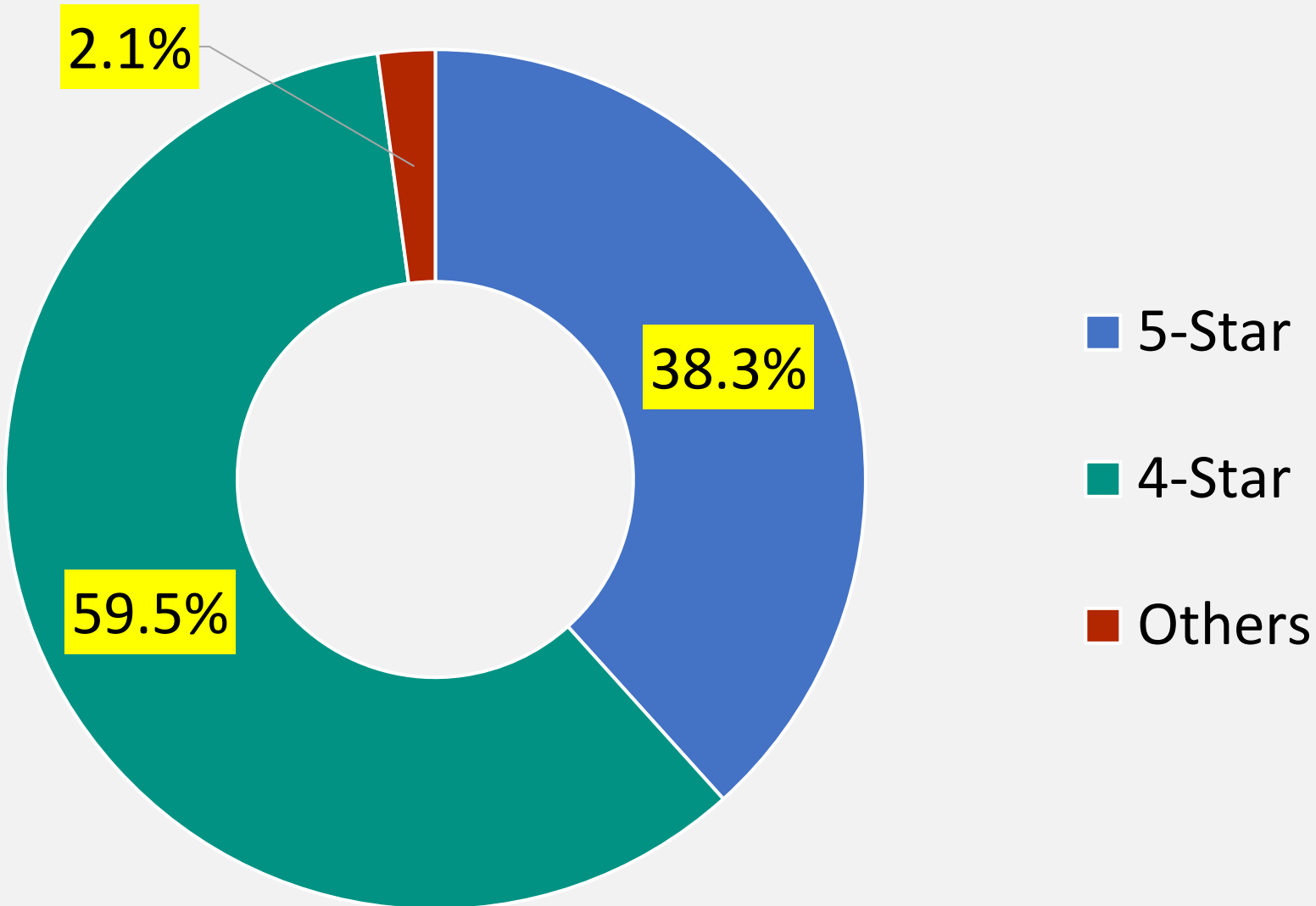
Hotels by Location

71.4% CITY HOTELS

28.6% RESORTS &
OTHER HOTELS

Source: NAPIC

HOTEL ROOMS BY STAR RATING



Source: NAPIC

AVERAGE OCCUPANCY RATES

2024 2023

56.5% 55.0%

2022 2021

51.2% 28.1%

Q1 2025 – 59.0%

Source: Tourism Malaysia

HOTEL GUESTS

2024

2023

777,420

659,728

DOMESTIC

FOREIGN

DOMESTIC

FOREIGN

555,827

221,593

508,102

151,626

Source: Tourism Malaysia

AVERAGE ROOM RATE (ARR)

2024

2023

RM397

RM358

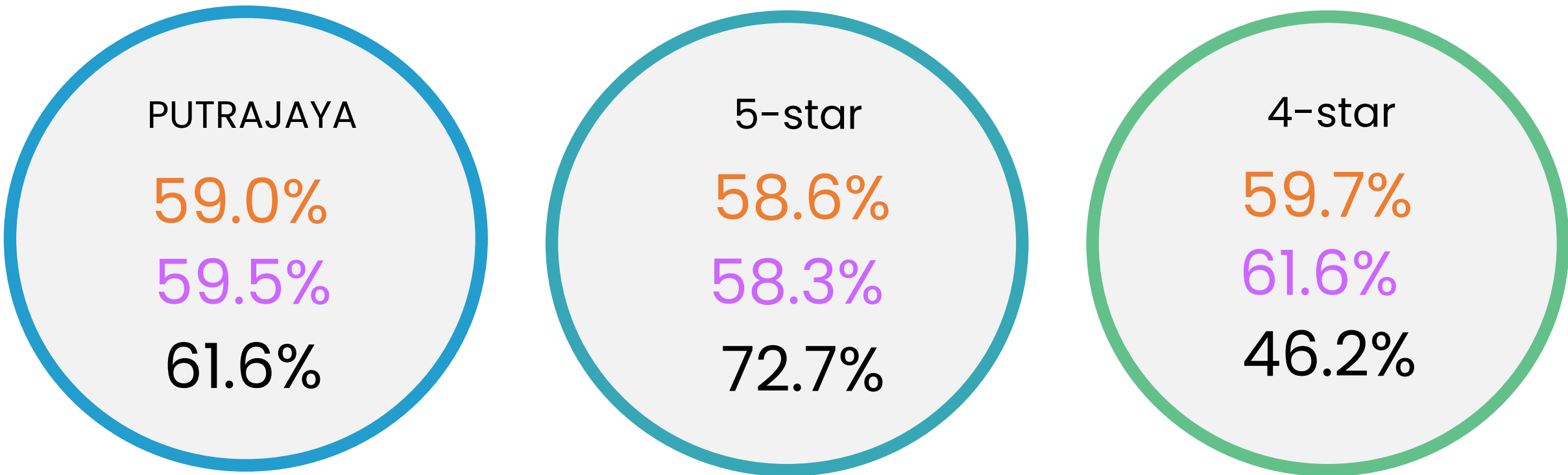
Q1 2025 – RM271 (ADR)

Note: The figures for ARR and ADR may differ based on the specific metrics or parameters used.

Source: Tourism Malaysia



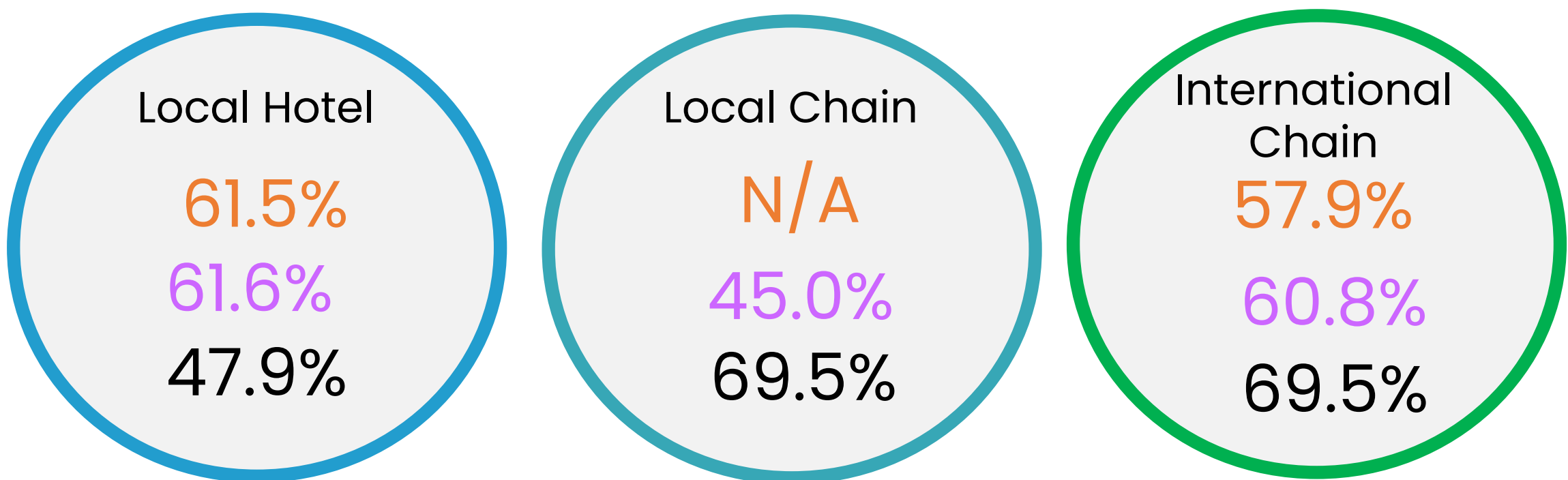
Average Occupancy Rate by Star Rating (Q1 2025 vs 2024 & 2019)



Average Occupancy Rate by Type of Accommodation (Q1 2025 vs 2024)



Average Occupancy Rate by Hotel Chain (Q1 2025 vs 2024 & 2019)



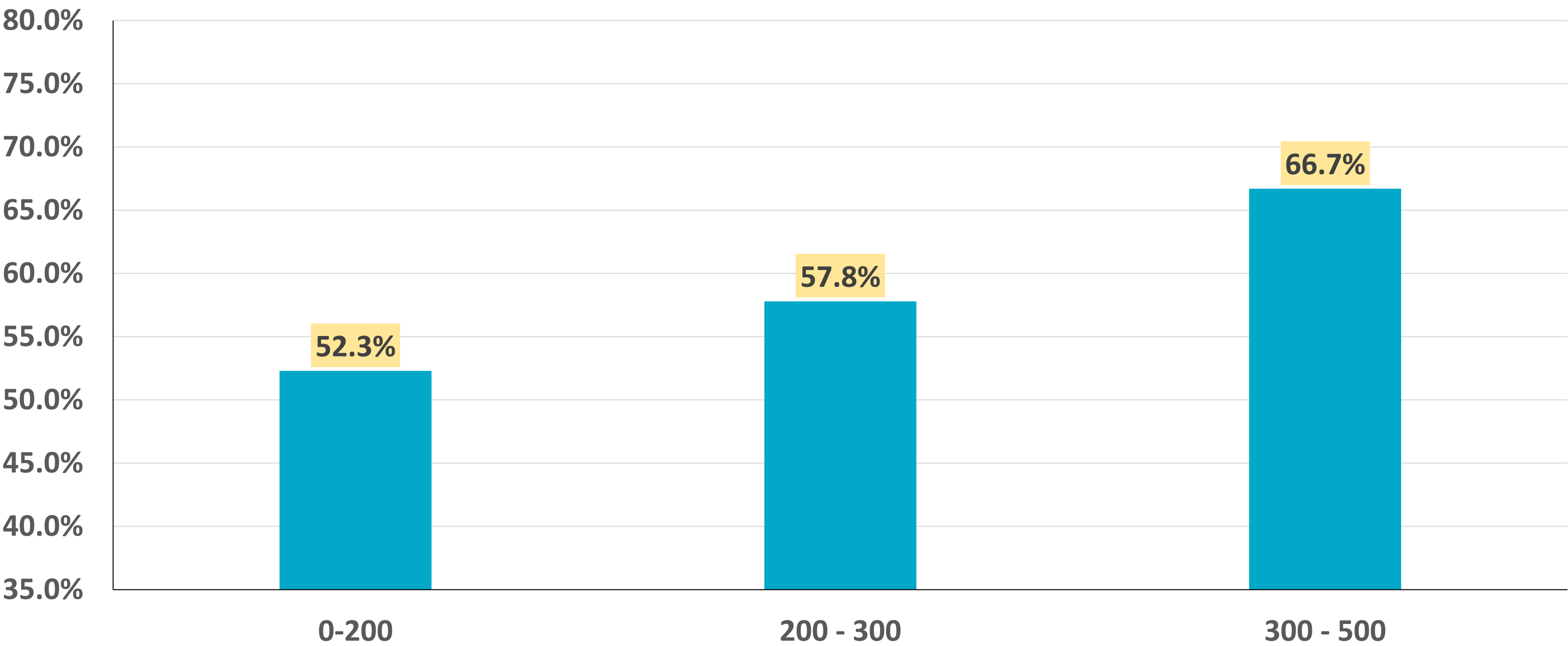
*Note: Data reflects occupancy trends from a selected hotel portfolio surveyed. Results may not represent the entire Putrajaya market.
Source: Malaysian Association of Hotels (MAH)*



Average Daily Rate (ADR) by Star Rating (Q1 2025 vs 2024 & 2019)



Average Occupancy Rate by Pricing Range (ADR) (JAN – MAR 2025)

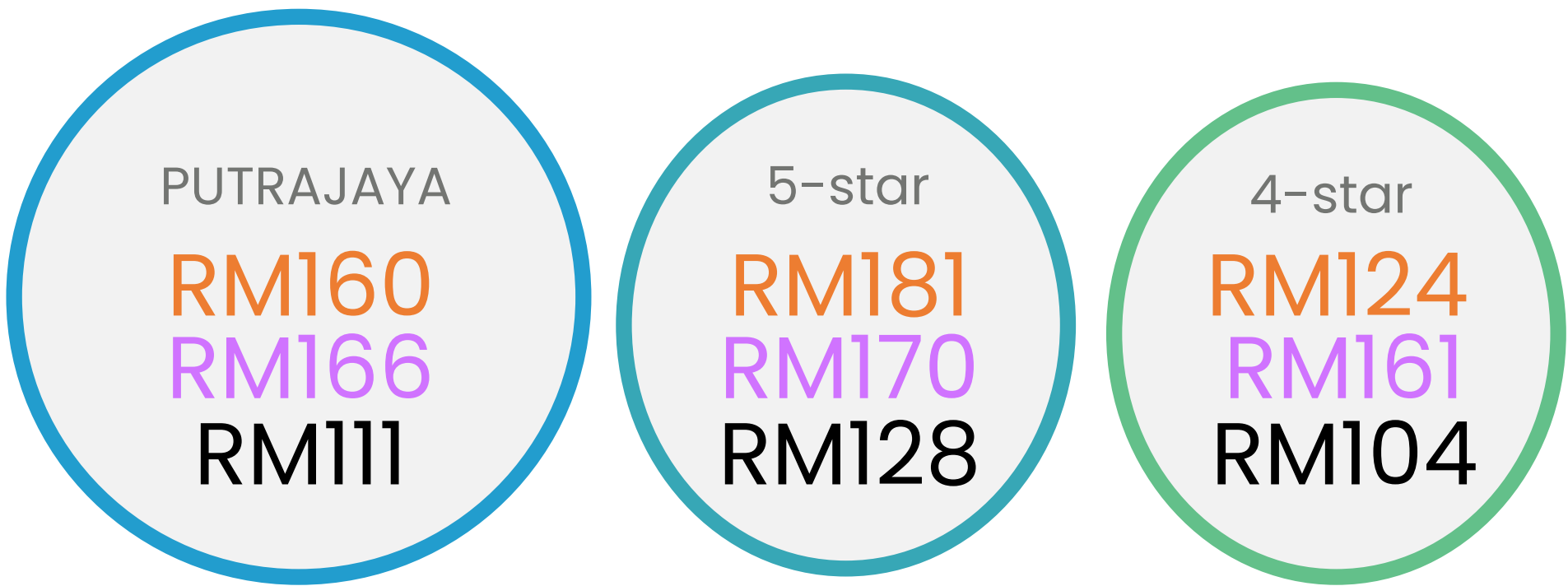


Note: The figures for ARR and ADR may differ based on the specific metrics or parameters used.

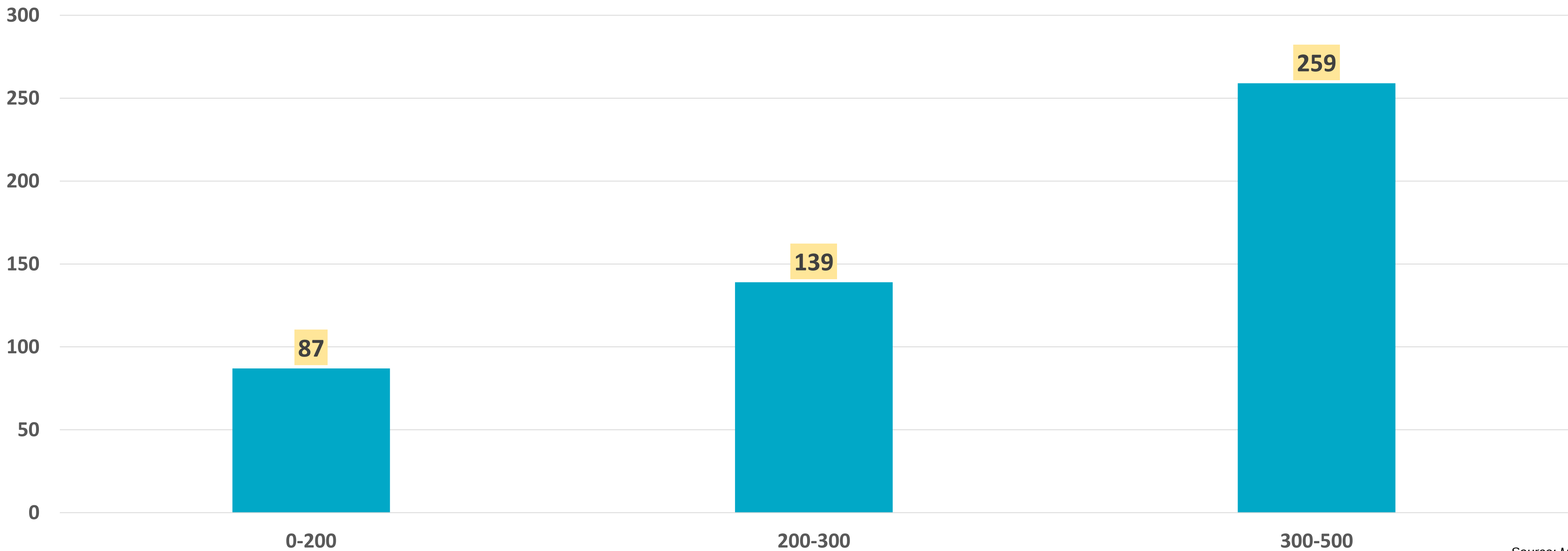
Source: Malaysian Association of Hotels (MAH)



REVPAR by Star Rating (Q1 2025 vs 2024 & 2019)



REVPAR by Number of Rooms (JAN – MAR 2025)



KL HOTELS - NEW COMPLETIONS IN H1 2025 & 2024



APR 2025

Kuala Lumpur City – Jalan Hang Lekiu

Moxy Kuala Lumpur Chinatown

3-Star | 320 Rooms



Q1 2025

Kuala Lumpur – Bukit Bintang

*Ibis Styles Kuala Lumpur Bukit Bintang

3-Star | 168 Rooms



Q4 2024

Kuala Lumpur City – Lorong P Ramlee

Holiday Indigo On The Park KL

5-Star | 180 Rooms

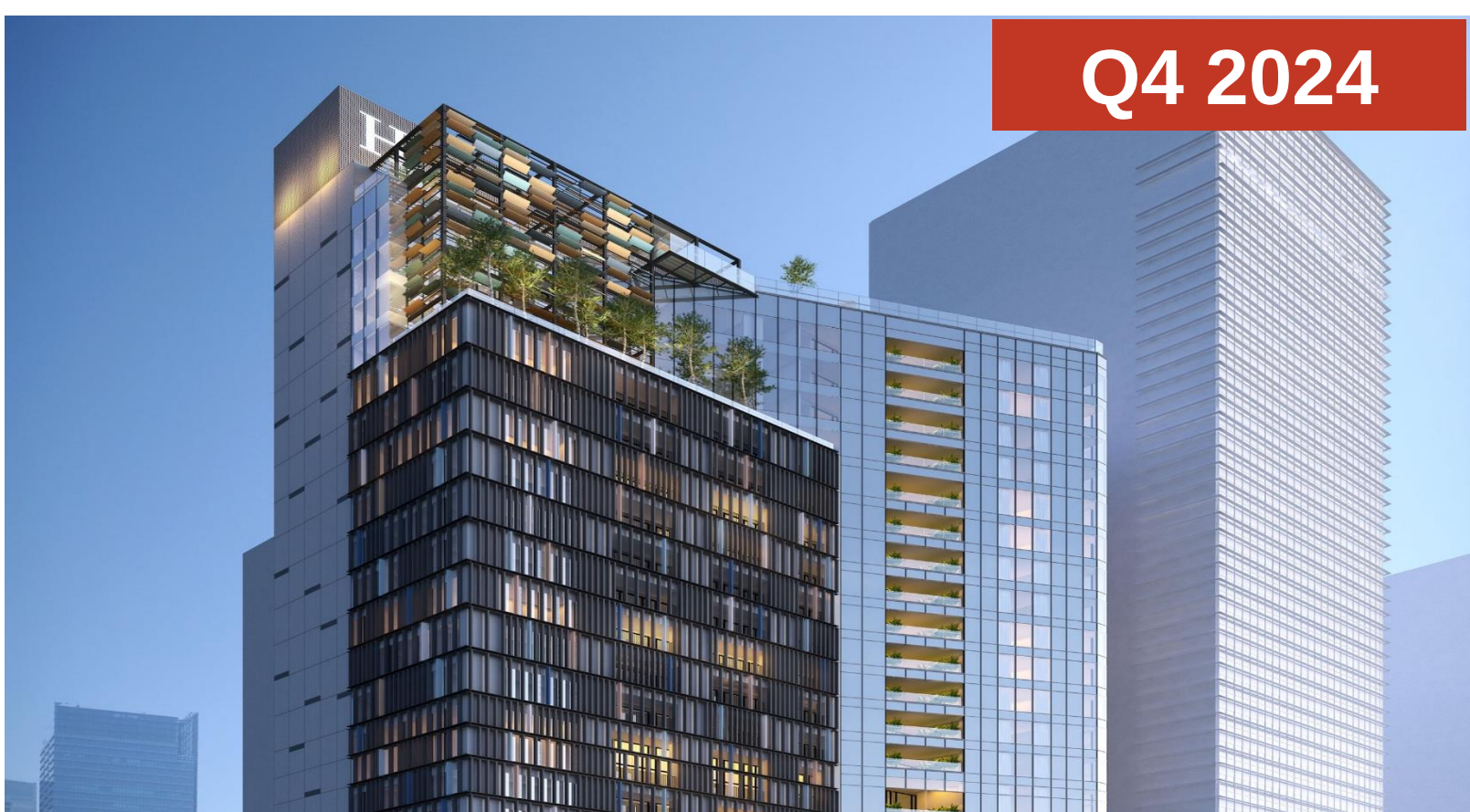


DEC 2024

Kuala Lumpur Fringe – Bangsar

Holiday Inn Kuala Lumpur (KL) Bangsar

4-Star | 220 Rooms



Q4 2024

Kuala Lumpur City – Jalan Sultan Ismail

Hyatt Centric City Centre Kuala Lumpur

5-Star | 312 Rooms



Q4 2024

Kuala Lumpur – Chan Sow Lin

Mercure Kuala Lumpur Trion

4-Star | 228 Rooms

Note: * Rebranding of Travelodge Bukit Bintang

KL HOTELS - NEW COMPLETIONS IN 2024



Q3 2024

Kuala Lumpur City – Bukit Bintang

Hotel Royal Signature
Rebranding | 5-Star | 418 Rooms



Q2 2024

Kuala Lumpur – Imbi

Lloyd's Inn Kuala Lumpur
4-Star | 178 Rooms



Q2 2024

Kuala Lumpur City – Jalan Kia Peng

Imperial Lexis Kuala Lumpur
5-Star | 275 Rooms



June 2024

Kuala Lumpur - Bloomsvale @ OKR, Jalan Puchong

Courtyard by Marriott Kuala Lumpur South
4-Star | 278 Rooms



Q2 2024

Kuala Lumpur – Jalan Bukit Bintang

Bintang Collectionz Hotel
Boutique | 105 Rooms

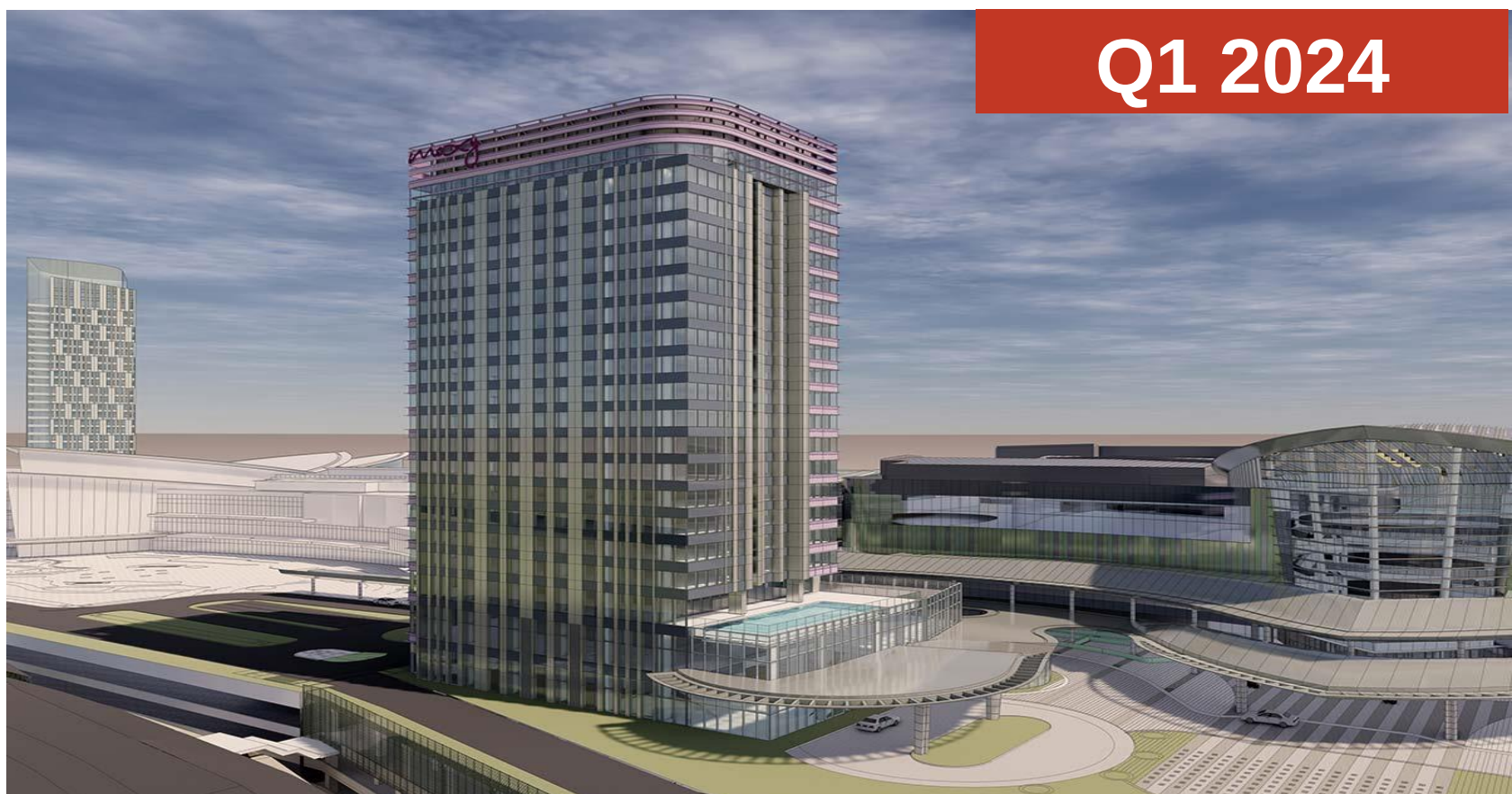
GREATER KL HOTELS - NEW COMPLETIONS IN 2024



July 2024

Sepang, Selangor – KLIA

ibis Styles Sepang KLIA
3-Star | 229 Rooms



Q1 2024

Putrajaya – IOI Resort City

Moxy Putrajaya Hotel
3-Star | 480 Rooms



Q1 2024

Sepang, Selangor

BRIX KLIA by Pinetree
3-Star | 87 Rooms

GREATER KL HOTELS - UPCOMING COMPLETIONS IN 2025



Q3 2025

Kuala Lumpur City – Jalan Hang Jebat

Park Hyatt Kuala Lumpur
5-Star | 232 Rooms



Q4 2025

Kuala Lumpur City – Jalan Barat

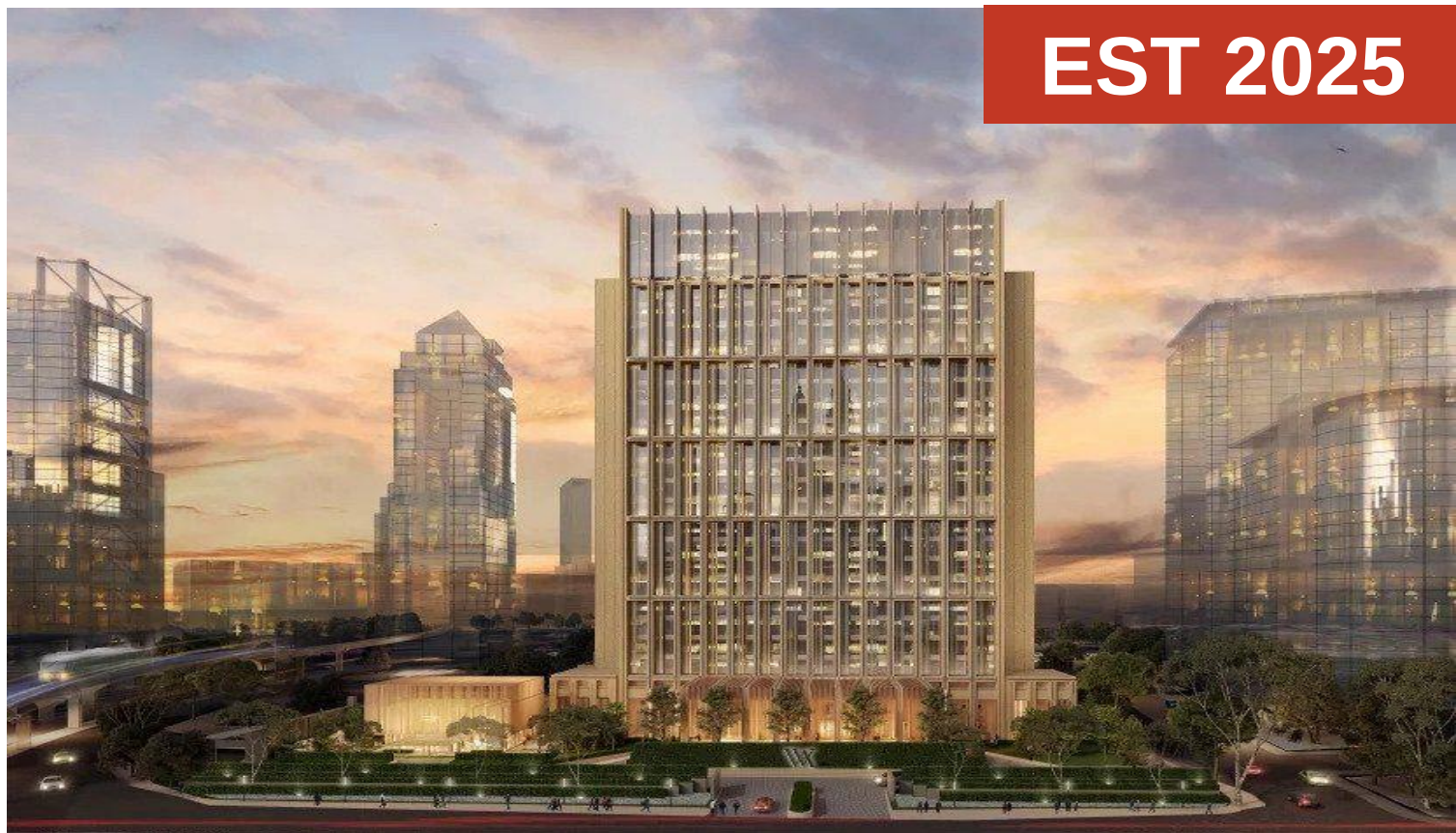
Kimpton Naluria Kuala Lumpur@ TRX
5-Star | 466 Rooms



EST 2025

Kuala Lumpur City – Jalan Tun Razak

Regent Kuala Lumpur
5-Star | 391 Rooms



EST 2025

Kuala Lumpur City – Bukit Bintang

Waldorf Astoria Kuala Lumpur
5-Star | 279 Rooms



2025

Kuala Lumpur Fringe – KL Metropolis

Hyatt Regency Kuala Lumpur
5-Star | 410 Rooms

GREATER KL HOTELS - UPCOMING COMPLETIONS IN 2025

EST Q2



GRAND MERCURE

Kuala Lumpur – Bukit Bintang

*Grand Mercure Kuala Lumpur Bukit Bintang
Rebranded | 4-Star | 325 Rooms

EST 2025



Kuala Lumpur Fringe – Jalan Ulu Klang

Hotel @ Chancery Project
4-Star est | 145 Rooms

2025



Putrajaya – Presint 7

Harris Hotel Putrajaya Sentral
4-Star | 200 Rooms

Note: ¹Rebranding of Swiss-Garden Hotel Bukit Bintang

GREATER KL HOTELS – NOTABLE UPCOMING COMPLETIONS



2026

Kuala Lumpur City – KLCC

Yotel Kuala Lumpur
4-Star | 290 Rooms



2026

Kuala Lumpur City – Jalan Sultan Ismail

Conrad Kuala Lumpur
5-Star | 488 Rooms



2026

Selangor – Subang

Courtyard by Marriott Subang
4-Star | 280 Rooms



2026 EST

Kuala Lumpur City – Jalan Ampang

**So Sofitel Kuala Lumpur Hotel @
Oxley Towers KLCC**
5-Star | 226 Rooms



Q1 2026

Selangor – Gamuda Cove

ASAI Gamuda Cove
5-Star | 280 Rooms



2027

Kuala Lumpur City – Jalan Ampang

**The Langham Kuala Lumpur @
Oxley Towers KLCC**
5-Star | 198 Rooms



2028

Kuala Lumpur City – Jalan Hang Jebat

Oakwood Premier Kuala Lumpur @ Merdeka 118
Serviced Apartment | 348 Apts

2025



EXECUTIVE APARTMENTS

Kuala Lumpur City – Jalan Kia Peng

Marriott Executive Apartments
Serviced Apartment | 352 Apts

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