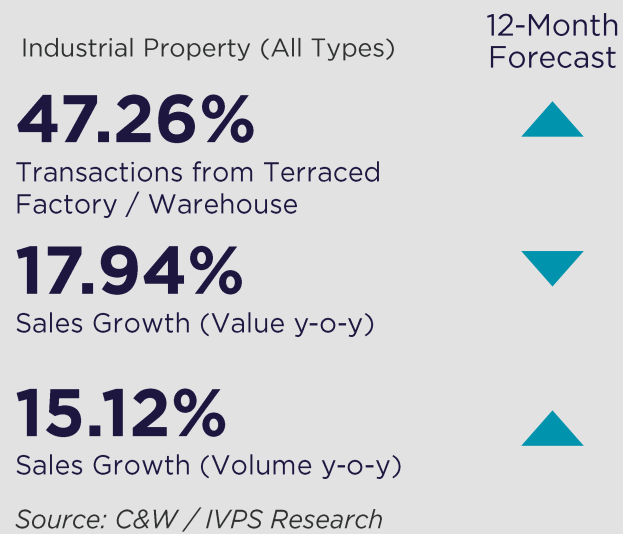
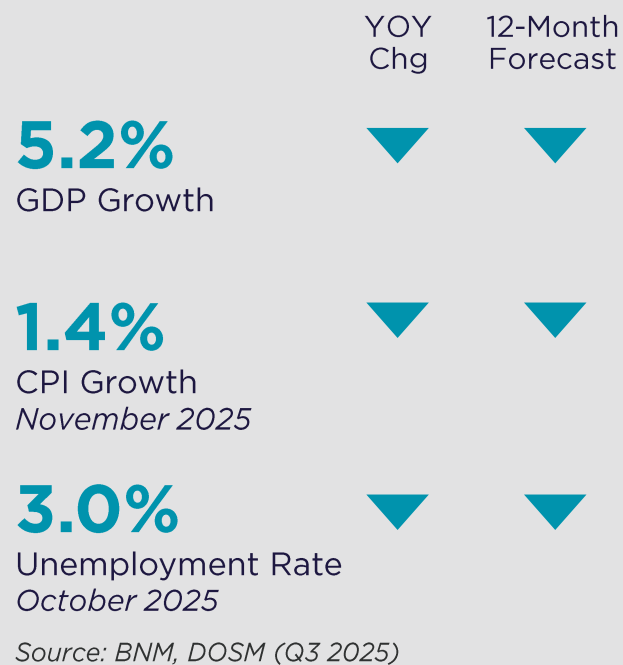




MARKET FUNDAMENTALS



ECONOMIC INDICATORS



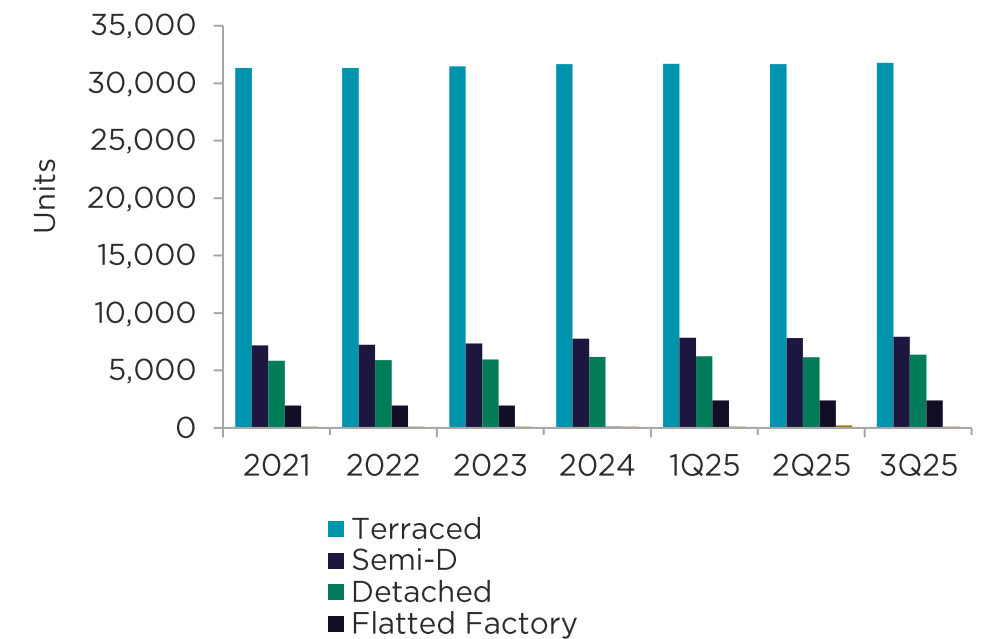
ECONOMY: ROBUST INDUSTRIAL ACTIVITY DRIVEN BY MANUFACTURING AND ELECTRICITY SECTORS

Malaysia's Industrial Production Index (IPI) recorded a 6.0% year-on-year increase in October 2025, maintaining positive momentum across all sectors and reflecting resilient industrial performance toward the end of the year. The manufacturing sector led the expansion with a 6.5% increase, supported by strong output from both export-oriented and domestic industries, while the mining sector grew by 5.8% and the electricity sector rose by 1.2%. For the period of January to October 2025, the IPI grew by 3.4% compared to the same period in 2024, underpinned by the manufacturing index at 4.3%, alongside contributions from mining (+0.8%) and electricity (+0.2%). The consistent performance across manufacturing and utilities signals sustained industrial activity in Q4 2025 despite external headwinds, with manufacturing sub-sectors such as electrical & electronics, food products, and basic metals contributing to broad-based growth.

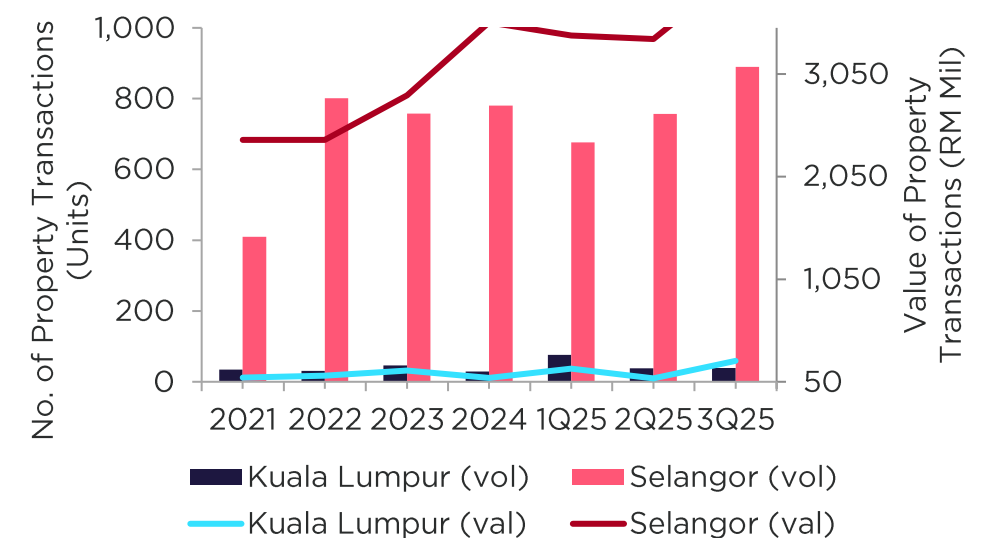
SUPPLY: TIGHT ABSORPTION OF MODERN INDUSTRIAL SPACE

Despite steady completions of new industrial developments across Malaysia, high-quality and well-located warehouses and manufacturing facilities, whether newly built or older assets, continue to experience strong demand and rapid absorption. In key hubs such as the Klang Valley, Johor, and Penang, vacancy rates for prime logistics space have remained low, with medium-to-large built-to-suit and ESG-compliant facilities particularly scarce. Developers are increasingly focusing on targeted projects that meet specific tenant requirements, including cold-chain, pharmaceutical, and e-commerce logistics, to secure pre-leased commitments. Meanwhile, older industrial assets in strategic locations with good connectivity and functional specifications have also remained competitive and continue to attract occupiers. According to market observers, this trend is expected to persist into 2026, underscoring the importance of location, accessibility, and operational efficiency in driving industrial demand, regardless of asset age.

INDUSTRIAL SUPPLY PIPELINE (GREATER KL)



VOLUME & VALUE OF PROPERTY TRANSACTIONS



MARKET STATISTICS

SUBMARKET	INDUSTRIAL AREA	INVENTORY (UNIT)	PLANNED & UNDER CNSTR (UNIT)	FACE RENT RM PSF PM (ALL TYPES)	FACE RENT USD PSF PM (ALL TYPES)	FACE RENT EUR PSF PM (ALL TYPES)
Central Region	W.P Kuala Lumpur, Gombak, Petaling	25,034	123	RM 2.00 – RM 4.50	\$ 0.49 – \$ 1.10	€ 0.42 – € 0.94
Northern Region	Kuala Selangor, Hulu Selangor, Sabak Bernam	4,987	622	RM 1.20 – RM 2.40	\$ 0.29 – \$ 0.59	€ 0.25 – € 0.50
Southern Region	Kuala Langat, Sepang	1,773	640	RM 1.80 – RM 2.80	\$ 0.44 – \$ 0.68	€ 0.38 – € 0.58
Western Region	Klang	9,503	1,055	RM 1.90 – RM 3.20	\$ 0.46 – \$ 0.78	€ 0.40 – € 0.67
Eastern Region	Hulu Langat	7,382	190	RM 1.40 – RM 2.40	\$ 0.34 – \$ 0.59	€ 0.29 – € 0.50
TOTALS		48,679	2,630	RM 1.70 – RM 4.30	\$ 0.42 – \$ 1.05	€ 0.35 – € 0.90

Cumulative supply for all submarkets are based on total supply of industrial space (all types).

Source: NAPIC & IVPS/Cushman & Wakefield Research

KEY SALES TRANSACTIONS Q4 2025

PROPERTY	LOCATION	SELLER/BUYER	LAND AREA	PRICE RM
Industrial land with buildings	Port Dickson, Negeri Sembilan	Eco World/ Techbond Group & I Jaya Management	1,195 acres	RM 3 Bil
A parcel of land	Kuala Langat, Selangor	Compass IP/BWYS Group	28.92 acres	RM 94.5 Mil
A parcel of land	Seberang Perai Tengah, Penang	Ann Joo Steel / Axis-REIT	135.53 acres	RM 800 Mil
30 industrial lots of land	Alor Gajah, Melaka	Magical Era (M) / Encore Merger	16.99 acres	RM 22.2 Mil
Industrial land with 2-storey factory and a 1-storey office block	Kulim, Kedah	Berjayapak / General Point Asset	2.76 acres	RM 13.9 Mil

INVESTMENT TREND/INDUSTRIAL DEVELOPMENT ACTIVITIES

- IOI Properties has launched its RM1.8 billion IOI Industrial Park @ Banting in Selangor, a 322-acre sustainable industrial development with provisional GreenRE Bronze certification, as part of its strategy to attract high-value sectors and support Selangor’s economic growth.
- Energy Commission launches ST-ECE platform to upskill workforce and meet 62,000-personnel demand by 2050.
- Vantage Data Centers completes final facility of its four-building, 6-acre Cyberjaya campus, fully leased and expanding Malaysia’s data centre capacity.
- Crescendo Corp revises its RM449.95million Kota Tinggi land sale plan after buyer drops option on second parcel of industrial land in Johor
- Sime Darby Property and SD Guthrie to jointly develop a 3,000-acre industrial and logistics hub in Kuala Selangor.
- Pharmaniaga has expanded its industrial logistics network through the acquisition of logistics properties in Terengganu and Sarawak to support nationwide pharmaceutical distribution.
- Seri Pajam Development will launch Phase 2 of the 523-acre SPD Tech Valley industrial city in Senawang in 3Q 2026.
- Shin Yang Group to acquire 13.27-acre land in Kota Kinabalu, Sabah, for RM26.6 million for warehouse and logistics expansion.

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