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Full industrial ecosystem is new currency, not just plots and premises, says expert

By Veishnawi Nehru



(From left) Malaysia External Trade Development Corporation (Matrade) Malaysia Friendship and Trade Centre, Taipei (Trade Division) director Nor Faizah Ismail; Malaysian Investment Development Authority (MIDA) director Azhana Mohamed Saleh; Malaysian Friendship and Trade Centre president Aznifah Abdul Ghani; Rehda Institute trustee Datuk Ng Seing Liong; Treasure Dragon Corp president Lily Chang; Knight Frank Malaysia land and industrial solutions senior executive director Allan Sim; EdgeProp Malaysia editorial and branding head Jacqueline Lim; Rehda Institute chief operating officer David Chong, and Rehda Institute research & education director Malathi Thevendran

PETALING JAYA (Nov 19): Modern industrial investment favours places that operate as functioning systems rather than loose collections of factories, says a real estate veteran.

This was part of the insights highlighted by EdgeProp Malaysia editorial and branding head Jacqueline Lim during the soft-launching of its Industrial Special Report in Taipei, Taiwan, in conjunction with Real Estate and Housing Developers' Association (Rehda) Institute's Taiwan Study Trip 2025—Industrial & Sustainability Study Tour on Nov 18–21.

Lim said Malaysia's long industrial journey needs to be seen in context.

"We've moved from free trade zones to high-tech clusters, and we're now in the most competitive chapter yet.

"Investors today expect ready-to-go ecosystems, not just parcels of land," she said.

"This new model relies on several essentials such as reliable utilities, connectivity, a supply of trained workers, and a clear plan for future capacity," she cited excerpts from an exclusive interview with AREA Group chairman Datuk Stewart LaBrooy.

"Today's landscape is far more demanding. Supply chains are shifting, semiconductors, and electric vehicles (EV)s dominate investment flows, and digital infrastructure has become the new competitive backbone. The traditional model is no longer enough," LaBrooy was quoted saying.

"It's not just about providing land; we need to create integrated, intelligent ecosystems that attract long-term industrial leadership in the region.

"Execution excellence means you stop handing over empty shells. You deliver a full environment that can operate on day one," he added.

The launch previewed Malaysia's evolving industrial roadmap to an international audience, outlining how the country is reshaping its manufacturing base to stay competitive amid global realignments.

Besides LaBrooy's views, excerpts from the Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Abdul Aziz; and Knight Frank Malaysia land and industrial solutions executive director Allan Sim also anchored the discussions.

Malaysia drawing up to RM60 billion in new EV-related investments

In the report, Zafrul said Malaysia aims to attract strategic, high-quality investments across the full electric vehicle (EV) ecosystem. Malaysia's automotive base, skilled workforce, targeted incentives and policy clarity provide further competitiveness.

"Based on current trends, Malaysia could potentially bring in at least RM60 billion in new EV-related investments over the next five years," he said.

He added that the goal is not just value, but projects that deliver technology transfer, build local supplier capabilities, create high-skilled jobs and deepen Malaysia's integration into regional and global EV supply chains.

Zafrul also pointed out that Malaysia's advantage stems from its semiconductor strength.

"Malaysia is a major global player in outsourced semiconductor assembly and testing (OSAT), giving it an advantage in producing the 'brain' of the EV."

Demand outpacing supply in high tech, built-to-suit facilities

On how the industrial transformation is impacting the real estate landscape, Sim stated in the report: "The best opportunities

for foreign investors are emerging in Malaysia's high-tech and built-to-suit segments, where demand is outpacing existing supply.

"Built-to-suit demand is rising across Penang, and southern Johor, driven by Chinese, Korean, Japanese and US manufacturers requiring specialised power infrastructure and automation compatibility.

"Port Klang and Shah Alam [both in Selangor] remain the most liquid industrial locations in Malaysia, while emerging markets like Negeri Sembilan, and Kulim offer long-term potential".

Rehda Institute leads Malaysian developers in wooing Taiwan investment

At the event, Rehda Institute chief operating officer David S. Chong congratulated the EdgeProp team for producing a focused special report on industrial real estate.

"Since Covid-19, interest in developing high-quality, world-class industrial assets has surged—crucial for Malaysia as we seek to attract foreign manufacturing investment, and create jobs. During our recent CEO Series 2025 Forum, Miti deputy minister Liew Chin Tong highlighted that while government leaders pitch Malaysia to global investors, property developers must also deliver world-class industrial projects to make Malaysia a preferred destination," said Chong.

"Guided by [Rehda Institute chairman] Datuk Jeffrey Ng and our Board, Rehda Institute aims to support this national agenda. As a social enterprise focused on knowledge and human capital development, we connect industry experts, and share market insights through our strategic industrial masterclasses to help advance Malaysia's industrial real estate ecosystem.

"*Demi negara*, we are pleased to collaborate on the soft launch of this initiative during our ongoing Taiwan Tour, where we are matching Malaysian industrial stakeholders with potential Taiwan investors."

Special Report puts together crucial insights to guide next investment move

Meanwhile, EdgeProp managing director Alvin Ong points out that logistics parks, advanced manufacturing plants, and data centre hubs are transforming Malaysia's industrial landscape from the north to the south, including the East Coast regions.

"Semiconductor, Information and Communication Technology (ICT), battery-powered automotive, international halal

supply chain— all these are birthing a new generation of ecosystem-style industrial parks which are starting to determine where capital, jobs, and housing move next," he said.

"Our latest 2025 Industrial Report pulls these threads together, with exclusive insights from policy makers, government think-tanks, industry insiders, and more.

"If you're planning around Malaysia's next decade of growth, this would be a good read," Ong added.

SOURCE LINK: https://www.edgeprop.my/content/1915080/bridging-borders-malaysia-taiwan-explore-synergies-industrial-resilience-urban-housing?fbclid=IwY2xjawPftBZleHRuA2FlbQlxMQBicmlkETFGQmhuTjdiMTJOQIZMTHlwc3J0YwZhcHBfaWQQMjlyMDM5MTc4ODIwMDg5MgABHomLLiXyiYFz69cxX7vt-GaE4OQ2cWRefyCaUAJK5D9DUQp9fiy4PhqjodA9_aem_5vAuMOiXBOyRk5k1WSJauQ

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Bridging borders: Malaysia, Taiwan explore synergies in industrial resilience, urban housing

By Jacqueline Lim



At the OMEGA 2 Yangmei facility, Dato' Ng Seing Liong JP (foreground) and the Malaysian delegates observed how multi-storey smart warehousing and shared automation create high-efficiency industrial clusters via vertical design.

TAIPEI (Jan 22): In a dense corner of Taoyuan, Taiwan, autonomous AGV (automated guided vehicle) robots glide through a smart warehouse with surgical precision, processing high-tech components from the second a sale is recorded, to final packing—all in under 12 minutes.

An hour away, in the heart of the Zhonglu District, a Gold-certified social housing ecosystem showcases solar panels and rainwater harvesting systems woven into a landscape of lush vertical gardens. Its wide, pedestrian-friendly boulevards present a beautiful case of urban planning harmony, where high-tech infrastructure and the natural world exist as one.

These scenes formed the backdrop of a four-day study tour organised by the Real Estate and Housing Developers' Association (Rehda) Institute late last year, which brought together a Malaysian

delegation of developers and government officials from the Housing and Local Government Ministry (KPKT), and district planners to witness Taiwan's operational model for urban resilience.

The group arrived to find a city riding a historic economic surge, fuelled by its role in the global AI (artificial intelligence) supply chain. Yet, moving through Taoyuan's industrial corridors and Taipei's vertical neighbourhoods simply revealed that this growth was not built on technology alone. Resilience, both in urban infrastructure and industrial strategy, serves as a primary competitive advantage in a volatile global market.

'Malaysia Madani' meets Taiwanese innovation

Taiwan's economy is driven by exports that account for roughly 70% of its gross domestic product (GDP). This momentum

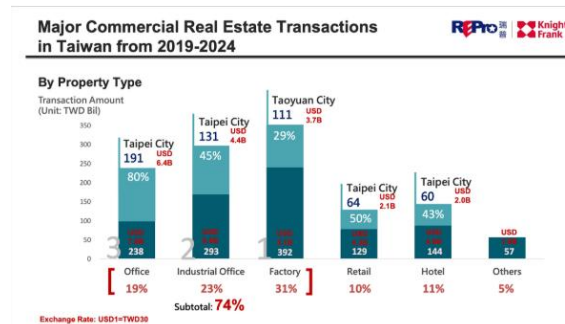
sustained a 4.45% growth rate in 2025, fuelled primarily by foreign trade.

"Malaysia and Taiwan are important business partners. In 2024, total trade amounted to approximately US\$34 billion (about RM137.29 billion), making Taiwan the fifth largest global trading partner for Malaysia," said Rehda Institute trustee Datuk Ng Seing Liong in his welcoming remarks to officiate Day 1 of the business networking session.

"Our goal is to strengthen collaboration, industry exchange, and expand opportunities ... in the areas of industrial development, sustainability, advanced manufacturing, and smart logistics," said Ng.

According to REPro Knight Frank managing director Cliff So, InvesTaiwan (a government-backed investment strategy) has been instrumental in successfully attracting investors back to Taiwan from 2019 to 2025.

"These programmes focus on repatriating major Taiwanese businesses, and modernising local small and medium enterprises (SMEs), providing the steady capital flow needed to sustain a high-velocity industrial sector," he said.



Malaysian Friendship & Trade Centre president Aznifah Isnariah Abdul Ghani noted that the strength of the bond lies in "practical, business-driven cooperation" rather than diplomatic formality.

"Too often, our industries move in parallel, but not always in conversation with one another," Aznifah observed. "When we talk about industrial development, it's also

important to remember why we build in the first place: our people."

With Malaysia projected to reach "aging nation" status by 2030, the delegation looked to Taiwan as a laboratory for survival. The challenge, as Aznifah framed it, is to design cities that support health, wellbeing, and dignity, as these are values central to the "Malaysia Madani" vision of a compassionate society.

Will a '12-minute industrial speed' be our next frontier?

The industrial focus centred on the **Farglory Free Trade Zone (FTZ)** and **Ally Logistic Property's (ALP) OMEGA 2** facility, two sites that redefine "time-to-market". In a domestic economy where exports account for 70% of the GDP, Taiwan treats logistics with the same urgency as the semiconductors it supports.

At Farglory, the delegation observed a regulatory masterclass. To entice the 122 Taiwanese manufacturers currently in Nvidia's supply chain, the FTZ has condensed the standard 45-day application process for business establishment into just weeks. Its 24-hour "C1" customs clearance allows high-compliance companies to bypass physical inspections entirely, functioning as a seamless extension of the global factory floor.

Meanwhile **ALP's OMEGA 2 Yangmei**, located further inland, operates as a high-tech distribution engine. By employing a fleet of autonomous robots, this Yangmei facility provides logistics as a subscription-based utility, allowing multiple brands to share the same automated infrastructure. For the e-commerce and medical sectors, where static inventory is a liability, ALP has achieved a benchmark of 12 minutes from order to dispatch.

"However, the real takeaway is the need for digital integration, moving away from conventional communication with customs towards the seamless, system-to-system data exchange we witnessed in the FTZ. For Malaysia to scale, we must move beyond

traditional business parks and embrace this high-tech, stakeholder-driven model," said Sim.



Knight Frank Malaysia senior executive director Allan Sim observed that the potential for vertical warehousing and Automated Storage and Retrieval Systems (ASRS) is particularly relevant as land becomes scarcer.

"Dignity by Design" is a social housing reality"

In the social housing sector, the delegation visited the **Zhonglu 3 Residence**, a 2025 Fiabci World Gold Winner, and an urban regeneration success. Costing US\$57.5 million to construct, Zhonglu 3 offers 417 units over a 68,774-sq ft site in Taoyuan, the fastest-growing city in Taiwan with the youngest average age (42.4 years).

The project embodies the **"15-minute living circle"** concept, a planning masterstroke that treats a residential building as a microcosm of a city. Designers meticulously co-located essential social services within the complex, ensuring that a resident can access childcare, elderly, and medical consultation without ever crossing a major intersection.

This inclusive social housing approach is specifically designed to reduce social stigmatisation by creating a high-quality environment that neighbours envy rather than avoid.

The "people-led" approach extends into the digital and behavioural realm. Residents manage their communal lives via a smart app-based points system. For example, a 3-bedroom unit is allocated 37 points monthly; where a 30-minute session in the library or gym costs 1 point, encouraging a self-regulating, high-utility sharing

economy. To maintain a standard of living that rivals' private luxury condos, the planning integrates touch-free recycling and vacuum-sealed trash systems, ensuring that "affordable" never equates to "unhygienic".

Perhaps the most forward-thinking planning element is the inclusion of the *Skyline International Accelerator*. By dedicating ground-floor space to a startup incubator, the Taoyuan government has turned social housing into a ladder for economic mobility.

Young entrepreneurs don't just live in Zhonglu 3; they build businesses there, ranging from antibiotic-free poultry solutions to smart energy startups, creating a "live-work" synergy that anchors the youth to the community.

In Taipei, the **Guangci Social Housing** project proved that urban regeneration can win over even the fiercest sceptics. In a city where 70% of homes are over 30 years old, the project initially faced local protest. The city responded by turning the development into a "Positive Asset" for the entire neighbourhood, adding public clinics, a massive urban park, and an on-site MRT station. By the time of the visit, the narrative had flipped: social housing was the catalyst for the district's rebirth.

The invisible architecture of survival

While the aesthetics of these buildings impressed the Malaysian delegates, the most critical planning happens below the surface. At the **National Science and Technology Center for Disaster Reduction (NCDR)**, the delegation saw how Taiwan's housing is integrated into a high-tech safety net.

The NCDR utilises a 5D Smart City Platform, a digital twin of the entire urban landscape. This is not just a map; it is a predictive tool that integrates real-time data from the P-Alert Seismic Sensor Network. These sensors are installed in the basements of social housing projects and schools, providing a critical "Earthquake early

warning" that can automatically trigger the shutdown of gas lines and elevators seconds before the shockwaves arrive.

At the **Matsuzawa** site in Yilan, planners built the Lead Rubber Bearings (LRB)—square-type base isolation units—that allow a building to withstand an 80cm shift during a 7.0 Richter earthquake. These systems, designed to last over 100 years, treat the building's foundation as a shock absorber, ensuring that even in the most violent tremors, the residents inside, and the high-value industrial assets nearby, remain undisturbed.

The trip concluded at **Taipei 101**, the ultimate symbol of this philosophy. From its 660-tonne tuned mass damper that keeps the tower steady in typhoons to the refrigerated storage that keeps food waste odourless, the tower proved that excellence lies in the details of the human experience.



A delegate participating in the trip, Salt & Realty Sdn Bhd director Norman Soo, said

the programme was enlightening as it exposed how Taiwan's precision in technology and design enable smarter logistics solutions that are shaping the future of industrial real estate.

"We gained some valuable lessons that are adaptable to Malaysia's evolving industrial sector," said Soo. "Our visit to Lee Shinn Construction was equally eye-opening. Taiwan integrates seismic engineering and structural resilience into their buildings, and while Malaysia is not exposed to earthquakes, the engineering mindset is admirable as advanced industries increasingly seek buildings with sound structural quality, compliance, and long-term resilience."

At the end of the delegation's study trip, Ng summarised the path forward: "The future of Malaysian industrial real estate lies in cost-sharing and high-velocity automation. For Malaysia to remain competitive in the global export-import market, owners and developers must shift away from traditional structures towards automated, shared-resource environments that leverage the same legal and investment frameworks that have made Taiwan a magnet for foreign capital".

EdgeProp Malaysia was an exclusive media partner for the AREL (Asia real estate leaders) Industrial Business Matching and Sustainability Study Tour to Taipei, Taiwan, organised by think-tank organisation Rehda Institute on Nov 18-21, 2025.